

SUFFOLK COUNTY EXECUTIVE SECTION A9-6 HEARING NOTICES

NOTICE FOR HAUPPAUGE

NOTICE IS HEREBY GIVEN that the Suffolk County Executive, pursuant to Section A9-6 of the Suffolk County Administrative Code, will hold a public hearing on a proposal/plan to transition the Riverhead Health Center located at 300 Center Drive, Riverhead, New York 11901 to a Federally Qualified Health Center and to provide primary health care services through an entity other than Suffolk County government and/or the Suffolk County Department of Health Services, using employees other than employees of the County of Suffolk. The proposal/plan is set forth in Suffolk County Introductory Resolution No.1435 -2015 and the accompanying documents. Additional copies are available online at the Suffolk County Department of Health Services Website, Electronic Documents, <http://apps.suffolkcountyny.gov/health/scdhsa96report.pdf>. A public hearing on the proposal/plan to transfer operation of the health center will be held at 5:00 p.m., prevailing time, on June 17, 2015 in Media Room 182 of the H. Lee Dennison Building, located at 100 Veterans Memorial Highway, Hauppauge, N.Y. 11788, at which time all interested persons will be heard.

NOTICE FOR RIVERHEAD

NOTICE IS HEREBY GIVEN that the Suffolk County Executive, pursuant to Section A9-6 of the Suffolk County Administrative Code, will hold a public hearing on a proposal/plan to transition the Riverhead Health Center located at 300 Center Drive, Riverhead, New York 11901 to a Federally Qualified Health Center and to provide primary health care services through an entity other than Suffolk County government and/or the Suffolk County Department of Health Services, using employees other than employees of the County of Suffolk. The proposal/plan is set forth in Suffolk County Introductory Resolution No.1435-2015 and the accompanying documents. Additional copies are available online at the Suffolk County Department of Health Services Website, Electronic Documents, <http://apps.suffolkcountyny.gov/health/scdhsa96report.pdf>. A public hearing on the proposal/plan to transfer operation of the health center will be held at 12:00 p.m., prevailing time, on June 18, 2015 at the Maxine Postal Auditorium, Riverhead County Center, located at 300 Center Drive, Riverhead, New York 11901 at which time all interested persons will be heard.

Intro. Res. No. - 2015

Laid on the Table 5/12/2015

Introduced by Presiding Officer on request of the County Executive

RESOLUTION NO. - 2014, REQUESTING LEGISLATIVE APPROVAL OF A CONTRACT WITH HUDSON RIVER HEALTHCARE, INC. (HRHCare) FOR THE OPERATION OF THE RIVERHEAD HEALTH CENTER

WHEREAS, there is an unprecedented fiscal crisis in the County of Suffolk, in part due to substantial reductions in Article 6 State Aid funding for services provided in the County's network of Health Centers; and

WHEREAS, the New York State Department of Health (NYSDOH) has encouraged the Suffolk County Department of Health Services (SCDHS) to exit the direct health care business for primary care; and

WHEREAS, on June 21, 2012 a Request for Proposals (RFP) Waiver was approved for the Department of Health Services to enter into a contractual agreement with Hudson River Healthcare, Inc. (HRHCare) for administrative, management and primary health care services at County-operated centers, including the Riverhead Health Center; and

WHEREAS, HRHCare is a not-for-profit, New York State licensed, Federally Qualified Health Center (FQHC) delivering culturally sensitive, linguistically appropriate, full life cycle primary, preventative, behavioral, and oral healthcare, as well as Family Planning, HIV, TB, and STD services, and other enabling services to medically underserved populations throughout the Hudson Valley and Long Island areas; and

WHEREAS, HRHCare is the only FQHC currently operating in Suffolk County;
and

WHEREAS, the proposed plan authorizes the transition of the Riverhead Health Center to HRHCare; and

WHEREAS, this transaction will maintain continuity of care to patients during the transition, and will expand services in compliance with FQHC program requirements; and

WHEREAS, County employees assigned to the Riverhead Health Center will be reassigned within the Department of Health Services or will continue to work for the County providing services at the Riverhead Health Center without any lay-offs resulting from this proposed plan; and

WHEREAS, Section A9-6 of the Suffolk County Code requires that, in the event a proposal or plan to provide services at the County's Health Centers is submitted to the County Executive for the purpose of providing these services through entities other than Suffolk County Government and/or the Suffolk County Department of Health Services, using employees other than employees of the County of Suffolk, then at least two (2) public hearings shall be held by the County Executive and two (2) public hearings shall be held by the County Legislature on the particular proposal or plan; and

WHEREAS, the back-up documentation to this Resolution includes a summary document and five (5) year fiscal impact statement as required by Section A9-6 of the Suffolk County Code, available for review at the required public hearings; and

WHEREAS, the proposed agreement requires payment to HRHCare from the County for a five (5) year period, expected to begin in 2015 totaling \$13.2 million over that period, and will result in an estimated net savings to Suffolk County over the five (5) year period of over \$11.1 million; and

WHEREAS, HRHCare will provide for the continuation of a program for outpatient diagnosis and treatment of New York State mandated public health services on behalf of the County in a separate written agreement with the County; and

WHEREAS, HRHCare will operate the Health Center at its current location, at County Center, 300 Center Drive, Riverhead, New York through a lease agreement with the County; now, therefore be it

1st **RESOLVED**, that in compliance with Section A9-6 of the Suffolk County Code, the County Executive and the County Legislature each held and concluded the required public hearings in the western and eastern portions of Suffolk County for consideration of the proposal/plan set forth by the Department of Health Services; and be it further

2nd **RESOLVED**, that in compliance with § A9-6 of the Suffolk County Code there has been presented to this Legislature:

- a.) A plan/proposal from the Department of Health Services relating to the transition of the Riverhead Health Center to a FQHC to be operated by Hudson River Healthcare, Inc. documenting budgetary savings, which plan/proposal has been accompanied by a written evaluation of the cost of performing services through the County Government as compared to the cost of performing services by HRHCare as set forth in the plan/proposal and includes an evaluation and analysis of the quality of services to be provided under the plan/proposal, as compared to the quality of services being provided by the County through the Department of Health Services (**Exhibit 1**); and
- b.) Written certification by the Legislative Budget Review Office that the plan/proposal will result in a cost savings to the County in at least each of the first five years of said plan or proposal of at least 10% in each of those first five years, as measured by net County expenditures; and
- c.) Written documentation from the New York State Department of Health (**Exhibit 2**);

and be it further

3rd **RESOLVED**, that this Legislature hereby ratifies and approves the documentation described in paragraphs a.), b.) and c.) of the 2nd RESOLVED clause of this Resolution, and Legislative approval of this Resolution is conclusive evidence of full compliance with §A9-6 of the Suffolk County Administrative Code and shall apply to all actions and transactions occurring on or after final adoption of this Resolution: and be it further

4th **RESOLVED**, that the County Executive is hereby authorized to execute an agreement with Hudson River Healthcare, Inc., in a form substantially similar to the draft attached hereto, for a term not to exceed five (5) years, subject to the approval of the County Attorney, for the operation of a Health Center in Riverhead under the Article 28 license of HRHCare, and to assist this entity in the establishment of a FQHC Health Center at this site,

contingent upon State approvals necessary for SCDHS to cease operations of its existing Article 28 health center at the current Riverhead site, and also contingent upon federal and State approvals necessary for HRHCare to begin operation of an Article 28 FQHC health center in a seamless transition (**Exhibit 3**); and be it further

5th **RESOLVED**, that the financial arrangement with HRHCare shall be in the form of a Community Benefit Grant limited to a term of five (5) years, a lease agreement for a term not to exceed fifteen (15) years and certain assets and inventory used in the Health Center, without further financial commitment on the part of Suffolk County or SCDHS; and be it further

6th **RESOLVED**, that all current County employees assigned to the Riverhead Health Center will be reassigned to other positions within the Department of Health Services or will continue to work for the County providing services at the Riverhead Health Center without any lay-offs resulting from this proposed plan; and be it further

7th **RESOLVED**, that assets and inventory used to carry out the function and operation of the existing Riverhead Health Center as set forth in the proposed agreement presented with this Resolution as Exhibit 3 are declared surplus to the County needs; and be it further

8th **RESOLVED**, that the agreement presented with this Resolution as Exhibit 3 may include the transfer of designated equipment and furniture to HRHCare purchased with either County or State funds, a review by the County Attorney having determined that there are no bonding issues preventing transfer of the equipment and furniture; and be it further

9th **RESOLVED**, that the County Legislature hereby authorizes the County Executive, or his designee, to execute any and all related documents necessary to effectuate or otherwise give full force and effect to this transaction, the execution of which by the County Executive and/or his designee shall be conclusive evidence of the approval, the authorization and the direction thereof of this Legislature; and be it further

10th **RESOLVED**, that this Legislature, being the State Environment Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20) and/or (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

DATED:

APPROVED BY:

County Executive of Suffolk County

Date of Approval:

EXHIBIT 1

REPORT TO THE SUFFOLK COUNTY
LEGISLATURE PURSUANT TO SUFFOLK
COUNTY ADMINISTRATIVE CODE,
SECTION A9-6

*PROCEDURES FOR REVIEW OF
PRIVATIZATION INITIATIVES*

SUBMITTED BY THE SUFFOLK COUNTY
DEPARTMENT OF HEALTH SERVICES

May 2015

INTRODUCTION & PURPOSE

Suffolk County Administrative Code, Article IX, Section A9-6, “*Procedures for Review of Privatization Initiatives*,” details a process that must be followed if a proposal or plan to provide services at Suffolk County’s health centers is submitted to the County Executive for the purpose of providing these services through entities other than Suffolk County Government and/or the Suffolk County Department of Health Services using employees other than employees of the County of Suffolk. The process specified in the code includes submission of written reports that address a variety of items, including the evaluation of the proposal, identification of expenditures under the plan, and a comparison of the level and quality of services to be provided under the plan as compared to Suffolk County.

A proposal for the transfer of operations of the Riverhead Health Center was recently submitted, and a resolution authorizing the transfer of the facilities to a not-for-profit entity that is a Federally Qualified Health Center (FQHC) has been submitted to the Suffolk County Legislature for consideration. This report has been prepared in accordance with the reporting requirements of Section A9-6. It also provides important historical information regarding the efforts made by the Suffolk County Department of Health Services (the Department) to improve health center operations, and outlines the process that has resulted in the recommendation to transfer operations of the health center to a FQHC.

Proposal Summary

The submitted proposal seeks to transfer operations of the Riverhead Health Center to Hudson River HealthCare, Inc. (HRHCare) as a FQHC. As a FQHC, patients can expect to not only maintain the level of services they currently receive, but also gain access to dental services and expanded hours of operation. The majority of Suffolk County Department of Health Services’ employees currently assigned to the Riverhead Health Center will be transferred to appropriate locations within the Department in accordance with all employee contract requirements. A small number of employees may continue their employment at the Riverhead Health Center through a staffing agreement with HRHCare. The facility will continue to operate in its current location in Riverhead.

HISTORICAL OVERVIEW, OPERATIONAL STUDIES AND PROCESS OVERVIEW

Suffolk County Health Center Network Historical Overview

Begun in July 1968, the Suffolk County health center system provides family-centered primary care services to County residents who could not otherwise access care. Located by design in medically underserved areas, these health centers provide access to residents who have documented health provision disparities and lack access to primary care services. In the 40+ years since the first health center was established, State Aid reimbursement has been drastically reduced while the cost to operate the existing centers has radically increased. The health centers began with a County Budget of \$100,000 for the hospitals to establish out-patient clinics, with a 50% State Aid reimbursement level. In 2008, the County received \$13 million in Article 6 State Aid compared to just \$7 million in 2012 for the operation of the health centers. The total Gross Cost to the County, from the 2012 Certified Cost Report was \$51.1 million with a reimbursement rate of 36% on basic services, which now excludes adult chronic care; the total Net Cost to the County of operating the Health Center network in 2012 was \$18.6 million. Further, the 2013 Certified Cost Report indicates the total Gross Cost to the County was \$49.9 million. The County received \$7.5 million in State Aid, and the total Net Cost to the County was \$21.9 million. Other third party payments (Insurance, Managed Care, Medicaid, Medicare, Bad Debt and Charity Care), patient payments, and grants contributed to the revenue receipts.

Today, the County operates two (2) health centers through the Department's Division of Patient Care Services. The Riverhead Health Center is primarily County staffed and operated. The Brentwood Family Health Center is staffed and operated under a contract with an affiliated hospital. A proposal to transition the Brentwood Family Health Center to HRHCare was submitted to the Suffolk County Legislature on March 24, 2015. The County also provides financial support to the following health centers operated by HRHCare as an FQHC:

- Elsie Owens Health Center at Coram, transitioned May 2012
- Kraus Family Health Center of the Hamptons, transitioned March 2014
- Maxine S. Postal Tri-Community Health Center at Amityville, transitioned June 2014
- Martin Luther King, Jr. Health Center, transitioned September 2014
- Patchogue Health Center, transitioned November 2014
- Marilyn Shellabarger Health Center at Shirley, transitioned November 2014

The County also provides support to the Dolan Family Center located in Greenlawn, which is operated by Huntington Hospital.

Services provided at the health centers include: general adult and pediatric medicine, prenatal care, gynecology, Family Planning, laboratory, and other ancillary services.¹ These centers also offer public health services such as STD, HIV and TB screening and treatment. Women, Infants and Children (WIC) Programs are also co-located at the health centers. In 2013, the health center network served 43,328 unduplicated patients with a total of 172,303 primary and ancillary visits. The Riverhead Health Center saw 5,017 unduplicated patients for 18,778 total visits.

Operational Studies and Process Overview

The Department has made significant efforts to study operations and efficiencies within the health center network. Such efforts involved the establishment of a working group which included representation from all health centers and hospital partners; implementation of best practices through the health center network, including the creation of provider productivity goals; redeployment of staff; and development of staff-to-provider ratios. Even with these practices in place, the reduction of State Aid reimbursement and increasing annual costs have forced the County to examine its role in the direct provision of medical care. In July 2009, the Department entered into a multi-year contract with John Snow Incorporated, Inc. (JSI) to enhance programs and financial operations at the County health centers. Later in the year, Resolution 1260-2009 established the Suffolk County Health Center Financial Review Committee (the Committee) to review current operations at the health centers and determine the benefit of FQHC status for such health centers. The Committee issued a report in February 2010 which recommended that the County pursue an application for FQHC status while continuing to examine ways to increase efficiency, reduce costs, and increase revenue.

JSI also recommended that the County apply for FQHC designation for the health center network as well as implementing efficiency improvements and revenue enhancements such as strengthening the Medicaid eligibility assistance process and working with collection policies and procedures.

In December 2010, the Department responded to a competitive announcement from the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA) for the establishment of up to 300 FQHCs nationwide. While the application scored highly, federal budget cuts reduced awards from 300 to 78 and limited those awards to specialty FQHCs (e.g., homeless and migrant care). As a result, the Department's application for FQHC designation was denied in 2011.

¹ Not every health center offers every service.

A second option recommended by the Committee was securing FQHC “Look-Alike” designation. This process would require the use of consultants and the health centers would need to meet FQHC requirements prior to submission of the application. It should also be noted that FQHC Look-Alikes are not eligible for Federal Tort Claims Act (FTCA) medical malpractice coverage, which is a significant cost savings and important benefit of the program. The benefit of the FTCA is that the County would no longer assume liability for medical malpractice of providers under the County’s Self-Insurance Program. Given the County’s fiscal situation, it has been determined that resources are not available to expand services in order to apply for and meet the requirements of FQHC Look-Alike status.

In 2011, the prior Administration recommended closure of the Elsie Owens North Brookhaven Health Center at Coram (Coram Health Center) as a result of the reduced level of State Aid (Article 6 reimbursement). In response to the recommendation of closure, New York State Department of Health (NYSDOH) proposed an alternative plan in which the County partnered with an established FQHC for operation of the Coram Health Center.

In May 2012, operation of the Elsie Owens Health Center was successfully transitioned to Hudson River HealthCare, Inc. (HRHCare), an FQHC designee. An RFP Waiver to enter into negotiations with HRHCare for the administration and management of the Southampton and East Hampton Health Centers; Maxine S. Postal Tri-Community Health Center; and the Riverhead Health Center was approved in June 2012. Southampton and East Hampton Health Centers were consolidated and transitioned to HRHCare in March 2014, followed by the transition of the Maxine S. Postal Tri-Community Health Center in June 2014. A second RFP Waiver was approved in October 2013 for negotiations of the hospital-operated health centers which included approval for the transition of the Martin Luther King Jr. Health Center in September 2014 and the Patchogue and Shirley Health Centers in November 2014.

The Department believes that the proposal being submitted best meets the needs of the community and interested parties. This proposal involves a contract with HRHCare for the operation of the Riverhead Health Center at its current site in Riverhead.

A9-6 D – EVALUATION AND ANALYSIS

According to Suffolk County Administrative Code, Article IX, Section A9-6D:

“Such written report shall include an evaluation and analysis of the cost of performing services through county government as compared to the cost of performing the services through the pertinent plan or proposal and shall include an evaluation and analysis of the quality of services to be provided by the plan or proposal, as compared to the quality of services being provided by the County of Suffolk through the Department of Health Services.”

The total net benefit to Suffolk County for transferring operations of the Riverhead Health Center to Hudson River HealthCare is calculated by analyzing the operational savings achieved by no longer operating the facility. A five-year analysis of the fiscal impact for transferring operations of the facility results in net operating savings of approximately \$11.1 million.

A detailed five-year analysis of the operating savings resulting from the transfer of operations to HRHCare and the cost of performing services through Suffolk County as compared to HRHCare follows. In accordance with Section A9-6H, the proposed plan *“will result in a cost savings to the county in at least each of the first five years of said plan or proposal of at least 10% in each of those first five years, as measured by net county expenditures...”*

The cost savings to the County meets the 10% threshold each year ranging from 44% in Year 1 to 50% in Year 5.

| Riverhead Health Center: Analysis of the Cost of Services through County v. Cost of Services through HRH Proposal | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------|
| A. Cost of Services through HRH Proposal | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 (End) | Total Years 1-5 |
| Total County Expenditures for Services through Proposal CBG | \$ 2,662,800 | \$ 2,631,400 | \$ 2,626,800 | \$ 2,623,500 | \$ 2,616,700 | \$ 13,161,200 |
| <less> 36% State Aid of eligible expenses | 159,768 | 157,884 | 157,608 | 157,410 | 157,002 | 789,672 |
| Net County Expenditures for Services through Proposal | \$ 2,503,032 | \$ 2,473,516 | \$ 2,469,192 | \$ 2,466,090 | \$ 2,459,698 | \$ 12,371,528 |
| B. Cost of Services through County | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Total Years 1-5 |
| Contract Payments | \$ 492,400 | \$ 502,248 | \$ 512,293 | \$ 522,539 | \$ 532,990 | \$ 2,562,471 |
| County Indirect Expenses | 778,004 | 793,564 | 809,435 | 825,624 | 842,136 | 4,048,762 |
| County Direct Expenses | 6,742,625 | 6,877,478 | 7,015,027 | 7,155,328 | 7,298,434 | 35,088,893 |
| Total County Expenditures for Services through County | \$ 8,013,029 | \$ 8,173,290 | \$ 8,336,755 | \$ 8,503,491 | \$ 8,673,560 | \$ 41,700,125 |
| <less> Revenue (Self-Pay and 3rd Party) | 2,573,270 | 2,624,735 | 2,677,230 | 2,730,775 | 2,785,390 | 13,391,400 |
| <less> Bad Debt & Charity Care | 578,238 | 566,673 | 555,340 | 544,233 | 533,349 | 2,777,833 |
| <less> 36% State Aid of eligible expenses | 396,700 | 406,521 | 416,502 | 426,644 | 436,953 | 2,083,321 |
| Net County Expenditures for Services through County | \$ 4,464,821 | \$ 4,575,359 | \$ 4,687,684 | \$ 4,801,839 | \$ 4,917,868 | \$ 23,447,571 |
| 5-Year Net (Cost)/Savings Comparison | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Total Years 1-5 |
| Net County Expenditures for Services through Proposal | \$ 2,503,032 | \$ 2,473,516 | \$ 2,469,192 | \$ 2,466,090 | \$ 2,459,698 | \$ 12,371,528 |
| Net County Expenditures for Services through County | \$ 4,464,821 | \$ 4,575,359 | \$ 4,687,684 | \$ 4,801,839 | \$ 4,917,868 | \$ 23,447,571 |
| Net (Cost)/Savings Comparison (County Net - Proposal Net) | 1,961,789 | 2,101,843 | 2,218,492 | 2,335,749 | 2,458,170 | 11,076,043 |
| 10% Savings of Net County Expenditures for Services through County (\$ A9-6 test: Net Savings must be > this 10% threshold) | 446,482 | 457,536 | 468,768 | 480,184 | 491,787 | |
| % Savings of Net County Expenditures for Services through Proposal (\$ A9-6 test: % Savings must be > 10%) | 44% | 46% | 47% | 49% | 50% | |
| Does Proposal meet § A9-6 test for 10% Annual Net Savings? | YES | YES | YES | YES | YES | |

To compare the quality of services that are being provided by Suffolk County at the health centers as compared to the services that will be provided by HRHCare, several factors can be examined, including FQHC status; commitment to expansion of services; and experience.

1. Federally Qualified Health Center Status

Most significant is the fact that Hudson River HealthCare is a Federally Qualified Health Center (FQHC). An FQHC is a type of provider defined by the Medicare and Medicaid statutes, and must provide preventative and primary health care services for all age groups regardless of a patient's ability to pay.² Other requirements that must be provided include dental services; mental health and substance abuse services; transportation services necessary for adequate patient care; and hospital and specialty care.

FQHC status provides several benefits to health center operators, including:

- Fair Payment for Medicare and Medicaid reimbursement;
- Medical malpractice coverage through the Federal Tort Claims Act;
- Eligibility to purchase prescription and non-prescription medications for outpatients at reduced cost through the 340B Drug Pricing Program;
- Access to National Health Service Corps, which is part of the U.S. Department of Health and Human Services (DHHS) and administrated by the Health Resources and Services Administration (HRSA), Bureau of Clinician Recruitment and Services;
- Access to the Vaccine for Children Program, a federally-funded program that provides vaccines at no cost to children who might not otherwise be vaccinated because of inability to pay; and
- Eligibility to apply for various other federal grants and programs.³

As previously noted, the Department's application for FQHC designation was denied in 2011. As a result, the County is unable to take advantage of the many cost saving benefits that allow an FQHC to invest additional funds into quality and expansion of care.

2. Expansion of Services

Over the past several years, there has been a significant reduction in State Aid, this coupled with the County's fiscal crisis has caused many of the health centers to reduce hours of operation and in some cases, reduce or eliminate services such as radiology, mammography,

² U.S. Department of Health and Human Services, Health Resources and Services Administration, About Health Centers, Program Requirements, <http://bphc.hrsa.gov/about/requirements/index.html>

³ U.S. Department of Health and Human Services, Health Resources and Services Administration, About Health Centers, Program Benefits, <http://bphc.hrsa.gov/about/benefits/index.html>

podiatry and dental. The additional support that FQHCs receive results in not only continuity of services, but in expanded services for the community. For example, at the Coram Health Center, onsite dental services have been in place since January 2013 with approximately 1,000 individuals receiving dental care in the first year. Partnerships have also been established with local mental health organizations including Clubhouse of Suffolk for expanded mental health services, enhanced referrals and access to Article 31 level services; and F.E.G.S. Health and Human Services for screening of children, and support of HIV positive individuals for care management services. In addition, services were expanded to special populations and care has been provided to 130 migrant and seasonal farmworkers and almost 700 homeless individuals. Further, the dental suite at the Kraus Family Health Center of the Hamptons opened in January 2015 and the Maxine S. Postal Tri-Community Health Center's dental operatory is expected to open in the summer of 2015.

Riverhead Health Center patients will also experience access to expanded services, including dental care as a result of the transition to HRHCare.

3. Experience as FQHC

HRHCare is a network of 22 FQHCs located in neighborhoods around the Hudson Valley and Long Island. The organization was formed in the 1970s in response to the lack of accessible and affordable health care services, and opened its first community health center in the town of Peekskill in 1975. HRHCare operates seven (7) health centers in Suffolk County including a migrant care program located in Greenport; Elsie Owens Health Center in Coram; Kraus Family Health Center of the Hamptons; Maxine S. Postal Tri-Community Health Center in Amityville; MLK Community Health Center in Wyandanch; Patchogue Health Center; and the Marilyn Shellabarger Health Center in Shirley.

As previously noted, the transition of each health center has been a success. Each transitioned health center has implemented an electronic health record; changes were made to the physical space; and much needed services were either expanded or have planned expansions in the near future. Access to affordable health care continues through sliding scale, Medical Managed Care Plans, and commercial insurance plans. Highlights of each transition include:

- **Elsie Owens Health Center at Coram:** In 2014, HRHCare served 8,038 unique patients with 27,140 visits, providing care to over 100% of the patients seen prior to the transition. HRHCare has also achieved Patient Centered Medical Home (PCMH) Level 3 recognition at this site.
- **Kraus Family Health Center of the Hamptons:** In one year of operations, HRHCare served 3,371 patients through 13,277 visits. In addition, the Family Medicine Residency

Program was launched in July 2014. This health center also achieved PCMH Level 3 recognition in May 2015.

- **Maxine S. Postal Tri-Community Health Center:** Since opening on June 16th, 2014 and through March 2015, HRHCare has served 3,687 patients through 13,711 visits in family medicine, prenatal, HIV Care and behavioral health. Demand continues to grow and HRHCare added an additional full time clinician in early 2015. Construction for dental services will begin in 2015. This health center also achieved PCMH Level 3 recognition in May 2015.
- **Martin Luther King Health Center in Wyandanch:** In its first six months of operation, HRHCare has served 4,369 unique patients through 12,546 visits in family medicine, prenatal, HIV Care and behavioral health. The residency program has been operational since September 2015 and currently includes 40 residents in family medicine, pediatrics, OB/GYN, and podiatry. This health center has secured PCMH Level 2 recognition.
- **Patchogue Health Center:** In the first four months of operation, HRHCare has served 4,445 patients through 10,134 visits in family medicine, prenatal, HIV Care and behavioral health.
- **Marilyn Shellabarger Health Center at Shirley:** In the first four months of operation, HRHCare has provided care to 4,208 patients through 10,764 visits in family medicine, prenatal, HIV Care and behavioral health.

Newly hired staff have been trained on HRHCare's philosophy of patient centered care that involves patient education and a focus on a partnership between the patient and caregiver. The local Community Advisory Boards (CABs) remain active and continue to advise HRHCare on community needs.

HRHCare has also been recognized for the quality of services in its network including the HIMSS Davies Community Health Organization Award of Excellence for implementation of electronic health records and improving patient care and health outcomes. The organization has also been recognized by the National Committee on Quality Assurance as a Level 3 (advanced level) Patient Centered Medical Home and has been accredited by the Joint Commission for its primary and behavioral health care services since 1998.

In consideration of the many benefits afforded by FQHC status, including the expansion of services at a lower cost to the County, the release of the County from medical malpractice liability, HRHCare's experience and accreditation, and the

participation of patients on the HRHCare Board of Directors representing 51% of the Board, the quality of services to be provided by HRHCare is at least comparable to the high quality of services currently provided by the Department.

A9-6 E – WRITTEN DOCUMENTATION FROM NEW YORK STATE

According to Suffolk County Administrative Code, Article IX, Section A9-6E:

“Written documentation from the appropriate state department or state governmental entity, including a statement expressing approval of the plan or proposal and outlining projected subsequent state aid for such plan or proposal, shall accompany the proposal or plan.”

Throughout this process, the County has communicated with New York State Department of Health Bureau of Hospital and Primary Care (the Bureau). The Bureau has been informed of the proposal to transfer operations of the Riverhead Health Center to HRHCare to operate the center as an FQHC, after immediately relinquishing the Department’s Article 28 operating certificate. A preliminary letter of approval was requested by May 27, 2015. It is recognized that all required conditions of approval need to be met prior to formal State approval. The County, however, is confident that approval will be granted. HRHCare has received prior approval to operate in New York State and has a history of providing a high quality of care. In addition, the State has been supportive of all of the transitions of the County operated health centers to HRHCare.

A9-6 F – EXPENDITURE & SERVICE ANALYSIS

According to Suffolk County Administrative Code, Article IX, Section A9-6F:

“A report identifying expenditures for services under the proposal or plan, including such sums as must be expended by the County of Suffolk and/or voluntary agencies, shall also accompany the plan or proposal and shall specifically identify the precise level of services to be provided under the plan or proposal, as compared to the level of the services provided by the County of Suffolk.”

The chart on page 6 of this report identifies the expenditure for services under this proposal. HRHCare, the proposed new operator, will serve Riverhead Health Center patients in the current site in Riverhead, under an FQHC model consistent with federal regulations and

regulations of the State of New York. The scope of services available under this FQHC model will be expanded to include oral health care. Primary and preventative care for adults and children and women's health services will also be maintained. In addition, WIC, family planning, and public health services (STD and TB screening and treatment) will continue to be provided.

The Suffolk County Health Center network has always provided services to the uninsured. In 2013, approximately 40% of County health center patients were uninsured. Similarly in 2013, approximately 41% of HRHCare's entire patient population represented the uninsured. With this knowledge, we are confident that uninsured and underinsured patients will continue to have access to medical care under this proposal.

Similar to the transition of the other County operated health centers, the Department will continue its contractual relationship with HRHCare to provide testing and treatment for certain STD and TB services (as required by public health law) at the Riverhead Health Center, and provide oversight of such public health services.

SUMMARY

As this report details, it is evident from the financial analysis and quality comparison that the County will benefit significantly from the proposed transfer of operation. We are confident that the requirements of A9-6 have been fully met and that this transaction will result in the best outcomes for the County as well as for the neighborhoods surrounding the Riverhead Health Center.

Community Benefit Grant Contract

This Contract (“Contract”) is between the **County of Suffolk (“County”)**, a municipal corporation of the State of New York, having its principal office at 300 Center Drive, Riverhead, New York 11901, acting through its duly constituted **Department of Health Services (“Department”)**, located at 3500 Sunrise Highway, Suite 124, Great River, New York 11739-9006, and

Hudson River Healthcare, Inc. (“Contractor”), a New York not-for-profit corporation licensed to operate under Article 28 of the New York Public Health Law, having offices at 1200 Brown Street, Peekskill, New York 10566 and 1037 Main Street, Peekskill, New York 10566, each individually a “Party” and together referred to herein as “the Parties.”

The Parties hereto desire to make available Health Care Services (“**Services**”) at the Riverhead Health Center located at 300 Center Drive, Riverhead, New York 11901 (“**Health Center**”), for the Department as further described in this Contract.

Term of the Contract: Date through Date.

Total Cost of the Contract: Shall not exceed \$13,161,200 in the form of Community Benefit Grant funding, and as further set forth in Article II, attached.

Terms and Conditions: Shall be as set forth in Articles I and II and Exhibits 1, 2, 3,4, 5, and 6 attached hereto and made a part hereof.

In Witness Whereof, the Parties hereto have executed the Contract as of the latest date written below.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

HUDSON RIVER HEALTHCARE, INC.

COUNTY OF SUFFOLK

By: _____
Anne Nolon
President and CEO

By: _____
Dennis M. Cohen
Chief Deputy County Executive

Federal Taxpayer ID. No. 13-2828349

Date: _____

Date: _____

_____, hereby certifies
under penalties of perjury that I am an officer of
Hudson River Healthcare, Inc., that I have read and I
am familiar with §A5-7 of Article V of the Suffolk
County Code, and that Hudson River Healthcare, Inc.
meets all requirements to qualify for exemption
thereunder.

**Approved:
Department of Health Services**

Name

By: _____
Barbara Marano, CPA
Executive Assistant for Finance and
Administration

Date: _____

Date: _____

**Approved as to Form:
Dennis M. Brown, Suffolk County Attorney**

**Recommended:
Division of Patient Care Services**

By: _____
Phyllis Seidman
Assistant County Attorney

By: _____
Jennifer L. Culp, MPA
Assistant to the Commissioner

Date: _____

Date: _____

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**Exhibit D
Certification Regarding Lobbying**

DRAFT

Article I
Description of Services

Whereas, the Department is seeking to enter into a contract with the Contractor for the provision of services in accordance with Resolution No.; and

Whereas, an RFP Waiver to authorize the Department to enter into a contract for Health Care Services (“**Services**”) with the Contractor at the Health Center was issued on June 21, 2012; and

Whereas, the Contractor is an Article 28 licensed facility pursuant to New York State Public Health Law (“**PHL**”); and

Whereas, the Contractor is a Federally Qualified Health Center (“**FQHC**”) that receives federal grant support from the Health Resources and Services Administration (“**HRSA**”) within the United States Department of Health and Human Services (“**HHS**”) pursuant to Section 330 of the Public Health Service Act, to provide, or arrange for the provision of high quality, cost-effective, community-based comprehensive primary and preventive health care and related services to medically underserved communities; and

Whereas, the Contractor requires and the County agrees to provide a limited (both time-limited and monetarily-limited) Community Benefit Grant (“**CBG**”) to enable the Contractor to demonstrate financial neutrality and operate without a loss in accordance with federal requirements;

Now, Therefore, in consideration of the mutual covenants contained herein and other valuable consideration, the Parties agree as follows:

1. Conflicting Provisions

In the event of any conflict between this **Article I** and any other provision to this Contract, such other provision shall prevail unless it is expressly stated that this **Article I** shall prevail.

2. Contract Contingencies

This Contract is contingent upon State approvals necessary for the Department to cease operations of its existing Article 28 health center at the current Riverhead site, and also contingent upon federal and State approvals necessary for the Contractor to begin operation of an Article 28 FQHC health center at the current Riverhead site.

3. Contractor’s General Duties and Obligations

- a. It shall be the duty of the Contractor to discharge, or cause to be discharged, all of its responsibilities and to administer funds received in the interest of the County in accordance with the provisions of the Contract.
- b. The Contractor shall promptly take all action as may be necessary to render the Services.
- c. The Contractor shall not take any action that is inconsistent with the provisions of the Contract.
- d. Services provided under this Contract shall be open to all residents of the County.

4. Warranties and Representations

- a. The Contractor warrants that it shall become and remain during the term of this Contract, an Article 28 licensed facility at this site pursuant to the PHL and the Contractor shall immediately notify the Department of any changes relative to its status as an Article 28 licensed facility at this site or of

communications from New York State Department of Health (“NYSDOH”) relative to the Contractor maintaining such status.

- b. The Contractor warrants that it is, and shall remain during the term of this Contract, an FQHC that receives federal grant support from HRSA within HHS pursuant to Section 330 of the Public Service Act, to provide or arrange for the provision of high quality, cost effective community-based comprehensive primary and preventive health care and related services to medically underserved communities and the Contractor shall immediately notify the Department of any changes to its status as a FQHC or of communications from HHS relative to the Contractor maintaining such status.
- c. In accordance with applicable laws, including the Contractor’s Board of Directors by-laws and nominating process, the Contractor agrees that its Board of Directors shall maintain a total of two (2) Suffolk County residents for the Term of this Contract.
- d. The Contractor shall maintain the name “Riverhead Health Center” both on the exterior façade of the facility and on all correspondence and documents required for operation of the facility, in addition to its own name.

5. Health Center Programs

- a. The Contractor shall furnish adequate, qualified and trained personnel, and such other services as may be necessary to provide health care services to patients of the Health Center in compliance with its license issued pursuant to Article 28 of the New York State Public Health Law and its obligations and requirements for the maintenance of an FQHC. The operation of the Health Center Program shall be performed in a competent, skillful, efficient and professional manner by the Contractor.
- b. The Contractor shall provide, as part of the Services of the Health Center, a program for immunization of infants and children. The goal of this program shall be to increase immunization levels by removing, to the fullest extent, possible limitations on access to immunizations and unnecessary barriers to immunization.

6. Family Planning Services

- a. The Contractor agrees that for the Term of this Contract the Contractor shall provide Comprehensive Family Planning and Reproductive Health Care Services (“**Family Planning Services**”). Such services shall include: a screening medical history and physical examination; screening for health risk factors, including cervical cancer, sexually transmitted diseases and HIV/AIDS; disease prevention/health promotion education and counseling; and pre-conceptual counseling.
- b. The Department shall use best efforts to work with NYSDOH and the Contractor to transfer the Department’s current Family Planning Services grant to the Contractor and the Contractor agrees to use best efforts to apply for similar grants and funding when eligible to do so.

7. Tuberculosis and Sexually Transmitted Disease Services

The Contractor agrees that for the Term of this Contract and, if requested by the County, for the subsequent period of time that the Contractor is operating the Health Center in a County-owned or County-leased facility, the Contractor and the County shall, in a separate written agreement signed by both parties, provide a program for outpatient diagnosis and treatment of tuberculosis infection and disease and for diagnosis and treatment of sexually transmitted diseases.

8. Space for County Operated WIC Programs

- a. The County is the grantee and operator of the Women, Infants and Children's ("WIC") Nutrition Program in Suffolk County. The County and the Contractor jointly recognize the desirability of providing to the patients of the Health Center and other residents of the area the food vouchers and nutrition counseling services of the WIC Program. The Contractor agrees that for the Term of this Contract and for the period of time that the Contractor is operating the Health Center in a County-owned or leased facility, the Contractor shall provide adequate space and telephone service in the Health Center, at no additional cost to the County, for County staff and equipment to operate the WIC Program. The County agrees that the equipment purchased and installed by the Contractor to operate the WIC program will remain the property of the Contractor.
- b. Contractor shall provide all maintenance and custodial services for the space reserved for County programs.

9. Health Center Premises

The Contractor's responsibility for the premises comprising the Health Center, including the building, and all related facilities, improvements, permanent installations, and parking used in the operation of the building shall be as set forth in the "Lease Agreement" executed by the parties and any amendments thereto (**Exhibit 5**), which shall be incorporated by reference herein.

10. Equipment and Furnishings

- a. The equipment and furnishings listed in the "Equipment and Furnishings Transfer List" attached hereto (**Exhibit 6**) and made a part hereof has been declared surplus by Suffolk County and shall be transferred "as is" to the Contractor upon execution of the Contract.
- b. Applicable warranties and available documents evidencing ownership of such equipment and furnishings shall be transferred by the County to the Contractor upon execution of the Contract.
- c. Without limiting the provisions of Exhibit 1, paragraph 10. of this Contract entitled "Indemnification and Defense," it is expressly understood that Contractor accepts and assumes all risk of liability and agrees to defend, indemnify and hold harmless the County, its agents, servants, officials, and employees from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, suits or actions, costs, and expenses with regard to the equipment and furnishings transferred hereunder and the Contractor is estopped and precluded from asserting any theories of liability against the County or seeking any remedies from the County in connection with such equipment and furnishings. The County assumes no liability whatsoever for such equipment and furnishings.

11. General Public Health Works Services

It is understood that the nature and extent of any of the Services hereunder related to NYSDOH defined "General Public Health Works" ("GPHW") campaign, which are provided by and claimed under the Contract by the Contractor shall be subject to the general supervision, review and control of the Commissioner or the Commissioner's duly delegated representative. Such services may include, but are not limited to, chronic disease prevention, communicable disease control, and immunization. The operation of such programs shall be performed in a competent, skillful, efficient and professional manner by the Contractor.

12. Excluded/Debarred Party

The Contractor represents and warrants that neither it, nor its employees or contractors, are excluded from participation, and are not otherwise ineligible to participate in a "federal health care program" as defined in 42 U.S.C. § 1320a-7b(f) or in any other government payment program. In the event Contractor, or one of its employees or subcontractors, is excluded from participation or becomes otherwise ineligible to participate in any such program during the Term of the Contract, the Contractor shall notify the Department in writing within three (3) days after such event. Upon the occurrence of such event, whether or not such notice is given to the Contractor, the Department reserves the right to immediately terminate the Contract. The Contractor further represents and warrants it shall, at a minimum, check all of its employees and subcontractors on a monthly basis against:

- a. The General Services Administration's Federal Excluded Party List System or any successor system; and
- b. The United States Department of Health and Human Service's Office of the Inspector General's Lists of Excluded Individuals and Entities or any successor list; and
- c. The New York State Department of Health's Office of the Medicaid Inspector General's list of Restricted, Terminated or Excluded Individuals or Entities.

Notwithstanding the terms of Exhibit 1, paragraph 2, the Contractor's failure to comply with the requirements of this paragraph shall constitute an Event of Default.

13. Reports/Progress Meetings

- a. The Contractor shall meet with the Department as reasonably requested to report on the Services provided pursuant to this Contract.
- b. The Contractor shall be responsible for issuing timely reports in writing on the status of Services and pending and proposed activities at the Health Center, in a form and manner as may reasonably be requested by the Department, including but not limited to:
 - i. Semi-Annual financial status reports for years one through five of the Contract;
 - ii. Annual Report of Actual Net Expenditures (Health Center Gross Expenditures less Revenues excluding Community Benefit Payment), and comparison of Statement of Expenditures and Revenues to the original proposed five (5) year model by the Contractor;
 - iii. Quarterly reports of patient counts, visits, demographics and diagnosis codes provided for years one through five of the Contract;
 - iv. Copies of annual reports provided by the Contractor to State and federal entities for years one through five of the Contract;
 - v. Copies of any reports related to this Contract that are required to be provided by the Contractor to NYSDOH, as may be requested by the Department for all Contract years.

14. Furnishing of Information

The Contractor shall furnish, at such reasonable times as the Department may request, any and all information concerning the Health Center, including, but not limited to, the medical, statistical, administrative, and fiscal operations carried out under this Contract.

15. Compliance with New York State Health Regulations

To the extent applicable and in accordance with Title 10 N.Y.C.R.R. section 400.4 entitled “All Facilities-General Requirements, Contracts”:

- a. The Contractor shall comply with applicable provisions of Chapter V of Title 10 (Health) of the New York Codes, Rules and Regulations, entitled “Medical Facilities.”
- b. Pursuant to Title 10 N.Y. C. R. R. section 400.4 (4) the Parties agree that: “Notwithstanding any other provision in this Contract, the facility remains responsible for ensuring that any service provided pursuant to this Contract complies with all pertinent provisions of federal, State and local statutes, rules and regulations.” For purposes of this Contract, the “facility” shall mean the Contractor.

16. Federal Requirements Relating to Access to Records

To the extent applicable, in accordance with Section 1861(v)(i) of the Social Security Act, as amended by Public Law 96-499, and the regulations promulgated thereunder (42 CFR Part 420), the Secretary of the Department of Health and Human Services or the Comptroller General (or their duly authorized representatives) may request, and the Contractor shall provide, review of this Contract and any agreement between the Contractor and a related organization with respect to services provided to the Contractor exceeding ten thousand dollars (\$10,000) over any twelve-month (12) period and such other books, documents and records necessary to verify the nature and extent of the costs incurred under such agreements. Access to such agreements, books, documents and records shall be available for four (4) years subsequent to the provision of such services.

17. Maintenance of Medical Records

All Medical, Unit and Case Records of patient records and charts, including Master Card Files, whether paper or electronic, that pre-date the execution date of this Agreement (“**Existing Records**”) shall be held for the County by the Contractor as custodian pursuant to the terms of the “Medical Record Custodial Agreement” executed by the Parties and incorporated by reference herein (**Exhibit 4**). In the event of any conflict between this paragraph and the Medical Record Custodial Agreement, the latter shall prevail unless it is expressly stated that this paragraph shall prevail.

18. Separate Books and Records

The Contractor shall keep and maintain effective and separate records concerning all costs incurred and income directly received by the Contractor in the performance of this Contract and shall have available for audit and inspection by federal, State and County governments, all of its plants, facilities, statistical, financial, accounting and other books and records, including, but not limited to, those pertaining to the Services funded by this Contract, at all reasonable times and places during the period of this Contract and for at least seven (7) years from the date of final payment hereunder or for such longer period as the Department in writing shall require. The Contractor further agrees that it shall keep its clinical and all other program records available for inspection and evaluation by properly authorized personnel of the County, the State and the Government of the United States, subject to any limitations or restrictions imposed by any statutes, rules or regulations governing confidentiality of patient records. The Contractor, in accordance with the policies and procedures developed by the County, shall keep separate books and records of all revenues remitted directly to the Health Center. Such books and records shall not include revenues received directly by the

County for services rendered at the Health Center. Furthermore, such books and records shall be made available in accordance with the aforementioned provisions.

19. Insurance

In addition to the provisions of paragraph 11. of Exhibit 1 to this Contract, during the Term and until the anniversary of the last day of the Term or earlier termination of this Contract, the Contractor shall secure and maintain in full force and effect, at the Contractor's sole expense, comprehensive professional liability insurance covering all licensed personnel providing services at the Health Center with limits equal to or greater than those referenced in subparagraph a.iv. of paragraph 11. of Exhibit 1 to this Contract.

20. Compliance with False Claims Policy and Code of Conduct

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of the Department's Mandatory Provider Compliance/False Claims Policy ("**Policy**") and Code of Conduct and any amendments thereafter. Said Policy and Code of Conduct can be viewed online at the Department's website. Go to "Suffolk County Department of Health Services", choose "Document and Forms", "Commissioner," and then "SCDHS Mandatory Provider Compliance / False Claims Policy."

21. Certification Regarding Lobbying

Together with this Contract and in addition to any other certificates regarding lobbying as may be required by County law, as a condition precedent to the execution of this Contract by the County, the Contractor shall have executed and delivered to the Department the "Certification Regarding Lobbying", if payment under this Contract may exceed \$100,000. Such Certification is required by 31 U.S.C. Section 1352 and regulations thereunder. The Contractor shall promptly advise the County of any material change in any of the information reported on such Certification and shall otherwise comply with, and shall assist the County in complying with, said regulations as now in effect or as amended during the Term.

22. Termination

- a. Notwithstanding the terms of Exhibit 1, paragraph 9.a. of this Contract with regard to the County's right to terminate the Contract without cause, no such termination shall be effective unless the Contractor is given nine (9) months' notice of termination. During this nine (9) month period, the Contractor may continue to occupy, operate and wind down operations of the Health Center under the same terms and conditions that are in effect before the notice of termination.
- b. Notwithstanding the terms of Exhibit 1, paragraph 9. b. with regard to Event of Default:
 - i. In the event of the Contractor's failure to comply with applicable federal, State or local laws, rules, or regulations, the Contractor may be given, at the discretion of the County, thirty (30) days for an opportunity to cure all failures of such obligations prior to termination by the County. In the event that the Contractor has not cured all of its failures to fulfill such obligations to the reasonable satisfaction of the County by the end of the thirty (30) day period, the County may issue a termination notice, effective immediately. This time may be extended at the discretion of the County.
 - ii. In the event of a failure on the part of the Contractor to observe any material term or condition of this Agreement, the Contractor may be given, at the discretion of the County, thirty (30) days for an opportunity to cure all failures of its obligations prior to termination by the County. In the event that the Contractor has not cured all of its failures to fulfill its

obligations to the reasonable satisfaction of the County by the end of the thirty (30) day period, the County may issue a termination notice, effective immediately. This time may be extended at the discretion of the County.

- c.** It is understood by the parties that the Contractor operates the Health Center under its own license pursuant to Article 28 of the New York Public Health Law and is a FQHC pursuant to Section 330 of the Public Health Service Act. Therefore, notwithstanding the terms of Exhibit 1, paragraph 9. d. of this Contract with regard to the Contractor discontinuing the Services upon notice of termination in the Event of Default, the Contractor may continue to operate the Health Center upon payment of fair market rental value of the premises as determined by the County, however, the services it may continue to provide shall not be considered Services performed pursuant to this Contract in consideration of the CBG, and the County shall have no further financial obligation upon termination.
- d.** The Contractor shall have the right to terminate this Contract if the County fails to pay for Services rendered under this Contract in accordance with its terms and conditions. This will be considered an Event of Default. The County shall be given thirty (30) days for an opportunity to cure prior to termination. In the event that the County has not cured its failure to fulfill its payment obligation by the end of the thirty (30) day period, the Contractor may issue a termination notice, effective immediately.

End of Text for Article I

Article II
Financial Terms and Conditions

1. Conflicting Provisions

In the event of any conflict between any provision in this Article II and an exhibit to this Contract, the exhibit shall prevail unless it is expressly stated in the conflicting provision in this Article II, that it shall prevail over the exhibit.

2. General Payment Terms

a. Presentation of Suffolk County Payment Voucher

In order for payment to be made by the County to the Contractor for the Services, the Contractor shall prepare and present a Suffolk County Payment Voucher (“**Voucher**”), which shall be documented by sufficient, competent and evidential matter. Each Suffolk County Payment Voucher submitted for payment is subject to Audit at any time during the Term or any extension thereof. This provision shall survive expiration or termination of this Contract for a period of not less than seven (7) years, and access to records shall be as set forth in paragraph 31 of Exhibit 1, and paragraph 5(b) of Article II.

b. Voucher Documentation

The Suffolk County Payment Voucher shall list all information regarding the Services and other items for which expenditures have been or will be made in accordance with the Contract. Either upon execution of the Contract (for the Services already rendered and expenditures already made), or not more than thirty (30) days after the expenditures were made, and in no event after the 31st day of January following the end of each year of the Contract, the Contractor shall furnish the County with detailed documentation in support of the payment for the Services or expenditures under the Contract, e.g., dates of the Service, worksite locations, activities, hours worked, pay rates for all Services. The Suffolk County Payment Voucher shall include time records, certified by the Contractor as true and accurate, of all personnel for whom expenditures are claimed during the period. All Suffolk County Payment Vouchers must bear a signature as that term is defined pursuant to New York State General Construction Law §46 by duly authorized persons. Disbursements made by the Contractor in accordance with the Contract and submitted for reimbursement must be documented and must comply with accounting procedures as set forth by the Suffolk County Department of Audit and Control.

All Vouchers and forms must be signed in ink by duly authorized persons and certification of such authorization with certified specimen signatures thereon must be filed with the Department by a duly authorized official of the Contractor.

c. Payment by County

Payment by the County shall be made within thirty (30) days after approval of the Voucher by the Comptroller.

d. Final Voucher

The acceptance by the Contractor of payment of all billings made on an approved voucher shall operate as and shall be a release of the County from all claims by the Contractor through the date of the Voucher.

3. Subject to Appropriation of Funds

- a.** The Contract is subject to the amount of funds appropriated each fiscal year and any subsequent modifications thereof by the County Legislature, and no liability shall be incurred by the County beyond the amount of funds appropriated each fiscal year by the County Legislature for the Services.
- b.** If the County fails to receive federal or State funds originally intended to pay for the Services, or to reimburse the County, in whole or in part, for payments made for the Services, the County, in consultation with the Contractor, shall have the sole and exclusive right to:
 - i.** determine how to pay for the Services;
 - ii.** determine future payments to the Contractor; and
 - iii.** determine what amounts, if any, are reimbursable to the County by the Contractor and the terms and conditions under which such reimbursement shall be paid.

4. Budget Deficiency Plan

The County may, during the Term, impose a Budget Deficiency Plan (“**BDP**”). In the event that a Budget Deficiency Plan is imposed, the County shall promptly notify the Contractor in writing of the terms and conditions thereof, which shall be deemed incorporated in and made a part of the Contract, and the Contractor shall implement those terms and conditions in no less than fourteen (14) days. If the terms of the BDP impair the Contractor’s ability to perform under this Contract, the Contractor shall so notify the County within ten (10) days after notice from the County of the imposition of a BDP. The County and the Contractor agree to determine if the BDP imposition will require a cessation or reduction of any or all of the Services required under this Contract.

5. Accounting Procedures

- a.** The Contractor shall maintain accounts, books, records, documents, other evidence, and accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of the Contract, in accordance with Generally Accepted Accounting Principles (“**GAAP**”) and with rules, regulations and financial directives, as may be promulgated by the Suffolk County Department of Audit and Control and the Department. The Contractor shall permit inspection and audit of such accounts, books, records, documents and other evidence by the Department and the Suffolk County Comptroller, or their representatives, as often as, in their judgment, such inspection is deemed necessary. Such right of inspection and audit as set forth in subparagraph (b) below shall exist during the Term and for a period of seven (7) years after expiration or termination of the Contract.
- b.** The Contractor shall retain all accounts, books, records, and other documents relevant to the Contract for seven (7) years after final payment is made by the County. Federal, State, and/or County auditors and any persons duly authorized by the County shall have full access and the right to examine any of said materials during said period. Such access is granted notwithstanding any exemption from

disclosure that may be claimed for those records which are subject to nondisclosure agreements, trade secrets and commercial information or financial information that is privileged or confidential.

- c. If not otherwise submitted in compliance with paragraph 13 of Article I of this Contract, the Contractor shall submit a report to the County at the end of each year of the Contract Term, indicating the combined results of the financial operation of the Health Center, in accordance with GAAP. The report shall include a listing of the Contractor's expenses that are ineligible for State Aid, including but not limited to fringe benefits and indirect costs. The Contractor shall utilize the accrual basis method of accounting and will submit all financial reports and vouchers based on this method of accounting during the Term.

6. Audit

- a. All payments made under the Contract are subject to audit by the Comptroller pursuant to Article V of the Suffolk County Charter. The Contractor further agrees that the Comptroller and the Department shall have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transactions or other records relating to Services under the Contract. If such an audit discloses overpayments by the County to the Contractor, within thirty (30) days after the issuance of an official audit report by the Comptroller or his duly designated representatives, the Contractor shall repay the amount of such overpayment by check to the order of the Suffolk County Treasurer or shall submit a proposed plan of repayment to the Comptroller. If there is no response, or if satisfactory repayments are not made, the County may recoup overpayments from any amounts due or becoming due to the Contractor from the County under the Contract or any other Fund Source. The Comptroller utilizes Government Auditing procedures. The Contractor shall receive reasonable advance notice of an audit via an engagement letter and entrance conference in which the audit procedure shall be fully explained. Following an exit conference, if the Contractor disputes the audit findings, it shall have all legal remedies available to it.
- b. The provisions of this paragraph shall survive the expiration or termination of the Contract for a period of seven (7) years, and access to records shall be as set forth in paragraph 31 of Exhibit 1, and paragraph 5(b) of Article II.

7. Comptroller's Rules and Regulations for Consultant's Agreements

The Contractor shall comply with the "Comptroller's Rules and Regulations for Consultant's Agreements" as promulgated by the Department of Audit and Control of Suffolk County and any amendments thereto during the Term of the Contract. The "Comptroller's Rules and Regulations for Consultant's Agreements" may be viewed online at the County's website, SuffolkCountyny.gov; go to "Government," then "Comptroller," then "Consultant's Agreements."

8. Expenditures Must Conform to Applicable Law

The Contractor agrees that its expenditures shall conform to applicable provisions of federal, State and local finance Laws and customary prevailing governmental regulations, practices and standards.

9. Payments Contingent upon State/Federal Funding

Payments under the Contract may be subject to and contingent upon continued funding by State and/or Federal agencies. In the event payments are subject to such funding no payment shall be made until the Contractor submits documentation in the manner and form as shall be required by State and/or Federal agency. If late submission of claims precludes the County from claiming State or Federal reimbursement,

such late claims by the Contractor shall not be paid by the County subject to paragraph 11. below, if, for any reason, the full amount of such funding is not made available to the County, the Contract may be terminated in whole or in part, or the amount payable to the Contractor may be reduced at the discretion of the County, provided that any such termination or reduction shall not apply to allowable costs incurred by the Contractor prior to such termination or reduction, and provided that money has been appropriated for payment of such costs.

10. Denial of Aid

If a State or Federal government agency is funding the Contract and fails to approve aid in reimbursement to the County for payments made hereunder by the County to the Contractor for expenditures made during the Term solely because of any act, omission or negligence on the part of the Contractor, then the County may deduct and withhold from any payment due to the Contractor an amount equal to the reimbursement denied by the state or federal government agency, and the County's obligation to the Contractor shall be reduced by any such amounts. In such an event, if there should be a balance due to the County after it has made a final payment to the Contractor under the Contract, on demand by the County, the Contractor shall reimburse the County for the amount of the balance due the County, payable to the Suffolk County Treasurer. The provisions of this subparagraph shall survive the expiration or termination of the Contract.

11. Contract Years

Contract Years shall be defined as follows;

Contract Year One:

Contract Year Two:

Contract Year Three:

Contract Year Four:

Contract Year Five:

12. Payment Terms

a. Subject to the terms of this Contract the Contractor shall be paid:

i. \$2,662,800 in Contract Year One;

ii. \$2,631,400 in Contract Year Two;

iii. \$2,626,800 in Contract Year Three;

iv. \$2,623,500 in Contract Year Four; and

v. \$2,616,700 in Contract Year Five of this Contract.

b. The Contractor shall be paid in equal monthly increments, prorated as necessary.

c. Within thirty (30) days of the closing of Contract Year Five, the Contractor shall submit a final reconciliation to the County reporting any cumulative surplus at the end of the five (5) year period. In the event that a surplus exists, the Contractor shall submit a one-time payment to the County for fifty percent (50%) of the amount of the surplus. Funding secured and obligated by the Contractor to expand the scope of services offered at the Health Center shall be exempt from the reconciliation

process provided that satisfactory proof of any such service expansion obligations are provided to the County in advance of the reconciliation process.

13. Limit of County's Obligation

- a.** The amount to be paid by the County to the Contractor in the form of: Community Benefit Payments as set forth herein; the equipment and furnishings listed in the Equipment and Furnishings Transfer List; and facility space as set forth in the Lease Agreement, shall constitute the full obligation of the County in connection with this Contract and any matter arising therefrom. In no event shall the County be required to reimburse or compensate the Contractor for any type of funding deficit or shortfall caused by the Contractor or resulting from reduced revenue from any other source.
- b.** The County shall have no financial obligation to the Contractor with regard to the Services covered by this Contract beyond the Term of this Contract.

End of Text for Article II

Exhibit 1
County Terms and Conditions

1. Elements of Interpretation

As used throughout the Contract:

a. Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa. Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons, and shall include successors and assigns.

b. Capitalized terms used, but not otherwise defined herein, shall have the meanings assigned to them in the Contract.

2. Meanings of Terms

As used in the Contract:

“**Comptroller**” means the Comptroller of the County of Suffolk.

“**Contract**” means all terms and conditions herein forming all rights and obligations of the Contractor and the County.

“**Contractor**” means the signatory person, partnership, corporation, association or other entity, its officers, officials, employees, agents, servants, sub-contractors and any successor or assign of any one or more of the foregoing performing the Services.

“**County**” means the County of Suffolk, its departments, and agencies.

“**County Attorney**” means the County Attorney of the County of Suffolk.

“**Department**” means the signatory department approving the Contract.

“**Engineering Services**” means the definition of the practice of engineering and the definition of practice of land surveying, as the case may be, under Section 7201 and Section 7203 of the State Education Law, respectively.

“**Event of Default**” means

a. the Contractor’s failure to perform any duty required of it under paragraphs 4 through 7 of this Exhibit 1 of the Contract; or

b. the Contractor’s failure to maintain the amount and types of insurance with an authorized insurer as required by the Contract; or

c. the Contractor’s failure to maintain insurance required by the Contract with an insurer that has designated

the New York Superintendent of Insurance as its lawful agent for service of process; or

d. The Contractor’s failure to comply with any Federal, State or local law, rule, or regulation, and County policies or directives; or

e. The Contractor’s bankruptcy or insolvency; or

f. The Contractor’s failure to cooperate in an Audit; or

g. The Contractor’s falsification of records or reports, misuse of funds, or malfeasance or nonfeasance in financial record keeping arising out of, or in connection with, any contract with the County; or

h. The Contractor’s failure to submit, or failure to timely submit, documentation to obtain Federal or State funds; or

i. The inability of the County or the Contractor to obtain Federal or State funds due to any act or omission of the Contractor; or

j. Any condition the County determines, in its sole discretion, that is dangerous.

“**Federal**” means the United States government, its departments and agencies.

“**Fund Source**” means any direct or indirect sum payable to the Contractor by the County pursuant to any lawful obligation.

“**Legislature**” means the Legislature of the County of Suffolk.

“**Services**” means all that which the Contractor must do, and any part thereof arising out of, or in connection with, the Contract as described in **Article I** “Description of Services.”

“**State**” means the State of New York.

“**Suffolk County Payment Voucher**” means the document authorized and required by the Comptroller for release of payment.

“**Term**” means the time period set forth on page one of the Contract and, if exercised by the County, the option period.

3. Contractor Responsibilities

a. It shall be the duty of the Contractor to discharge, or cause to be discharged, all of its responsibilities, and to administer funds received in the interest of the County in accordance with the provisions of the Contract.

b. The Contractor shall promptly take all action as may be necessary to render the Services.

c. The Contractor shall not take any action that is inconsistent with the provisions of the Contract.

d. Services provided under this Contract shall be open to all residents of the County.

4. Qualifications, Licenses, and Professional Standards

a. The Contractor represents and warrants that it has, and shall continuously possess, during the Term, the required licensing, education, knowledge, experience, and character necessary to qualify it to render the Services.

b. The Contractor shall continuously have during the Term all required authorizations, certificates, certifications, registrations, licenses, permits, and other approvals required by Federal, State, County, or local authorities necessary to qualify it to render the Services.

5. Notifications

a. The Contractor shall immediately notify the County, in writing, of any disciplinary proceedings, commenced or pending, with any authority relating to a license held by any person necessary to qualify him or the Contractor to perform the Services.

b. In the event that a person is no longer licensed to perform the Services, the Contractor must immediately notify the County, but in no event shall such notification be later than five (5) days after a license holder has lost the license required to qualify the license holder or the Contractor to perform the Services.

c. In the event that the Contractor is not able to perform the Services due to a loss of license, the Contractor shall not be reimbursed for the Services rendered after the effective date of termination of such license. Without limiting the generality of the foregoing, if any part of the Contract remains to be performed, and the termination of the license does not affect the Contractor's ability to render the Services, every other term and provision of the Contract shall be valid and enforceable to the fullest extent permitted by law.

6. Documentation of Professional Standards

The Contractor shall maintain on file, in one location in Suffolk County, all records that demonstrate that it has complied with paragraphs 4 and 5 above. The address of the location of the aforesaid records and documents shall be provided to the County no later than the date of execution of the Contract. Such documentation shall be kept, maintained, and available for inspection by the County upon twenty-four (24) hours notice.

7. Credentialing

a. In the event that the Department, or any division thereof, maintains a credentialing process to qualify the Contractor to render the Services, the Contractor shall complete the required credentialing process. In the event that any State credential, registration, certification, or license, Drug Enforcement Agency registration, or Medicare or Medicaid certification is restricted, suspended,

or temporarily or permanently revoked, it is the duty of the Contractor to contact the Department, or division thereof, as the case may be, in writing, no later than three (3) days after such restriction, suspension, or revocation.

b. The Contractor shall forward to the Department, or division thereof, as the case may be, on or before July 1 of each year during the Term, a complete list of the names and addresses of all persons providing the Services, as well as their respective areas of certification, credentialing, registration, and licensing.

8. Engineering Certificate

In the event that the Contract requires any Engineering Services, the Contractor shall submit to the County, no later than the due date for submission for approval of any engineering work product, the Certificate of Authorization ("Certificate"), issued pursuant to § 7210 of the New York Education Law, of every person performing any Engineering Services. The failure to file, submit or maintain the Certificate shall be grounds for rejection of any engineering work product submitted for approval.

9. Termination

a. Thirty Days Termination

The County shall have the right to terminate the Contract without cause, for any reason, at any time, upon such terms and conditions it deems appropriate, provided, however, that no such termination shall be effective unless the Contractor is given at least thirty (30) days notice.

b. Event of Default; Termination on Notice

i.) The County may immediately terminate the Contract, for cause, upon such terms and conditions it deems appropriate, in the Event of Default.

ii.) If the Contractor defaults under any other provision of the Contract, the County may terminate the Contract, on not less than five (5) days notice, upon such terms and conditions it deems appropriate.

c. Termination Notice

Any notice providing for termination shall be delivered as provided for in paragraph 33 of this **Exhibit 1**.

d. Duties upon Termination

i.) The Contractor shall discontinue the Services as directed in the termination notice.

ii.) Subject to any defenses available to it, the County shall pay the Contractor for the Services rendered through the date of termination.

iii.) The County shall be released from any and all liability under the Contract, effective as of the date of the termination notice.

iv.) Upon termination, the Contractor shall reimburse the County the balance of any funds advanced to the Contractor by the County no later than thirty (30) days after termination of the Contract. The provisions of this subparagraph shall survive the expiration or termination of the Contract.

v.) Nothing contained in this paragraph shall be construed as a limitation on the County's rights set forth in paragraphs 5(c) and 15 of this **Exhibit 1**.

10. Indemnification and Defense

a. The Contractor shall protect, indemnify, and hold harmless the County, its agents, servants, officials, and employees from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, suits or actions, costs, and expenses caused by the negligence or any acts or omissions of the Contractor, including reimbursement of the cost of reasonable attorneys' fees incurred by the County, its agents, servants, officials, and employees in any action or proceeding arising out of or in connection with the Contract.

b. The Contractor hereby represents and warrants that it will not infringe upon any copyright in performing the Services. The Contractor agrees that it shall protect, indemnify, and hold harmless the County, its agents, servants, officials, and employees from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, suits or actions, costs, and expenses arising out of any claim asserted for infringement of copyright, including reimbursement of the cost of reasonable attorneys' fees incurred by the County, its agents, servants, officials, and employees in any action or proceeding arising out of or in connection with any claim asserted for infringement of copyright.

c. The Contractor shall defend the County, its agents, servants, officials, and employees in any proceeding or action, including appeals, arising out of, or in connection with, the Contract, and any copyright infringement proceeding or action. Alternatively, at the County's option, the County may defend any such proceeding or action and require the Contractor to pay reasonable attorneys' fees or salary costs of County employees of the Department of Law for the defense of any such suit.

11. Insurance

a. The Contractor shall continuously maintain, during the Term of the Contract, insurance in amounts and types as follows:

i.) **Commercial General Liability** insurance, including contractual liability coverage, in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence for bodily injury and Two Million Dollars (\$2,000,000.00) per occurrence for property damage. The County shall be named an additional insured.

ii.) **Automobile Liability** insurance (if any non-owned or owned vehicles are used by the Contractor in the performance of the Contract) in an amount not less than Five Hundred Thousand Dollars (\$500,000.00) per person, per accident, for bodily injury and not less than One Hundred Thousand Dollars (\$100,000.00) for property damage per occurrence. The County shall be named an additional insured.

iii.) **Workers' Compensation and Employer's Liability** insurance in compliance with all applicable New York State laws and regulations and **Disability Benefits** insurance, if required by law. The Contractor shall furnish to the County, prior to its execution of the Contract, the documentation required by the State of New York Workers' Compensation Board of coverage or exemption from coverage pursuant to §§57 and 220 of the Workers' Compensation Law. In accordance with General Municipal Law §108, the Contract shall be void and of no effect unless the Contractor shall provide and maintain coverage during the Term for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

iv.) **Professional Liability** insurance in an amount not less than Two Million Dollars (\$2,000,000.00) on either a per-occurrence or claims-made coverage basis.

b. The County may mandate an increase in the liability limits set forth in the immediately preceding paragraphs (11)(a)(i), (ii), and (iv).

c. All policies providing such coverage shall be issued by insurance companies authorized to do business in New York with an A.M. Best rating of A- or better.

d. The Contractor shall furnish to the County, prior to the execution of the Contract, declaration pages for each policy of insurance and certificates, other than a policy for commercial general liability insurance, and upon demand, a true and certified original copy of each such policy evidencing compliance with the aforesaid insurance requirements.

e. In the case of commercial general liability insurance, and business use automobile insurance, the Contractor shall furnish to the County, prior to the execution of the Contract, a declaration page or insuring

agreement and endorsement page evidencing the County's status as an additional insured on said policy, and upon demand, a true and certified original copy of such policy evidencing compliance with the aforesaid insurance requirements.

f. All evidence of insurance shall provide for the County to be notified in writing thirty (30) days prior to any cancellation, nonrenewal, or material change in the policy to which such evidence relates. It shall be the duty of the Contractor to notify the County immediately of any cancellation, nonrenewal, or material change in any insurance policy.

g. In the event the Contractor shall fail to provide evidence of insurance, the County may provide the insurance required in such manner as the County deems appropriate and deduct the cost thereof from a Fund Source.

12. Independent Contractor

The Contractor is not, and shall never be, considered an employee of the County for any purpose. Notwithstanding anything herein, the Contract shall not be construed as creating a principal-agent relationship between the County and the Contractor or the Contractor and the County, as the case may be.

13. Severability

It is expressly agreed that if any term or provision of the Contract, or the application thereof to any person or circumstance, shall be held invalid or unenforceable to any extent, the remainder of the Contract, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and every other term and provision of the Contract shall be valid and shall be enforced to the fullest extent permitted by law.

14. Merger; No Oral Changes

It is expressly agreed that the Contract represents the entire agreement of the parties and that all previous understandings are herein merged in the Contract. No modification of the Contract shall be valid unless in written form and executed by both parties.

15. Set-Off Rights

The County shall have all of its common law, equitable, and statutory rights of set-off. These rights shall include, but not be limited to, the County's option to withhold from a Fund Source an amount no greater than any moneys due and owing to the County for any reason. The County shall exercise its set-off rights subject to approval by the County Attorney. In cases of set-off pursuant to a Comptroller's audit, the County shall only exercise such right after the finalization thereof, and only after consultation with the County Attorney.

16. Non-Discrimination in Services

a. The Contractor shall not, on the grounds of race, creed, color, national origin, sex, age, disability, sexual orientation, military status, or marital status:

- i.)** deny any individual the Services provided pursuant to the Contract; or
- ii.)** provide the Services to an individual that is different, or provided in a different manner, from those provided to others pursuant to the Contract; or
- iii.)** subject an individual to segregation or separate treatment in any matter related to the individual's receipt of the Services provided pursuant to the Contract; or
- iv.)** restrict an individual in any way from any advantage or privilege enjoyed by others receiving the Services provided pursuant to the Contract; or
- v.)** treat an individual differently from others in determining whether or not the individual satisfies any eligibility or other requirements or conditions which individuals must meet in order to receive the Services provided pursuant to the Contract.

b. The Contractor shall not utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination because of their race, creed, color, national origin, sex, age, disability, sexual orientation, military status, or marital status, or have the effect of substantially impairing the Contract with respect to individuals of a particular race, creed, color, national origin, sex, age, disability, sexual orientation, military status, or marital status, in determining:

- i.)** the Services to be provided, or
- ii.)** the class of individuals to whom, or the situations in which, the Services will be provided; or
- iii.)** the class of individuals to be afforded an opportunity to receive the Services.

17. Nonsectarian Declaration

The Services performed under the Contract are secular in nature. No funds received pursuant to the Contract shall be used for sectarian purposes or to further the advancement of any religion. The Services will be available to all eligible individuals regardless of religious belief or affiliation.

18. Governing Law

The Contract shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of laws. Venue shall be designated in the

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Supreme Court, Suffolk County, the United States District Court for the Eastern District of New York, or, if appropriate, a court of inferior jurisdiction in Suffolk County.

19. No Waiver

It shall not be construed that any failure or forbearance of the County to enforce any provision of the Contract in any particular instance or instances is a waiver of that provision. Such provision shall otherwise remain in full force and effect, notwithstanding any such failure or forbearance.

20. Conflicts of Interest

The Contractor shall not, during the Term, pursue a course of conduct which would cause a reasonable person to believe that he or she is likely to be engaged in acts that create a substantial conflict between its obligations under the Contract and its private interests. The Contractor is charged with the duty to disclose to the County the existence of any such adverse interests, whether existing or potential. This duty shall continue as long as the Term. The determination as to whether or when a conflict may potentially exist shall ultimately be made by the County Attorney after full disclosure is obtained.

21. Cooperation on Claims

The Contractor and the County shall render diligently to each other, without compensation, any and all cooperation that may be required to defend the other party, its employees and designated representatives against any claim, demand or action that may be brought against the other party, its employees or designated representatives arising out of, or in connection with, the Contract.

22. Confidentiality

Any document of the County, or any document created by the Contractor and used in rendering the Services, shall remain the property of the County and shall be kept confidential in accordance with applicable laws, rules, and regulations.

23. Assignment and Subcontracting

a. The Contractor shall not delegate its duties under the Contract, or assign, transfer, convey, subcontract, sublet, or otherwise dispose of the Contract, or any of its right, title or interest therein, or its power to execute the Contract, or assign all or any portion of the monies that may be due or become due hereunder, (collectively referred to in this paragraph 23 as "Assignment"), to any other person, entity or thing without the prior written consent of the County, and any attempt to do any of the foregoing without such consent shall be void ab initio.

b. Such Assignment shall be subject to all of the

provisions of the Contract and to any other condition the County requires. No approval of any Assignment shall be construed as enlarging any obligation of the County under the terms and provisions of the Contract. No Assignment of the Contract or assumption by any person of any duty of the Contractor under the Contract shall provide for, or otherwise be construed as, releasing the Contractor from any term or provision of the Contract.

24. Changes to Contractor

a. The Contractor may, from time to time, with the County's consent, enter into a Permitted Transfer. For purposes of the Contract, a Permitted Transfer means:

i.) if the Contractor is a partnership, the withdrawal or change, voluntary, involuntary or by operation of law, of the partners, or transfer of partnership interests (other than the purchase of partnership interests by existing partners, by the partnership itself or the immediate family members by reason of gift, sale or devise), or the dissolution of the partnership without immediate reconstitution thereof, and

ii.) if the Contractor is a closely held corporation (i.e. whose stock is not publicly held and not traded through an exchange or over the counter),

1. the dissolution, merger, consolidation or other reorganization of the Contractor,

2. the sale or other transfer of twenty percent (20%) or more of the shares of the Contractor (other than to existing shareholders, the corporation itself or the immediate family members of shareholders by reason of gift, sale or devise).

b. If the Contractor is a not-for-profit corporation, a change of twenty percent (20%) or more of its shares or members shall be deemed a Permitted Transfer.

c. The Contractor shall notify the County in writing, which notice (the "Transfer Notice") shall include:

i.) the proposed effective date of the Permitted Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice;

ii.) a summary of the material terms of the proposed Permitted Transfer,

iii.) the name and address of the proposed transferee,

iv.) such information reasonably required

by the County, which will enable the County to determine the financial responsibility, character, and reputation of the proposed transferee, nature of the proposed assignee/transferee's business and experience;

v.) all executed forms required pursuant to Exhibit 2 of the Contract, that are required to be submitted by the Contractor; and

vi.) such other information as the County may reasonably require.

d. The County agrees that any request for its consent to a Permitted Transfer shall be granted provided that the transfer does not violate any provision of the Contract, and the transferee has not been convicted of a criminal offense as described under Article II of Chapter 189 of the Suffolk County Code. The County shall grant or deny its consent to any request of a Permitted Transfer within twenty (20) days after delivery to the County of the Transfer Notice, in accordance with the provisions of Paragraph 33 of this **Exhibit 1** of the Contract. If the County shall not give written notice to the Contractor denying its consent to such Permitted Transfer (and setting forth the basis for such denial in reasonable detail) within such 20-day period, then the County shall be deemed to have granted its consent to such Permitted Transfer.

e. Notwithstanding the County's consent,

i.) the terms and conditions of the Contract shall in no way be deemed to have been waived or modified, and

ii.) such consent shall not be deemed consent to any further transfers.

25. No Intended Third Party Beneficiaries

The Contract is entered into solely for the benefit of the County and the Contractor. No third party shall be deemed a beneficiary of the Contract and no third party shall have the right to make any claim or assert any right under the Contract.

26. Certification as to Relationships

The Contractor certifies under penalties of perjury that, other than through the funds provided in the Contract and other valid agreements with the County, there is no known spouse, life partner, business, commercial, economic, or financial relationship with the County or its elected officials. The Contractor also certifies that there is no relationship within the third degree of consanguinity, between the Contractor, any of its partners, members, directors, or shareholders owning five percent (5%) or more of the Contractor, and the County.

27. Publications

Any book, article, report, or other publication related to the Services provided pursuant to this Contract shall contain the following statement in clear and legible print:

"This publication is fully or partially funded by the County of Suffolk."

28. Copyrights and Patents

a. Copyrights

Any and all materials generated by or on behalf of the Contractor while performing the Services (including, without limitation, designs, images, video, reports, analyses, manuals, films, tests, tutorials, and any other work product of any kind) and all intellectual property rights relating thereto ("Work Product") are and shall be the sole property of the County. The Contractor hereby assigns to the County its entire right, title and interest, if any, to all Work Product, and agrees to do all acts and execute all documents, and to use its best efforts to ensure that its employees, consultants, subcontractors, vendors and agents do all acts and execute any documents, necessary to vest ownership in the County of any and all Work Product. The Contractor may not secure copyright protection. The County reserves to itself, and the Contractor hereby gives to the County, and to any other person designated by the County, consent to produce, reproduce, publish, translate, display or otherwise use the Work Product. This paragraph shall survive any completion, expiration or termination of this Contract.

The County shall be deemed to be the author of all the Work Product. The Contractor acknowledges that all Work Product shall constitute "work made for hire" under the U.S. copyright laws. To the extent that any Work Product does not constitute a "work made for hire," the Contractor hereby assigns to the County all right, title and interest, including the right, title and interest to reproduce, edit, adapt, modify or otherwise use the Work Product, that the Contractor may have or may hereafter acquire in the Work Product, including all intellectual property rights therein, in any manner or medium throughout the world in perpetuity without compensation. This includes, but is not limited to, the right to reproduce and distribute the Work Product in electronic or optical media, or in CD-ROM, on-line or similar format.

b. Patents

If the Contractor develops, invents, designs or creates any idea, concept, code, processes or other work or materials during the Term, or as a result of any Services performed under the Contract ("patent eligible subject matter"), it shall be the sole property of the County. The Contractor hereby assigns to the County its entire right, title and interest, if any, to all patent eligible subject matter, and agrees to do all acts and execute all documents, and to use its best efforts to ensure that its employees, consultants, subcontractors, vendors and agents do all acts and execute any documents, necessary to vest ownership in the County of any and all patent eligible subject matter. The Contractor may not apply for or secure for itself patent protection. The County reserves to itself, and the Contractor hereby gives to the County, and to any other person designated by the County, consent to produce or otherwise use any item so discovered and/or the right to secure a patent for the discovery or invention.

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This paragraph shall survive any completion, expiration or termination of this Contract.

immediately sent to the Department and also to the County Attorney at 100 Veterans Memorial Highway, P.O. Box 6100, (Sixth Floor), Hauppauge, New York, 11788-0099.

29. Arrears to County

The Contractor warrants that, except as may otherwise be authorized by agreement, it is not in arrears to the County upon any debt, contract, or any other lawful obligation, and is not in default to the County as surety.

End of Text for Exhibit 1

30. Lawful Hiring of Employees Law in Connection with Contracts for Construction or Future Construction

In the event that the Contract is subject to the Lawful Hiring of Employees Law of the County of Suffolk, Suffolk County Code Article II of Chapter 353, as more fully set forth in Exhibit 2 entitled "Suffolk County Legislative Requirements," the Contractor shall maintain the documentation mandated to be kept by this law on the construction site at all times. Employee sign-in sheets and register/log books shall be kept on the construction site at all times and all covered employees, as defined in the law, shall be required to sign such sign-in sheets/register/log books to indicate their presence on the construction site during such working hours.

31. Record Retention

The Contractor shall retain all accounts, books, records, and other documents relevant to the Contract for seven (7) years after final payment is made by the County. Federal, State, and/or County auditors and any persons duly authorized by the County shall have full access and the right to examine any of said materials during said period. Such access is granted notwithstanding any exemption from disclosure that may be claimed for those records which are subject to nondisclosure agreements, trade secrets and commercial information or financial information that is privileged or confidential. Without limiting the generality of the foregoing, records directly related to contract expenditures shall be kept for a period of ten (10) years because the statute of limitations for the New York False Claims Act (New York False Claims Act § 192) is ten (10) years.

32. Certification Regarding Lobbying

Together with this Contract and as a condition precedent to its execution by the County, the Contractor shall have executed and delivered to the County the Certification Regarding Lobbying (if payment under this Contract may exceed \$100,000) as required by Federal regulations, and shall promptly advise the County of any material change in any of the information reported on such Certification, and shall otherwise comply with, and shall assist the County in complying with, said regulations as now in effect or as amended during the term of this Contract.

33. Notice

Unless otherwise expressly provided herein, all notices shall be in writing and shall be deemed sufficiently given if sent by regular first class mail and certified mail, or personally delivered during business hours as follows: 1.) to the Contractor at the address on page 1 of the Contract and 2.) to the County at the Department, or as to either of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the addressor. All notices received by the Contractor relating to a legal claim shall be

Exhibit 2
Suffolk County Legislative Requirements

NOTE: THE CONTRACTOR'S COMPLETED LEGISLATIVE REQUIRED FORMS REFERENCED HEREIN ARE AVAILABLE ON FILE AT THE COUNTY ATTORNEY'S OFFICE AND THE DEPARTMENT NAMED ON THE SIGNATURE PAGE OF THIS CONTRACT.

1. Contractor's/Vendor's Public Disclosure Statement

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of section A5-7 of Article V of the Suffolk County Code.

Unless certified by an officer of the Contractor as being exempt from the requirements of section A5-7 of Article V of the Suffolk County Code, the Contractor represents and warrants that it has filed with the Comptroller the verified public disclosure statement required by Suffolk County Administrative Code Article V, Section A5-7 and shall file an update of such statement with the Comptroller on or before the 31st day of January in each year of the Contract's duration. The Contractor acknowledges that such filing is a material, contractual and statutory duty and that the failure to file such statement shall constitute a material breach of the Contract, for which the County shall be entitled, upon a determination that such breach has occurred, to damages, in addition to all other legal remedies, of fifteen percent (15%) of the amount of the Contract.

Required Form:
Suffolk County Form SCEX 22; entitled "Contractor's/Vendor's Public Disclosure Statement"

2. Living Wage Law

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Chapter 575, of the Suffolk County Code.

This Contract is subject to the Living Wage Law of the County of Suffolk. The law requires that, unless specific exemptions apply, all employers (as defined) under service contracts and recipients of County financial assistance, (as defined) shall provide payment of a minimum wage to employees as set forth in the Living Wage Law. Such rate shall be adjusted annually pursuant to the terms of the Suffolk County Living Wage Law of the County of Suffolk. Under the provisions of the Living Wage Law, the County shall have the authority, under appropriate circumstances, to terminate the

Contract and to seek other remedies as set forth therein, for violations of this Law.

Required Forms:

Suffolk County Living Wage Form LW-1; entitled "Suffolk County Department of Labor – Living Wage Unit Notice of Application for County Compensation (Contract)."

Suffolk County Living Wage Form LW-38; entitled "Suffolk County Department of Labor – Living Wage Unit Living Wage Certification/Declaration – Subject To Audit."

3. Use of County Resources to Interfere with Collective Bargaining Activities

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article I of Chapter 803 of the Suffolk County Code.

County Contractors (as defined by section 803-2) shall comply with all requirements of Chapter 803 of the Suffolk County Code, including the following prohibitions:

- a. The Contractor shall not use County funds to assist, promote, or deter union organizing.
- b. No County funds shall be used to reimburse the Contractor for any costs incurred to assist, promote, or deter union organizing.
- c. No employer shall use County property to hold a meeting with employees or supervisors if the purpose of such meeting is to assist, promote, or deter union organizing.

If the Services are performed on County property, the Contractor must adopt a reasonable access agreement, a neutrality agreement, fair communication agreement, non-intimidation agreement, and a majority authorization card agreement.

If the Services are for the provision of human services and are not to be performed on County property, the Contractor must adopt, at the least, a neutrality agreement.

Under the provisions of Chapter 803, the County shall have the authority, under appropriate circumstances, to terminate the Contract and to seek other remedies as set forth therein, for violations of this Law.

Required Form:

Suffolk County Labor Law Form DOL-LO1; entitled "Suffolk County Department of Labor – Labor Mediation Unit Union Organizing Certification/Declaration - Subject to Audit."

4. Lawful Hiring of Employees Law

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article II of Chapter 353 of the Suffolk County Code.

This Contract is subject to the Lawful Hiring of Employees Law of the County of Suffolk. It provides that all covered employers, (as defined), and the owners thereof, as the case may be, that are recipients of compensation from the County through any grant, loan, subsidy, funding, appropriation, payment, tax incentive, contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or an awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit a completed sworn affidavit (under penalty of perjury), the form of which is attached, certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees (as defined) and with respect to the alien and nationality status of the owners thereof. The affidavit shall be executed by an authorized representative of the covered employer or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement with the County; and shall be made available to the public upon request.

All contractors and subcontractors (as defined) of covered employers, and the owners thereof, as the case may be, that are assigned to perform work in connection with a County contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit to the covered employer a completed sworn affidavit (under penalty of perjury), the form of which is attached, certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees and with respect to the alien and nationality status of the owners thereof, as the case may be. The affidavit shall be executed by an authorized representative of the contractor, subcontractor, or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement between

the covered employer and the County; and shall be made available to the public upon request.

An updated affidavit shall be submitted by each such employer, owner, contractor and subcontractor no later than January 1 of each year for the duration of any contract and upon the renewal or amendment of the Contract, and whenever a new contractor or subcontractor is hired under the terms of the Contract.

The Contractor acknowledges that such filings are a material, contractual and statutory duty and that the failure to file any such statement shall constitute a material breach of the Contract.

Under the provisions of the Lawful Hiring of Employees Law, the County shall have the authority to terminate the Contract for violations of this Law and to seek other remedies available under the law.

The documentation mandated to be kept by this law shall at all times be kept on site. Employee sign-in sheets and register/log books shall be kept on site at all times during working hours and all covered employees, as defined in the law, shall be required to sign such sign-in sheets/register/log books to indicate their presence on the site during such working hours.

Required Forms:

Suffolk County Lawful Hiring of Employees Law Form LHE-1; entitled "Suffolk County Department of Labor – Notice Of Application To Certify Compliance With Federal Law (8 U.S.C. Section 1324a) With Respect To Lawful Hiring of Employees."

Suffolk County Lawful Hiring of Employees Law Form LHE-2; entitled "Affidavit Of Compliance With The Requirements Of 8 U.S.C. Section 1324a With Respect To Lawful Hiring Of Employees"

5. Gratuities

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Chapter 664 of the Suffolk County Code.

The Contractor represents and warrants that it has not offered or given any gratuity to any official, employee or agent of the County or the State or of any political party, with the purpose or intent of securing an agreement or securing favorable treatment with respect to the awarding or amending of an agreement or the making of any determinations with respect to the performance of an agreement.

6. Prohibition Against Contracting with Corporations that Reincorporate Overseas

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of sections A4-13 and A4-14 of Article IV of the Suffolk County Code.

The Contractor represents that it is in compliance with sections A4-13 and A4-14 of Article IV of the Suffolk County Code. Such law provides that no contract for consulting services or goods and services shall be awarded by the County to a business previously incorporated within the U.S.A. that has reincorporated outside the U.S.A.

7. Child Sexual Abuse Reporting Policy

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article II of Chapter 880 of the Suffolk County Code.

The Contractor shall comply with Article II of Chapter 880, of the Suffolk County Code, entitled "Child Sexual Abuse Reporting Policy," as now in effect or amended hereafter or of any other Suffolk County Local Law that may become applicable during the term of the Contract with regard to child sexual abuse reporting policy.

8. Non Responsible Bidder

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article II of Chapter 189 of the Suffolk County Code.

Upon signing the Contract, the Contractor certifies that it has not been convicted of a criminal offense within the last ten (10) years. The term "conviction" shall mean a finding of guilty after a trial or a plea of guilty to an offense covered under section 189-5 of the Suffolk County Code under "Nonresponsible Bidder."

9. Use of Funds in Prosecution of Civil Actions Prohibited

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article III of Chapter 893 of the Suffolk County Code.

The Contractor shall not use any of the moneys, in part or in whole, and either directly or indirectly, received under the Contract in connection with the prosecution of any civil action against the County in any jurisdiction or any judicial or administrative forum.

10. Youth Sports

It shall be the duty of the Contractor to read, become familiar with, and comply with Article III of Chapter 730 of the Suffolk County Code.

All contract agencies that conduct youth sports programs are required to develop and maintain a written plan or policy addressing incidents of possible or actual concussion or other head injuries among sports program participants. Such plan or policy must be submitted prior to the award of a County contract, grant or funding. Receipt of such plan or policy by the County does not represent approval or endorsement of any such plan or policy, nor shall the County be subject to any liability in connection with any such plan or policy.

11. Work Experience Participation

If the Contractor is a not-for-profit or governmental agency or institution, each of the Contractor's locations in the County at which the Services are provided shall be a work site for public-assistance clients of Suffolk County pursuant to Chapter 281 of the Suffolk County Code at all times during the Term of the Contract. If no Memorandum of Understanding ("MOU") with the Suffolk County Department of Labor for work experience is in effect at the beginning of the Term of the Contract, the Contractor, if it is a not-for-profit or governmental agency or institution, shall enter into such MOU as soon as possible after the execution of the Contract and failure to enter into or to perform in accordance with such MOU shall be deemed to be a failure to perform in accordance with the Contract, for which the County may withhold payment, terminate the Contract or exercise such other remedies as may be appropriate in the circumstances.

12. Safeguarding Personal Information of Minors

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Suffolk County Local Law No. 20-2013, a Local Law to Safeguard the Personal Information of Minors in Suffolk County.

All contract agencies that provide services to minors are required to protect the privacy of the minors and are strictly prohibited from selling or otherwise providing to any third party, in any manner whatsoever, the personal or identifying information of any minor participating in their programs.

13. Contract Agency Performance Measures and Reporting Requirements

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Suffolk County Local Law No. 41-2013, a Local Law to Implement Performance Measurement to Increase Accountability and Enhance Service Delivery by Contract Agencies (Article VIII of Chapter 189 of the Suffolk County Code).

All contract agencies having a contract in excess of \$50,000 shall cooperate with the contract's administering department to identify the key performance measures related to the objectives of the service the contract agency provides and shall develop an annual performance reporting plan. The contract agency shall cooperate with the administering department and the County Executive's performance management team to establish working groups to identify appropriate performance indicators for monthly evaluation of the contract agency's performance measures

14. Suffolk County Local Laws Website Address

Suffolk County Local Laws, Rules and Regulations can be accessed on the homepage of the Suffolk County Legislature.

End of Text for Exhibit 2

Exhibit 3
HIPAA Business Associate Agreement

Whereas, the Suffolk County Department of Health Services (“Covered Entity” or “County”) and the Contractor (“Business Associate”) (collectively “Parties”) are subject to the Privacy and Security Rules (45 Code of Federal Regulations (CFR) Parts 160 and 164) promulgated by the United States Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA), Public Law 104-191; and

Whereas, the Parties are also subject to the Health Information Technology for Economic and Clinical Health Act (“HITECH”), which was adopted as part of the American Recovery and Reinvestment Act of 2009 and which, along with HIPAA and the Privacy and Security Rules, imposed new requirements on Business Associates with respect to the privacy, security, and breach notification of Protected Health Information; and

Whereas, in the course of rendering services for Covered Entity pursuant to the Contract, as that term is defined herein, Business Associate may come into contact with, use, or disclose Protected Health Information, as that term is also defined herein; and

Whereas, the Federal privacy and security regulations set forth at 45 CFR Part 160 and 164, require Covered Entity to have a written memorandum with each of its Business Associates, pursuant to which Covered Entity obtains satisfactory assurances that Business Associate will appropriately safeguard Protected Health Information that Business Associate may create or receive from or on behalf of the Covered Entity.

Now, therefore, in furtherance of their obligations under the Federal regulations regarding HIPAA and HITECH and for the term set forth on page one of the Contract, the Parties agree to the following terms and conditions:

I. General

A. HIPAA, HITECH and Omnibus Rule Compliance.

1. This HIPAA Business Associate Agreement shall apply only to those Underlying Services, as that term is defined herein, rendered by the Business Associate to the Covered Entity pursuant to the Contract, as that term is defined herein.
2. Business Associate and Covered Entity hereby agree that the provisions of HIPAA and HITECH that apply to business associates and that are required to be incorporated by reference in a business associate agreement are incorporated into this HIPAA Business Associate Agreement (“BA Agreement”) between Business Associate and Covered Entity as if set forth in this BA Agreement in their entirety.
3. Business Associate shall, and shall require its agents or subcontractor(s), to be aware of the provisions of the “Omnibus Final Rule, 45 CFR Parts 160 and 164 Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules Under the Health Information Technology for Economic and Clinical Health Act (HITECH) and the Genetic Information Nondiscrimination Act (GINA); Other Modifications to the HIPAA Rules” (“Omnibus Final Rule”) that was published in the Federal Register on January 25, 2013, and effective March 26, 2013. Business Associate shall be in compliance on or before the enforcement date of the Omnibus Final Rule.
4. Business Associate shall cooperate with Covered Entity in executing any appropriate agreements necessary for compliance with HIPAA, HITECH, the Omnibus Final Rule, and any other federal and state laws and regulations relating to the protection and confidentiality of health information.

B. Definitions

1. **General.** Terms used but not otherwise defined in this HIPAA Business Associate Agreement (“BA Agreement”) shall have the same meaning as those terms in the Privacy Rule and the Security Rule as further defined below.
2. **Specific**
 - a) “Breach” means acquisition, access, use, or disclosure, of Protected Health Information in a manner not permitted under the HIPAA Privacy Rule, which compromises the security or privacy of the Protected Health Information, as further defined in 45 CFR §164.402.
 - b) “Breach Notification Rule” means the federal breach notification regulations, as amended from time to time, issued under HIPAA and set forth in 45 CFR Parts 160 and 164.
 - c) “Contract” means that agreement between Covered Entity and Business Associate pursuant to which the Underlying Services are provided, including any amendments or extensions thereto.

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- d) Designated Record Set means:
 - (1) A group of records maintained by or for Covered Entity that is:
 - (i) The medical records and billing records about individuals maintained by or for a Covered Entity health care provider;
 - (ii) The enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or
 - (iii) Used, in whole or in part, by or for Covered Entity to make decisions about individuals.
 - (2) For purposes of this paragraph, the term record means any item, collection, or grouping of information that includes protected health information and is maintained, collected, used, or disseminated by or for Covered Entity.
- e) "Electronic Protected Health Information" or "EPHI" has the same meaning as set forth in 45 CFR § 160.103, limited to the information that Business Associate receives, creates, maintains, uses, discloses, or transmits from, or on behalf of, Covered Entity.
- f) "Individual" has the same meaning as set forth in 45 CFR §160.103 and includes a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
- g) "Privacy Rule" means the Standards for Privacy of Individually Identifiable Health Information at set forth in 45 CFR parts 160 and 164.
- h) "Protected Health Information" or "PHI" has the same meaning as set forth in 45 CFR § 160.103, limited to the information received, created, maintained, or transmitted by Business Associate from, or on behalf of, Covered Entity. Protected Health Information received, created, maintained, or transmitted by Business Associate from, or on behalf of, Covered Entity shall include records of all services provided at Business Associate's facilities at the time such services are provided.
- i) "Required by Law" has the same meaning as set forth in 45 CFR § 164.103.
- j) "Secretary" means the Secretary of the United States Department of Health and Human Services (HHS) or his/her designee.
- k) "Security Incident" has the same meaning set forth at 45 CFR § 164.304.
- l) "Security Rule" means the Security Standards set forth at 45 CFR Parts 160 and 164.
- m) "Underlying Services" means, to the extent and only to the extent they involve the creation, maintenance, or transmission of PHI, the services performed by Business Associate for Covered Entity pursuant to the Contract.
- n) "Unsecured Protected Health Information" means Protected Health Information that is not rendered unusable, unreadable or indecipherable to unauthorized individuals through the use of technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of Pub. L. 111-5, as set forth in CFR § 164.402.

II. Privacy Rule

A. Obligations and Activities of Business Associate

1. Compliance.

- a) Business Associate agrees to fully comply with the requirements under the Privacy Rule applicable to "business associates," as that term is defined in the Privacy Rule and not use or further disclose PHI other than as permitted or required by the Contract or as Required by Law. In the event of any conflict between this BA Agreement and the Contract, this BA Agreement shall govern.
- b) In those instances where Covered Entity has delegated a duty of the Covered Entity to Business Associate and where such duty involves activities that are subject to the regulation of the Privacy Rule and/or the Security Rule, Business Associate shall comply with all provisions and requirements of the Privacy Rule and/or the Security Rule as would be applicable to Covered Entity were Covered Entity performing such duty.
- c) Business Associate may not use or disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity.

- 2. **Privacy Safeguards and Policies.** Business Associate agrees to use all appropriate safeguards to prevent use or disclosure of PHI or EPHI in violation of the Privacy Rule, the Security Rule, or as may otherwise be prohibited by the Contract. This includes, but is not necessarily limited to, Business Associate implementing

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administrative, physical, and technical safeguards to reasonably and appropriately protect PHI against any reasonably anticipated threats or hazards, by utilizing the technology commercially available to Business Associate. Without limiting the generality of the foregoing sentence, Business Associate will:

- a) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI as required by the Security Rule;
- b) Ensure that any agent(s) or subcontractor(s) of Business Associate, to whom Business Associate provides EPHI, agrees in writing to implement reasonable and appropriate safeguards to protect EPHI;
- c) Immediately report to Covered Entity any use or disclosure of PHI not provided for by this BA Agreement of which Business Associate becomes aware in accordance with 45 CFR § 164.504(e)(2)(ii)(C); and
- d) Immediately report to Covered Entity any breaches of Unsecured Protected Health Information as set forth in 45 CFR § 164.410 and any Security Incident of which it becomes aware.

3. Potential Breach and Breach.

- a) Business Associate agrees to exercise reasonable diligence, and implement reasonable systems, for the discovery of any attempted, or successful, acquisition, access, use, or disclosure which is not permitted under 45 CFR 164 subpart E, of the Privacy Rule (hereinafter, "Potential Breach"), and immediately report to Covered Entity any such Potential Breach.
- b) Business Associate agrees to assist Covered Entity in compliance with the Breach Notification Rule, including, but not limited to, agreeing to report to Covered Entity any modification, destruction of information, or interferences with system operations (e.g., operation of its information systems) of which it becomes aware.
- c) In recognition of Covered Entity's responsibility under the Breach Notification Rule to notify the subject of any Breach of PHI in violation of the Privacy Rule without unreasonable delay, but in no case later than sixty (60) days after discovery of a Breach, and in recognition that the date of the discovery of the Breach by Business Associate is imputed to Covered Entity, Business Associate shall transmit a report of a Breach or Potential Breach to Covered Entity immediately, but in no event later than three (3) days after discovery of any Breach or Potential Breach. Such reports shall be directed to the attention of Covered Entity's HIPAA Privacy Officer.
- d) Such reports shall include: date of report; date of Breach or Potential Breach; discovery date of Breach or Potential Breach; name, address and telephone number of any patient affected; description of what happened, including the names of any staff involved, types of information involved, whether the information was Unsecured Protected Health Information; description of what is being done to investigate and mitigate; steps patient(s) should take to protect themselves from harm resulting from Potential Breach; whether subject is living or deceased (if known); if deceased, name of next of kin or personal representative (if known); name, title and telephone number of submitting staff member.
- e) In the event that all facts and circumstances surrounding the Breach or Potential Breach are not known at the time of the report to Covered Entity, Business Associate shall continue its investigation and shall immediately provide Covered Entity's HIPAA Privacy Officer with all additional information resulting from such continued investigation.
- f) Business Associate shall promptly provide such additional information as is reasonably requested by Covered Entity to facilitate Covered Entity's analysis and determination of whether the Potential Breach is a Breach requiring notification of the subject of the breached PHI.
- g) Where Breach notification to the patient is required, after consultation with Business Associate, Covered Entity shall determine whether such Breach notification will be provided by Covered Entity or by Business Associate.
- h) Business Associate agrees to require its employees, agents, and subcontractors, to immediately report to Business Associate a Breach or Potential Breach. Immediately upon receipt of such report, Business Associate shall notify Covered Entity as set forth in sections II.A.3. c-g above.
- i) Failure to timely report a Breach or Potential Breach to Covered Entity may result in cancellation of the Contract.

- j) Business Associate agrees to mitigate any harmful effect known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of the Privacy Rule or any other laws, rules or regulations pertaining to the protection and confidentiality of health information.
4. **Business Associate's Agents and Subcontractors.** Business Associate agrees to ensure that any of its agents or subcontractors that receive, create, maintain, or transmit PHI on behalf of Business Associate agree, in writing, to the same restrictions, conditions, and requirements that apply to Business Associate through this BA Agreement with respect to such information.
5. **Access to Designated Record Sets.**
- a) In order to assist Covered Entity in meeting the requirements under 45 CFR § 164.524, to the extent that Business Associate possesses or maintains PHI in a Designated Record Set, Business Associate agrees to provide access, at the request of Covered Entity and in the time and manner designated by Covered Entity, to PHI in a Designated Record Set.
 - b) The Covered Entity shall forward to Business Associate in a timely manner an Individual's request for access to, or a copy of, such Individual's PHI that is in the possession of Business Associate and/or Business Associate's agent(s) and/or Business Associate's subcontractor(s). Business Associate shall then make available the Individual's PHI to the Individual in the same manner and time frame as would be required for Covered Entity pursuant 45 CFR § 164.524.
 - c) If Business Associate receives a request directly from an Individual for access to or a copy of the Individual's PHI and the PHI is in the sole possession of Business Associate and/or Business Associate's agents and/or Business Associate's subcontractor(s), Business Associate shall provide the Individual with access to or copies of the Individual's PHI in the same manner and time frame as would be required for Covered Entity pursuant 45 CFR § 164.524. Business Associate shall notify Covered Entity, in such form and manner as may be requested by Covered Entity, of the Individuals to whom it provided PHI in accordance with this subsection.
 - d) If Business Associate receives a request for PHI not in its possession and in the possession of Covered Entity or receives a request from other than the Individual or Covered Entity, Business Associate shall promptly forward the request to Covered Entity, to the attention of Covered Entity's HIPAA Privacy Officer. Business Associate shall then assist Covered Entity as necessary in responding to the request in the manner required by 45 CFR § 164.524.
 - e) If Business Associate provides copies of PHI to the Individual, it may charge a reasonable fee for the copies as the regulations permit.
6. **Amendments to Designated Record Sets.**
- a) At the request of Covered Entity, Business Associate agrees to make any amendment(s) to an Individual's PHI in a Designated Record Set which may be in possession of Business Associate and which Covered Entity granted pursuant to 45 CFR §164.526. Business Associate agrees to make such amendments in the time and manner designated by Covered Entity in order to assist with Covered Entity's compliance with 45 CFR §164.526.
 - b) If a request for amendment is made directly to Business Associate by an Individual, Business Associate shall consult with Covered Entity as to the request and act on such request in the same manner and time frame as would be required for Covered Entity by 45 CFR §164.526. Business Associate shall notify Covered Entity's HIPAA Privacy Officer in writing of the action taken regarding such request.
7. **Accountings of Disclosures.** Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
8. **Requests for Accountings of Disclosures.**
- a) In order to assist Covered Entity in meeting the requirements under 45 CFR § 164.528, Business Associate agrees to provide to Covered Entity, in the time and manner designated by Covered Entity, information collected in accordance with Section II.A.7. of this BA Agreement.
 - b) If a request for information collected in accordance with Section II.A.7. of this BA Agreement is made directly to Business Associate by an Individual, Business Associate shall act on such request in the manner and time frame as would be required for Covered Entity by 45 CFR §164.528. Business Associate shall notify Covered Entity's HIPAA Privacy Officer in writing of the information provided to the Individual.

9. **Access to Books and Records.** Business Associate shall make internal practices, books, and records, including policies and procedures, and PHI, relating to the use and disclosure of PHI received from, or created or received by Business Associate, on behalf of Covered Entity, available to Covered Entity, or to the Secretary, in a time and manner requested by Covered Entity or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

B. Permitted Uses and Disclosures by Business Associate.

1. **Contract.** Business Associate may create, maintain, or transmit PHI solely (1) as necessary to provide the Underlying Services to Covered Entity, provided that such disclosure is in compliance with each applicable requirement of the Privacy Rule and/or the Security Rule, (2) as required by Law or (3) as expressly otherwise authorized under this BA Agreement. Business Associate shall not create, maintain, or transmit PHI for any other purpose or in any other manner.
2. **Use and Disclosure for Administration of Business Associate.** Except as otherwise limited in this BA Agreement, Business Associate may use or disclose PHI for the proper management and administration of the health care operations of Business Associate or to carry out the legal responsibilities of Business Associate with respect to its health care operations provided that any such disclosures are Required by Law or that Business Associate obtains reasonable assurances 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, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

C. Minimum Necessary.

1. Business Associate agrees it must use reasonable efforts to limit any use, disclosure, or request for use or disclosure of PHI to the minimum amount necessary to accomplish the intended purpose of the use, disclosure, or request in accordance with the requirements of the Privacy Rule.
2. Business Associate represents to Covered Entity that all its uses and disclosures of, or requests for PHI shall be the minimum necessary in accordance with the Privacy Rule requirements.
3. Covered Entity may, pursuant to the Privacy Rule, reasonably rely on any requested disclosure as the minimum necessary for the stated purpose when the information is requested by Business Associate.

- D. Permissible Requests by Covered Entity.** Except as set forth herein, Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

III. Security Rule Compliance

A. Obligations and Activities of Business Associate

1. **Compliance.** Business Associate must comply with the requirements under the Security Rule applicable to "business associates," as that term is defined in the Security Rule, including, without limitation, compliance with the provisions of 45 CFR 164 Subpart C. In case of any conflict between this BA Agreement and the Contract, this BA Agreement shall govern.
2. **Security Safeguards and Policies.**
 - a) Business Associate agrees to ensure that it has implemented administrative, physical and technical safeguards in accordance with the provisions of 45 CFR §§ 164.308, 164.310, and 164.312, which safeguards reasonably and appropriately protect the confidentiality, integrity and availability of EPHI that it creates, receives, maintains, or transmits on behalf of Covered Entity as required by the Security Rule. This includes, but is not limited to, the utilization of technology commercially available at the time to the Business Associate to protect Covered Entity's PHI against any reasonably anticipated threats or hazards.
 - b) Business Associate understands that it has an affirmative duty to perform a regular review or assessment of security risks, conduct active risk management and supply best efforts to assure that only authorized persons and devices access its computing systems and information storage, and that only authorized transactions are allowed. Business Associate shall maintain appropriate documentation of its compliance with the Security Rule, including, but not limited to, documentation related to its assessment of security risks.
3. **Security Provisions in Business Associate Contracts.** In accordance with 45 CFR § 164.308(b)(2), Business Associate agrees to ensure that any of its agents or subcontractors, that receive, create, maintain, or transmit electronic PHI on behalf of Business Associate agree, in writing, to comply with 45 CFR 164 Subpart C and agree to the same restrictions, conditions, and requirements that apply to Business Associate through this BA Agreement with respect to such information.

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4. **Reporting of Security Incidents.** Business Associate shall immediately report to Covered Entity's Privacy Officer any Security Incident (as defined by the Security Rule) of which Business Associate becomes aware in accordance with 45 CFR § 164.314(a)(2)(i)(C).
5. **Security Compliance Review Upon Request.** Business Associate shall make its internal practices, books, and records, including policies and procedures relating to the security of EPHI received from, created by or received by Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary, in a time and manner designated by the requester, for purposes of determining Covered Entity's or Business Associate's compliance with the Security Rule.
6. **Cooperation in Security Compliance.** Business Associate agrees to fully cooperate in good faith and to assist Covered Entity in complying with the requirements of the Security Rule.

B. Electronic Transaction Standards.

1. Business Associate shall, to the extent applicable, comply with all HIPAA standards and requirements with respect to the transmission of health information in electronic form in connection with any transaction for which the Secretary has adopted a standard under HIPAA ("Covered Transactions").
2. Business Associate shall make software which it licenses to Covered Entity, if any, perform all Covered Transactions compliant, to the extent applicable, with HIPAA, HITECH, the Privacy Rule, and the Security Rule.
3. Business Associate represents and warrants that it is aware of all current HIPAA, HITECH, Privacy Rule and Security Rule standards and requirements regarding Covered Transactions, and Business Associate shall comply with any modifications to HIPAA, HITECH, Privacy Rule and Security Rule standards and requirements which become effective from time to time. Business Associate agrees that its compliance shall be at its sole cost and expense, which expense shall not be passed on to Covered Entity in any form, including, but not limited to, increased fees.

IV. Term and Termination.

- A. **Term.** Subject to section IV.D. below this BA Agreement shall be effective as of the effective date of the Contract and shall terminate on the date set forth on page 1 of the Contract, inclusive of options, 1) unless such term is amended by the Parties, in which case this BA shall terminate on the date set forth in such amendment or 2) unless terminated sooner by the Covered Entity pursuant to the terms of the Contract or this BA Agreement.
- B. **Termination for Cause.** Business Associate authorizes termination of the Contract, including this BA Agreement, by Covered Entity, if Covered Entity determines, in its sole discretion, that Business Associate has violated a material term of the BA Agreement and, if an opportunity to cure is granted by Covered Entity, Business Associate has not cured the violation within the time specified by Covered Entity. It shall be in the sole discretion of Covered Entity as to whether to provide an opportunity to cure a violation of this BA Agreement prior to terminating the Contract for cause pursuant to this section.
- C. **Obligations of Business Associate Upon Termination.**
 1. Upon expiration or termination of this Agreement for any reason, Business Associate shall return to Covered Entity all PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate still maintains in any form, including, without limitation, in electronic form. In lieu of returning such PHI, Covered Entity, in its sole discretion, may agree to allow Business Associate to destroy such PHI. In either event, Business Associate shall retain no copies of the PHI. This provision shall also apply to PHI that is in the possession of Business Associate's agents or subcontractors. Business Associate's agents and subcontractors shall not retain copies of PHI.
 2. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. If Covered Entity, in its sole discretion, determines that that return or destruction of PHI is not feasible, Business Associate shall:
 - a) extend the protections for PHI set forth in this BA Agreement to such PHI;
 - b) continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to EPHI to prevent use or disclosure of the protected health information for as long as business associate retains the PHI; and
 - c) not use or disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained, subject to the same conditions set forth in this BA Agreement as applied prior to termination or expiration.

HIPAA Business Associate Agreement
Exhibit 3; Rev. 8/27/2014

D. Survival. The terms of this BA Agreement and the obligations of the Business Associate hereunder shall survive the termination or expiration of this BA Agreement and shall remain in effect until all PHI is destroyed or returned to Covered Entity.

V. Miscellaneous.

A. Regulatory References. A reference in this BA Agreement to a section in HIPAA or HITECH or any of the rules, regulations or federal guidance issued under HIPAA or HITECH means the section as in effect or as amended.

B. Amendment. The Parties agree to take such action as is necessary to amend the Contract from time to time as is necessary for Covered Entity to comply with the requirements of HIPAA and/or HITECH.

C. Interpretation. Any ambiguity in this BA Agreement shall be resolved to permit Covered Entity to comply with HIPAA and/or HITECH.

D. Conflict in Terms.

1. The terms of this BA Agreement are hereby incorporated in their entirety into the Contract.

2. Except as otherwise set forth in the BA Agreement, in the event of a conflict between the terms of this BA Agreement and the terms of the Contract, the terms of this BA Agreement shall prevail with respect to PHI or EPHI.

3. The terms of the Contract which are not modified by this BA Agreement shall remain in full force and effect in accordance with the terms thereof. The Contract, together with this BA Agreement, constitutes the entire agreement between the Parties with respect to the subject matter contained herein. This BA Agreement may be executed in counterparts, each of which when taken together shall constitute one original.

E. Other Obligations. This BA Agreement does not affect any other terms or obligations in the Contract between the Parties with respect to matters not involving the confidentiality, use, or disclosure of PHI or EPHI. This BA Agreement, however, does supersede all other obligations in the Contract between the Parties to the extent they involve the confidentiality, use, or disclosure of PHI or EPHI.

End of Text for Exhibit 3

**Rev. 12/2/14; Law No. 19-HS-
Community Benefit Grant Contract
Hudson River Healthcare, Inc.**

**IFMS No.
Contract No. 001-4101-4980-00-00009
Health Department Issued:**

**Exhibit 4
Medical Record Custodial Services Agreement**

(See Attached)

**Rev. 12/2/14; Law No. 19-HS-
Community Benefit Grant Contract
Hudson River Healthcare, Inc.**

**IFMS No.
Contract No. 001-4101-4980-00-00009
Health Department Issued:**

**Exhibit 5
Lease Agreement**

(See Attached)

LEASE AGREEMENT

COUNTY OF SUFFOLK

Landlord

and

HUDSON RIVER HEALTHCARE, INC.

Tenant

Date for Reference Purposes: , 2015

Premises: the Suffolk CountyHealth Center at Riverhead
A portion of the County Center, 300 Center Drive
New York 11901

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**LEASE BETWEEN COUNTY OF SUFFOLK AND
HUDSON RIVER HEALTHCARE, INC.**

THIS LEASE (“Lease”) is made as of the _____ day of _____, 2015, between the **COUNTY OF SUFFOLK (“County”)**, a municipal corporation of the State of New York, having its principal office at the County Center in Riverhead, New York, 11901, acting through its duly constituted **DEPARTMENT OF PUBLIC WORKS (“Department”)**, located at 335 Yaphank Avenue, Yaphank, New York 11980 on behalf of the **DEPARTMENT OF HEALTH SERVICES (“DHS”)**, located at 3500 Sunrise Highway, Suite 124, P.O. Box 9006, Great River, New York 11739-9006, and **HUDSON RIVER HEALTHCARE, INC. (“HRH”)**, a New York not for profit corporation licensed to operate under Article 28 of the New York Public Health Law with a principal office at 1200 Brown Street, Peekskill, New York 10566. The County and HRH may collectively be referred to as the **“Parties”** and each, individually, as a **“Party.”**

W I T N E S S E T H:

WHEREAS, the County has selected HRH, to establish, maintain, and operate a Federally Qualified Health Center (**“FQHC”**) at the Suffolk County Health Center at Riverhead, located at County Center, 300 Center Drive, Riverhead, New York 11090 (the **“Center”**) as part of a plan to provide better and more comprehensive care to residents in the area with less net cost to the County. An FQHC receives federal grant support from the Health Resources Services Administration within the United States Department of Health and Human Services pursuant to Section 330 of the Public Service Act;

NOW THEREFORE, the County and HRH, in consideration of the mutual covenants contained herein hereby enter into this Lease upon the terms, covenants, and conditions set forth below.

SECTION 1. DESCRIPTION

Section 1.01 County hereby leases to HRH approximately 14,466 square feet of space in the building (the **“Building”**) located at County Center, 300 Center Drive, Riverhead, New York 11090, known as the Suffolk County Health Center at Riverhead, as shown on the floor plan attached hereto as **Exhibit A** (the **“Premises”**), together with all related facilities, improvements, and permanent installations constructed and installed or to be constructed and installed therein and used in the operation of the Suffolk County Health Center at Riverhead.

Section 1.02 The County will continue to use approximately @ square feet of office space located at the Premises, to be used for County staff and equipment to operate the Women, Infants and Children’s (**“WIC”**) Nutrition Program at this location, as shown on **Exhibit A**, or as otherwise mutually agreed to by the Parties (the **“County Reserved Space”**), together with such areas of the Premises as may be designated by HRH for the shared common use of both HRH and the County including, without limitation, bathrooms, access ways, waiting room, and kitchen areas (collectively, the **“County Shared Space”**). The County agrees to abide by the reasonable rules and regulations from time to time established by HRH concerning the use of the County Shared Space relating to days and hours of operations, access, security and other similar matters that require coordination between HRH and the County. In no event shall HRH be responsible for maintenance, repair and/or janitorial service in respect of the County Reserved Space to the extent any such maintenance, repair and/or janitorial service is required as a result of the County’s misuse of the County Reserved Space and, in such event, the County shall be responsible at its sole cost and expense for any such maintenance, repair and/or janitorial service. In no event shall HRH’s obligation for maintenance and/or repair of the County Reserved Space exceed HRH’s obligation for maintenance and/or repair of the balance of the Premises as in this Lease provided.

SECTION 2. PURPOSE

Section 2.01 The Parties hereto acknowledge that the County is a municipal corporation and is entering into and executing this Lease by virtue of the authority of Suffolk County Resolution No. _____-2015, dated the ____ day of _____, 2015 (the **“Resolution”**), that the Resolution is incorporated herein by reference, and

further that HRH has examined the Resolution. HRH acknowledges and agrees to use the Premises (with the exception of the County Reserved Space) for the sole purpose of establishing and operating an FQHC (the “**Permitted Use**”).

Section 2.02 HRH shall not use, occupy, maintain or operate the Premises, nor suffer or permit the Premises or any part thereof (with the exception of the County Reserved Space) to be used, occupied, maintained or operated, nor bring into or keep at the Premises, nor suffer or permit anything to be brought into or kept therein (with the exception of the County Reserved Space), which would in any way (a) violate any term, covenant or condition of this Lease, (b) violate any restrictive covenant, operating covenant, encumbrance or easement recorded as of the date of this Lease and affecting the Premises, (c) violate any Legal Requirements, (d) make void or voidable any insurance policy then in force with respect to the Premises or make any such insurance unobtainable, (e) cause physical damage to the Premises or any part thereof, beyond normal wear and tear of the Premises, to the extent such damage could reasonably have been anticipated and is not repaired in accordance with the terms of this Lease, (f) permit the excess accumulation of waste or refuse matter above that accumulated in the permitted use of the Premises (g) constitute a public or private nuisance.

For the purpose of this Lease and all agreements supplemental to this Lease, the term “**Legal Requirements**” shall mean all laws, statutes and ordinances (including building codes and zoning regulations and ordinances) and the orders, rules, regulations, directives and requirements of all federal, state, county, city and borough departments, bureaus, boards, agencies, offices, commissions and other subdivisions thereof, or of any official thereof, or of any other governmental, public or quasi-public authority, whether now or hereafter in force, and all requirements, obligations and conditions of all instruments of record which may be applicable to the Premises or any part thereof or the sidewalks, curbs, or areas adjacent thereto.

Section 2.03 The Premises is owned by the County of Suffolk and is operated as a center for health care services for the benefit of the public and in furtherance of health service goals, and as such, are under the exclusive jurisdictional control (subject to SEQR and NYS Environmental Conservation Law and related codes, rules and regulations) of the County, regardless of whether the County, a County contractor or a private entity is providing those health care services. The County is responsible for conducting all reviews and inspections and for the issuance of all approvals and permits in connection with the construction of capital improvements on County properties including, without limitation, the Premises.

Section 2.04 HRH agrees to protect, defend, indemnify and forever save and keep harmless the County, its agents, servants, officials, and employees from and against any damage, penalty, fine, judgment, expense or charge suffered, imposed, assessed or incurred for any violation or breach of Legal Requirements occasioned by any act, neglect or omission of the HRH, its employees, servants, agents or volunteers in connection with this Lease and/or use of the Premises. Anything contained herein to the contrary notwithstanding, in no event shall HRH be required to provide indemnification in respect of any matter for which indemnification is provided under this **Section 2** to the extent relating to or arising out of the misconduct, omissions, or negligence of the County, its agents, servants, officials, and employees, or to the extent compliance with such Legal Requirements is the responsibility of the County under this Lease.

Section 2.05 HRH shall, at its sole cost and expense, duly procure and thereafter maintain throughout the term any and all required governmental licenses, permits and/or certificates required for the proper and lawful conduct in the Premises of an Article 28 licensed facility pursuant to New York State Public Health Law and a FQHC.

Section 2.06 Notwithstanding anything to the contrary set forth in this Section 2, the County represents and warrants to and for the benefit of HRH, as follows: (i) there are no Legal Requirements that would limit the use and occupancy of the Premises for the Permitted Use, the instruments recorded against the Center, if any, do not and will not impose any affirmative obligation on HRH, and all approvals which may be required pursuant to any such recorded instruments have been obtained; (ii) the Premises may, throughout the term of this Lease, be used and

occupied by HRH for the Permitted Use; (iii) all work heretofore performed in respect of the Premises was performed in accordance with (or to the standards mandated by) Legal Requirements; (iv) the Premises were constructed in accordance with applicable requirements of the Americans with Disabilities Act and, with the exception of compliance with the Americans with Disabilities Act, the Premises presently comply with all Legal Requirements; and (v) all utilities and systems serving the Premises are in good working order as of the Commencement Date.

SECTION 3. TERM

Section 3.01 The term of this Lease ("**Term**") and HRH's obligations hereunder shall commence on or about @, 2015, on the date that is one (1) day after the date on which the County delivers possession of the Premises for use by HRH in connection with the operation of a health center (the "**Commencement Date**"), and subject to the condition that the County and HRH shall have entered into a separate Community Benefit Grant Contract with the County, relating to operations at the Premises for the first five (5) years of the Term.

Section 3.02 The Term shall expire on , 20@ ("**Expiration Date**") or on such earlier date that this Lease may terminate or expire as provided for herein; provided, however, that if such date does not fall on a Business Day, then this Lease shall end on the next preceding Business Day.

For the purposes of this Lease and all agreements supplemental to this Lease, the term "Business Days" shall mean any day except a Saturday, a Sunday or any day in which commercial banks are required or authorized to close in Suffolk County, New York.

SECTION 4. RENT

Section 4.01 HRH agrees to provide to the County in-kind consideration in the form of establishment, maintenance and operation of an Article 28 licensed facility pursuant to New York State Public Health Law and a FQHC on the Premises. With the exception of "Expenses," defined below in *Section 4.04*, no other rent shall be paid by HRH during the Term, except as expressly otherwise provided in this Lease.

Section 4.02 It is understood by the parties that HRH will be operating the Premises as a Health Center pursuant to Article 28 of the New York Public Health Law and is a FQHC pursuant to Section 330 of the Public Health Service Act pursuant to a contract with the County. In the event of a default under that contract by HRH that results in a termination of that contract or in the event that contract is terminated irrespective of any action by HRH, HRH may terminate this Lease on written notice to the County or continue to operate the Health Center. In the event the termination of the contract was due to HRH's default, or in the event HRH ceases its operation of the Premises as an Article 28 licensed facility pursuant to New York State Public Health Law and as an FQHC at any time after the expiration of the contract, HRH shall, in the event it determines to continue to occupy the Premises in accordance with this Lease, pay to the County the Fair Market Rental Value, as defined in *Section 4.03*, of the Premises, as determined by the County. In the event HRH elects to terminate this Lease in accordance with this *Section 4.02*, this Lease shall terminate on the date therefor set forth in HRH's notice and, thereafter, neither party shall have any further obligation under this Lease, except as herein expressly set forth to the contrary.

Section 4.03 a. For purposes of this Lease "**Fair Market Rental Value**" means the fixed rent that a willing lessee would pay and a willing lessor would accept for the Premises for the balance of the Term, determined as of the date that is immediately prior to an election by HRH, pursuant to *Section 4.02* above, to continue to occupy the Premises, taking into account all reasonably relevant factors. In the event that HRH does not agree on the Fair Market Rental Value determined by the County's Appraiser (as hereinafter defined) within fifteen (15) days of receipt of notice of such Fair Market Rental Value,

then HRH may appoint an Appraiser and shall notify the County in writing of the name and address of the Appraiser so chosen. For purposes of this Lease, "**Appraiser**" shall mean a licensed M.A.I. Appraiser doing business in Suffolk County and having not less than ten (10) years of active experience as a real estate appraiser of commercial property in Suffolk County.

- b. The Appraiser so chosen shall prepare a written appraisal setting forth such Appraiser's determination of the Fair Market Rental Value and provide such Appraiser's written determination of Fair Market Rental Value to the County within thirty (30) days. If the Appraiser does not timely submit its determination, then the Fair Market Rental Value as determined by the County's Appraiser shall be conclusive and binding upon HRH.
- c. The Fair Market Rental Value specified by County's Appraiser shall herein be called "**County's Submitted Value**" and the Fair Market Rental Value specified by HRH's Appraiser shall herein be called "**HRH's Submitted Value**." If the higher determination of the Fair Market Rental Value is not more than one hundred five percent (105%) of the lower determination of the Fair Market Rental Value, then the County's Submitted Value shall be deemed to be the Fair Market Rental Value. If, however, the higher determination is more than one hundred five percent (105%) of the lower determination, then within ten (10) Business Days after the date the Appraiser submitted its Fair Market Rental Value determination, the County and HRH shall together appoint an Appraiser (the "**Final Appraiser**"). If the parties do not so agree within such ten (10) Business Day period, then either party, on behalf of both and on notice to the other, may request such appointment by the Suffolk County office of the American Arbitration Association (or any successor organization thereto; the "**AAA**") in accordance with its rules then prevailing or if the AAA shall fail to appoint said Final Appraiser within fifteen (15) Business Days after such request is made, then either party may apply, on notice to the other, to the Supreme Court, Suffolk County, New York (or any other court having jurisdiction and exercising functions similar to those now exercised by said Court) for the appointment of such Final Appraiser. Within ten (10) Business Days after the appointment of such Final Appraiser, the County and HRH shall submit their respective Submitted Values to such Final Appraiser. Such Final Appraiser shall, within fifteen (15) Business Days after the end of such ten (10) Business Day period, select either County's Submitted Value or Lessee's Submitted Value as the Fair Market Rental Value and send copies of his or her determination promptly to both County and HRH specifying whether County's Submitted Value or HRH's Submitted Value shall be the Fair Market Rental Value, and such determination of such third Appraiser shall be conclusive and binding on County and HRH.
- d. The Appraisers shall not have the authority to amend, modify, or rescind this Lease or any of the terms, covenants or conditions hereof and shall not have the authority to extend the time limits established in this Lease for the determination of any question in dispute.
- e. Each party shall pay the fees and expenses of the original Appraiser appointed by or on behalf of such party; and the fees and expenses of the Final Appraiser, if any, shall be borne equally by both parties.
- f. In the event that HRH does not agree on the Fair Market Rental Value first determined by the County, then pending determination thereof or resolution of any such dispute with respect thereto, HRH shall pay as Annual Rent an amount equal to the average of

County's Submitted Value and HRH's Submitted Value and when the determination has been made, an appropriate retroactive adjustment shall be made: Overpayments shall be paid by County to HRH and underpayments shall be paid by HRH to County, within thirty (30) days after such determination.

Section 4.04 Any miscellaneous sums, charges, fees, expenses, or amounts ("**Expenses**") payable by HRH to the County pursuant to the provisions of this Lease shall be payable by HRH to the County within thirty (30) days after the County gives HRH written notice that such payment is due. The County shall have the same rights against HRH for default in the payment of such Expenses as for default in the payment of rent.

Section 4.05 HRH understands and agrees that, in the event the Lease is terminated HRH's obligation to pay any Expenses due the County, through the date of termination shall survive such termination of the Lease and shall remain in full force and effect until the Expenses are paid. HRH hereby specifically acknowledges that neither the survival of the obligation with respect to any such amounts nor any other provision of this Lease shall grant or shall be deemed to grant any rights whatsoever to HRH to have the term of the Lease extended for any period beyond the end of the term as provided in **Section 3**, or affect in any way the County's right to terminate the Lease under **Section 22** hereof.

Section 4.06 Should HRH neglect to pay any charges for services supplied by the County (if any) pursuant to the terms of this Lease (and which HRH is obligated to pay under this Lease) when the same become due and payable, then the amount of said charges shall forthwith become, and shall under all circumstances and conditions be considered and be collectible as if the same were rent.

Section 4.07 HRH shall pay Expenses without set-off, abatement, deductions, defense or claims, except as specifically set forth herein, to the County at the County's address set forth herein or at such other place as the County may designate in writing, in lawful currency of the United States of America. All remittances shall be made payable to "**Suffolk County Treasurer's Office.**"

SECTION 5. REAL ESTATE TAXES

In no event shall HRH be required to pay any real property taxes, assessments, or Payments In Lieu of Taxes ("PILOTS") which may be lawfully levied against the Premises or any improvements placed thereon or HRH's occupancy or use of the Premises.

SECTION 6. UTILITIES/SERVICES

Section 6.01 County shall provide the following utilities and/or services to the Premises at such time as HRH is open for business in accordance with its schedule of services published from time to time (herein referred to as, "Working Hours"): (a) heating, ventilation, air conditioning and circulation of air to the Premises when and as required by HRH; (b) water for HRH's use in connection with its operation of the Premises for the Permitted Use; and (c) electricity to the Premises. All actual and reasonable third-party costs, fees, and charges incurred by County for providing the aforementioned utilities to the Premises during the Term, together with any taxes thereon, shall, in the first instance, be paid by the County directly to the applicable utility companies and HRH agrees to reimburse County its Proportionate Share (defined below) of such utility costs, which cost shall be paid as an Expense, in accordance with the provision *Section 4.04* of this Lease. For purposes of this Lease, HRH's "**Proportionate Share**" means @%. In the event any utility or service is provided to HRH directly by the provider thereof and separately metered and/or billed, the cost thereof shall be paid by HRH directly to the applicable service provider.

Section 6.02 Other services shall be provided by the Parties as indicated on the "Summary of Responsibilities" annexed as **Exhibit B**.

Section 6.03 The County shall have no liability to HRH for any loss, damage or expense sustained or incurred by reason of any change, failure, inadequacy, unsuitability or defect in the supply or character of the utilities furnished to the Premises or if the quantity or character of the utilities are no longer available or suitable for HRH's requirements unless due to or resulting from the acts or omissions of the County, its agents, employees and/or contractors. The provisions of this section shall survive the expiration of this Lease.

Section 6.04 Anything in this Lease contained to the contrary notwithstanding, County agrees to provide snow and ice clearing/removal service to the Center. County shall exercise reasonable efforts to maintain the sidewalks, driveways, ramps and parking areas to the Premises in passable condition throughout a snow or ice event. Within four (4) hours of any such snow or ice event ending, County shall be responsible for clearing all sidewalks, driveways, ramps, aprons, and parking areas to the Premises.

SECTION 7. CONDITION OF PREMISES AND PRIOR ACCESS

Section 7.01 HRH acknowledges that the County has previously used and occupied the Premises as a health center for a continuous period and that, except as expressly set forth herein to the contrary, HRH hereby accepts the Premises in their "as is" condition. The County shall not be required to perform any work or furnish any materials in connection with the Premises except as provided in this Lease or pursuant to separate written agreement between the Parties. Notwithstanding anything contained in this Lease to the contrary, the County Agrees to correct latent defects at the Premises as to which HRH notifies the County in writing not later than ninety (90) days after the date of this Lease. For purposes of this Lease, the term "**Latent Defects**" means defects in the construction of the Premises which HRH could not reasonably be expected to discover in its reasonable inspection of the Premises and which materially and adversely affect HRH in its use and operation at the Premises. If at any time HRH receives written notice that it or the Premises is in violation of or has failed to comply with applicable requirements of the Americans with Disabilities Act in respect of any condition existing at the Premises as of the date of this Lease, HRH shall promptly notify the County thereof in writing and the County shall, at its sole cost and expense, thereupon promptly correct such condition to the extent required by the Americans with Disabilities Act.

Section 7.02 Following execution of this Lease, but prior to the Commencement Date, the County hereby grants HRH, its officers, employees, agents, contractors, and subcontractors reasonable access to the Premises during normal business hours, or at such other times as are mutually agreed to in writing by the Parties, to enter the Premises for the purpose of evaluating, monitoring, and analyzing the facility systems, equipment, workflow, staffing support ratios, patient flow and other operational procedures, and to perform such data and wiring improvements necessary to facilitate a seamless transition of services from the County to HRH. HRH shall provide an advance schedule of the dates and times when HRH requires access to the Premises and HRH further agrees to use reasonable efforts to cause minimal amount of interference with the present use and operation of the Premises.

Section 7.03 Any and all costs and expenses incurred by HRH in connection with its use and operation of the Premises shall be completely borne by, and shall be the sole obligation of HRH, except as otherwise set forth in this Lease to the contrary.

Section 7.04 HRH will comply with all applicable laws, statutes, regulations, ordinances, or directives of whatsoever nature (collectively the "**Requirements**") with respect to the performance by HRH of any work pursuant to this Lease, including the American Disabilities Act, and the requirements of any fire insurance rating organization and all insurance companies writing policies covering the Premises or any part or parts thereof and any Fire Insurance Rating Organization, Board of Fire Underwriters and/or similar bodies having jurisdiction thereof, whether the same now are in force or at any time in the future may be passed, adopted, enacted, or directed. HRH shall be responsible for proper resolution of any and all governmental violations, objections and/or disputes

concerning such work, including any and all costs associated with such violations, objections and/or disputes, including attorney's fees.

Section 7.05 HRH shall pay all costs, expenses, claims, fines, penalties, and damages that may in any manner arise out of or be imposed because of the failure of HRH to comply with *Section 7.04* and shall indemnify and save County harmless against and from all costs, expenses, liabilities, losses, damages, suits, fines, penalties, claims, and demands because of HRH's failure to comply with the foregoing (unless such failure was due to the acts or omissions of the County, its agents, employees and/or contractors), and HRH shall not call upon County for any disbursement or outlay whatsoever in connection therewith, and hereby expressly releases and discharges County, its officers, employees, agents, servants, and contractors of and from any liability therefore. HRH, at its sole cost and expense, may, by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Requirement, provided that if a lien is filed against the Premises by reason of any failure of HRH to comply with any such Requirement pending such contest, HRH shall have furnished such security, if any, as may be required in the proceedings or which will discharge such lien (by substitution or otherwise) against the Premises, or is otherwise reasonably satisfactory to County.

Section 7.06 Any and all patient information which HRH may obtain as a result of its access to the Premises prior to the Commencement Date shall be kept confidential pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") and applicable State and local laws and regulations.

Section 7.07 HRH hereby agrees to hold the County and its respective officers, directors, agents, insurers and employees harmless from any and all liabilities, obligations, damages, penalties, actions, judgments, suits, costs, claims, losses, expenses, including reasonable attorney's fees, or disbursements of any kind and nature whatsoever which may be imposed upon, incurred by, or asserted against the County arising directly or indirectly out of, or in connection with, HRH's access to and use of the Premises prior to the Commencement Date, except to the extent that the losses or damages arise from the County's negligence or misconduct.

Section 7.08 HRH shall assume all liability on account of injury to any persons or entities, or damage to any property arising, directly or indirectly, out of or in connection with or from HRH's intentional acts, negligence, or misuse in connection with the use of the Premises or presence thereon, or the negligence of HRH's agents, employees, contractors, subcontractors, licensees, invitees, personnel, or representatives.

Section 7.09 HRH shall submit a written schedule of activities in a format to be determined by the County, for any and all activities contemplated for prior access, which schedule shall require prior approval by the County. Such approval shall not be unreasonably conditioned, delayed or withheld.

Section 7.10 With respect to work, alterations and/or improvements in respect of the Center that are mandated by Legal Requirements, HRH shall comply with all such Legal Requirements affecting the Premises to the extent compliance is required because of HRH's specific use or manner of use of the Premises, or because of HRH's improvement of the Premises. The County shall comply, at the County's sole cost and expense, with any other such Legal Requirements affecting the Premises and the Center.

SECTION 8. NO WARRANTIES BY COUNTY

Section 8.01 HRH acknowledges that, except as otherwise set forth in this Lease, HRH is leasing the Premises "**AS IS**" and County shall not be required to perform any work or furnish any materials in connection with the Premises.

Section 8.02 Except as otherwise set forth in this Lease, (i) County makes no warranty of any kind or nature, express, implied or otherwise, or any representations or covenants of any kind or nature in connection with the

conditions of the Premises or any part thereof, and (ii) County shall not be liable for any latent or patent defects therein or be obliged in any way whatsoever to correct or repair any such latent or patent defects.

Section 8.03 Except as may be otherwise expressly provided in the Lease, County shall not be obligated to provide any services to HRH.

SECTION 9. CARE AND REPAIR OF PREMISES BY HRH

Section 9.01 Subject to the provisions of **Section 14** and in accordance with the Summary of Responsibilities, HRH shall make and be responsible, at its sole cost and expense, for all ordinary maintenance and repairs relating to the Premises, regardless of whether or not the need for such repairs occurs as a result of HRH's use, any prior use, the elements or the age of the Premises. HRH, in keeping the Premises in good order, condition and repair as aforesaid, shall exercise and perform good maintenance practices. HRH also agrees to reimburse the County for 100% of the cost of any service provided by the County at the request of HRH that is not included in the scope of services to be provided by the County pursuant to this Lease.

Section 9.02 HRH shall pay its Proportionate Share of actual, reasonable Operating Expenses incurred by County with respect to the operation, maintenance, repair and replacement of the Center, the Building and the Premises, for the applicable year. For purposes of this Lease, "**Operating Expenses**" include:

- a. County's actual and reasonable cost and expense incurred in the reasonable operation, equipping, maintaining, insuring, replacing, and repairing of the common areas, including any parking areas, sidewalks and ramps, and the cost of all materials, supplies and services purchased or hired therefore; the cost and expenses of landscaping, gardening and planting, cleaning, painting (including line painting), decorating, security, paving, lighting, sanitary control, drainage, exterminating, and removal of snow and ice; fire protection; water and sewerage charges, electricity, plumbing and other utilities, and all hookup, connection, availability and standby fees pertaining to utilities.
- b. County's actual and reasonable cost and expense charged to the County by contractors and/or suppliers for services, replacement parts, components, materials, equipment and supplies furnished in connection with the operation, repair, maintenance, replacement of non-capital expense items.
- c. County's actual and reasonable cost and expense incurred for premiums paid, or which would have been paid if the County were not self-insured, for all risks of physical loss insurance, earthquake, wind flood, and extended coverage insurance, liability and extended coverage insurance, excluding however, the portion of any such premiums allocable (on a rentable square foot basis) to another tenant within the Building.
- d. County's actual and reasonable cost and expense for those service agreements specifically requested by the County, including any equipment, HVAC, or carting services.

Section 9.03 Any maintenance and/or repairs performed by HRH are to be conducted in a good and workmanlike manner. Such maintenance and/or repairs shall be made promptly as and when necessary. All maintenance and/or repairs shall be of good workmanship and of quality and class at least equal to the original work or equal to the subsequently renovated and improved work.

Section 9.04 On default of HRH in performing the required maintenance and/or repairs under *Section 9.01* above, upon ten (10) days written Notice to HRH, County may, but shall not be required, to make such maintenance and/or repairs for HRH's account. The expenses thereof shall be a cost to HRH, payable in accordance with *Section 4.04* above.

Section 9.05 Operating Expenses will not include any of the following: (i) real property taxes, (ii) cost of capital improvements, except as otherwise specifically provided in this Lease (iii) cost of improvements, repairs, or replacements covered by insurance (or which would have been covered by insurance had such insurance been maintained by the County) or reimbursed by third parties, (iv) repairs or other work (including rebuilding) occasioned by casualty or condemnation, (v) cost of constructing leasehold improvements for another tenant of the Center, (vi) legal or brokerage fees and other costs of procuring tenants associated with any lease for space in the Center, (vii) management fees, whether payable to the County or third parties, (viii) so-called "administrative charges", overhead or other add-ons to the total of Operating Expenses, (ix) principal or interest on debt or amortization payments on any mortgages or deeds of trust or any other debt for borrowed money and amortization of improvements, (x) depreciation of the County's original investment in the Center, (xi) amounts paid by the County to its departments and agencies for services in connection with the common areas, to the extent such fees are in excess of the ordinary and reasonable fees paid in arms' length transactions, (xii) costs and expenses of enforcing leases against other tenants, (xiii) the costs and expenses related to investigation of, testing for, removal and/or cleanup of Hazardous Materials, subject to HRH's obligation under **Section 28** of this Lease; (xiv) interest, late charges, and penalties on any charges payable by the County which are included in Operating Expenses, (xv) costs incurred in performing work or furnishing services to or for individual tenants (including HRH) at such tenant's expense or costs incurred in performing work or furnishing services to or for individual tenants to the extent such work or services is in excess of similar work and services furnished to HRH, (xvi) the cost of attorneys' fees incurred in connection with negotiating and drafting leases with other tenants, or in connection with disputes with other tenants; (xvii) costs incurred in the sale or refinancing of the Building and/or the Center, (xviii) costs of complying with Legal Requirements (other than requirements relating to the Americans with Disabilities Act) applicable to portions of the Center other than the Premises, and interest or penalties due to the County's violations of Legal Requirements, (xix) costs of complying with requirements of the Americans with Disabilities Act in effect on the date of this Lease, (xx) costs and expenses which are attributable to repairs or replacements necessitated by the negligence or willful acts of the County, its agents, employees and/or contractors, (xxi) the cost of any electricity consumed in space in the Building leased to tenant(s) and any taxes levied thereon; (xxii) the cost of maintaining the package air conditioning units or other equipment serving individual tenants in the Building, (xxiii) to the extent any costs includable in Operating Expenses are incurred with respect to both the Center and/or the Building and other properties (including, without limitation, salaries, fringe benefits and other compensation of the County's personnel who provide services to both the Center and/or the Building and other properties and insurance premiums), there shall be excluded from Operating Expenses the fair and reasonable percentage thereof that is properly allocable to such other properties, or (xxiv) damages, and attorneys' fees and disbursements paid as a result of a judgment, settlement or arbitration award resulting from any liability of the County, or the County's agent's employees and/or contractors. Anything contained herein to the contrary notwithstanding, Operating Expenses shall not include and the County shall be solely responsible for the cost of compliance with its obligations under Sections 5.A, 9 and 10.A, B, C and D of **Exhibit B** to this Lease. In addition, County shall not include in Operating Expenses or charge HRH for the cost of the first clean-out/drainage of the septic and sewer systems during the Term.

Section 9.06 The County will furnish to HRH such back-up information as may be reasonably necessary for the verification of Operating Expenses for any year during the Term and will permit the pertinent records to be examined by a financial officer of HRH or its independent certified public accountants.

Section 9.07 Anything contained herein to the contrary notwithstanding, in the event the County elects not to repair or restore the Building after a casualty, the County shall reimburse HRH all costs billed as an Operating Expense for insurance premiums theretofore paid by HRH; provided, however, that any such premiums paid by HRH prior to a separate casualty effecting the Building, which resulted in the County making repairs to the Building, shall not be included in calculating the amount of the reimbursement.

SECTION 10. HRH's SERVICES OBLIGATIONS

Section 10.01 Throughout the entire Term, HRH shall provide administrative, management and primary healthcare services (“**Services**”) at the Suffolk County Health Center at Riverhead, located at the Premises, as more fully set forth below:

- a. HRH warrants that it is, and shall remain during the term of this Lease, an Article 28 licensed facility pursuant to New York State Public Health Law and HRH shall notify DHS within one (1) business day of any changes relative to its status as an Article 28 licensed facility.
- b. HRH warrants that it is, and shall remain during the term of this Lease, an FQHC that receives federal grant support from the Health Resources Services Administration within the United States Department of Health and Human Services pursuant to Section 330 of the Public Service Act to provide or arrange for the provision of high quality, cost effective community-based comprehensive primary and preventive health care and related services to medically underserved communities and HRH shall immediately notify DHS of any changes relative to its status as an FQHC.
- c. HRH agrees that during the Term of this Lease and for the period of time that the HRH is operating the Health Center in the Premises, and unless the parties agree otherwise in writing, HRH shall provide Comprehensive Family Planning and Reproductive Health Care Services (“**Family Planning Services**”). Such services shall include: 1) a screening medical history and physical examination; 2) screening for health risk factors, including cervical cancer, sexually transmitted diseases and HIV/AIDS; 3) disease prevention/health promotion education and counseling; and 4) pre-conceptual counseling.
- d. In accordance with applicable laws, including HRH’s Board of Directors bylaws and nominating process, HRH agrees that its Board of Directors shall include two (2) Suffolk County residents for the Term of this Lease.
- e. HRH shall maintain the name “Suffolk County Health Center at Riverhead” both on the exterior façade of the Premises and on all documents required for operation of the facility. Nothing in this Section shall prohibit HRH from using its own name in addition to “Suffolk County Health Center at Riverhead.”

Section 10.02 In years six (6) through fifteen (15) of the Term of this Lease, HRH shall be responsible for issuing timely reports in writing, and/or in electronic format, on the status of the operation of the health center on the Premises in a form and manner as may reasonably be requested by DHS including but not limited to copies of annual reports provided by HRH to State and federal entities.

Section 10.03 HRH agrees to provide, at no cost to the County, janitorial services, security service, and such other building services to the extent provided in the Premises in connection with the County Reserved Space, subject nevertheless to *Section 1.02*. HRH further agrees to provide to the County all utility services to the extent used by HRH at the Premises in connection with the County Reserved Space, except telephone and data services, at no cost to the County.

SECTION 11. ALTERATIONS

Section 11.01 HRH shall have the right, during the term of this Lease, to make any “Alterations,” “Alterations” meaning any alterations, installations, improvements, additions, or renovations to the Premises or any part or

portion thereof, with notice to, but without the prior consent of, the County which are non-structural and do not affect exterior walls, the foundation or roof of the Building, or which do not affect or pertain to any plumbing, electrical, heating, ventilation, air-conditioning, mechanical, vertical transport, or other systems and equipment (collectively "**Building Systems**"). HRH may make Alterations that are structural or affect any Building Systems, or that consist of exterior landscaping, fencing or security enhancement, with the prior written consent of the County, which consent shall not be unreasonably withheld, conditioned or delayed. HRH need not notify the County, provide plans or obtain the County's consent with respect to Alterations that are decorative or of a cosmetic nature such as, for example, wall coverings, painting, flooring, etc. For purposes of this Lease, the "structural" components of the Premises shall include the load bearing walls, beams and columns.

Section 11.02 HRH shall deliver to the County a copy of the Approved Final Plans and Specifications which show the actual construction for all Alterations made by HRH.

Section 11.03 In addition to, and without limiting the generality of, the provisions of **Section 9**, HRH shall be solely responsible for and shall, to the extent permitted by law, indemnify the County from and against all claims arising out of or relating to any Alteration performed by HRH or HRH's employees, contractors, sub-contractors, agents, or representatives, unless due to or resulting from the acts or omissions of the County, its agents, employees and/or contractors.

Section 11.04 HRH shall, before making any Alterations, at its expense, obtain all permits, approvals and certificates required by any Legal Requirement or Governmental Authority and (upon completion) certificates of final approval thereof and shall promptly deliver to the County duplicates of all such permits, approvals and certificates if same are not issued by the County. HRH agrees to carry, and to cause HRH's contractors and sub-contractors to carry, such workmen's compensation, general liability, personal and property damage and builder's risk insurance as the County may reasonably require in connection with any Alterations.

Section 11.05 All Alterations (excluding HRH's trade fixtures, moveable office furniture and moveable equipment) installed in the Premises, either by HRH or by the County on HRH's behalf, shall remain upon and be surrendered with the Premises upon the expiration or earlier termination of the Lease, unless the County consents otherwise. In addition, the County reserves the right to require that medical equipment installed by HRH on the Premises be removed upon the expiration or earlier termination of the Lease. In the event HRH removes any Alterations or medical equipment pursuant to this *Section 11.05*, the same shall be removed from the Premises by HRH at HRH's cost and expense and HRH shall repair any damage to the Premises due to such removal. Nothing in this **Section 11** shall be construed to give the County title to or to prevent HRH's removal of its trade fixtures, moveable office furniture and equipment. HRH shall, at HRH's sole cost and expense, remove all of the HRH's personal property and those improvements made by HRH which have not become the property of the County and surrender the Premises in a broom-clean condition, reasonable wear and damage by fire, the elements, casualty, or other cause not due to the misuse or neglect by HRH or HRH's agents, servants, or visitors excepted.

Section 11.06 In the event HRH is required to obtain the County's approval for any Alteration, the County agrees to approve or deny HRH's request for such approval not later than twenty (20) business days following HRH's request therefor, accompanied by such materials as may be reasonably required in order that the County may properly evaluate HRH's request for approval. In the event the County fails to respond to any request for approval of an Alteration submitted by HRH within the aforementioned twenty (20) day period, the County shall be deemed to have approved HRH's request. If the County denies any request for approval of an Alteration, the County shall specify the reasons therefore with specificity, so that HRH can address the County's concerns upon any resubmittal of HRH's request for the County's approval of such Alteration. The County agrees to approve or deny any resubmitted request for approval of an Alteration not later than twenty (20) days after the resubmittal. In the event the County fails to respond to a resubmitted request for approval of an Alteration within the aforementioned twenty (20) day period, the County shall be deemed to have approved HRH's request. If the County denies HRH's

resubmitted request for approval, the County shall specify the reasons therefor with specificity and the resubmittal and review process as aforesaid shall continue until HRH's request is approved (or deemed approved) or abandoned by HRH.

SECTION 12. RIGHT OF ENTRY – INSPECTION

Section 12.01 At any time during the Term, the agents and employees of the County may, upon reasonable notice to HRH, at reasonable times, enter upon the Premises to determine the potential or actual compliance by HRH with the requirements of this Lease.

Section 12.02 The County may enter the Premises at any reasonable time for the purposes of inspection or the making of such repairs, replacements, and additions in, to, or about the Premises as necessary or desirable, or to perform any covenant, obligation or service contemplated in this Lease; provided however, that the County shall use reasonable efforts to provide advance notice of its access to the Premises and to cause a minimal amount of interference with HRH's use thereof.

SECTION 13. LIENS

Section 13.01 In the event it is permissible for any mechanics' or other liens to be filed against any portion of the Premises by reason of HRH's acts or omissions or because of a claim against HRH, HRH shall cause the same to be cancelled or discharged of record by bond or otherwise within ninety (90) days after notice from County. If HRH shall fail to cancel or discharge said lien or liens within said 90-day period, County may cancel or discharge the same and upon County's demand, HRH shall reimburse County for all costs incurred in canceling or discharging such liens together with an administrative fee equal to 5% of all such costs, such reimbursement to be paid as Additional Rent.

SECTION 14. CARE OF CENTER, BUILDING AND PREMISES BY COUNTY

Section 14.01 Except as otherwise specifically provided in this Lease, it is intended by the parties hereto that the County shall have no obligation, in any manner whatsoever, for the ordinary repair and/or maintenance of the Premises all of which obligations are intended to be that of HRH pursuant to **Section 9** of this Lease. It is intended by the parties that the terms of this Lease shall govern the respective obligations of the parties as to maintenance and repair of the Premises, and the parties expressly waive the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

Section 14.02 The County shall make all repairs and replacements to the Premises for which HRH is not responsible under *Section 9.01* including, without limitation, structural repairs to the Premises. In addition, the County shall keep in good order and repair portions of the Center not part of the Premises, including all common areas, and perform the maintenance, repairs and services set forth in **Exhibit B** of this Lease.

Section 14.03 To the extent the County incurs: (i) any Operating Expense which is capital in nature; or (ii) any Operating Expense to perform any repairs in respect of the Center, the Building and/or the Premises that HRH is not obligated to perform under *Section 9.01*, such Operating Expense shall be amortized on a straight line basis over the reasonably anticipated useful life of the capital item or item being repaired (the parties agreeing that the useful life of any such repaired item shall be deemed to be a period of seven (7) years), plus an interest factor equal to the Interest Rate (defined below), and HRH shall be obligated to reimburse the County annually for one (1/2) half of HRH's Proportionate Share of such Operating Expense amortized as aforesaid which coincides with the Term (pro-rated for any year that is less than a full year). For example, if a new roof was installed, the same would be treated as an Operating Expense and HRH would be obligated to reimburse the County annually for one (1/2) half of HRH's Proportionate Share of the Operating Expense, amortized on a straight line basis over the reasonably

anticipated useful life of the new roof, plus an interest factor equal to the Interest Rate, for the portion thereof that coincides with the Term (pro-rated for any year that is less than a full year). As an additional example, if a repair was made to the roof, the same would be treated as an Operating Expense and HRH would be obligated to reimburse the County annually for one (1/2) half of the County's Cost, amortized on a straight line basis over a period equal to seven (7) years, plus an interest factor equal to the Interest Rate, for the portion thereof that coincides with the Term (pro-rated for any year that is less than a full year). For avoidance of doubt, to the extent an Operating Expense is paid in accordance with this *Section 14.03*, it shall not be subject to payment in accordance with **Section 9**.

For purposes of this *Section 14.03*, "**Interest Rate**" shall mean an annual rate of interest equal to the average annual coupon rate for the most recent County general obligation bond issue preceding the date of repair and/or replacement, but in no event shall the Interest Rate exceed seven (7%) percent per annum.

Section 14.04 In no event shall the County be responsible for any repairs and/or replacements if the same necessitated by reason of: 1) any machinery or equipment installed by or on behalf of HRH which was not contemplated as part of the original intended use of the Premises, or 2) because of any rearrangement of partitioning; or 3) any Alterations performed by HRH.

Section 14.05 The County agrees, at its sole cost and expense, to perform all necessary maintenance, repairs, and replacements to the Premises caused by the negligence or willful misconduct of the County or its officers, employees, contractors, subcontractors, agents, or representatives.

Section 14.06 Upon becoming aware of any damage or defects in the Premises which are the responsibility of the County under this **Section 14**, HRH shall give the County prompt written notice (notice by fax or e-mail being acceptable) of such damage or defects.

Section 15. PREVAILING WAGE

Section 15.01 HRH agrees to comply with the prevailing wage requirements of Section 220 of the Labor Law in connection with any improvements or Alterations including, but not limited to the building lot, and all other portions of the Premises.

Section 15.02 No person performing, aiding in, or assisting in HRH's construction of any improvements or Alterations shall be paid less than the said prevailing rates as defined and utilized under Section 220 of the Labor Law.

Section 15.03 HRH, its contractors, and subcontractors shall file transcripts of original payrolls for the construction of any Alterations under this Lease, with the Department, within ten (10) days after its first payroll, and every thirty days thereafter, said payroll transcripts to be subscribed and affirmed as true under penalty of perjury. HRH, its contractors and subcontractors, shall keep their books open for inspection by representatives of the Suffolk County Department of Audit and Control and/or its representatives, including the Office of the District Attorney, on a monthly basis during the construction of the Alterations, to ensure that HRH, its contractors and subcontractors are in compliance with these terms and conditions, provided that twenty-four (24) hour-notice is given to HRH, its contractors and/or subcontractors prior to the inspection.

Section 15.04 HRH agrees that it shall include clauses in all of its agreements with its contractors and subcontractors for the construction of any Alterations stating that: (i) said contractors and subcontractors shall pay prevailing wages, as agreed to in this Lease between County of Suffolk and HRH; (ii) said contractors and subcontractors shall file transcripts of original payrolls for all work performed in connection with the construction and preparation of the Improvements under this Lease with the Department within ten (10) days after its first payroll, and every thirty days thereafter, said transcripts to be subscribed and affirmed as true under penalty of

perjury and (iii) HRH, its contractors, and subcontractors shall keep their books open for inspection by representatives of the Suffolk County Department of Audit and Control and/or its representatives, including the Office of the District Attorney, on a monthly basis during the construction of the Alterations to ensure that HRH, its contractors and subcontractors are in compliance with these terms and conditions, provided that twenty-four (24) hour-notice is given to HRH, its contractors and/or subcontractors prior to the inspection.

Section 15.05 During the construction of any Alterations, HRH shall maintain at the job site, and with County Department of Labor, a copy of all payrolls or transcripts thereof as would be required to be maintained pursuant to Section 220 of the New York Labor Law.

Section 15.06 During the construction of any Alterations, HRH shall provide to County employment attendance sheets for all employees of HRH's contractors, including employees of subcontractors, for each day on which work is performed on the site, upon a form reasonably acceptable to County, containing such information as the Commissioner of the Department of Labor reasonably deems appropriate, including job classification, hours of employment, wage rate and supplements payable, and employer.

SECTION 16. LAWFUL HIRING OF EMPLOYEES LAW IN CONNECTION WITH CONTRACTS FOR CONSTRUCTION OR FUTURE CONSTRUCTION

Section 16.01 This Lease is subject to the Lawful Hiring of Employees Law of the County of Suffolk, Suffolk County Code Chapter 234, as more fully set forth in the Exhibit C entitled "Suffolk County Legislative Requirements." In accordance with this law, HRH and any contractor or subcontractor, as the case may be, agrees to maintain the documentation mandated to be kept by this law on the Construction Site at all times. HRH and any contractor or subcontractor, as the case may be, further agree that employee sign-in sheets and register/log books shall be kept on the Construction Site at all times during working hours and all covered employees, as defined in the law, shall be required to sign such sign-in sheets/register/log books to indicate their presence on the Construction Site during such working hours.

SECTION 17. INSURANCE

Section 17.01 Unless otherwise specified by the County and agreed to by HRH in writing, throughout the term of this Lease and continuing during any holdover period as described in **Section 26**, below, HRH shall, at its own cost and expense, procure, pay the entire premium for, and maintain insurance for the Premises in amounts and types as follows:

- a. COMMERCIAL GENERAL LIABILITY INSURANCE, including contractual coverage, in an amount not less than Two Million Dollars (\$2,000,000.00) combined single limit for bodily injury and property damage per occurrence in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence for bodily injury and Two Million Dollars (\$2,000,000.00) per occurrence for property damage.
- b. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE in compliance with all applicable New York State laws and regulations and DISABILITY BENEFITS INSURANCE, if required by law. HRH shall furnish to the County, prior to execution of this Lease the documentation required by the State of New York Worker's Compensation Board of coverage or exemption from coverage pursuant to §§57 and 220 of the Worker's Compensation Law. In accordance with General Municipal Law §108, this Lease shall be void and of no effect unless HRH shall provide and maintain coverage during the term of this Lease for the benefit of such employees required to be covered by the provisions of the Workers' Compensation Law.

- c. AUTOMOBILE LIABILITY INSURANCE in an amount not less than Five Hundred Thousand Dollars (\$500,000.00) per person, per accident, for bodily injury and not less than One Hundred Thousand Dollars (\$100,000.00) for property damage per occurrence.
- d. THEFT OR PILFERAGE - HRH assumes responsibility for all injury to or destruction of or loss by theft or pilferage of HRH's materials, tools, machinery, equipment, appliances, and personal property of employees, from whatever cause.
- e. FIRE AND ALL RISK in amount equal to the full replacement value of the fixtures, furniture and improvements installed by or at the expense of Tenant.

Section 17.02 Any contractors and subcontractors who may at any time be involved with construction or reconstruction of the Premises on behalf of HRH shall be required to procure and maintain throughout the term of construction insurance in the amounts and types specified in clauses a., b. and c. of *Section 17.01*. HRH must provide insurance, prior to construction, for any and all contractors including but not limited to, sub-contractors engaged by it for the Alterations.

Section 17.03 All policies required under this **Section 17** shall be issued by insurance companies with an A.M. Best rating of A- or better.

Section 17.04 HRH shall furnish to the County, prior to the execution of the Lease, certificates of insurance and endorsement pages for each policy of insurance, other than a policy for commercial general liability insurance, evidencing compliance with the aforesaid insurance requirements. In the case of commercial general liability insurance, HRH shall provide certificates of insurance and endorsement page naming the County as additional insureds on said policy. Prior to the Commencement Date, HRH shall furnish to the County Declaration Pages for each policy of insurance described above, evidencing compliance with the aforesaid insurance requirements. HRH represents that such endorsement pages being provided are part of each policy of insurance it has obtained that relates to this Lease.

Section 17.05 All evidence of insurance shall provide for the County to be notified in writing thirty (30) days prior to any cancellation, nonrenewal, or material change in the policy to which such evidence relates. It shall be the duty of HRH to notify the County immediately of any cancellation, nonrenewal, or material change in any insurance policy. Such Declaration Pages, certificates, policies, other evidence of insurance, and notices, shall be mailed to the Department at its address as set forth on the first page of this Lease or at other such address of which the County shall have given HRH written notice. Required limits of insurance are not to be modified by deductibles which the County deems excessive without the County's prior written permission.

SECTION 18. INDEMNIFICATION

Section 18.01 HRH hereby agrees to defend, indemnify and hold harmless the County, its officers, officials, employees, agents and servants (collectively "**Indemnified Parties**") from and against any and all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, suits or actions (including appeals), costs, and expenses which arise out of or in connection with:

- a. any work or thing done in, on or about the Premises, the Building, and/or the Center, or any part thereof, or any use possession, occupation, condition, operation, maintenance, repair or management of the Premises, the Building, and/or the Center, or any part thereof, by HRH or the respective employees, agents, licensees, contractors, servants or sublessees of HRH or any such person, or the breach by HRH or anyone claiming through or under HRH or the respective employees, agents, licensees, contractors,

servants or sublessees of HRH or any such person of any term, covenant or conditions of this Lease;

- b. any act or omission on the part of HRH or any person claiming through or under HRH, or the respective employees, agents, licensees, invitees, contractors, servants or sublessees of HRH or any such person; or
- c. any accident or injury to any person (including death) or damage to property (including loss of property) occurring in, on, or about the Premises, the Building, and/or the Center or any part thereof, due to the negligence, acts or omissions by HRH, its employees, agents, licensees, invitees, contractors, servants or sublessees.

Anything contained herein to the contrary notwithstanding, in no event shall HRH be required to provide indemnification in respect of: (i) any matter relating to or arising out of the misconduct, omissions, or negligence of any of the Indemnified Parties; (ii) any matter relating to the use of the Premises by Brookhaven, its agents, employees, contractors and/or invitees thereof by Brookhaven; and/or (iii) Pre-Existing Environmental Matters (defined below) or any matter for which the County is required to indemnify HRH under *Section 28.01*.

Section 18.02 HRH agrees that it shall protect, indemnify, and hold harmless the Indemnified Parties from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, suits or actions, costs, and expenses actually incurred by the Indemnified Parties and arising out of any claim asserted against such Indemnified Parties for infringement of copyright, including reimbursement of the cost of reasonable attorneys' fees incurred by the Indemnified Parties in defending any such action or proceeding arising out of or in connection with any claim asserted for infringement of copyright due to HRH's use of the Premises.

Section 18.03 The County shall indemnify and hold harmless HRH, its agents, employees and/or contractors from and against all liabilities, fines, penalties, damages, claims, demands, judgments, losses, suits or actions (including appeals), costs (including attorney's fees), losses and liabilities of whatsoever nature arising out of: (i) the misconduct, omissions, or negligence of the County, its officers, agents, servants or employees in connection with the Center, the Building and/or the Premises including, without limitation, the use and occupancy by the County, its agents, employees, contractors and invitees of the County Reserved Space and the Shared Space; (ii) the breach by the County, or any of its agents, contractors and/or employees of any term, covenant or conditions of this Lease; and/or (iii) any Pre-Existing Environmental Matter. Anything contained herein to the contrary notwithstanding, in no event shall the County be required to provide indemnification in any matter relating to or arising out of the misconduct, omissions, or negligence of HRH, its agents, employees, contractors and/or invitees.

Section 18.04 The provisions of this **Section 18** shall survive the expiration or early termination of this Lease.

SECTION 19. SIGNS

Section 19.01 HRH shall not, without the prior written approval of the County, which approval shall not unreasonably be withheld, conditioned or delayed, erect, maintain or display any advertising, signs, posters or similar devices at or on the Premises or elsewhere at the facility; provided, however, that on interior portions of the Premises which are not visible from the public roadways, HRH may install necessary directional and identification signs. The provisions of *Section 11.06* shall be applicable to each request by HRH for the County's consent to the installation of signage as if the request for consent to the installation of signage were a request for consent to an Alteration.

SECTION 20. DAMAGE TO PREMISES

Section 20.01 The County shall not be obligated to rebuild or restore the Premises in the event of a partial or complete loss. In the event of partial or complete loss, County shall notify HRH, in writing, within sixty (60) days after the date of loss, of County's intention to repair/restore the Premises at its cost and, thereafter, shall promptly proceed to restore the Premises.

Section 20.02 In the event County elects not to proceed with the repair and/or restoration of the Premises as provided in this **Section 20**, County shall so notify HRH, in writing, of its intent to terminate within sixty (60) days after the date of loss and, upon the occurrence of such date, this Lease shall terminate and be of no further force or effect, and neither party shall have any further obligation to the other hereunder, except as herein expressly set forth to the contrary.

Section 20.03 Anything in this Lease to the contrary notwithstanding, the County and HRH hereby waive any rights each may have against the other on account of any loss or damage occasioned to the County or HRH, as the case may be, their respective property, the Center, the Building and/or the Premises, or its contents, arising from any risk generally covered by fire and all risk coverage insurance, and the parties, each on behalf of their respective insurance companies insuring the property of either the County or HRH against any such loss, waive any right of subrogation that it may have against the other, as the case may be.

Section 20.04 The risk of loss or destruction from any peril to the furniture, fixtures, equipment or other personal property of HRH while on the Premises shall be borne by HRH. It is further understood that HRH waives any right to subrogation against the County for loss or destruction or from any peril to the furniture, fixtures, equipment or other personal property of HRH while on the Premises except in cases due to any active or passive negligence of the County, its employees, officers and agents.

Section 20.05 Rent, Expenses, Operating Expenses and other costs, fees and charges payable by HRH under this Sublease shall abate in proportion to the portion of the Premises that cannot be used by HRH for the Permitted Use after a casualty, from the date of the casualty until the date HRH is again able to use the Premises or portion thereof that was not usable for the Permitted Use.

Section 20.06 The provisions of this **Section 20** shall survive the expiration or early termination of this Lease.

SECTION 21. ASSIGNMENT AND SUBLETTING

Section 21.01 HRH shall not: (i) assign, sell, mortgage, pledge, encumber or in any manner transfer this Lease or the estate or term hereby granted in whole or in part, (ii) sublet all or any part of the Premises, or allow any other person to occupy all or any part thereof, or (iii) assign or encumber any rents or other sums received by HRH under any Lease (each of which is a "**transfer**", and the respective transferring and transferred parties are a "**transferor**" and a "**transferee**"), without the prior written consent of the County, which consent shall not be unreasonably withheld, conditioned or delayed. A transfer shall be deemed to include the use or occupancy of the Premises by any agency, contract agency, department, division or office of HRH, which use is not consistent with the Permitted Use. Anything contained herein to the contrary notwithstanding, a transfer shall not include and the County's consent to a transfer shall not be required in the following circumstances (each, a "**Permitted Transfer**"): (i) a transfer to an Affiliate of HRH; (ii) a transfer in connection with a sale or transfer of all or substantially all of the assets of HRH; (iii) the merger or consolidation of HRH into or with another entity operating as an FQHC; and (iv) a transfer or transfers consisting of one or more subleases of less than twenty-five (25%) percent in the aggregate of the square footage of the building at the Premises for purpose of co-located services, lab service or Article 31 mental health facilities; provided, however, no Permitted Transfer set forth in clauses (i) – (iii) shall result in a change in the Permitted Use of the Premises or cause the Health Center to be operated other than by a FQHC. For purposes of this

Section 21, an Affiliate of HRH shall mean an entity that controls, is controlled by or is under common control with HRH; “control” meaning the ability to: (x) manage the day to day operations of a person or entity; and (x) direct the policies and affairs of such person or entity.

Section 21.02 An agreement where another person agrees to become responsible for all or a portion of HRH’s obligations under this Lease shall be deemed a transfer.

Section 21.03 Notwithstanding anything contained herein to the contrary, in the event HRH requests, in writing, the County’s consent to a proposed transfer of fifty percent or more of the Premises, the County shall thereupon have thirty (30) days to exercise the right and option (but no obligation) to cancel and terminate this Lease effective upon thirty (30) days written notice to HRH, provided that HRH shall have sufficient time to discontinue operations in accordance with applicable Legal Requirements. Subject to the preceding provisions of this **Section 21**, should HRH, in any other nature or transaction, permit or attempt to permit anyone other than HRH to occupy the Premises or any portion thereof, within thirty (30) days after the County’s receipt of notice of such transaction, the County shall thereupon have the right and option (but no obligation) to cancel and terminate this Lease effective upon thirty (30) days written notice to HRH. If the County exercises its option to retake the entire Premises and terminate this Lease, the Parties shall have no further obligation to one another except for monetary obligations which accrued prior to the effective date of termination.

SECTION 22. DEFAULT REMEDIES/DAMAGES

Section 22.01 This Lease and the Term and estate hereby granted are subject to the limitation that,

- a. if HRH shall default in its obligation to establish, operate and maintain a health facility in accordance with the provisions of **Section 10** of this Lease, and any such default continues for thirty (30) days after the County shall give HRH a written notice specifying such default; or
- b. if HRH defaults in the keeping, observance or performance of any other covenant or agreement set forth in this Lease, and if such default continues and is not cured within thirty (30) days after the County gives HRH notice specifying same, or, in the case of a default which for causes beyond HRH’s reasonable control cannot with reasonable diligence be cured within such period of thirty (30) days, if HRH shall not immediately upon the giving of such notice, (a) advise the County of HRH’s intention duly to institute all steps necessary to cure such default and (b) institute and thereafter diligently prosecute to completion all steps necessary to cure the same, then, in any such cases, in addition to any other remedy available at law or in equity, **or**
 - i. Filing by or the final adjudication against HRH of any petition in bankruptcy, or in the final adjudication of any petition for the appointment of a receiver or trustee for the assets or business of HRH; or
 - ii. The making by the HRH of any general assignment for the benefit of creditors; or
 - iii. The occurrence of any act which operates to deprive HRH permanently of the rights, powers and privileges necessary for the proper conduct and operation of its business granted herein; or

- iv. The abandonment and discontinuance of the operation of HRH; or
- v. The failure of HRH to maintain all required insurance and to furnish evidence of same within ten (10) days of written demand by County;

the County may give to HRH a notice (the "**Termination Notice**") of intention to end the Term of this Lease specifying a day not less than Seven (7) Business Days thereafter.

Section 22.02 Upon the giving of the Termination Notice in accordance with **Section 24** of this Lease, this Lease and the Term and estate hereby granted shall expire and terminate upon the day so specified in the Termination Notice as fully and completely and with the same force and effect as if the day so specified were the Expiration Date and all rights of HRH shall terminate.

Section 22.03 From and after any date upon which a Termination Notice is given to HRH, the County, without further notice, may enter upon, re-enter, possess and repossess itself of the Premises, by force, summary proceedings, ejectment or otherwise, all in accordance with legal process, and may dispossess and remove HRH and all other persons and property from the Premises and may have, hold and enjoy the Premises. As used in this Lease the words "**enter**" and "**re-enter**" are not restricted to their technical legal meanings.

Section 22.04 No waiver by any Party of a breach of any covenants, agreements, obligations or conditions of this Lease shall be construed to be a waiver of any future breach of the same or any other covenant, agreement, obligation or condition hereof. Failure by a Party to declare any default immediately upon its occurrence or delay in taking any action in connection with such default shall not waive such default but the County shall have the right to declare any such default at any time thereafter.

Section 22.05 The rights and remedies hereby created are cumulative, and the use of one remedy shall not be construed to exclude or waive the right to the use of another, or exclude any other right or remedy allowed by law, in equity or otherwise. In the event of a breach or threatened breach on the part of the County, or HRH with respect to any of the covenants or agreements on the part of or on behalf of the County or HRH, to be kept, observed or performed, the County or HRH, as the case may be, shall also have the right of injunction. Any amounts paid by a Party to the other may be applied by the Party receiving such payment, in such Party's sole discretion, to any items then owing by the paying Party to the other under this Lease and receipt of a partial payment shall not be deemed to be an accord and satisfaction or waiver of the failure to make full payment unless otherwise agreed to in writing by the Parties hereto.

Section 22.06 If either the County or HRH shall fail to perform any of its obligations under this Lease ("**non-performing party**"), the other Party may perform the same at the expense of the non-performing party (i) immediately, with forty-eight (48) hours' notice to the non-performing Party if practicable, in the case of (a) an Emergency; (b) if such failure unreasonably interferes with the efficient operation of the building, (c) if such failure may result in a violation of any Legal Requirements or in the cancellation of any Required Insurance, and (ii) in any other case if such failure continues after ten (10) days from the date of the giving of written notice to the non-performing Party, of such Party's intention so to perform the same or, in the case of a failure which for causes beyond such Party's reasonable control cannot with reasonable diligence be cured within such ten (10) day period, such ten (10) day period shall be deemed extended if such Party immediately upon the receipt of such notice, (i) advises the other of its intention to institute all steps necessary to cure such failure and (ii) institutes and thereafter diligently prosecutes to completion all steps necessary to cure the same. If either the County or HRH performs any of the obligations of the non-performing party, the Party performing the work shall be entitled to reimbursement of the costs thereof, together with an administrative fee equal to ten percent (10%) of such costs, from the non-performing party, within forty-five (45) days after receipt by of the non-performing party of a written statement as to the amounts of such costs and fees incurred.

An “**emergency**” shall mean any situation where a reasonable person would conclude that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid imminent material damage to all or any material portion of the Premises, (ii) to protect any person from imminent harm, or (iii) to avoid the imminent unforeseen and unforeseeable suspension of any necessary material service in or to the Premises, the failure of which service would have a material and adverse effect on the Premises or HRH’s ability to utilize the Premises for its intended purposes.

SECTION 23. [Intentionally omitted.]

SECTION 24. NOTICES

Section 24.01 **Operational Notices:** Any communication consisting of periodic reporting and/or other notices which are not included within the scope of *Section 24.02* which are required or permitted to be made by the Parties regarding this Lease shall be in writing and shall be given to the County, or HRH, or their designated representative, by regular or certified mail in postpaid envelope or by Courier Service at the following addresses or at such other address that may be specified in writing by the Parties and must be delivered as follows: (a) if to the County, to the Suffolk County Department of Public Works, Attention: Commissioner, 335 Yaphank Avenue, Yaphank, New York 11980; with copies to the Department of Health Services, Attention: Commissioner, 3500 Sunrise Highway, Suite 124, P.O. Box 9006, Great River, New York 11739-9006, and the Suffolk County Department of Law, Attn: Suffolk County Attorney, 100 Veterans Memorial Highway, P.O. Box 6100, Hauppauge, New York 11788-0099; (b) if to HRH, at HRH’s address first set forth, or at such other address as the County or HRH, may designate in writing. Notice shall be deemed to have been duly given (1) if delivered by Courier Service, the first Business Day subsequent to delivery of the notice to the Courier Service and (2) if mailed by regular or certified mail, upon the seventh Business Day after the mailing thereof.

Section 24.02 **Notices Relating to Termination, Exercise of Lease Rights and/or Litigation:** In the event HRH or the County receives a notice or claim or becomes a party (plaintiff, petitioner, defendant, respondent, third party complainant, third party defendant) to a lawsuit or any legal proceeding related to this Lease, the Party receiving such notice shall immediately deliver to the other, at the address set forth above, copies of all papers filed by or against it in such lawsuit or legal proceeding.

- a. Any communication or notice regarding termination of this Lease or the exercise of a party’s rights under this Lease including, without limitation, any request for any approval under this Lease or which is necessary in order to commence any time period under this Lease shall be in writing and shall be given to the addresses set forth in *Section 20.01* or at such other addresses that may be specified in writing by the Parties and shall be deemed to be duly given only if delivered: (i) personally [personal service on the County must be pursuant to New York Civil Practice Law and Rules Section 311]; (ii) by nationally recognized overnight courier; or (iii) mailed by registered or certified mail in a postpaid envelope addressed: notice shall be deemed to have been duly given (1) if delivered personally, upon acceptance or refusal thereof, (2) if by nationally recognized overnight courier (“**Courier Service**”), the first Business Day subsequent to delivery of the notice to the Courier Service and (3) if mailed by registered or certified mail, upon the seventh Business Day after the mailing thereof.
- b. Any notice by one Party to the other with respect to the commencement of any lawsuit or legal proceeding shall be effected pursuant to and governed by the New York Civil Practice Law and Rules or the Federal Rules of Civil Procedure, as applicable.

Section 24.03 Each Party shall give prompt written notice to the other Party of the appointment of successor(s) to the designated contact person(s) or his or her designated successor(s).

SECTION 25. NO COUNTY LIABILITY FOR HRH'S FAILURE

Section 25.01 Failure of HRH to perform any or all of its obligations hereunder shall not give rise to any liability on the part of the County or any of the County's departments, officers, officials, bureaus, agencies, employees, agents or representatives, unless such failure is the result of the acts or omissions of the County or any of the County's departments, officers, officials, bureaus, agencies, employees, agents or representatives.

SECTION 26. SURRENDER OF PREMISES; HOLDOVER

Section 26.01 On the Expiration Date or upon the sooner termination of this Lease or upon any re-entry following HRH's uncured default (after giving effect to any applicable notice, grace and/or cure period) by the County, HRH shall, at its expense, quit, surrender, vacate and deliver the Premises to the County in the same order, condition and state of repair existing on the final execution date of this Lease, ordinary wear, tear and damage by the elements, fire or other casualty excepted, together with all improvements and fixtures therein. Upon the expiration or earlier termination of this Lease, HRH shall, at its expense, remove from the Premises all of HRH's personal property and any personal property of persons claiming by, through or under HRH and all non-approved Alterations, and shall repair or pay the cost of repairing all damage to the Premises occasioned by such removal.

Section 26.02 Any personal property or Alterations remaining in the Premises after the early termination of this Lease shall be deemed to have been abandoned and either may be retained by the County as its property or may be stored or disposed of as the County may see fit. If such property not so removed shall be sold, the County may receive and retain the proceeds of such sale and apply the same, at the County's option, against the reasonable expenses of the sale, moving and storage, and any damages to which the County may be entitled. Any excess proceeds shall be the property of the County.

Section 26.03 Any personal property or Alterations remaining in the Premises after the Expiration Date shall be deemed to have been abandoned and either may be retained by the County as its property or may be stored or disposed of as the County may see fit. If such property not so removed shall be sold, the Landlord may receive and retain the proceeds of such sale and apply the same, at the County's option, against the reasonable expenses of the sale, moving and storage, and any damages to which the Landlord may be entitled. Any excess proceeds shall be the property of the County.

Section 26.04 Rent and Taxes: Notwithstanding any other provision of this Lease, in the event HRH shall remain in possession of the Premises after the termination of this Lease without the execution of a new lease between HRH and the County, HRH, subject to all of the other terms of this Lease insofar as the same are applicable to a holdover tenancy, and without waiving HRH's default or preventing the County from suing to obtain possession, shall be deemed to be occupying the Premises as a holdover, at a monthly rental determined in accordance with the provisions of *Section 4.03* of this Lease. In addition, HRH shall be liable to the County for the payment of Real Property Taxes, if any, and all other obligations of the County for the Premises not set forth in this Lease.

- a. Rent for the Premises payable by HRH during any holdover shall be payable to the County, at the County's address first set forth above, or at such other place designated by the County in writing, in equal monthly installments, in advance, on the first day of each calendar month.
- b. In addition to rent, HRH agrees to pay the County one-twelfth (1/12th) of any Real Estate Taxes levied upon the Premises in the current year, for each month, or portion

thereof, which HRH is a holdover in the Premises, plus any penalties which may be assessed.

- i) The term “**Real Estate Taxes**” shall mean and be deemed to include all real property taxes, assessments, county taxes, transit taxes, payment in lieu of taxes (“**PILOT**”), or any other governmental charge of a similar nature whether general, special, ordinary, or extraordinary, foreseen or unforeseen, of any kind or nature whatsoever, including without limitation, assessments for public improvements or benefits. If, due to a change in the method of taxation, any franchise, income, profit, sales, rental, use and occupancy, or other tax shall be substituted for or levied against the owner of the building and/or the land in lieu of Real Estate Taxes hereinabove defined, upon or with respect to the building or the land of which the Premises are a part, such tax shall be included in the term “Real Estate Taxes”. Nothing contained herein shall be construed to include as “Real Estate Taxes” any inheritance, estate, succession, transfer, gift franchise, corporation, income or profit tax, increase in taxes due to a sale of the property, or capital levy that is or may be imposed upon the property owner.

Section 26.03 The provisions of this **Section 26** shall survive the expiration or earlier termination of this Lease.

SECTION 27. PESTICIDE APPLICATION

Section 27.01 HRH agrees to comply with Suffolk County Code Article 1 Chapter 647 and any other County laws, regulations or policies relating to pesticide use as they exist now or as they may be adopted or amended, as relating to the Premises.

SECTION 28. ENVIRONMENTAL RESPONSIBILITIES

Section 28.01 The County represents and warrants that, to the best of its knowledge, the Building and the Premises have not been used for the generation, treatment, storage, or disposal of Hazardous Materials in violation of applicable Environmental Laws (defined below). If, during the Term, Hazardous Materials not in compliance with Legal Requirements are discovered in any part of the Center, the Building and/or the Premises (other than those Hazardous Materials introduced by HRH, its agents, employees, and/or contractors), the County will immediately undertake or cause to be undertaken remediation or removal of the Hazardous Materials to the extent required by and in accordance with all Environmental Laws. The County agrees to indemnify, defend and hold HRH and its agents, employees, contractors, officers, directors, sublessees, assignees and invitees (collectively, "**Affiliated Parties**") harmless against and reimburse HRH and its Affiliated Parties for: (i) all Hazardous Materials Liabilities asserted against or incurred by HRH or its Affiliated Parties arising out of a breach by the County of the representations, warranties or covenants set forth in this *Section 28.01*; and (ii) the generation, treatment, storage, discharge, spill, release or disposal of Hazardous Materials that occurred prior to the date of this Lease (“**Pre-Existing Environmental Matters**”).

The term "**Hazardous Materials**" as used herein means any substance (i) the presence of which requires special handling, storage, investigation, notification, monitoring, or remediation under any Environmental Law, (ii) which is toxic, explosive, corrosive, erosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous, (iii) which is or becomes regulated by any governmental authority under any Environmental Law. The term "**Environmental Laws**" refers to all present and future Legal Requirements relating to (i) emissions, discharges, spills, releases or threatened releases of Hazardous Materials onto land or into ambient air, surface water, groundwater, watercourses, publicly or privately owned treatment works, drains, sewer systems, wetlands, or

septic systems, (ii) the use, treatment, storage, disposal, handling, manufacturing, transportation, or shipment of Hazardous Materials, or (iii) the protection of human health or the environment.

Section 28.02 HRH will not use, generate, place, store, release or otherwise dispose of Hazardous Materials in the Premises, except in strict accordance with all Environmental Laws. In the event of a breach of the foregoing, HRH will undertake remediation or removal in accordance with all Environmental Laws. HRH will indemnify, defend and hold the County and the County's Affiliated Parties harmless against and reimburse the County and the County's Affiliated Parties for all Hazardous Materials Liabilities asserted against or incurred by the County or the County's Affiliated Parties for: (i) all Hazardous Materials Liabilities asserted against or incurred by the County or the County's Affiliated Parties arising out of a breach by the HRH of the representations, warranties or covenants set forth in this Section 28.02; and (ii) a discharge, spill, release or disposal of Hazardous Materials by HRH or its Affiliated Parties, its agents, employees and/or contractors during the Term. HRH shall, at its own expense:

- a. Comply with all Environmental Laws regulating the use, generation, storage, removal, transportation, disposal, encapsulation or remediation of Hazardous Substances introduced by HRH or its Affiliated Parties, in, on or under the Premises.
- b. Make all submissions to, and provide all information required by, and comply with all Environmental Laws applicable to Hazardous Substances introduced in, on, or under the Premises by HRH or its Affiliated Parties;
- c. Prepare and submit the required plans and all related bonds and other financial assurances and carry out all such cleanup plans should any Governmental Authority asserting appropriate jurisdiction demand that a cleanup plan be prepared and that a cleanup be undertaken because of any deposit, spill, discharge or other release of Hazardous Materials at or from the Premises, only if introduced by HRH or its Affiliated Parties. If the deposit, spill, discharge or other release of Hazardous Materials at or from the Center, the Building or the Premises was introduced by the County, the County shall prepare and submit all required documents and undertake all required actions in a timely manner to comply with all Governmental Authority demands and deadlines; and
- d. Promptly provide all information in HRH's possession regarding the use, generation, storage, transportation or disposal of Hazardous Substances that is requested by County.

Section 28.03 If a Hazardous Substance is detected on the Premises for which HRH is liable under this Lease, and HRH shall not, within thirty (30) days following notice from County, commence to comply with its obligations under this Lease and thereafter diligently prosecute the performance of such obligations, County shall have the right to perform such obligations on behalf of HRH, and HRH shall pay to County the reasonable fees incurred by County for the cost of such compliance, including the reasonable fees of attorneys, consultants, contractors, experts, laboratories and all other reasonable costs incurred in connection with the performance of such obligations by County, including, the preparation of any feasibility studies or reports and the performance of any required cleanup, remediation, removal, abatement, containment, closure, restoration, or monitoring work.

Section 28.04 HRH shall, upon becoming aware, promptly notify the County of any failure of the Premises to comply with Environmental Laws. Each of the parties agrees to cooperate with the other in all reasonable ways, but without cost, expense or liability to the cooperating party, to facilitate compliance by the other party with its obligations under this **Section 28**.

The term "**Hazardous Materials Liabilities**" as used herein means all claims, damages, losses, forfeitures, expenses (including investigation and laboratory fees, court costs and litigation expenses), fines, penalties, or liabilities arising from or caused in whole or in part, directly or indirectly, by a breach by the other party of its respective representations, warranties, or covenants under *Sections 28.01, 28.02 or 28.03*, including, without limitation, all costs of defense (including reasonable attorneys' fees and other costs of litigation), all consultants' fees, and all costs of investigation, repair, remediation, restoration, cleanup, detoxification or decontamination, and/or preparation and implementation of any closure, remedial action or other required plan.

Section 28.05 The provisions of this **Section 28** shall survive the expiration or earlier termination of this Lease.

SECTION 29. SUFFOLK COUNTY LEGISLATIVE REQUIREMENTS

Section 29.01 The Parties agree to be bound by the terms of Suffolk County Legislative Requirements, annexed hereto as **Exhibit C** and made a part hereof.

SECTION 30. PARAGRAPH HEADINGS

Section 30.01 The paragraph headings in this Lease are included for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.

SECTION 31. QUIET ENJOYMENT

Section 31.01 The County covenants that if and so long as HRH fully and faithfully performs the covenants hereof, HRH shall peaceably and quietly have, hold and enjoy the Premises for the term, subject to the provisions of this Lease.

SECTION 32. MISCELLANEOUS

Section 32.01 HRH may not record this Lease, any portion thereof, any memorandum thereof or make reference thereto in any other recorded document or instrument without the prior written consent of the County.

Section 32.02 The covenants and agreements contained in this Lease shall bind and inure to the benefit of the Parties and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns.

Section 32.03 The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one tenant and to any person, males or females, shall in all instances be assumed as though fully expressed. References contained herein to Sections, Exhibits and Schedules shall be deemed to be references to the Sections, Exhibits and Schedules of and to this Lease unless specified to the contrary.

Section 32.04 The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision.

Section 32.05 In any action brought by County for the enforcement of the obligations of HRH, County shall be entitled to recover interest at the statutory rate and reasonable attorney's fees.

Section 32.06 This Lease may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement. Executed facsimiles and/or PDF signatures of this Lease shall be treated as originals for all purposes and may be transmitted and delivered by the parties via electronic mail.

SECTION 33. NO REPRESENTATIONS

Section 33.01 The Parties have made no representations or promises, except as contained herein, or in some further writing signed by the Parties. The County has not made any representations or promises with respect to the physical condition of the Premises, permissible uses of the Premises, the rents, leases, expenses of operation or any other matter or thing affecting or related to the Premises except as herein expressly set forth, and no rights, easements, or licenses are acquired by HRH by implication or otherwise except as expressly set forth in the provisions of this Lease.

SECTION 34. NO WAIVER; ORAL CHANGES

Section 34.01 The failure of any of the Parties to insist on strict performance of any covenant or condition hereof, or to exercise any option herein contained, shall not be construed as a waiver of such covenant, condition or option in any other instance. This Lease cannot be changed or terminated orally but only by an agreement in writing signed by HRH and the County.

SECTION 35. GOVERNING LAW

Section 35.01 This Lease shall be construed and interpreted in accordance with the laws of the State of New York, and without regard to its conflict of laws provisions. Venues shall be designated as Suffolk County, New York or the United States District Court for the Eastern District of New York.

SECTION 36. COOPERATION ON CLAIMS

Section 36.01 Each of the Parties hereto agrees to render diligently to the others, without additional compensation, any and all cooperation, that may be required to defend the other Parties, its employees and designated representatives against any claim, demand or action that may be brought against the other Parties, its employees or designated representatives in connection with this Lease.

SECTION 37. NOT A CO-PARTNERSHIP OR JOINT VENTURE

Section 37.01 Nothing herein contained shall create or be construed as creating a co-partnership or joint venture between the Parties or to constitute HRH as an agent or employee of the County.

SECTION 38. BROKER

Section 38.01 HRH and the County, each to the other, represent and warrant that no broker or finder took any part in any dealings, negotiations, or consultations with respect to the Premises or this Lease. The Parties, each to the other, agree to indemnify, defend, and hold harmless the other against any claim, demand and judgment which may be made or obtained against said Party by any broker claiming a commission for bringing about this Lease.

SECTION 39. CERTIFICATION

Section 39.01 The Parties to this Lease hereby certify that, other than the funds provided in this Lease and other valid agreements with the County, there is no known relationship within the third degree of consanguinity, life partner, or business, commercial, economic, or financial relationship between the Parties, the signatories to this Lease, and any partners, members, directors, or shareholders of more than five percent (5%) of any party to this Lease.

SECTION 40. SUCCESSORS BOUND

Section 40.01 This Lease shall bind, and inure to the benefit of, the Parties and their respective heirs, executors, administrators, successors and assigns.

SECTION 41. COUNTY REPRESENTATIVES

Section 41.01 It is expressly understood and agreed by and between the Parties hereto that the officers, officials, employees and agents of the County are acting in a representative capacity for the County of Suffolk and not for their own benefit, and HRH shall not have any claim against them or any of them as individuals in any event whatsoever.

SECTION 42. INDEPENDENT CONTRACTOR

Section 42.01 It is expressly agreed that HRH's status hereunder is that of an independent contractor. Neither HRH, nor any person hired by HRH shall be considered employees of the County for any purpose.

SECTION 43. EXECUTION BY HRH

Section 43.01 HRH warrants that its entry into this Lease was duly considered and authorized by its organizational body and pursuant to its by-laws, operating agreements and/or internal procedures.

SECTION 44. EXECUTION BY COUNTY

Section 44.01 The County warrants that its entry into this Lease was duly considered and authorized by the County Legislature and pursuant to law and/or local or internal procedures.

SECTION 45. SEVERABILITY

Section 45.01 It is expressly agreed that if any term or provision of this Lease and/or any amendment hereto, or the application thereof to any person or circumstances, shall be held invalid or unenforceable to any extent, the remainder of this Lease and any amendment hereto, or the application of such term or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and every other term and provision of this Lease and any amendment hereto shall be valid and shall be enforced to the fullest extent permitted by law.

SECTION 46. INTERPRETATION

Section 46.01 This Lease is to be construed and interpreted without regard to any presumption or other rule requiring construction or interpretation against the Party causing this Lease to be drafted.

Signature page follows

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be executed and delivered as of the last date set forth below.

LANDLORD

TENANT

COUNTY OF SUFFOLK

HUDSON RIVER HEALTHCARE, INC.

By: _____
Dennis M. Cohen
Chief Deputy County Executive

By: _____
Name:
Title:

Date: _____

Date: _____

APPROVED AS TO FORM:
Dennis M. Brown, Suffolk County Attorney

_____, hereby certifies under penalties of perjury that I am an officer of Hudson River Healthcare, Inc., that I have read and I am familiar with §A5-7 of Article V of the Suffolk County Code, and that Hudson River Healthcare, Inc. meets all requirements to qualify for exemption thereunder.

By: _____
Basia Deren Braddish
Assistant County Attorney

Name

Date: _____

Date

REVIEWED AND APPROVED:

REVIEWED AND APPROVED:

DEPARTMENT OF HEALTH SERVICES

DEPARTMENT OF PUBLIC WORKS

By: _____
Name:
Title:

By: _____
Gilbert Anderson, P.E.
Commissioner

Date: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF NEW YORK }

SS:

On the ____ day of _____ in the year 2015 before me, the undersigned, personally appeared _____, personally known to me or provided to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individuals(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

ACKNOWLEDGEMENT

STATE OF NEW YORK }

SS:

COUNTY OF SUFFOLK }

On the ____ day of _____ in the year 2015 before me, the undersigned, personally appeared *Dennis M. Cohen, Chief Deputy County Executive*, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individuals(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

Exhibit A
Floor Plan

DRAFT

EXHIBIT B
Summary of Responsibilities

| ITEM | COUNTY | HRH |
|--|----------------|-----------------------|
| 1) UTILITIES (UNLESS SEPARATELY METERED) | | |
| A) GAS | | Paid as an Expense |
| B) WATER AND SEWAGE | | Paid as an Expense |
| C) ELECTRICITY | | Paid as an Expense |
| 2) H.V.A.C. EQUIPMENT | | |
| A) REPAIR & REPLACE | X | |
| B) PREVENTIVE MAINTENANCE | X | |
| C) CHANGE AIR FILTER | X | |
| 3) ELECTRIC EQUIPMENT | | |
| A) REPAIR & REPLACE | X | |
| B) FIXTURE, LAMP & BALLAST REPLACEMENT | | X |
| C) EMERGENCY LIGHTING AND EXIT LIGHTING | | X |
| D) PARKING FIELD & EXTERIOR BUILDING LIGHTING | X | |
| E) PARKING FIELD LAMP REPLACEMENT | X | |
| 4) PLUMBING | | |
| A) REPAIR & REPLACE | Per Section 14 | Per Sections 9 and 14 |
| B) [Intentionally omitted.] | | |
| C) CLEAN OUT: DRAINAGE STRUCTURES & SYSTEMS | X | |
| D) CLEAN OUT: SEWAGE STRUCTURES & SYSTEMS | X | |
| 5) STRUCTURAL REPAIRS IN ACCORDANCE WITH SECTIONS 9 AND 14 OF THE LEASE (roof & roofing, interior, drainage structures & systems, sewage structures & systems) | X | |

| ITEM | COUNTY | HRH |
|--|--------|-----------------------|
| A) REPAIR: sidewalks, curbs, ramps, driveways, parking areas | X | |
| 6) CUSTODIAL | | X |
| 7) CLEAN WINDOWS – EXTERIOR, 1X/year | | X |
| 8) CARTAGE | | X |
| A) MEDICAL WASTE | | X |
| 9) SNOW & ICE REMOVAL TO PARKING AREAS, DRIVES, RAMPS & WALKS | X | |
| 10) GROUNDS MAINTENANCE | | |
| A) GRASS & LANDSCAPING MAINTENANCE | X | |
| B) IRRIGATION OF GRASS & LANDSCAPING | X | |
| C) PARKING FIELD | X | |
| D) PARKING FIELD SWEEPING AND DEBRIS REMOVAL | X | |
| 11) INTERIOR REPAIR & MAINTENANCE | | Per Sections 9 and 14 |
| 12) INTERIOR PAINTING | | X |
| 15) GLAZING | | X |
| 16) TAXES | N/A | N/A |
| 17) VERMIN AND RODENT EXTERMINATION | | X |
| 18) FIRE SPRINKLERS & RPZ – MAINTENANCE AND TESTING | X | |
| 19) FIRE AND SECURITY ALARM – MAINTENANCE AND REPAIR OF EXISTING EQUIPMENT | | X |

EXHIBIT C
SUFFOLK COUNTY LEGISLATIVE
REQUIREMENTS

NOTE: THE CONTRACTOR'S COMPLETED LEGISLATIVE REQUIRED FORMS REFERENCED HEREIN ARE AVAILABLE ON FILE AT THE COUNTY ATTORNEY'S OFFICE AND THE DEPARTMENT NAMED ON THE SIGNATURE PAGE OF THIS CONTRACT.

1. Contractor's/Vendor's Public Disclosure Statement

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of section A5-7 of Article V of the Suffolk County Code.

Unless certified by an officer of the Contractor as being exempt from the requirements of section A5-7 of Article V of the Suffolk County Code, the Contractor represents and warrants that it has filed with the Comptroller the verified public disclosure statement required by Suffolk County Administrative Code Article V, Section A5-7 and shall file an update of such statement with the Comptroller on or before the 31st day of January in each year of the Contract's duration. The Contractor acknowledges that such filing is a material, contractual and statutory duty and that the failure to file such statement shall constitute a material breach of the Contract, for which the County shall be entitled, upon a determination that such breach has occurred, to damages, in addition to all other legal remedies, of fifteen percent (15%) of the amount of the Contract.

Required Form:

Suffolk County Form SCEX 22; entitled "Contractor's/Vendor's Public Disclosure Statement"

2. Living Wage Law

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Chapter 575, of the Suffolk County Code.

This Contract is subject to the Living Wage Law of the County of Suffolk. The law requires that, unless specific exemptions apply, all employers (as defined) under service contracts and recipients of County financial assistance, (as defined) shall provide payment of a minimum wage to employees as set forth in the Living Wage

Law. Such rate shall be adjusted annually pursuant to the terms of the Suffolk County Living Wage Law of the County of Suffolk. Under the provisions of the Living Wage Law, the County shall have the authority, under appropriate circumstances, to terminate the Contract and to seek other remedies as set forth therein, for violations of this Law.

Required Forms:

Suffolk County Living Wage Form LW-1; entitled "Suffolk County Department of Labor – Living Wage Unit Notice of Application for County Compensation (Contract)."

Suffolk County Living Wage Form LW-38; entitled "Suffolk County Department of Labor – Living Wage Unit Living Wage Certification/Declaration – Subject To Audit."

3. Use of County Resources to Interfere with Collective Bargaining Activities

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article I of Chapter 803 of the Suffolk County Code.

County Contractors (as defined by section 803-2) shall comply with all requirements of Chapter 803 of the Suffolk County Code, including the following prohibitions:

- a. The Contractor shall not use County funds to assist, promote, or deter union organizing.
- b. No County funds shall be used to reimburse the Contractor for any costs incurred to assist, promote, or deter union organizing.
- c. No employer shall use County property to hold a meeting with employees or supervisors if the purpose of such meeting is to assist, promote, or deter union organizing.

If the Services are performed on County property, the Contractor must adopt a reasonable access agreement, a neutrality agreement, fair communication agreement, non-intimidation agreement, and a majority authorization card agreement.

If the Services are for the provision of human services and are not to be performed on County property, the Contractor must adopt, at the least, a neutrality agreement.

Under the provisions of Chapter 803, the County shall have the authority, under appropriate circumstances, to terminate the Contract and to seek other remedies as set forth therein, for violations of this Law.

Required Form:

Suffolk County Labor Law Form DOL-LO1; entitled "Suffolk County Department of Labor – Labor Mediation Unit Union Organizing Certification/Declaration - Subject to Audit."

4. Lawful Hiring of Employees Law

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article II of Chapter 353 of the Suffolk County Code.

This Contract is subject to the Lawful Hiring of Employees Law of the County of Suffolk. It provides that all covered employers, (as defined), and the owners thereof, as the case may be, that are recipients of compensation from the County through any grant, loan, subsidy, funding, appropriation, payment, tax incentive, contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or an awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit a completed sworn affidavit (under penalty of perjury), the form of which is attached, certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees (as defined) and with respect to the alien and nationality status of the owners thereof. The affidavit shall be executed by an authorized representative of the covered employer or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement with the County; and shall be made available to the public upon request.

All contractors and subcontractors (as defined) of covered employers, and the owners thereof, as the case may be, that are assigned to perform work in connection with a County contract, subcontract, license agreement, lease or other financial

compensation agreement issued by the County or awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit to the covered employer a completed sworn affidavit (under penalty of perjury), the form of which is attached, certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees and with respect to the alien and nationality status of the owners thereof, as the case may be. The affidavit shall be executed by an authorized representative of the contractor, subcontractor, or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement between the covered employer and the County; and shall be made available to the public upon request.

An updated affidavit shall be submitted by each such employer, owner, contractor and subcontractor no later than January 1 of each year for the duration of any contract and upon the renewal or amendment of the Contract, and whenever a new contractor or subcontractor is hired under the terms of the Contract.

The Contractor acknowledges that such filings are a material, contractual and statutory duty and that the failure to file any such statement shall constitute a material breach of the Contract.

Under the provisions of the Lawful Hiring of Employees Law, the County shall have the authority to terminate the Contract for violations of this Law and to seek other remedies available under the law.

The documentation mandated to be kept by this law shall at all times be kept on site. Employee sign-in sheets and register/log books shall be kept on site at all times during working hours and all covered employees, as defined in the law, shall be required to sign such sign-in sheets/register/log books to indicate their presence on the site during such working hours.

Required Forms:

Suffolk County Lawful Hiring of Employees Law Form LHE-1; entitled "Suffolk County Department of Labor – Notice Of Application To Certify Compliance With

Federal Law (8 U.S.C. Section 1324a) With Respect To Lawful Hiring of Employees.”

Suffolk County Lawful Hiring of Employees Law Form LHE-2; entitled “Affidavit Of Compliance With The Requirements Of 8 U.S.C. Section 1324a With Respect To Lawful Hiring Of Employees”

5. Gratuities

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Chapter 664 of the Suffolk County Code.

The Contractor represents and warrants that it has not offered or given any gratuity to any official, employee or agent of the County or the State or of any political party, with the purpose or intent of securing an agreement or securing favorable treatment with respect to the awarding or amending of an agreement or the making of any determinations with respect to the performance of an agreement.

6. Prohibition Against Contracting with Corporations that Reincorporate Overseas

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of sections A4-13 and A4-14 of Article IV of the Suffolk County Code.

The Contractor represents that it is in compliance with sections A4-13 and A4-14 of Article IV of the Suffolk County Code. Such law provides that no contract for consulting services or goods and services shall be awarded by the County to a business previously incorporated within the U.S.A. that has reincorporated outside the U.S.A.

7. Child Sexual Abuse Reporting Policy

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article II of Chapter 880 of the Suffolk County Code.

The Contractor shall comply with Article II of Chapter 880, of the Suffolk County Code, entitled “Child Sexual Abuse Reporting Policy,” as now in effect or amended hereafter or of any other Suffolk County Local Law that may become applicable during the term of the Contract with regard to child sexual abuse reporting policy.

8. Non Responsible Bidder

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article II of Chapter 189 of the Suffolk County Code.

Upon signing the Contract, the Contractor certifies that it has not been convicted of a criminal offense within the last ten (10) years. The term “conviction” shall mean a finding of guilty after a trial or a plea of guilty to an offense covered under section 189-5 of the Suffolk County Code under “Nonresponsible Bidder.”

9. Use of Funds in Prosecution of Civil Actions Prohibited

It shall be the duty of the Contractor to read, become familiar with, and comply with the requirements of Article III of Chapter 893 of the Suffolk County Code.

The Contractor shall not use any of the moneys, in part or in whole, and either directly or indirectly, received under the Contract in connection with the prosecution of any civil action against the County in any jurisdiction or any judicial or administrative forum.

10. Youth Sports

It shall be the duty of the Contractor to read, become familiar with, and comply with Article III of Chapter 730 of the Suffolk County Code.

All contract agencies that conduct youth sports programs are required to develop and maintain a written plan or policy addressing incidents of possible or actual concussion or other head injuries among sports program participants. Such plan or policy must be submitted prior to the award of a County contract, grant or funding. Receipt of such plan or policy by the County does not represent approval or endorsement of any such plan or policy, nor shall the County be subject to any liability in connection with any such plan or policy.

11. Work Experience Participation

If the Contractor is a not-for-profit or governmental agency or institution, each of the Contractor's locations in the County at which the Services are provided shall be a work site for public-assistance clients of Suffolk County pursuant to Chapter 281 of

the Suffolk County Code at all times during the Term of the Contract. If no Memorandum of Understanding ("MOU") with the Suffolk County Department of Labor for work experience is in effect at the beginning of the Term of the Contract, the Contractor, if it is a not-for-profit or governmental agency or institution, shall enter into such MOU as soon as possible after the execution of the Contract and failure to enter into or to perform in accordance with such MOU shall be deemed to be a failure to perform in accordance with the Contract, for which the County may withhold payment, terminate the Contract or exercise such other remedies as may be appropriate in the circumstances.

12. Safeguarding Personal Information of Minors

It shall be the duty of the Contractor to read, become familiar with, and comply with the

requirements of Suffolk County Local Law No. 20-2013, a Local Law to Safeguard the Personal Information of Minors in Suffolk County.

All contract agencies that provide services to minors are required to protect the privacy of the minors and are strictly prohibited from selling or otherwise providing to any third party, in any manner whatsoever, the personal or identifying information of any minor participating in their programs.

13. Suffolk County Local Laws Website Address

Suffolk County Local Laws, Rules and Regulations can be accessed on the homepage of the Suffolk County Legislature.

End of Text for Exhibit

**Rev. 12/2/14; Law No. 19-HS-
Community Benefit Grant Contract
Hudson River Healthcare, Inc.**

**IFMS No.
Contract No. 001-4101-4980-00-00009
Health Department Issued:**

**Exhibit 6
Equipment and Furnishings Transfer List**

(See Attached)

DRAFT

| WASP Tag | Description | LOC # |
|----------|-----------------------------|-------|
| 591 | 275 Embossing System | 1 |
| 100242 | 7 CHAIRS | 1 |
| 100241 | 7 WORKSTATIONS | 1 |
| 2557 | addressograph | 1 |
| 2706 | addressograph | 1 |
| 2719 | addressograph | 1 |
| 2720 | addressograph | 1 |
| 2565 | addressograph - 2000 | 1 |
| 2568 | addressograph - 2000 | 1 |
| 2570 | addressograph - 2000 | 1 |
| 2701 | addressograph - 2000 | 1 |
| 3898 | addressograph - 2000 | 1 |
| 3940 | addressograph - 2000 | 1 |
| 6464 | addressograph - 2000 | 1 |
| 6777 | addressograph - 2000 | 1 |
| 2696 | ADRESSOGRAPH - 850 | 1 |
| 890 | addressograph -700 | 1 |
| 2546 | addressograph -700 | 1 |
| 2547 | addressograph -700 | 1 |
| 2548 | addressograph -700 | 1 |
| 2611 | addressograph -700 | 1 |
| 2660 | addressograph -700 | 1 |
| 2665 | addressograph -700 | 1 |
| 2676 | addressograph -700 | 1 |
| 2695 | addressograph -700 | 1 |
| 2703 | addressograph -700 | 1 |
| 2707 | addressograph -700 | 1 |
| 2718 | addressograph -700 | 1 |
| 3037 | addressograph -700 | 1 |
| 3892 | addressograph -700 | 1 |
| 3913 | addressograph -700 | 1 |
| 3922 | addressograph -700 | 1 |
| 3934 | addressograph -700 | 1 |
| 3952 | addressograph -700 | 1 |
| 6460 | addressograph -700 | 1 |
| 6473 | addressograph -700 | 1 |
| 896 | addressograph-2000 | 1 |
| 140130 | Adult Scale | 1 |
| 130212 | AIR COMPRESSOR | 1 |
| 2640 | Audiometer - Beltone | 1 |
| 2639 | audiometer - maico | 1 |
| 2638 | AutoClave Ritter M9 | 1 |
| 2672 | blood chair | 1 |
| 2704 | blood chair | 1 |
| 2549 | Blood drawing chair | 1 |
| 594 | Bone Densitometer & Printer | 1 |

| | | |
|--------|-------------------------------|---|
| 2637 | CD Writer | 1 |
| 578 | CODE CAR W/ DEFIBRILLATOR | 1 |
| 2591 | COLPOSCOPE | 1 |
| 2592 | COLPOSCOPE | 1 |
| 2626 | COLPOSCOPE | 1 |
| 2614 | Crash Cart | 1 |
| 2678 | Crash Cart | 1 |
| 885 | Cryomedics | 1 |
| 2596 | Cryomedics 2400 | 1 |
| 130218 | CUSPIDOR CONSOLE | 1 |
| 130219 | CUSPIDOR CONSOLE | 1 |
| 2554 | Datacard 275 Embosser | 1 |
| 582 | DATACARD 275 EMBOSsing SYSTEM | 1 |
| 584 | DATACARD 275 EMBOSsing SYSTEM | 1 |
| 130220 | DENTAL ASSISTANT STOOL | 1 |
| 130221 | DENTAL ASSISTANT STOOL | 1 |
| 130214 | Dental Chair | 1 |
| 130215 | Dental Chair | 1 |
| 130222 | DENTIST STOOL W/SUPPORT | 1 |
| 130223 | DENTIST STOOL W/SUPPORT | 1 |
| 2633 | Digital Mammography System | 1 |
| 130213 | DRY VACUUM PUMP | 1 |
| 100118 | ECG MACHINE | 1 |
| 905 | EKG MACHINE | 1 |
| 2662 | EKG MACHINE | 1 |
| 2669 | EKG MACHINE | 1 |
| 2674 | EMBOSSER | 1 |
| 6462 | EMBOSSER | 1 |
| 2661 | EMEVS | 1 |
| 2697 | EMEVS | 1 |
| 2555 | EMEVS-3740 | 1 |
| 2561 | emevs-570 | 1 |
| 2564 | emevs-570 | 1 |
| 6463 | emevs-570 | 1 |
| 2675 | emevs-5750 | 1 |
| 2576 | Exam Lamp | 1 |
| 2588 | Exam Lamp | 1 |
| 2620 | Exam Lamp | 1 |
| 2624 | Exam Lamp | 1 |
| 2631 | Exam Lamp | 1 |
| 2642 | Exam Lamp | 1 |
| 2647 | Exam Lamp | 1 |
| 2681 | Exam Lamp | 1 |
| 2691 | Exam Lamp | 1 |
| 2651 | Exam Table - 319 | 1 |
| 2607 | Exam Table - 5110 | 1 |
| 2655 | Exam Table - 5110 | 1 |

| | | |
|--------|--------------------------------|---|
| 2656 | Exam Table - 5110 | 1 |
| 2587 | Exam Table - power | 1 |
| 2584 | Exam Table - UMF | 1 |
| 2597 | Exam Table - UMF | 1 |
| 2601 | Exam Table - UMF | 1 |
| 2623 | Exam Table - UMF | 1 |
| 2670 | Exam Table - UMF | 1 |
| 2550 | Exam Table 2041 | 1 |
| 2574 | Exam Table 2041 | 1 |
| 2689 | Exam Table 2041 | 1 |
| 110059 | EXAM TABLE FOOT CONTROL | 1 |
| 2579 | Exam Table Ritter 230 | 1 |
| 2630 | Exam Table Ritter 230 | 1 |
| 2641 | Exam Table Ritter 230 | 1 |
| 583 | EXTERNAL FETAL MONITOR | 1 |
| 7002 | Fax Machine - Brothers | 1 |
| 1000 | Fax Machine - Canon | 1 |
| 2715 | Fetal Doppler - Portable | 1 |
| 2716 | Fetal Doppler - Portable | 1 |
| 581 | FIBEROPTIC SIGMOIDOFIBE RSCOPE | 1 |
| 3436 | Film Duplicator | 1 |
| 6467 | FREEZER | 1 |
| 120118 | HEAVY DUTY SHREDDER | 1 |
| 580 | HIGH FREQUENCY X-RAY GENERATOR | 1 |
| 130210 | IINTRA-ORAL X-RAY | 1 |
| 130211 | IINTRA-ORAL X-RAY | 1 |
| 588 | IMAGE MGT SYST FOR COLPOSCOPY | 1 |
| 2673 | Infant Exam Table - UMF | 1 |
| 2586 | Infant Scale - 6735 | 1 |
| 2605 | Infant Scale - 6735 | 1 |
| 2609 | Infant Scale - 6735 | 1 |
| 884 | Infant Table/Scale | 1 |
| 2583 | Infant Table/Scale | 1 |
| 2602 | Infant Table/Scale | 1 |
| 2613 | Infant Table/Scale | 1 |
| 2627 | Infint Exam/scale Table | 1 |
| 26 | Ivek Accuvert Pump System | 1 |
| 31 | Ivek Accuvert Pump System | 1 |
| 595 | Ivek Accuvert Pump System | 1 |
| 2667 | Konica X-Ray Film Processor | 1 |
| 110011 | manual Exam Table | 1 |
| 110176 | MEDICAL IMAGE IMPORTER | 1 |
| 2682 | microscope | 1 |
| 6491 | microscope | 1 |
| 2580 | Microscope - Unico | 1 |
| 110136 | MOBILE PRINTER | 1 |
| 110137 | MOBILE PRINTER | 1 |

| | | |
|----------|--------------------------------|---|
| 110138 | MOBILE PRINTER | 1 |
| 110139 | MOBILE PRINTER | 1 |
| 100183 | NETWORK PRINTER B/W | 1 |
| 2658 | ophthalmoscope | 1 |
| 100114 | OXYGEN CONCENTRATOR | 1 |
| 100161 | OXYGEN CONCENTRATOR | 1 |
| 100185 | PEDIATRIC SCALE TABLE | 1 |
| 130139 | PHARMACY REFRIGERATOR | 1 |
| 589 | PORTABLE FLOWMETER | 1 |
| 590 | PORTABLE FLOWMETER | 1 |
| 585 | POWER EXAM TABLE | 1 |
| 586 | POWER EXAM TABLE | 1 |
| 2646 | POWER EXAM TABLE | 1 |
| UNKNOWN6 | POWER EXAM TABLE | 1 |
| 100027 | Power Exam Table w/foot pedal | 1 |
| 100028 | Power Exam Table w/foot pedal | 1 |
| 2196 | POWER EXAMINATION TABLE | 1 |
| 130216 | PROCENTER DELIVERY SYS | 1 |
| 130217 | PROCENTER DELIVERY SYS | 1 |
| 836 | refridgerator | 1 |
| 6479 | Refrigerator - Frigidaire | 1 |
| 2619 | refrigerator - RTF | 1 |
| 2628 | Refrigerator-sanyo | 1 |
| 6465 | Scale with height bar | 1 |
| 6466 | Scale with height bar | 1 |
| 6468 | Scale with height bar | 1 |
| 6469 | Scale with height bar | 1 |
| 6470 | Scale with height bar | 1 |
| 6471 | Scale with height bar | 1 |
| 6472 | Scale with height bar | 1 |
| 6475 | Scale with height bar | 1 |
| 6476 | Scale with height bar | 1 |
| 6477 | Scale with height bar | 1 |
| 6478 | Scale with height bar | 1 |
| 6480 | Scale with height bar | 1 |
| 6481 | Scale with height bar | 1 |
| 6483 | Scale with height bar | 1 |
| 6485 | Scale with height bar | 1 |
| 6487 | Scale with height bar | 1 |
| 6488 | Scale with height bar | 1 |
| 6489 | Scale with height bar | 1 |
| 110367 | SHREDDER | 1 |
| 110180 | STADIOMETER WALL MOUNTED | 1 |
| 2615 | Suction Machine | 1 |
| 120062 | UPS for Mammography Unit | 1 |
| 2593 | Video Colposcope Monitor | 1 |
| 587 | VIDEO COLPOSCOPE W/VERTCL STND | 1 |

| | | |
|------|-----------------------|---|
| 2573 | Wall Mounted Otoscope | 1 |
| 2577 | Wall Mounted Otoscope | 1 |
| 2589 | Wall Mounted Otoscope | 1 |
| 2598 | Wall Mounted Otoscope | 1 |
| 2603 | Wall Mounted Otoscope | 1 |
| 2608 | Wall Mounted Otoscope | 1 |
| 2625 | Wall Mounted Otoscope | 1 |
| 2643 | Wall Mounted Otoscope | 1 |
| 2648 | Wall Mounted Otoscope | 1 |
| 2652 | Wall Mounted Otoscope | 1 |
| 2657 | Wall Mounted Otoscope | 1 |
| 2708 | Wall Mounted Otoscope | 1 |
| 2709 | Wall Mounted Otoscope | 1 |
| 2710 | Wall Mounted Otoscope | 1 |
| 2711 | Wall Mounted Otoscope | 1 |
| 2714 | Wall Mounted Otoscope | 1 |
| 6482 | Wall Mounted Otoscope | 1 |
| 2582 | X Ray Light | 1 |
| 2590 | X Ray Light | 1 |
| 2599 | X Ray Light | 1 |
| 2604 | X Ray Light | 1 |
| 2635 | X Ray Light | 1 |
| 2644 | X Ray Light | 1 |
| 2649 | X Ray Light | 1 |
| 2666 | X Ray Light | 1 |
| 2668 | X Ray Light | 1 |
| 2683 | X Ray Light | 1 |
| 2705 | X Ray Light | 1 |
| 6484 | X Ray Light | 1 |
| 6486 | X Ray Light | 1 |
| 6490 | X Ray Light | 1 |
| 2664 | X Ray Plate | 1 |
| 2663 | X-RAY MACHINE | 1 |
| 3435 | X-Ray-Table | 1 |

| Location | Serial No | Condition |
|------------------------------|-------------|-----------|
| RIVERHEAD COUNTY CENTER-RVHD | 14585 | Good |
| HEALTH ADMIN - Riverhead | NONE | New |
| HEALTH ADMIN - Riverhead | NONE | New |
| RIVERHEAD COUNTY CENTER-RVHD | 8600048879 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 8600001178 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 8600013431 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 8600013398 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 2000080241 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 2000080242 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 2000080239 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 2000080243 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 2000070086 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 2000070085 | |
| RIVERHEAD COUNTY CENTER-RVHD | 2000102512 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 2000070084 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 80724 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 11502 | |
| RIVERHEAD COUNTY CENTER-RVHD | 13336 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 13334 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 13332 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 12106 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12846 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 12113 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12050 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 13180 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12842 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12843 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 12118 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12455 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12845 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12453 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 12107 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 13181 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | 13333 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | E28614-0164 | New |
| HEALTH ADMIN - Riverhead | 332966 | New |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 0M028839 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | D3768 | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 24125259 | Good |

| | | |
|------------------------------|-----------------|-----------|
| RIVERHEAD COUNTY CENTER-RVHD | | Poor |
| RIVERHEAD COUNTY CENTER-RVHD | 5X002663 | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | NONE | New |
| RIVERHEAD COUNTY CENTER-RVHD | | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | LK132657 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | V869534 | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | FD2-3041732-00 | |
| RIVERHEAD COUNTY CENTER-RVHD | U61325B9N833251 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | UXM55902 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | H2-02507 | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | H3-00745 | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | 2003439/7036726 | |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | A33127647 | New |
| RIVERHEAD COUNTY CENTER-RVHD | G13932 | |
| HEALTH ADMIN - Riverhead | DT18510 | New |
| HEALTH ADMIN - Riverhead | DT18231 | New |
| RIVERHEAD COUNTY CENTER-RVHD | CLI-5110-887 | |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 8604-31 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 9912031 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | e137020011 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 60606 | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | | Fair |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 20168 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 19231 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 20168 | |
| RIVERHEAD COUNTY CENTER-RVHD | 1072-1846 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | V1013492 | New |
| RIVERHEAD COUNTY CENTER-RVHD | 0400270JEB5 | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 149271 | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | | Good |
| RIVERHEAD COUNTY CENTER-RVHD | 20090318 | Excellent |
| RIVERHEAD COUNTY CENTER-RVHD | CNOAB281QD | New |
| RIVERHEAD COUNTY CENTER-RVHD | CNOC2281CT | New |

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|-------------------|---------|------------|
| Codomics | Virtuae | 1,000.00 |
| | | 8,617.58 |
| | | 5,076.47 |
| | | 5,076.47 |
| | | 1,000.00 |
| 0 | 0 | 1,500.00 |
| 0 | 0 | 1,500.00 |
| | 6D1442 | 500.00 |
| Cooper Signal | 2400 | 3,500.00 |
| | | 930.00 |
| | | 930.00 |
| | | 7,885.00 |
| | | 7,791.00 |
| | | 7,791.00 |
| | | 570.00 |
| | | 570.00 |
| | | 7,730.00 |
| | | 7,730.00 |
| | | 620.00 |
| | | 620.00 |
| | | 321,730.00 |
| | | 6,560.00 |
| HENRY SCHEIN INC. | | 3,795.00 |
| Welch Allen | | 3,250.00 |
| Welch Allen | | 6,660.61 |
| Welch Allen | | 4,000.00 |
| | | 10,400.00 |
| | | 10,400.00 |
| Verifone | 3750 | 1,600.00 |
| Verifone | 3750 | 817.00 |
| Omni | 3740 | 817.00 |
| Verifone | 570 | 817.00 |
| Verifone | 570 | 817.00 |
| Verifone | 570 | 817.00 |
| Omni | 5750 | 1,600.00 |
| Welch Allyn | | 500.00 |
| Ritter | 319 | 1,600.00 |
| UMF | 5110 | 1,600.00 |
| UMF | 5110 | 1,600.00 |

| | | |
|-----------------|------------|-----------|
| UMF | 5110 | 1,600.00 |
| Midmark | 411-016 | 6,494.66 |
| UMF | 5120 | 1,600.00 |
| UMF | 2041 | 1,600.00 |
| UMF | 2041 | 1,600.00 |
| UMF | 2041 | 1,600.00 |
| Midmark | | 645.00 |
| Ritter | 230 | 1,600.00 |
| Ritter | 230 | 1,600.00 |
| Ritter | 230 | 500.00 |
| | | 5,157.50 |
| Brothers | | 200.00 |
| CANON | | 300.00 |
| Huntleigh | | 500.00 |
| Huntleigh | | 500.00 |
| | | 5,706.00 |
| Blue Ray | MKV Mark V | 1,000.00 |
| | | 500.00 |
| | | 1,685.34 |
| | | 11,110.00 |
| | | 4,130.00 |
| | | 4,130.00 |
| | | 7,795.00 |
| UMF | 5902 | 1,600.00 |
| Detecto | 6735 | 500.00 |
| Detecto | 6735 | 500.00 |
| Detecto | 6735 | 500.00 |
| UMF | 0 | 1,600.00 |
| UMF | 0 | 2,932.00 |
| UMF | 0 | 2,932.00 |
| UMF | 0 | 2,932.00 |
| Seca | | 1,000.00 |
| | | 7,400.00 |
| | | 7,400.00 |
| | | 7,400.00 |
| | | 10,979.00 |
| 0 | 0 | 938.00 |
| GE HEALTHCARE | | 8,000.00 |
| nikon | | 1,600.00 |
| nikon | | 750.00 |
| Unico | G380 | 750.00 |
| HEWLETT PACKARD | | 200.00 |
| HEWLETT PACKARD | | 200.00 |

