

CO-APPLICANT OPERATIONAL ARRANGEMENT

Between the

MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

(Public Agency)

and the

VALLEYWISE COMMUNITY HEALTH CENTERS GOVERNING COUNCIL

(Co-Applicant)

This Co-Applicant Operational Arrangement (Arrangement) is entered into by and between the Maricopa County Special Health Care District Board of Directors (Board), and the Valleywise Community Health Centers Governing Council (Governing Council or Co-Applicant) (collectively the Parties).

WHEREAS, the Maricopa County Special Health Care District (District), a political subdivision of the state of Arizona, is statutorily empowered to operate pursuant to Title 48, Chapter 31, of the Arizona Revised Statutes and A.R.S. § 48-5501 et. seq. and acting through its Board, is authorized to accept and utilize federal and state funds and enter into agreements with other entities for the delivery and supervision of health care services at District operated health care facilities; and,

WHEREAS, the Co-Applicant, through its Governing Council, is organized to provide governance and oversight of Federally Qualified Health Center (FQHC) clinics owned and operated by the District that provide primary and preventive health care and related services (including, but not limited to, ancillary services), regardless of an individual's or family's ability to pay; and,

WHEREAS, since 2019, the Parties have co-applied for, and have been awarded by the Health Resources and Services Administration (HRSA) within the United States Department of Health and Human Services (DHHS), designation to operate a public center pursuant to Section 330 of the Public Health Service Act, which includes the FQHC clinics (the Health Center Program"); and,

WHEREAS, the Parties agree that the District, having received FQHC designation from HRSA, will serve as the Public Agency and, as applicable, the recipient of federal funding, which may include Section 330 grant funding; and that the Governing Council will serve as the Co-Applicant, consistent with the requirements of Section 330 and applicable HRSA policies and pronouncements; and that the District acting as the Public Agency and the Governing Council acting as the Co-Applicant, together constitute the Health Center Project under HRSA policy; and,

WHEREAS, the Parties understand that Section 330, which was enacted by Congress, permits a public entity to operate a public center and to retain general policy-making authority; and,

WHEREAS, HRSA policy has stated (i) that a public center may consist of a public entity and a co-applicant which, when combined, meet the Section 330 governance requirements; and (ii) that many public entities are required by law to retain final authority for certain types of activities; and,

WHEREAS, in order to accomplish their shared interests, the Board and Governing Council, acting collectively as the public center, wish to clarify and define their respective roles and responsibilities and their shared duties with regard to the governance and operation of the FQHC clinics in a manner consistent with the requirements of Section 330, its implementing regulations, HRSA policies and the Compliance Manual.

NOW THEREFORE, in consideration of the promises and mutual covenants set forth in this Arrangement, the Parties agree as follows;

1. Governing Council's Governance Authorities and Responsibilities

The Governing Council's governance authorities and responsibilities shall comply with the requirements of Section 330, its implementing regulations, HRSA policies and the Compliance Manual. The Governing Council shall specifically exercise the following authorities and responsibilities regarding the management and operation of the FQHC clinics:

- 1.1 Annually review the service area by zip codes reported on Form 5B: Service Sites;
- 1.2 Complete or update a community needs assessment of the current patient population at least once every three (3) years to improve the delivery of health care services;
- 1.3 Review and approve additional health services, if any, to offer in order to meet the health needs of the patient population served by the FQHC clinics, subject to Board approval;
- 1.4 Annually review a list of FQHC clinics, including addresses, hours of operation by clinic, and information on general services offered at each clinic reported on Form 5B: Service Sites;
- 1.5 Approve location of any new FQHC clinic or closure of existing FQHC clinic as long as it is consistent with the District's facility, strategic, business, financial, and capital plans;
- 1.6 Ensure written operating procedures exist for responding to patient medical emergencies during each FQHC clinics regularly scheduled hours of operation;

- 1.7 Ensure written operating procedures exist for responding to patient medical emergencies after regularly scheduled hours of operation;
- 1.8 Ensure written operating procedures are in place to obtain medical information related to a FQHC clinic patient's hospital or emergency department visit;
- 1.9 Review evaluate, and approve a sliding fee discount program for the FQHC clinics at least every three (3) years. Evaluation should include the effectiveness of the sliding fee discount program in reducing financial barriers to care, and the rate which patients within each discount category are accessing services;
- 1.10 Annually review and approve a sliding fee discount schedule for the FQHC clinics based on the most recent Federal Poverty Guidelines;
- 1.11 Review and approve at least every two (2) years a Quality Improvement/Quality Assurance (QI/QA) program for the FQHC clinics that addresses the quality and utilization of services, patient satisfaction, patient grievance process and patient safety including adverse events;
- 1.12 Ensure that QI/QA data, including patient satisfaction, patient grievance and patient safety, is shared with the Governing Council at least quarterly;
- 1.13 Ensure written quality of care audit procedures are in place and audit is shared with the Governing Council annually;
- 1.14 Select/hire the Project Director/Chief Executive Officer of the FQHC clinics after receiving prior approval from HRSA and as set forth in Paragraph 6 below;
- 1.15 Annually evaluate the Project Director/Chief Executive Officer's performance as set forth in Paragraph 6 below;
- 1.16 Dismiss/terminate the Project Director/Chief Executive Officer from the Health Center Program if necessary, as set forth in Paragraph 6 below and notify HRSA;
- 1.17 Approve changes to Project Director/Chief Executive Officer's job description;
- 1.18 Approve changes to organization chart including titles and names of key management staff;
- 1.19 Comply with the District's written Code of Conduct and Ethics; and Conflicts of Interest and Gift policy;
- 1.20 Submit written disclosure to Clerk if a real or apparent conflict of interest was identified by a Governing Council member;

- 1.21 Make reasonable efforts to establish and maintain collaborative relationships, including with other specialty providers that provide care within Maricopa County, to provide access to services not available at the FQHC clinics and to reduce the non-urgent use of hospital emergency departments; and with social service organizations to support community services that impact patients of the FQHC clinics;
- 1.22 Track the financial performance of the FQHC clinics, including identification of trends or conditions that may warrant action to maintain financial stability;
- 1.23 Review and accept the annual fiscal year audit of the District, which includes certain financial information about the FQHC clinics;
- 1.24 Maintain control over, and accountability for, all funds, in order to adequately safeguard and ensure that they are used solely for authorized purposes;
- 1.25 Ensure written policies and procedures are in place to ensure the appropriate use of federal funds in compliance with applicable federal statutes, regulations, and the terms and conditions of the federal award;
- 1.26 Ensure written billing and collections policies and procedures are in place and include provisions to waive or reduce fees owed by patients; a policy for refusal to pay; and procedures for notifying patients of additional costs for supplies and equipment related to the services;
- 1.27 Develop and approve an annual operating and capital budget for the FQHC clinics to be incorporated into the District's annual budget for Board approval. The budget should be reflective of the costs and revenues necessary to support the FQHC clinics scope of project;
- 1.28 Submit timely, accurate, and complete Uniform Data System (UDS) reports;
- 1.29 Annually review data-based reports on: patient service utilization; trends and patterns in the patient population; and overall health center performance including achievement of FQHC clinics objectives; and efficiency and effectiveness of the FQHC clinics, for oversight by the Governing Council;
- 1.30 Approve application for HRSA grant funding, subject to Board approval;
- 1.31 Approve changes in scope of project for the FQHC clinics subject to Board approval;
- 1.32 Annually evaluate the operations of the FQHC clinics including compliance with applicable federal requirements, performance expectations such as financial and patient volumes, patterns of health service utilization;

- 1.33 Ensure the existence of a co-applicant arrangement that delegates the required authorities and responsibilities to the Governing Council and delineates the authorities and responsibilities of the Board;
- 1.34 Hold monthly meetings where a quorum is present;
- 1.35 Conduct and approve a long-range, strategic plan at least once every three (3) years that identifies FQHC clinic priorities and addresses financial management and capital expenditure needs, that is consistent with the District's facility, strategic, business, financial and capital plans; and
- 1.36 On an annual basis, submit an attestation that the Governing Council has operated; and each Governing Council Member has performed his/her duties, in a manner that is compliant with the provisions of this Arrangement; and that each Governing Council member has completed their annual compliance training and sign the District's Code of Conduct and Ethics attestation form.

2. Composition of the Governing Council

- 2.1 The composition of the Governing Council, as set forth in the Governing Council's bylaws, shall comply with the requirements of Section 330, its implementing regulations, HRSA policies and the Compliance Manual.
- 2.2 The Governing Council must consist of at least 9 and no more than 25 members.
- 2.3 The majority (at least 51%) of the Governing Council members must be patients served by the FQHC clinics. A patient is someone who has received in-scope services within the last 24 months. The patient Governing Council members must represent the patients served by the FQHC clinics in terms of demographics such as race, ethnicity, and gender.
- 2.4 Non-patient Governing Council members must be representative of the community served by the FQHC clinics and must be selected for their expertise in relevant subject areas such as community affairs, local government, finance, legal, trade unions, education, business labor relations and social service agencies within the community.
- 2.5 Ensuring that the non-patient Governing Council members, no more than one-half may derive more than 10% of their annual income from the health care industry. Health care industry is defined as hospitals, other health care institutions, nurses, doctors, dentist, and other licensed healthcare professionals whose primary responsibility is providing primary preventative and therapeutic healthcare services.

- 2.6 Employees and immediate family members (spouse, child, parent, or sibling, by blood, adoption, or marriage) of the Maricopa County Special Health Care District dba Valleywise Health, or any other hospital or health care institution, may not be members of the Governing Council.
- 2.7 The Governing Council will make its best efforts to ensure that each of the five (5) Directorship District's is represented when recruiting and approving new Governing Council members.
- 2.8 The Governing Council will submit an annual report to the Board reflecting the Governing Council's membership structure.

3. Governing Council's Bylaws

- 3.1 The Governing Council agrees that any proposed amendments to the bylaws must be consistent with the requirements of Section 330, its implementing regulations, HRSA policies, the Compliance Manual, and the terms of this Arrangement.
- 3.2 The bylaws must outline the following required authorities and responsibilities of the Governing Council: hold monthly meetings; approval of the selection of the Project Director/Chief Executive Officer; approval of the dismissal/termination of the Project Director/Chief Executive Officer; approval of annual budget for the FQHC clinics; approval of location of any new FQHC clinic or closure of existing FQHC clinic as long as it is consistent with the District's facility, strategic, business and capital plans; approval of FQHC clinics hours of operation; annual evaluation of the performance of the FQHC clinics; and assurance that the FQHC clinics operate in compliance with applicable Federal, State and local laws and regulations.
- 3.3 Prior to adopting amendments to the bylaws, the Governing Council will provide the Board a copy of the proposed amendments with sufficient time to permit the Board to review and ensure that any revision is consistent with the requirements of Section 330, its implementing regulations, HRSA policies, Compliance Manual, and the terms of this Arrangement. The Board shall approve the proposed amendments at the next regularly scheduled Board meeting and thereafter, notify the Governing Council of approval. The Board may only disapprove an amendment to the bylaws if the amendment is inconsistent with the requirements of Section 330, its implementing regulations, HRSA policies, the Compliance Manual, and the terms of this Arrangement. The Board will provide the Governing Council with reason(s) for such disapproval within seven (7) calendar days after non-approval.
- 3.4 The bylaws will include similar language as in the Board's bylaws that allow for four (4) or more Governing Council members to place an item on the Governing Council's meeting agenda.

3.5 The bylaws will include provisions for the filling of vacancies on the Governing Council that arise as a result of retirement, resignation, or the removal of a member of the Governing Council, where the removal is based upon good cause, including but not limited to, violations of the District's Code of Conduct and Ethics, Conflicts of Interest and Gift policy or actions that are unbecoming of the member.

4. Governing Council's Duty Regarding Potential Members of Governing Council

4.1 The Governing Council will provide District staff with a completed Governing Council membership application and Acknowledgement and Authorization for Background Check form, with sufficient advance time to permit District staff to review the application to ensure there is no conflict of interest in fact or in appearance, and to receive back the completed background screening. District staff will notify the Governing Council about any identified conflict of interest with regard to the potential member, in a timely manner, but in no event, later than the next regularly scheduled Executive Committee meeting. The obligations noted in Paragraph 5.32 are incorporated by reference in this Paragraph 4.1.

5. Board's Authorities and Responsibilities

The Board, acting through staff, shall exercise the following governance and operational authorities and responsibilities with respect to the FQHC clinics, which includes but are not limited to:

5.1 Consider for approval additional health services, if any, as recommended by the Governing Council. to offer in order to meet the health needs of the patient population served by the FQHC clinics;

5.2 Ensure that the FQHC clinics have clinical staff and/or has contracts in place to carry out all required and additional services included in the HRSA-approved scope of project;

5.3 Ensure operating procedures are in place for credentialing and privileging for all clinical staff members providing services on behalf of the FQHC clinics;

5.4 Ensure records for clinical staff that contain documentation of licensure, credentialing verification, and applicable privileges consistent with operating procedures, are maintained;

5.5 Ensure operating procedures are in place for FQHC clinics' patients that are hospitalized as inpatients or who visited the Valleywise Health Medical Center's Emergency Department;

5.6 Ensure position descriptions of key management staff are maintained by the District's Human Resources;

- 5.7 Ensure there are District Human Resources procedures relevant to recruiting and hiring of key management staff of the FQHC clinics;
- 5.8 Adopt policies for financial management practices and a system to ensure accountability for FQHC clinics resources;
- 5.9 Establish and maintain general personnel policies including those addressing selection and dismissal procedures, salary and benefit scales, employee grievance procedures, and equal opportunity practices;
- 5.10 Contract with other providers for the provision of health services within the HRSA-approved scope of project and ensure their performance is in accordance with the terms, conditions, and specifications of their contracts and to assure compliance with applicable Federal requirements
- 5.11 Ensure that contracts with providers for the provision of health services with the HRSA-approved scope of project include a schedule of rates and method of payment to providers for health services that are provided at the within the HRSA-approved scope of project at the FQHC clinics;
- 5.12 Retain financial records, supporting documents, statistical records, and all other records pertinent to contracts for a period of three years;
- 5.13 Ensure that written procurement procedures comply with Federal procurement standards;
- 5.14 Perform periodic evaluations of contractors' performance including that contractors have met the terms, conditions, and specifications of contracts;
- 5.15 Maintain a written District Code of Conduct and Ethics and Conflicts of Interest and Gift policy;
- 5.16 Maintaining records for procurement actions paid for in whole or in part under the Federal award that include the rationale for method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. This would include documentation related to noncompetitive procurements;
- 5.17 Maintain mechanism to ensure the District's Code of Conduct and Ethics is disseminated to Board and Governing Council, employees, medical staff, and agents of the District when there are changes;
- 5.18 Ensure Board and Governing Council, employees, medical staff, and agents of the District, adhere to the District's Code of Conduct and Ethics by requiring an annual attestation;

- 5.19 Contract with external auditor to perform an annual fiscal year audit of the District, which includes the FQHC clinics, to determine the fiscal integrity of financial transactions and operations of the District to be in compliance with HRSA requirements; and in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, used by the Comptroller General of the United States;
- 5.20 Utilize a financial management and internal control system that reflects Generally Accepted Accounting Principles (GAAP) or Government Accounting Standards Board (GASB) principles;
- 5.21 Maintain a list of provider and program/site billing numbers for Medicaid, CHIP and Medicare;
- 5.22 Maintain written operating procedures for implementing billing options or payments methods and ensure they are accessible to patients regardless of income level;
- 5.23 Ensure claims are submitted in a timely and accurate manner to third party payor sources;
- 5.24 Annually, adopt a District budget that shall consist of at the very least, a one (1) year operating budget, a one (1) year capital budget, and one (1) year cash flow budget, and an annual operating and capital budget for the FQHC clinics;
- 5.25 Consider approval of application for HRSA grant funding, as recommended by the Governing Council;
- 5.26 Consider approval of changes in scope of project for the FQHC clinics, as recommended by the Governing Council;
- 5.27 Ensure a system is in place to oversee the operations of the Federal award-supported activities to ensure compliance with applicable Federal requirements and for monitoring program performance;
- 5.28 Produce data-based reports on: patient service utilization; trends and patterns in the patient population; and overall health center performance, for oversight by the Governing Council;
- 5.29 Ensure a system is in place for the Governing Council to compile accurate data to complete annual Uniform Data System (UDS) reports;
- 5.30 Review the long-range, strategic plan for the FQHC clinics as recommended by the Governing Council, that identifies FQHC clinic priorities and addresses financial management and capital expenditure needs;

- 5.31 Obtain and maintain all licenses, permits, certifications and approvals necessary for the operation of the FQHC clinics;
- 5.32 In support of the Governing Council's responsibility referenced in Paragraph 4.1 above, the Board's review of the Governing Council applicant will also include a background check (as per the District's Human Resource Policies), a review of the Department of Health and Human Services' Exclusion List, and consideration of any other federal or state regulatory requirements applicable to citizens sitting as Governing Council members. District staff will inform the Governing Council, in a timely manner (see Paragraph 4.1), in situations where a Governing Council applicant may be prohibited from serving as a Governing Council member due to the presence or absence of a negative background report, and/or the Governing Council applicant's real or apparent conflict of interest, and/or if there is otherwise a statutory or regulatory requirement. The Board's approval of the applicant does not constitute a formal endorsement of the applicant as an official member of the Governing Council. The Governing Council will formally vet the applicant and the applicant must gain approval by formal vote of the Governing Council;
- 5.33 On an annual basis, submit an attestation that the Board has operated; and each Board member has performed his/her duties, in a manner that is compliant with the provisions of this Arrangement; and that each Board member has completed their annual compliance training and sign the District's Code of Conduct and Ethics attestation form.

6. Project Director/Chief Executive Officer

- 6.1 The Project Director/Chief Executive Officer (CEO of the FQHC Clinics) shall be a full-time District employee. The CEO has the responsibility for the general management, supervision, and direction of the FQHC clinics, and must work within the District organizational reporting structure on matters of finance, quality, human resources, strategy, service, and operations, consistent with policies and programs established by the District.
- 6.2 The CEO shall report to the Governing Council. As a District employee, the CEO shall also report to the District's President and CEO or designee.
- 6.3 The CEO shall be selected via a nomination and search process under which the District's Human Resources Department recruits candidates with input from the Governing Council and thereafter provides a recommendation to the Governing Council. The Governing Council then selects an individual from the list of proposed candidates. If the Governing Council rejects all individuals from the District's list of proposed candidates, then the District's Human Resources Department will provide the Governing Council with a list of additional proposed candidates. This process shall continue until the Governing Council approves an individual proposed by the District's Human Resources Department.

- 6.4 The Governing Council will annually review and evaluate the CEO's performance applicable to the Health Center Program in a quantifiable and transparent manner that is consistent with the District's Human Resources policies and will report its findings to the District's Chief Financial Officer and to Human Resources. In addition, the CEO, as a District employee, will be evaluated by the District's Chief Financial Officer in accordance with the District's Human Resources policies.
- 6.5 Removal or Reassignment of the CEO:
- 6.5.1 Removal by the Governing Council.
- 6.5.1.1 The Governing Council shall have independent authority to remove the CEO from his or her position as CEO of the FQHC Clinics. Removal of the CEO by the Governing Council pursuant to this Paragraph shall not constitute a termination of employment of the CEO by the District or otherwise impede the continuation of the CEO's employment relationship with the District in another capacity.
- 6.5.1.2 Any personnel action proposed by the Governing Council with regard to the CEO must be taken consistent with the District's Human Resources policies.
- 6.5.1.3 The Governing Council acknowledges that the District President and CEO possesses the sole power to terminate the employment of the CEO of the FQHC Clinics.
- 6.5.2 Removal or Reassignment by District.
- 6.5.2.1 In the event that the District intends to terminate the CEO from the position as the CEO of the Health Center Project or to reassign him/her to a position other than the CEO of the FQHC Clinics, the District will inform the Governing Council and request approval from the Governing Council at a special meeting, for the termination or reassignment. However, if the termination or reassignment is related to the CEO's malfeasance, as referenced in the District's Human Resources policies, then the District may terminate or reassign the CEO immediately and thereafter notify the Governing Council and HRSA of such action.
- 6.6 The Governing Council and the District will ensure that their conduct under this Paragraph 6 is performed consistent with the terms of this Arrangement, HRSA policies and Compliance Manual.

7. Coordination of Shared Duties by Parties

- 7.1 The CEO of the FQHC clinics shall coordinate with the District’s President and CEO, the Parties’ efforts to meet their respective obligations under this Arrangement and shall cooperate with each other to communicate and resolve any issues between the Parties.
- 7.2 The Parties shall collaborate to assure Governing Council members and Board members are informed as to their respective duties, authority, and obligations under this Arrangement.

8. Record Keeping and Reporting

- 8.1 The Parties shall maintain all financial records, reports, documents, statistical records, books, papers or other records related to this Arrangement that will enable them to meet all state and federal reporting requirements. Such records are to be maintained for a period established by the Arizona State Library, Archives, and Public Records.
- 8.2 The Parties agree that the District is the legal custodian of all medical records established and maintained relating to diagnosis and treatment of any patients served at any of the FQHC clinics.

9. Insurance

For purposes of liability and insurance coverage, both Parties will be deemed to be an agent of the District for any acts arising under the terms of this Arrangement. The scope of such insurance coverage will be governed by the terms of the Amended and Restated Maricopa County Special Health Care District’s Risk Management Insurance and Self Insurance Plan.

10. Ownership of Property Acquired with any Grant Funds and Procurement

Should the District receive Federal grant support from HRSA pursuant to Section 330, the District shall be the titleholder to any and all property purchased with Section 330 grant funds, as applicable. The District shall further assure that all contracts procured and executed by the District are done consistent with the District’s Procurement Code and applicable state and federal law and regulations.

11. Applicable Laws, Regulations, and Policies

This Arrangement shall be governed by and construed in accordance with the laws of the state of Arizona and applicable federal laws, regulations, HRSA policies and the Compliance Manual, as may be amended.

12. Non-Discrimination

Each Party agrees that it will not discriminate on any basis, directly or indirectly, with regard to the provision of health care services under this Arrangement. In addition, each Party and its agents, employees, contractors and subcontractors, will not discriminate against any individual with regard to their application for employment or employment status under the terms of this Arrangement.

13. Term

13.1 The initial term of this Arrangement shall be from July 1, 2020 to June 30, 2023 (Initial Term), unless terminated in accordance with the terms of Paragraph 14 below. Thereafter, this Arrangement may be renewed by the Parties for one additional three (3) year term upon their mutual written agreement. Any additional term is also subject to the termination terms in Paragraph 14 below. In the event that at the end of the Initial Term, the Parties have not been able to finalize the terms of the subsequent Arrangement, the Initial Term may continue on a month-to-month basis, but not to exceed a period of three (3) months after the last day of the Initial Term.

13.2 Subject to any Federal or state regulatory approval which might require the termination or operation of the FQHC clinics, nothing in this Arrangement is intended to require, nor should be construed to require, that the FQHC clinics remain in operation or that the District apply for any grant funding, including Section 330 funding.

14. Termination

14.1 Either Party may terminate this Arrangement without cause upon ninety (90) days prior written notice.

14.2 The Parties may terminate this Arrangement upon mutual agreement giving thirty (30) days prior written notice.

14.3 This Arrangement shall terminate immediately upon the effective date of non-renewal or termination of the Section 330 grant or FQHC award status, as applicable, or upon the loss of any license, permit or other authorization required by law or regulation for operation of the FQHC clinics.

- 14.4 Either Party may terminate this Arrangement for cause in the event that the other Party fails to meet material obligations under this Arrangement. Such for cause termination shall require a thirty (30) days' prior written notice of intent to terminate during which period the Party that has allegedly failed to meet the material obligation may attempt to cure such failure or demonstrate that no such failure has occurred. Any dispute between the Parties regarding whether a breach of a material obligation has occurred, or that such a breach has been satisfactorily cured, will be resolved in accordance with Paragraph 15 of this Arrangement. If the Parties are unable to resolve the dispute through informal negotiations within a reasonable period of time of the commencement of such discussions (not to exceed thirty [30] days), then either Party may terminate this Arrangement.
- 14.5 For cause termination or termination for mutual convenience shall not become effective unless and until the HRSA issues its written approval of such termination, if such notice is required by law or HRSA policy.

15. Alternative Dispute Resolution

The Board and the Governing Council shall use their best efforts to carry out the terms of this Arrangement in a spirit of cooperation and agree to resolve by negotiation any disputes arising hereunder. In the event the Parties are unable to resolve the dispute through informal negotiations within a reasonable period of time of the commencement of such discussions (not to exceed thirty [30] days), the Parties shall attempt formal mediation or arbitration, consistent with the Rules of Procedure for the Maricopa County Superior Court, if they mutually agree to do so. Any decision by a mediator or arbitrator shall be final and not subject to appeal or legal challenge.

16. Proprietary Information and Confidentiality

- 16.1 The Parties shall maintain the confidentiality of all information regarding the health and health care of any patients receiving services in the FQHC clinics in accordance with all applicable state and federal laws, including HIPAA (Health Insurance Portability and Accountability Act) and the HITECH (Health Information Technology for Economic and Clinical Health) Act.
- 16.2 Neither Party shall disclose to any entity or person, any confidential or proprietary information, which it possesses, that is directly or indirectly related to the other Party and which arises under the terms of this Arrangement, without the prior written approval of the other Party or as required by law.

17. Notices

All notices permitted or required by this Arrangement shall be in writing and delivered personally or via USPS first class postage prepaid, Certified and Return Receipt Requested, addressed to the other Party at the address set forth below:

For the Governing Council:

Chair, Valleywise Community Health Centers Governing Council
Conference and Administration Center
2601 East Roosevelt Street
Phoenix, AZ 85008

For the Maricopa County Special Health Care District Board of Directors:

Chair, Board of Directors
Conference and Administration Center
2601 East Roosevelt Street
Phoenix, AZ 85008

18. Assignment

Neither Party shall have the right to assign, delegate or transfer this Arrangement, or any of its rights and obligations hereunder, without the express prior written consent of the other Party.

19. Severability

If any provision of this Arrangement or the application of such provision is held to be invalid, the remaining provisions of this Arrangement shall not be affected thereby.

20. Amendments

Any amendment to this Arrangement shall be in writing, approved, and signed by both Parties.

21. Waiver

Waiver by either Party to this Arrangement of any breach or of any provision hereof by either Party shall not operate as a waiver by such Party of any subsequent breach.

22. No Agency

Neither Party is, nor shall be deemed to be an employee, agent, or legal representative of the other Party for any purpose. The Governing Council may not enter into any contracts in the name of or on behalf of the District or Board.

23. Third-Party Beneficiaries

No third party shall obtain any right, debt, liability or obligation under any provision of this Arrangement.

24. Survival

Paragraphs 8, 9, 10, 15, 16, 17, 21, 22, 23, and 24, shall survive the termination of this Arrangement without regard to the cause of termination.


25. Entire Agreement

This Arrangement constitutes the entire agreement of the Parties with respect to the Parties' operation of the FQHC as a public center and supersedes all prior oral and unsigned agreements.

Signatures Appear on the following Page

IN WITNESS WHEREOF, the Parties have caused this Co-Applicant Operational Arrangement to be executed by their duly authorized representatives.

Chair
Valleywise Community Health Centers
Governing Council


By:  _____

Print: Ryan D. Winkle

Title: Chair, VCHCGC

Date: June 3, 2020

Chair, Board of Directors
Maricopa County Special Health Care
District

By:  _____

Print: Mark G. Dewane

Title: Chair, Board of Directors

Date: June 29, 2020