ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD SUITE 500
ARLINGTON, VIRGINIA 22201

NOTICE OF AWARD OF CONTRACT

TO:
NORTHERN VIRGINIA HEALTH
CARE CENTER AT BIRMINGHAM
GREEN
8605 CENTREVILLE RD.
MANASSAS, VA 20110-8426

DATE ISSUED: JULY 21, 2011

CONTRACT NO: 549-12
CONTRACT TITLE: ADULT NURSING HOME CARE/LONG TERM
PRIOR CONTRACT NO: 179-10

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

Your firm is awarded the above referenced contract. The contract term covered by this Notice of Award is effective IMMEDIATELY and expires on JUNE 30, 2012.

This is the FIRST year award notice of a possible SIX year contract.

The contract documents consist of the terms and conditions of Agreement No. 549-12, including any exhibits, attachments or amendments thereto.

AWARD IS CONTINGENT UPON RECEIPT BY THE COUNTY PURCHASING AGENT OF A COPY OF THE INSURANCE CERTIFICATE AS SPECIFIED IN THE CONTRACT DOCUMENTS.

CONTRACT PRICING:
REFER TO EXHIBIT B TO AGREEMENT NO. 549-12

ATTACHMENTS:
AGREEMENT NO. 549-12

EMPLOYEES NOT TO BENEFIT:
NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: DAVID RUMFORD
EMAIL: DRUMFORD@BIRMINGHAMGREEN.ORG
TAX IDENTIFICATION NUMBER (EIN/SSN): 54-1438692
COUNTY CONTACT: KAREN HANNIGAN

VENDOR TEL. NO.: 703-257-0935
PAYMENT TERMS: NET 30
COUNTY TEL. NO.: 703-228-1736

CONTRACT AUTHORIZATION

IVETTE GONZALEZ
Procurement Officer

DATE 7/21/11

BID FOLDER: 2

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ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VA 22201

AGREEMENT NO. 549-12

THIS AGREEMENT (hereinafter "Agreement" or "Contract") is made, on the date of execution by the County, between Northern Virginia Healthcare Center ("Contractor"), a Virginia Corporation authorized to do business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County"). The County and the Contractor, for the consideration hereinafter specified, agree as follows:

1. CONTRACT DOCUMENTS
The contract documents consist of this Agreement, Exhibit A (Scope of Work), Exhibit B (Contract Rates), Exhibit C (Nondisclosure and Security Data Agreement) and Exhibit D (Business Associate Agreement) ("Contract Documents").

Where the terms and provisions of this Agreement vary from the terms and provisions of the other Contract Documents, the terms and provisions of this Agreement shall prevail over the other Contract Documents and the remaining Contract Documents shall be complementary to each other and if there are any conflicts the most stringent terms or provisions shall prevail.

The Contract Documents set forth the entire agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either of them has made any representation or promise with respect to the parties agreement which is not contained in the Contract Documents. The Contract Documents may be referred to herein below as the "Contract" or the "Agreement."

2. SCOPE OF WORK
The Contractor agrees to perform the services described in the Contract Documents (alternatively "Work"). The primary purpose of the Work is to provide nursing facility care to designated Arlington County residents. The Contract Documents set forth the minimum work estimated by the County and the Contractor to be necessary to complete the Work. It shall be the Contractor’s responsibility, at the Contractor’s sole cost, to provide the specific services set forth in the Contract Documents and sufficient services to fulfill the purposes of the Work. Nothing in the Contract Documents shall be construed to limit the Contractor’s responsibility to manage the details and execution of the Work.

3. CONTRACT TERM
The Work shall commence on July 1, 2011, and be completed no later than June 30, 2012 ("Initial Contract Term"), subject to any modifications as provided for in the Contract Documents. Upon satisfactory performance by the Contractor and with the concurrence of the Contractor, the County may authorize continued operations of the Contractor under the same contract unit prices for not more than five
additional twelve (12) month periods from July 1, 2012 to June 30, 2017 (Each such period shall be referred to as a "Subsequent Contract Term").

4. CONTRACT AMOUNT
The County will pay the Contractor in accordance with the terms of the Payment paragraph below, and Exhibit B for the Contractor's completion of the Work described and required in the Contract Documents not to exceed $115,000. The Contractor agrees that it shall complete the Work for the total amount specified in this section ("Contract Amount") unless such amount is modified as provided in this Agreement. The Contract Amount and the rate per bed day for each Subsequent Contract Term shall be in an amount mutually agreed upon but which will in no event exceed the funds appropriated for the service by the County Board of Arlington County. The total Contract Amount may be increased or decreased during the Initial and Subsequent Contract Terms if available funds exceed or, in the alternative, are not sufficient to maintain then current service levels.

5. CONTRACT EXTENSION WITH PRICE ADJUSTMENTS NEGOTIATED UP TO CPI-U - NOT USED

6. PAYMENT
Payment will be made by the County to the Contractor within thirty (30) days after receipt by the County Project Officer of an invoice for work done which is reasonable and allocable to the Contract and which has been performed to the satisfaction of the Project Officer. Amounts on invoices shall not include amounts allocated to tasks (as shown in Exhibit A) on which no work has been done. The Project Officer will either approve the invoice or require corrections. The number of the County Purchase Order pursuant to which authority goods or services have been performed or delivered shall appear on all invoices.

7. PROJECT OFFICER
The performance of the Contractor is subject to the review and approval of the County Project Officer ("Project Officer") who shall be appointed by the Director of the Arlington County department or agency requesting the work under this Contract. However, it shall be the responsibility of the Contractor to manage the details of the execution and performance of its work pursuant to the Contract Documents.

8. ADJUSTMENTS FOR CHANGE IN SCOPE
The County may order changes in the Work within the general scope of the Work consisting of additions, deletions or other revisions. No claim may be made by the Contractor that the scope of the work or that the Contractor's services have been changed requiring adjustments to the amount of compensation due the Contractor unless such adjustments have been made by a written amendment to the Contract signed by the County and the Contractor. If the Contractor believes that any particular work is not within the scope of the Work or is a material change or otherwise will call for more compensation to the Contractor, the Contractor must immediately notify the Project Officer after the change or event occurs and within ten (10) calendar days thereafter must provide written notice to the Project Officer. The Contractor's
notice must provide to the Project Officer the amount of additional compensation claimed, together with the basis therefor and documentation supporting the claimed amount. The Contractor will not be compensated for performing any work unless a proposal complying with this paragraph has been submitted in the time specified above and a written Contract amendment has been signed by the County and the Contractor and a County purchase order is issued covering the cost of the services to be provided pursuant to the amendment.

9. ADDITIONAL SERVICES
The Contractor shall not be compensated for any goods or services provided except those included in Exhibit A and included in the Contract Amount unless those goods or services are covered by a written amendment to this Contract signed by the County and the Contractor, and a County Purchase Order is issued covering the expected cost of such services.

Additional services agreed upon by the parties will be billed at the rates set forth in Exhibit B unless otherwise agreed by the parties in writing.

10. REIMBURSABLE EXPENSES
No reimbursable expenses are allowed under this Contract. The Contract Amount includes all costs and expenses of providing to the County the services described in this Contract.

11. REIMBURSABLE TRAVEL-RELATED EXPENSES - NOT USED

12. PAYMENT OF SUBCONTRACTORS
The Contractor is obligated to take one of the two following actions within seven (7) days after receipt of amounts paid to the Contractor by the County for work performed by any subcontractor under this Contract:

a. Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by the subcontractor under this Contract; or

b. Notify the County and the subcontractor, in writing, of the Contractor's intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.

The Contractor is obligated to pay interest to the subcontractor on all amounts owed by the Contractor to the subcontractor that remain unpaid after seven (7) days following receipt by the Contractor of payment from the County for work performed by the subcontractor under this Contract, except for amounts withheld as allowed in subsection b. above. Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.

The Contractor shall include in each of its subcontracts, if any are permitted, a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

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549-12
The Contractor's obligation to pay an interest charge to a subcontractor pursuant to the above provisions may not be construed to be an obligation of the County. A Contract modification may not be made for the purpose of providing reimbursement for such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.

13. **NON-APPROPRIATION**
All funds for payments by the County under this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County, Virginia. In the event of non-appropriation of funds by the County Board of Arlington County, Virginia for the goods or services provided under this Contract or substitutes for such goods or services which are as advanced or more advanced in their technology, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the then current fiscal year or when the appropriation made for the then current year for the services covered by this Contract is spent, whichever event occurs first. If funds are not appropriated at any time for the continuation of this Contract, cancellation will be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the County shall not be obligated under this Contract beyond the date of termination specified in the County's written notice.

14. **REQUIREMENTS CONTRACT (ESTIMATED QUANTITIES)**
During the Initial Contract Term or any Subsequent Contract Term, the Contractor will furnish all of the items or services described in the Contract Documents if so requested by the County. The Contractor understands and agrees that this is a requirements contract and the County will have no obligation to the Contractor if no, or fewer, items or services are required or requested by the County. Any quantities which are included in the Contract Documents are the present expectations of those who are planning for the County for the period of the Contract. The amount is only an estimate and the Contractor understands and agrees that the County is under no obligation to the Contractor to buy that amount, or any amount, as a result of having provided this estimate or of having had any normal or otherwise measurable requirement in the past. The Contractor further understands that the County may require goods and/or services in excess of the estimated annual contract amount and that such excess shall not give rise to any claim for compensation other than at the unit prices set forth in this Contract.

15. **COUNTY PURCHASE ORDER REQUIREMENT**
County purchases are authorized only if a County Purchase Order is issued in advance of the transaction, indicating that the ordering agency has sufficient funds available to pay for the purchase. Such a Purchase Order is to be provided to the Contractor by the ordering agency. The County will not be liable for payment for any purchases made by its employees without appropriate purchase authorization issued by the County Purchasing Agent. Contractors providing goods or services without a signed County Purchase Order do so at their own risk and expense.
16. **PROJECT STAFF**
The County will, throughout the Initial Contract Term and any Subsequent Contract Term, have the right of reasonable rejection and approval of staff or subcontractors assigned to the project by the Contractor. If the County reasonably rejects staff or subcontractors pursuant to this section, the Contractor must provide replacement staff or subcontractors satisfactory to the County in a timely manner and at no additional cost to the County. The day-to-day supervision and control of the Contractor's employees, and employees of any of its subcontractors, shall be the sole responsibility of the Contractor.

17. **BACKGROUND CHECK - NOT USED**

18. **SUPERVISION BY CONTRACTOR**
The Contractor shall at all times enforce strict discipline and good order among the workers performing under this Contract, and shall not employ on the work any person not reasonably proficient in the work assigned.

19. **EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED**
During the performance of this Contract, the Contractor agrees as follows:

A. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law related to discrimination in employment except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

B. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an Equal Opportunity Employer.

C. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

D. The Contractor will comply with the provisions of the Americans with Disabilities Act of 1990 which prohibits discrimination against individuals with disabilities in employment and mandates their full participation in both publicly and privately provided services and activities.

E. The Contractor will include the provisions of the foregoing paragraphs in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.
20. **EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED**
In accordance with §2.2-4311.1 of the Virginia Code, the Contractor acknowledges that it does not, and shall not during the performance of this Contract for goods and/or services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

21. **DRUG-FREE WORKPLACE TO BE MAINTAINED BY CONTRACTOR**
During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor by Arlington County in accordance with the Arlington County Purchasing Resolution, the employees of which contractor are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

22. **SAFETY**
The Contractor shall comply with, and ensure that the Contractor's employees and subcontractors comply with, all current applicable local, state and federal policies, regulations and standards relating to safety and health, including, by way of illustration and not limitation, the standards of the Virginia Occupational Safety and Health program of the Department of Labor and Industry for General Industry and for the Construction Industry, the Federal Environmental Protection Agency standards and the applicable standards of the Virginia Department of Environmental Quality.

The Contractor shall provide, or cause to be provided, all technical expertise, qualified personnel, equipment, tools and material to safely accomplish the work specified to be performed by the Contractor and subcontractor(s).

The Contractor shall identify to the County Project Officer at least one (1) on-site person who is the Contractor's competent, qualified, and authorized person on the worksite and who is, by training or experience, familiar with and trained in policies, regulations and standards applicable to the work being performed. The competent, qualified and authorized person must be capable of identifying existing and predictable hazards in the surroundings or working conditions which are unsanitary, hazardous or dangerous to employees, shall be capable of ensuring that applicable safety regulations are complied with, and shall have the authority and responsibility to take prompt corrective
measures, which may include removal of the Contractor's personnel from the work site.

The Contractor shall provide to the County, at the County's request, a copy of the Contractor's written safety policies and safety procedures applicable to the scope of work. Failure to provide this information within seven (7) days of the County's request may result in cancellation of this Contract.

23. WARRANTY
The Contractor warrants to furnish the services described herein at the times and places and in the manner and subject to the conditions set forth. The Contractor shall enter upon and complete the performance of services with all due diligence and dispatch and shall exercise the highest degree of skill and competence.

24. UNSATISFACTORY WORK – NOT USED

25. TERMINATION FOR CAUSE, INCLUDING BREACH AND DEFAULT; CURE
The Contract shall remain in force for the Initial Contract Term or any Subsequent Contract Term(s) and until the County determines that all of the following requirements and conditions have been satisfactorily met: the County has accepted the Work, and thereafter until the Contractor has met all requirements and conditions relating to the Work under the Contract Documents, including warranty and guarantee periods. However, the County shall have the right to terminate this Contract sooner if the Contractor is in breach or default or has failed to perform satisfactorily the Work required, as determined by the County in its discretion.

If the County determines that the Contractor has failed to perform satisfactorily, then the County will give the Contractor written notice of such failure(s) and the opportunity to cure such failure(s) within at least fifteen (15) days before termination of the Contract takes effect ("Cure Period"). If the Contractor fails to cure within the Cure Period or as otherwise specified in the notice, the Contract may be terminated for the Contractor's failure to provide satisfactory Contract performance. Upon such termination, the Contractor may apply for compensation for Contract services satisfactorily performed by the Contractor, allocable to the Contract and accepted by the County prior to such termination unless otherwise barred by the Contract ("Termination Costs"). In order to be considered, such request for Termination Costs, with all supporting documentation, must be submitted to the County Project Officer within fifteen (15) days after the expiration of the Cure Period. The County may accept or reject, in whole or in part, the application for Termination Costs and notify the Contractor of same within a reasonable time thereafter.

If the County terminates the Contract for default or breach of any Contract provision or condition, then the termination shall be immediate after notice from the County to the Contractor (unless the County in its discretion provides for an opportunity to cure) and the Contractor shall not be permitted to seek Termination Costs.

Upon any termination pursuant to this section, the Contractor shall be liable to the County for all costs incurred by the County after the effective date of termination, including costs required to be expended
by the County to complete the Work covered by the Contract, including
costs of delay in completing the Work or the cost of repairing or
correcting any unsatisfactory or non-compliant work performed or
provided by the Contractor or its subcontractors. Such costs shall be
either deducted from any amount due the Contractor or shall be promptly
paid by the Contractor to the County upon demand by the County.
Additionally, and notwithstanding any provision in this Contract to the
contrary, the Contractor is liable to the County, and the County shall
be entitled to recover, all damages to which the County is entitled by
this Contract or by law, including, and without limitation, direct
damages, indirect damages, consequential damages, delay damages,
replacement costs, refund of all sums paid by the County to the
Contractor under the Contract and all attorney fees and costs incurred
by the County to enforce any provision of this Contract.

Except as otherwise directed by the County in the notice, the
Contractor shall stop work on the date of receipt of notice of the
termination or other date specified in the notice, place no further
orders or subcontracts for materials, services, or facilities except as
are necessary for the completion of such portion of the Work not
terminated, and terminate all vendors and subcontracts and settle all
outstanding liabilities and claims. Any purchases after the date of
termination contained in the notice shall be the sole responsibility of
the Contractor.

In the event any termination for cause, default, or breach shall be
found to be improper or invalid by any court of competent jurisdiction
then such termination shall be deemed to have been a termination for
convenience.

26. TERMINATION FOR THE CONVENIENCE OF THE COUNTY
The performance of work under this Contract may be terminated by the
County’s Purchasing Agent in whole or in part whenever the Purchasing
Agent shall determine that such termination is in the County’s best
interest. Any such termination shall be effected by the delivery to
the Contractor of a written notice of termination at least fifteen (15)
days before the date of termination, specifying the extent to which
performance of the work under this Contract is terminated and the date
upon which such termination becomes effective. The Contractor will be
entitled to receive compensation for all Contract services
satisfactorily performed by the Contractor and allocable to the
Contract and accepted by the County prior to such termination and any
other reasonable termination costs as negotiated by the parties, but no
amount shall be allowed for anticipatory profits.

After receipt of a notice of termination and except as otherwise
directed, the Contractor shall stop all designated work on the date of
receipt of the notice of termination or other date specified in the
notice; place no further orders or subcontracts for materials, services
or facilities except as are necessary for the completion of such
portion of the work not terminated; immediately transfer all
documentation and paperwork for terminated work to the County; and
terminate all vendors and subcontracts and settle all outstanding
liabilities and claims.
27. INDEMNIFICATION
The Contractor covenants for itself, its employees, and subcontractors to save, defend, hold harmless and indemnify the County, and all of its elected and appointed officials, officers, current and former employees, agents, departments, agencies, boards, and commissions (collectively the "County" for purposes of this section) from and against any and all claims made by third parties or by the County for any and all losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, demands or exposure, however caused, resulting from, arising out of, or in any way connected with the Contractor's acts or omissions, including the acts or omissions of its employees and/or subcontractors, in performance or nonperformance of the work called for by the Contract Documents. This duty to save, defend, hold harmless and indemnify shall survive the termination of this Contract. If, after notice by the County, the Contractor fails or refuses to fulfill its obligations contained in this section, the Contractor shall be liable for and reimburse the County for any and all expenses, including but not limited to, reasonable attorneys fees incurred and any settlements or payments made. The Contractor shall pay such expenses upon demand by the County and failure to do so may result in such amounts being withheld from any amounts due to Contractor under this Contract.

28. INTELLECTUAL PROPERTY INDEMNIFICATION - NOT USED

29. COPYRIGHT - NOT USED

30. OWNERSHIP AND RETURN OF RECORDS
This Contract confers no ownership rights to the Contractor nor any rights or interests to use or disclose the County's data or inputs.

The Contractor agrees that all drawings, specifications, blueprints, data, information, findings, memoranda, correspondence, documents or records of any type, whether written or oral or electronic, and all documents generated by the Contractor or its subcontractors as a result of the County's request for services under this Contract, are the exclusive property of the County ("Record" or "Records"), and all such Records shall be provided to and/or returned to County upon completion, termination, or cancellation of this Contract. The Contractor shall not use, willingly allow, or cause such materials to be used for any other purpose other than performance of all obligations under the Contract without the written consent of the County. Additionally, the Contractor agrees that the Records are confidential records and neither the Records nor their contents shall be released by the Contractor, its subcontractors, or other third parties; nor shall their contents be disclosed to any person other than the Project Officer or his or her designee. The Contractor agrees that all oral or written inquiries from any person or entity regarding the status of any Record generated as a result of the existence of this Contract shall be referred to the Project Officer or his or her designee for response. At the County's request, the Contractor shall deliver all Records to the Project Officer, including "hard copies" of computer records, and at the County's request, shall destroy all computer records created as a result of the County's request for services pursuant to this Contract.
The Contractor agrees to include the provisions of this section as part of any contract or agreement the Contractor enters into with subcontractors or other third parties for work related to work pursuant to this Contract.

No termination of this Contract shall have the effect of rescinding, terminating or otherwise invalidating this section of the Contract.

31. DATA SECURITY
The Contractor agrees that it shall hold all County information and data obtained as a result of its work under this Contract confidential in accordance with the Nondisclosure and Data Security Agreement attached hereto as Exhibit C. If individual employees or subcontractors of the Contractor are performing work under this Contract on County-owned property, then such individual employees or subcontractors shall be required to sign a separate Nondisclosure and Data Security Agreement, which shall be incorporated by reference into this Contract, prior to performing any work or being allowed access to County data.

32. ETHICS IN PUBLIC CONTRACTING
This Contract incorporates by reference Article 9 of the Arlington County Purchasing Resolution, as well as any state or federal law related to ethics, conflicts of interest, or bribery, including by way of illustration and not limitation, the State and Local Government Conflict of Interests Act (Code of Virginia § 2.2-3100 et seq.), the Virginia Governmental Frauds Act (Code of Virginia § 18.2-498.1 et seq.), and Articles 2 and 3 of Chapter 10 of Title 18.2 of the Code of Virginia, as amended (§ 18.2-438 et seq.). The Contractor certifies that its offer was made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer, or subcontractor and that it has not conferred on any public employee having official responsibility for this procurement any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised unless consideration of substantially equal or greater value was exchanged.

33. COUNTY EMPLOYEES
No employee of Arlington County, Virginia, shall be admitted to any share in any part of this Contract or to any benefit that may arise therefrom which is not available to the general public.

34. FORCE MAJEURE
The Contractor shall not be held responsible for failure to perform the duties and responsibilities imposed by this Contract if such failure is due to fires, riots, rebellions, natural disasters, wars, or an act of God beyond control of the Contractor, and outside and beyond the scope of the Contractor's then current, by industry standards, disaster plan, that make performance impossible or illegal, unless otherwise specified in the Contract.
The County shall not be held responsible for failure to perform its duties and responsibilities imposed by the Contract if such failure is due to fires, riots, rebellions, natural disasters, wars, or an act of God beyond control of the County that make performance impossible or illegal, unless otherwise specified in the Contract.

35. **AUTHORITY TO TRANSACT BUSINESS**
The Contractor shall pursuant to Code of Virginia § 2.2-4311.2, be and remain authorized to transact business in the Commonwealth of Virginia during the Initial Term and any Subsequent Contract Term(s) of this Contract. A contract entered into by a Contractor in violation of this requirement is voidable, without any cost or expense, at the option of the County.

36. **RELATION TO COUNTY**
The Contractor is an independent contractor and neither the Contractor nor its employees or subcontractors will, under any circumstances, be considered employees, servants or agents of the County. The County will not be legally responsible for any negligence or other wrongdoing by the Contractor, its employees, servants or agents. The County will not withhold payments to the Contractor for any federal or state unemployment taxes, federal or state income taxes, Social Security tax, or any other amounts for benefits to the Contractor. Furthermore, the County will not provide to the Contractor any insurance coverage or other benefits, including workers' compensation, normally provided by the County for its employees.

37. **ANTITRUST**
By entering into this Contract, the Contractor conveys, sells, assigns and transfers to the County all rights, title, and interest in and to all causes of action the Contractor may now have or hereafter acquire under the antitrust laws of the United States or the Commonwealth of Virginia, relating to the goods or services purchased or acquired by the County under this Contract.

38. **REPORT STANDARDS**
Reports or written material prepared by the Contractor in response to the requirements of this Contract or a request of the Project Officer shall, unless otherwise provided for in the Contract, meet standards of professional writing established for the type of report or written material provided, shall be thoroughly researched for accuracy of content, shall be grammatically correct and not contain spelling errors, shall be submitted in a format approved in advance by the Project Officer, and shall be submitted for advance review and comment by the Project Officer. The cost of correcting grammatical errors, correcting report data, or other revisions required to bring the report or written material into compliance with these requirements shall be borne by the Contractor.

When submitting documents to the County, The Contractor shall comply with the following guidelines:

- All submittals and copies shall be printed on at least thirty percent (30%) recycled-content and/or tree-free paper;
• All copies shall be double-sided;
• Report covers or binders shall be recyclable, made from recycled materials, and/or easily removable to allow for recycling of report pages (reports with glued bindings that meet all other requirements are acceptable);
• The use of plastic covers or dividers should be avoided; and
• Unnecessary attachments or documents not specifically asked for should not be submitted, and superfluous use of paper (e.g. separate title sheets or chapter dividers) should be avoided.

39. **AUDIT**
The Contractor shall secure an independent certified public accountant's audit of its finances and program operation after the close of each fiscal year (June 30), but no later than September 15 of each such year, and shall forward to the County the findings of such audit in whole, including the management letter or other ancillary audit components, and permit the County to make such review of the records of the Contractor as may be deemed necessary by the County to satisfy audit purposes. In instances where a management letter was not prepared as an audit function, the Contractor must so certify in writing to the County at the time the audit report is submitted. All accounts of the Contractor are subject to such audit, regardless whether the funds are used exclusively for specific program activities or mingled with funds for other agency activities.

The Contractor agrees to retain all books, records and other documents related to this Contract for at least five (5) years after final payment. The County or its authorized agents shall have full access to and the right to examine any of the above documents during this period and during the Initial Contract Term and any Subsequent Contract Term. If the Contractor wishes to destroy or dispose of records (including confidential records to which the County does not have ready access) within five (5) years after final payment, the Contractor shall notify the County at least thirty (30) days prior to such disposal, and if the County objects, shall not dispose of the records.

40. **ASSIGNMENT**
The Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of any award, or any or all of its rights, obligations, or interests under this Contract, without the prior written consent of the County.

41. **AMENDMENTS**
This Contract shall not be amended except by written amendment executed by persons duly authorized to bind the Contractor and the County.

42. **ARLINGTON COUNTY PURCHASING RESOLUTION AND COUNTY POLICIES**
Notwithstanding any provision to the contrary herein, no provision of the Arlington County Purchasing Resolution or any applicable County policy is waived in whole or in part.

43. **DISPUTE RESOLUTION**
All disputes arising under this Agreement, or its interpretation, whether involving law or fact, or extra work, or extra compensation or time, and all claims for alleged breach of Contract shall be submitted
to the Project Officer for decision at the time of the occurrence or
beginning of the work upon which the claim is based, whichever occurs
first. Such claims shall state the facts surrounding it in sufficient
detail to identify it together with its character and scope. In
accordance with the Arlington County Purchasing Resolution, claims
denied by the Project Officer may be submitted to the County Manager in
writing no later than 60 days after final payment. The time limit for
final written decision by the County Manager in the event of a
contractual dispute, as that term is defined in the Arlington County
Purchasing Resolution, is fifteen (15) days. Procedures for
considering contractual claims, disputes, administrative appeals, and
protests are contained in the Purchasing Resolution, incorporated
herein by reference, and available upon request from the Office of the
Purchasing Agent. The Contractor shall not cause a delay in the Work
pending a decision of the Project Officer, County Manager, County
Board, or a court.

44. APPLICABLE LAW, FORUM, VENUE AND JURISDICTION
This Contract and the work performed hereunder shall be governed in all
respects by the laws of the Commonwealth of Virginia and the
jurisdiction, forum, and venue for any litigation with respect thereto
shall be in the Circuit Court for Arlington County, Virginia, and in no
other court. In performing the Work under this Contract, the
Contractor shall comply with applicable federal, state, and local laws,
ordinances and regulations.

45. ARBITRATION
It is expressly agreed that nothing under the Contract shall be subject
to arbitration, and any references to arbitration are expressly deleted
from the Contract.

46. NONEXCLUSIVITY OF REMEDIES
All remedies available to the County under this Contract are
cumulative, and no such remedy shall be exclusive of any other remedy
available to the County at law or in equity.

47. NO WAIVER
The failure of either party to exercise in any respect a right provided
for in this Contract shall not be deemed to be a subsequent waiver of
the same right or any other right.

48. SEVERABILITY
The sections, paragraphs, sentences, clauses and phrases of this
Contract are severable, and if any phrase, clause, sentence, paragraph
or section of this Contract shall be declared invalid by a court of
competent jurisdiction, such invalidity shall not affect any of the
remaining phrases, clauses, sentences, paragraphs and sections of this
Contract.

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549-12
49. **NO WAIVER OF SOVEREIGN IMMUNITY**
Notwithstanding any other provision of this Contract, nothing in this Contract or any action taken by the County pursuant to this Contract shall constitute or be construed as a waiver of either the sovereign or governmental immunity of the County. The parties intend for this provision to be read as broadly as possible.

50. **SURVIVAL OF TERMS**
In addition to any numbered section in this Agreement which specifically state that the term or paragraph survives the expiration of termination of this Contract, the following sections if included in this Contract also survive: INDEMNIFICATION; RELATION TO COUNTY; OWNERSHIP AND RETURN OF RECORDS; AUDIT; COPYRIGHT; INTELLECTUAL PROPERTY INDEMNIFICATION; WARRANTY; CONFIDENTIAL INFORMATION; AND DATA SECURITY.

51. **HEADINGS**
The section headings in this Contract are inserted only for convenience and are not to be construed as part of this Contract or a limitation on the scope of the particular section to which the heading precedes.

52. **NOTICES**
Unless otherwise provided herein, all notices and other communications required by this Contract shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered to an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

**TO THE CONTRACTOR:**

David Rumford  
Northern Virginia Healthcare Center  
8605 Centreville Road  
Manassas, VA 20110

**TO THE COUNTY:**

The County Project Officer  
Karen Hannigan  
2100 Washington Boulevard, 4th floor  
Arlington, VA 22204

AND

Richard D. Warren, Jr., Purchasing Agent  
Arlington County, Virginia  
2100 Clarendon Boulevard, Suite 500  
Arlington, Virginia 22201
53. **NON-DISCRIMINATION NOTICE**
Arlington County does not discriminate against faith-based organizations.

54. **INSURANCE REQUIREMENTS**
The Contractor shall provide to the County Purchasing Agent a Certificate of Insurance indicating that the Contractor has in force the coverage below prior to the start of any Work under this Contract and upon any contract extension. The Contractor agrees to maintain such insurance until the completion of this Contract or as otherwise stated in the Contract Documents. All required insurance coverages must be acquired from insurers authorized to do business in the Commonwealth of Virginia, with a rating of "A-" or better and a financial size of "Class VII" or better in the latest edition of the A.M. Best Co. Guides, and acceptable to the County. The minimum insurance coverage shall be:

a. **Workers Compensation** - Virginia Statutory Workers Compensation (W/C) coverage including Virginia benefits and employers liability with limits of $100,000/100,000/500,000. The County will not accept W/C coverage issued by the Injured Worker's Insurance Fund, Towson, MD.

b. **Commercial General Liability** - $1,000,000 combined single limit coverage with $2,000,000 general aggregate covering all premises and operations and including Personal Injury, Completed Operations, Contractual Liability, Independent Contractors, and Products Liability. The general aggregate limit shall apply to this Contract. Evidence of Contractual Liability coverage shall be typed on the certificate.

c. **Business Automobile Liability** - $1,000,000 Combined Single Limit (Owned, non-owned and hired).

d. The Contractor shall carry Errors and Omissions or **Professional Liability** insurance which will pay for injuries arising out of errors or omissions in the rendering, or failure to render services or perform Work under the contract, in the amount of $1,000,000.

e. **Additional Insured** - Arlington County, and its officers, elected and appointed officials, employees, and agents shall be named as an additional insured on all policies except Workers Compensation and Auto and Professional Liability; and evidence of the Additional Insured endorsement shall be typed on the certificate.
f. Cancellation - All insurance policies required by this Contract shall be endorsed to include the following provision: "It is agreed that this policy is not subject to cancellation or non-renewal until thirty (30) days prior written notice has been given to the Purchasing Agent, Arlington County, Virginia." If there is a material change or reduction in coverage the Contractor shall notify the Purchasing Agent immediately upon Contractor's notification from the insurer. Any policy on which the Contractor has received notification from an insurer that the policy has or will be cancelled or materially changed or reduced must be replaced with another policy consistent with the terms of this Contract, and the County notified of the replacement, in such a manner that there is no lapse in coverage. Not having the required insurance throughout the Contract Term is grounds for termination of the Contract.

g. Any insurance coverage that is placed as a "claims made" policy must remain valid and in force, or the Contractor must obtain an extended reporting endorsement consistent with the terms of this Contract, until the applicable statute of limitations has expired, such date as determined to begin running from the date of the Contractor's receipt of final payment.

h. Contract Identification - The insurance certificate shall state this Contract's number and title.

i. **Fidelity Bond** - The Contractor shall furnish proof of a fidelity bond covering all officers and employees who are responsible for the receipt, custody and disbursement of funds or assets. The amount of the bond shall be a minimum of $50,000.

j. **Officers and Director's Bond** - Provide a bond covering each of its officers, directors, agents or employees who receive or deposit funds, make payments, or prepare financial documents or statements in connection with this Contract in the minimum amount of $50,000 with 60 calendar days notice provided by the insurer in advance of implementing a decision to cancel or not to renew the bond, or to make any changes in the provision thereof.

The Contractor must disclose the amount of any deductible or self-insurance component applicable to the General Liability, Automobile Liability, Professional Liability, Intellectual Property or any other policies required herein, if any. The County reserves the right to request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible. Thereafter, at its option, the County may require a lower deductible, funds equal to the deductible be placed in escrow, a certificate of self-insurance, collateral, or other mechanism in the amount of the deductible to ensure protection for the County.

The Contractor shall require all subcontractors to maintain during the term of this Contract, Commercial General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation insurance in the same form and manner as specified for the Contractor. The
Contractor shall furnish subcontractors' certificates of insurance to the County immediately upon request by the County.

No acceptance or approval of any insurance by the County shall be construed as relieving or excusing the Contractor from any liability or obligation imposed upon the Contractor by the provisions of the Contract Documents.

The Contractor shall be responsible for the work performed under the Contract Documents and every part thereof, and for all materials, tools, equipment, appliances, and property of any description used in connection with the work. The Contractor assumes all risks for direct and indirect damage or injury to the property or persons used or employed on or in connection with the Work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Contract, or in connection in any way whatsoever with the contracted work.

The Contractor shall be as fully responsible to the County for the acts and omissions of its subcontractors and of persons employed by them as it is for acts and omissions of persons directly employed by it.

Notwithstanding any of the above, the Contractor may satisfy its obligations under this section by means of self insurance for all or any part of the insurance required, provided that the Contractor can demonstrate financial capacity and the alternative coverages are submitted to and acceptable to the County. The Contractor must also provide its most recent actuarial report and provide a copy of its self insurance resolution to determine the adequacy of the insurance funding.

55. ACCESSIBILITY OF WEB SITE - NOT USED

56. HIPAA COMPLIANCE
The Contractor shall comply with all applicable legislative and regulatory requirements of privacy, security, and electronic transaction components of the Health Insurance portability and Accountability Act of 1996, as amended ("HIPAA"). Pursuant to 45 C.F.R. §164.502(e) and §164.504(e, the Contractor shall be designated a Business Associate pursuant and will be required to execute an Arlington County Business Associate Agreement. If Contractor engages a subcontractor or subcontractors in the performance of Work under this Agreement, Contractor shall enter into an agreement with each of its subcontractors pursuant to 45 C.F.R. § 164.308(b)(1) and the Health Information Technology for Economic and Clinic Health (HITECH) Act § 13401 that is appropriate and sufficient to require each subcontractor to protect Protected Health Information to the same extent required of Contractor under Arlington County’s Business Associate Agreement and in a form approved by the County. The Contractor shall ensure that its subcontractors notify the Contractor, immediately, of any breaches in security regarding Protected Health Information.

Contractor takes full responsibility for any failure to execute the appropriate agreements with its subcontractors and for the failure of its subcontractors to comply with the existing or future regulations of
HIPAA and/or HITECH, and shall indemnify County for any and all loss, damages, liability, exposure, or costs resulting therefrom.

57. ADA COMPLIANCE

Compliance with the Americans with Disabilities Act (ADA) shall be the sole responsibility of the Contractor. The Contractor shall defend and hold the County harmless from any expense or liability arising from the Contractor's non-compliance therewith. The Contractor's responsibilities related to ADA compliance shall include, but not be limited to, the following:

a. Access to Programs, Services and/or Facilities: The Contractor shall ensure its programs, services and facilities are accessible to persons with disabilities. If a particular facility or program is not accessible, the Contractor shall provide equivalent services in an accessible alternate location or manner to ensure that persons with disabilities are not denied access to services.

b. Effective Communication: The Contractor, upon request, shall provide appropriate aids and services leading to effective communication for qualified persons with disabilities so they can participate equally in the Contractor's programs, services, and activities, including qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, or vision impairments, as required by the ADA.

c. Modifications to Policies and Procedures: The Contractor shall make the necessary modifications to its policies and procedures to ensure that people with disabilities have an equal opportunity to enjoy the Contractor's programs, services, and activities, as may be required by the ADA. For example, individuals with service animals are welcomed in the Contractor's offices or facilities, even where pets are generally prohibited.

d. The Contractor shall not place a surcharge on a person with a disability or any group of individuals with disabilities to cover the cost of providing auxiliary aids/services or reasonable modifications of policy.

e. Employment: The Contractor shall not discriminate on the basis of disability in its hiring or employment practices.

f. Responding to inquiries from the U.S. Department of Labor.
WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA

AUTHORIZED SIGNATURE: 
NAME AND RICHARD D. WARREN, JR. TITLE: PURCHASING AGENT DATE: 7/21/11

NORTHERN VIRGINIA HEALTHCARE CENTER

TAXPAYER ID: 54-1438692
AUTHORIZED SIGNATURE: 
NAME AND TITLE: David M. Rumford, CEO DATE: 7-13-2011
EXHIBIT A
SCOPE OF SERVICE

Section I. Performance Specifications

A. General Requirements - To provide care for adults in long-term intermediate care nursing facility. The Contractor will provide client care as required by licensing regulations for intermediate care providers. The Virginia regulations for intermediate care nursing facilities can be found at: http://www.dss.virginia.gov/facility/alf_regulations.cqi.

B. Units of Service - Services will be billed as bed days. Bed days consist of one client per bed in the facility.

C. Service Requirements

a. The Contractor shall provide person-centered nursing home services for adults with mental and cognitive disabilities 24 hours per day, 7 days a week.

b. The Contractor shall provide room and board in a safe and sanitary environment.

c. The Contractor shall monitor and distribute medications, using policies and procedures that comply with all applicable federal and state standards.

d. The Contractor shall assist clients with activities of daily living (ADLs) and Instrumental Activities of Daily Living (IADLs) as needed, and provide incontinent care.

e. The Contractor shall provide a safe and stimulating environment for clients (activities programs) that complies with Virginia standards.

f. The Contractor shall provide medical care at the intermediate nursing home level, ensuring clients access and linkage to podiatry, vision care, dental care, rehabilitation therapies, hospice services and other care as needed.

g. The Contractor shall provide or arrange for all the necessary mental health, behavioral and psychiatric services.

h. The Contractor shall order, billing client’s medical insurance, any supplies (such as incontinence products or assistive devices) required by client.

i. The Contractor shall inform authorized legal representative, emergency contact or social worker for each client when they become aware of any changes such as needs such
as seasonal clothing, hair care, toiletries or other items client deems valuable to his or her quality of life.

j. The Contractor shall develop and maintain comprehensive and operable safety and emergency protocols.

k. The Contractor shall inform the Project Officer of any material changes in the operation of the facility that may affect the physical safety and well-being of residents, including by way of example infestation of rodents or insects, flooding or loss of utilities.

l. The Contractor shall maintain a plan for sheltering residents in place in the event of power outages or other emergencies.

m. If clinical staff feel client needs hospitalization, the Contractor shall ensure this occurs and shall notify the client’s responsible party as well as social worker.

n. The Contractor shall inform the Project Officer of any scheduled visits of state or federal inspectors and of any citations received after an inspection of the facility.

o. The Contractor shall comply with Virginia nursing home standards that address resident accommodations including personal possessions, resident rooms, living room, dining areas, transportation, mail, telephones, smoking, resident councils, pets living or visiting the facility.

Section II. Reporting Requirements

The Contractor shall inform assigned Arlington DHS/ADSD social worker of any significant changes to client’s condition, such as hospitalization, falls, injuries, hospitalization, etc. within 48 hours of occurrence.

Section III. Adherence to State & Federal Regulations

All services provided shall meet all State, Federal and County licensing requirements.

The Contractor shall be responsible for providing all necessary administrative and financial services required to operate the nursing home and shall provide these services in compliance with all applicable sections of Virginia nursing home standards.

Section IV. Role of Arlington County Department of Human Services ("DHS")

A. DHS will designate a staff person or persons to serve as primary contact(s), and to work directly with the Contractor to resolve any conflicts which may arise regarding the operation of the program (e.g., lengths of stay, process for accepting clients,
submission of required reports, incident reporting, and problem resolution).

B. The DHS Aging and Disability Division ("ADSD") will assign a person to facilitate the following:

1. Assignment of a social worker for each client who has been authorized and accepted for services in the program. The Contractor will be given the name and direct phone number of each social worker assigned to each client within the facility to facilitate communication about any needs the client may have.

2. Routine quality assurance and compliance reviews by the County Project Officer. The Contractor shall provide the Project Officer with necessary access to staff, files and reports necessary to complete the reviews.

3. Resolution of programmatic and other concerns with appropriate Contractor staff as they are identified.
EXHIBIT B
CONTRACT RATES

The Contractor will bill Arlington County for assisted living services provided to low income Arlington County residents at a rate of $61.00 per bed day.
EXHIBIT C
AGREEMENT NO. 549-12

NONDISCLOSURE AND DATA SECURITY AGREEMENT
(CONTACTOR)

Northern Virginia Healthcare Center (Contractor) hereby agrees that it will hold County information, documents, data, images, records and the like (hereafter "information") confidential and secure and to protect it against accidental loss, misuse, alteration, destruction or disclosure. This includes but is not limited to the information of the County, its employees, contractors, residents, taxpayers, and property and includes but is not limited to, data that the County shares with Contractor for testing, support, conversion or for support services.

Contractor agree that it will maintain the security of the information and it will not divulge this information or allow or facilitate access to it by any unauthorized person, for any purpose, or any information obtained directly, or indirectly, as a result of its performance of the Work for Contract No. 549-12. This includes but is not limited to information that in any manner that describes, locates or indexes anything about an individual including, but not limited to, his/her (hereinafter "his") real or personal property holdings, and his education, financial transactions, medical history, ancestry, religion, political ideology, criminal or employment record, social security number, tax status or payments, date of birth, address, phone number or that affords a basis of inferring personal characteristics, such as finger and voice prints, photographs, or things done by or to such individual, and the record of his presence, registration, or membership in an organization or activity, or admission to an institution.

Contractor also agree that it will not directly or indirectly use or facilitate the use or dissemination of information (whether intentionally or by inadvertence, negligence or omission verbally, electronically, through paper transmission or otherwise), for any purpose other than that directly associated with its officially assigned duties pursuant to Contract No. 549-12. Contractor is aware that any unauthorized use or disclosure of information is prohibited and, in addition, may also constitute a violation of Virginia law (e.g., the Government Data Collection and Dissemination Practices Act, formerly called the Privacy Protection Act, Va. Code § 2 2-3800 et seq., and the Secrecy of Information Act, Va. Code § 58.1-3, which may be punishable by a jail sentence of up to six months and/or a fine of up to $1,000.00.)

Contractor also agrees that it will not divulge or facilitate the divulgence to or access by any unauthorized person, for any purpose, of any confidential or proprietary information not related to the Work obtained directly, or indirectly, as a result of the performance of Work under Contract No. 549-12.

Contractor also agree that it will take strict security measures to ensure that information is not improperly stored, that if stored that it is encrypted and stored securely, and cannot be retrieved or accessed by non-authorized persons, and that any device or media on which data is stored, even temporarily, will have strict security and
access control, and that it will not cause any such information to leave its work site or the County's physical facility, if working onsite. Contractor also agrees that it will not work remotely or remove any information from its worksite or the County's physical facility without express written authorization of the County Project Officer. If so authorized, Contractor agrees and understands that it is responsible for the security of the electronic equipment or paper files on which the information is stored.

Contractor will ensure that any Contractor laptop, other equipment or media connected to the County network shall be free of all of all computer viruses and/or running the latest version of an industry standard virus protection program.

Contractor agrees that it will notify the County Project Officer immediately upon discovery or becoming aware or suspicious of any breach of this Agreement, County policy, Contractor's security system, or any unauthorized use or disclosure of the information, or any other breach of this Nondisclosure and Data Security Agreement, and Contractor will cooperate with the County in every way to help the County regain possession of any information and prevent its further unauthorized disclosure, use, or dissemination.

Contractor agrees that all duties and obligations enumerated in this agreement also extend to any and all employees, agents or subcontractors who are given access to County information. Breach of any of the above conditions by Contractor's employees, agents or subcontractors shall be treated as a breach by Contractor.

Contractor agrees that it shall take all reasonable measures to ensure its employees, agents and subcontractors are aware of and abide by the terms and conditions of this Agreement.

At the conclusion of the term of Contract No. 549-12, Contractor agrees to return all non-Contractor information to the County Project Officer.

This Agreement remains in full force and effect throughout the Contractor's Work on Contract No. 549-12 and shall survive termination of Contract No. 549-12.

Signed:  

Date: 7-13-2011
EXHIBIT D
BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is entered into on, by and among the County Board of Arlington County, Virginia (herein "Covered Entity") and Northern Virginia Healthcare Center (herein "Business Associate") in order to comply with 45 C.F.R. §164.502(e) and §164.504(e), governing protected health information ("PHI") and business associates under the Health Insurance Portability and Accountability Act of 1996 (F.L. 104-191) ("HIPAA"), 42 U.S.C. Section 1320d, et. seq., the Health Information Technology for Economic and Clinical Health Act (F.L. 111-005) ("HITECH ACT") and any regulations promulgated thereunder, as amended from time to time. Further, this Agreement is entered into to protect the confidentiality and integrity of Protected Health Information (PHI) required by law, policy, professional ethics, and accreditation requirements. Parties to this Agreement shall fully comply with the provisions of the regulations implementing HIPAA.

RECITALS

WHEREAS the parties must comply with provisions of HIPAA, the Privacy Rule and Security Rule requirements and applicable provisions of the "HITECH standards" (defined below);

WHEREAS the parties agree and understand that the Covered Entity must receive satisfactory written assurance from the Business Associate that the Business Associate will safeguard all Protected Health Information, as defined by HIPAA;

WHEREAS the parties intend to protect the privacy and provide for the security of PHI disclosed to the BA pursuant to its contract with the Covered Entity in compliance with HIPAA and the HITECH Act and the regulations promulgated thereunder by the U.S. Department of Health and Human Services and other applicable laws;

WHEREAS the Business Associate agrees to take all reasonable and accepted efforts to ensure that PHI is rendered unusable, unreadable or indecipherable to unauthorized individuals (e.g. encrypted, destroyed) whenever appropriate;

WHEREAS the Business Associate hereby provides such assurances;

In consideration of mutual promises and covenants below, the parties intending to be legally bound, agree as follows:

Definitions.

As used in this Agreement, the terms below will have the following meanings intended to be consistent with HIPAA and the HITECH Act:

1.1 Agreement. "Agreement" shall mean this Business Associate Agreement.