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*Corporate Offices*  
510 North Douty Street  
Hanford, Ca 93230  
800-366-0950  
Fax: 559-587-4277

**ACCOUNTS RECEIVABLE MANAGEMENT AGREEMENT** is made this 15th day of May, 2019  
by and between ("Creditor"):

Tulare Regional Medical Center  
869 Cherry Av - Tulare, CA 93274

and KCS, a California Company ("KCS"), of 510 North Douty Street, Hanford, California 93230. Creditor provides services to and for the benefit of Patients and other persons or entities (the "Responsible Parties") for a fee ("Fee" or "Fees"). KCS has expertise in the collection of Accounts and Creditor desires to retain KCS as a preferred Accounts Receivable Management agency to manage their Accounts Receivable ("Accounts"). For consideration of the mutual covenants set forth herein, the parties hereto agree as follows;

#### **ARTICLE 1. GENERAL**

1.1 **Contractor Relationship.** Creditor hereby retains KCS as an independent contractor to collect its Accounts as further set forth herein. The relationship between KCS and Creditor shall be solely as set forth herein. Neither party shall be deemed the employee, agent, partner of the other, nor have any authority to make or alter any Agreement on behalf of the other, to legally bind the other, to credit or receive money due on behalf of the other or to do any other thing on behalf of the other except as specifically set forth herein. KCS and Creditor each assume full responsibility for their own compliance with any and all applicable laws, ordinances, rules and regulations. (i.e. The HITECH Act, California Consumer Privacy Act and HIPAA Regulation, etc., if applicable to your industry).

1.2 **Term.** The term of this Agreement shall be from the date this Agreement is executed until it is terminated in accordance herewith.

#### **ARTICLE 2. COLLECTIONS**

2.1 **Collection Duties.** Upon receipt of the Collection Information, KCS shall use its best efforts to secure recovery on such Accounts referred by Creditor in a timely manner, including, but not limited to the following: (i) contacting Responsible Parties via phone or written correspondence; (ii) reviewing Uniform Billing Forms; (iii) locating and identifying the Responsible Party, and (iv) such other duties available under Federal and state law KCS deems necessary or desirable to secure recoveries on the Creditor Accounts.

2.2 **Creditor Duties.** Creditor shall (i) assure that KCS receives all Collection Information on the Accounts referred to KCS in a timely manner, (ii) fully cooperate with KCS in its efforts to collect the Accounts; (iii) sign all liens, releases, satisfactions, and all other documents reasonably requested by KCS promptly after the KCS request; (iv) immediately refer to KCS all inquiries and settlement offers with respect to the Accounts; and (v) comply with the KCS requests for documentation, itemized bills, and request for the Creditor to re-bill Accounts to the Responsible Party and all other documents necessary or requested by KCS to collect the Accounts. If KCS determines that legal action is necessary to recover claims for Creditor, Creditor will undertake all reasonable efforts to assist KCS, including providing evidence and witnesses where required. Under this section, Creditor agrees that this contract constitutes permission for KCS to undertake legal action against the debtor without further written authorization from Creditor.

2.3 **Funds Received.** KCS shall require that all checks for payment of the Accounts be made payable to the account of KCS. Checks or drafts received by KCS from Responsible Parties and made payable to Creditor will be endorsed by KCS for the Creditor and deposited into a trust account in the name of and maintained by KCS, for the benefit of the Creditor for subsequent disbursement to the Creditor in accordance with the terms of this Agreement.

2.4 **Authority to Settle.** KCS shall not settle or compromise on the Fees due on any Delinquent Account without the prior approval of Creditor. KCS shall notify Creditor upon its receipt of any settlement or compromise offer on any Delinquent Account and will assist Creditor with decisions concerning such offers. Notwithstanding the foregoing, Creditor shall be solely responsible for all decisions concerning the settlement or compromises of any Delinquent Account.

### ARTICLE 3. COLLECTION FEE AND SERVICES

3.1. **Collection Fee and Services.** In consideration of the KCS services hereunder, KCS shall be paid: 29% of the Amount Collected or, 33% of the Amount Collected, on all accounts where skip tracing is required at any time during the collection process or, 43% of the Amount Collected, on all accounts where legal action is undertaken.

3.2 **Statements.** Within ten (10) days of the end of any given month, KCS shall remit to Creditor and provide for either printed or electronic access to, statements showing the total Collections for the past month, and the KCS fee for its services. In addition, KCS shall remit to Creditor at this time, either a check for, or electronically through the Automated Clearing House, all sums received and recovered by KCS for the preceding collection month, except that KCS shall withhold from this monthly remittance, any amounts then due or past due for Fees as described in Section 3.1 above.

### ARTICLE 4. DEFAULTS AND REMEDIES

4.1 **Defaults.** The occurrence of any one or more of the following shall constitute a "Default" hereunder.

4.1.1 **Payment.** Failure of either party to pay any amount required hereunder within thirty (30) days after such is due hereunder, or

4.1.2 **Performance under Agreement.** Failure of either party to perform any other covenant, condition, Agreement or provision contained herein within thirty (30) days (or such lesser time as may be otherwise set forth in this Agreement) after receipt by such party of written notice of such failure or, in the event, such failure cannot reasonably be cured within such thirty (30) days, failure to diligently and reasonably pursue the cure thereof within such time frame.

4.2 **Remedies.** Upon the occurrence and continuance of a Default, the party not in Default may, at its option, elect any one or more the following remedies: (i) **Performance.** Withhold performance of any obligation, including payment obligations, under this Agreement, until such time as such Default is cured; or (ii) **Cure Default.** Cure such Default and recover the reasonable costs thereof from the party in Default, provided the party not in Default is current in all payments due hereunder; or (iii) **Injunctive Relief.** Seek injunctive relief to enjoin any act of a party in violation hereof; or (iv) **Specific Performance.** Seek specific performance of any covenant or obligation of a party hereunder; or (v) **Other Available Remedies.** Pursue any other remedy now or hereafter available under the laws or judicial decisions of the State of California.

4.3. **Separability.** Each and every covenant and Agreement herein shall be separate and independent from any other and the breach of any covenant or Agreement shall in no way or manner discharge or relieve the performance of any other covenant or Agreement.

4.4. **No Waiver.** No delay in exercising or omission of the right to exercise any right or power shall impair any such right or power, or shall be construed as a waiver of any breach or default or as acquiescence thereto. Any endorsement or statement of any check or letter accompanying any check shall not be deemed an accord and satisfaction and either party may accept and negotiate such check or payment without prejudice to such party's right to recover the balance of any amount due hereunder or pursue any other remedy available hereunder.

#### ARTICLE 5. TERMINATION

5.1 **Non-Cause.** Either party may terminate this Agreement, without cause, upon giving not less than thirty (30) days prior written notice to the other of intent to so terminate.

5.2 **Cause.** Either party may terminate this Agreement, for cause, upon breach of this Agreement, upon giving written notice to the breaching party as to the alleged breach, and which breach is not cured within thirty (30) days of receipt of said notice.

5.3 **Effect of Termination.** Upon notice of termination of this Agreement for any reason, and by either party, KCS agrees to continue working all accounts in its possession past the effective termination date, unless otherwise indicated by creditor. Upon notice of termination of this Agreement, all accounts will be returned to creditor via electronic media in portable document format, except accounts with a current payment plan, accounts where payment was made in the last 60 days, accounts with a promise to pay within the last 60 days, and any accounts with legal activity in process.

#### ARTICLE 6. MISCELLANEOUS

6.1. **Entire Agreement.** This Agreement, together with any other agreements entered into herewith, constitutes the entire Agreement between the parties hereto and supersedes any prior understandings or agreements between the parties hereto. This Agreement may be amended or discharged only upon an Agreement in writing executed by all of the parties hereto.

6.2 **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, and jurisdiction shall lie only in Kings County, California. Each of KCS and Creditor hereby submits to such jurisdiction and venue and waives any defense or inconvenient forum in relation hereto.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed as of the day and year first above written.

**KCS**

Signed: *Vicki Callahan*

Print Name: Vicki Callahan

Title: VP Operations

Date Signed: 05/15/2019

Address: 510 N Douty Street  
Hanford, CA 93232-0950

**Creditor:** Tulare Regional Medical Center

Signed: \_\_\_\_\_

Print Name:

Title:

Date Signed:

Address: 869 N Cherry  
Tulare, CA 93274

# ***Kings Credit Services***

## ***Business Associate (HIPAA) Addendum***

WHEREAS, This HIPAA Addendum is an agreement relating to the handling of Protected Health Information per the HIPAA Privacy Rule (45 CFR Part 160 and Subparts A and E of Part 164 of the HIPAA Administrative Simplification Regulations) between a CE and Business Associate.

WHEREAS, The terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy Rule.

NOW THEREFORE, for and in consideration of the mutual covenants set forth herein, the parties hereto agree as follows;

### Outline of specific definitions.

- a. The term Business Associate (BA) shall refer to KINGS CREDIT SERVICES and/or MEDICAL BILLING & ACCOUNTS RECEIVABLE MANAGEMENT (MBA).
- b. The term Covered Entity (CE) shall refer to **Tulare Regional Medical Center** located at **869 N Cherry - Tulare, CA 93274**
- c. The term Individual shall have the same meaning as the term individual in 45 CFR § 164.501 and shall include persons who qualify as a personal representative in accordance with 45 CFR § 164.502(g).
- d. The term Privacy Rule shall refer to the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A & E.
- e. The term Protected Health Information (PHI) shall have the same meaning as the term protected health information in 45 CFR § 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- f. The term Required By Law shall have the same meaning as the term required by law in 45 CFR § 164.501.
- g. The term Secretary shall refer to the Secretary of the Department of Health and Human Services or their designee.

### Obligations and Activities of Business Associate.

- a. BA agrees to not disclose PHI other than as permitted or required by this Agreement or as Required By Law.
- b. BA agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. These items are included within the current KCS HIPAA Compliance Policy, and include but are not limited to the following; maintenance and security of electronic data interchange, procedural handling of written PHI, and appropriate document destruction once PHI is entered and scanned into password protected system, detailed screening of PHI sent by CE to ensure that the least amount of information needed to perform contracted services is made available to internal staff, continued training of staff relating to appropriate handling of PHI, etc.
- c. BA agrees to mitigate, to the extent practicable, any harmful effect that is known to BA of a use or disclosure of PHI by BA in violation of the requirements of this Agreement.
- d. BA agrees to perform regular audits of internal PHI usage and handling to verify compliance according to the established Privacy Rule guidelines. BA agrees to report to CE any use or disclosure of PHI not provided for by this Agreement of which it becomes aware and is in violation of established Privacy Rule.
- e. BA agrees to ensure that any agent, including all subcontractors, to whom it provides PHI, received from, or created or received by BA on behalf of CE agrees to the same restrictions and conditions that apply through this Agreement to BA with respect to such information.

f. BA agrees to provide access, at the request of CE, to PHI in a Designated Record Set, to CE or, as directed by CE, to an Individual in order to meet the requirements under 45 CFR § 164.524.

g. BA agrees to make any amendment(s) to PHI in a Designated Record Set that the CE directs or agrees to pursuant to 45 CFR § 164.526 at the request of CE or an Individual, and in the timeframe and manner agreeable to both BA and CE.

h. BA agrees to make internal practices, books, notes and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created by, or received by BA on behalf of CE available to the CE or to the Secretary. This will be made available upon request and within an agreeable timeframe to both BA and CE, or within a timeframe designated by the Secretary, for purposes of the Secretary determining CE's compliance with the Privacy Rule.

i. BA agrees to document such disclosures of PHI and information related to such disclosures as would be required for CE to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

j. BA agrees to provide to CE or an Individual, in a reasonable timeframe and manner, information collected in accordance with above section [ i ] to permit CE to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

#### 1.4 Permitted Uses and Disclosures by Business Associate.

General Use and Disclosure Provisions (Please refer to underlying services contract for outline of uses):

Except as otherwise limited in this Agreement, BA may use PHI to perform the following functions, activities, or services for, or on behalf of, CE as specified in original contract, provided that such use or disclosure would not violate the Privacy Rule if done by CE or the minimum necessary policies and procedures of the CE. These services may include the following:

Private Pay Account follow-up services (MBA)

Debt collection services (Kings Credit Services)

#### Specific Use and Disclosure Provisions.

a. Except as otherwise limited in this Agreement, BA may use PHI for the proper management and administration of the BA or to carry out the legal responsibilities of the BA.

b. Except as otherwise limited in this Agreement, BA may disclose PHI for the proper management and administration of the BA, provided that disclosures are Required By Law, or BA obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the BA of any instances of which it is aware in which the confidentiality of the information has been breached.

c. Except as otherwise limited in this Agreement, BA may use PHI to provide Data Aggregation services to CE as permitted by 42 CFR § 164.504(c)(2)(i)(B).

#### Obligations of Covered Entity.

Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions:

a. CE shall notify BA of any limitation(s) in its notice of privacy practices of CE in accordance with 45 CFR § 164.520, to the extent that such limitation may affect BA use or disclosure of PHI within scope of contracted services.

b. CE shall notify BA of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect BA use or disclosure of PHI.

c. CE shall notify BA of any restriction to the use or disclosure of PHI that CE has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect BA's use or disclosure of PHI.

Permissible Requests by Covered Entity.

CE shall not request BA to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by CE.

Term and Termination.

- a. The Term of this Agreement shall be effective upon obtaining signatures of both parties, coinciding with activity dates of existing service contract, and/or a time frame that BA is in possession PHI sent to by CE.
- b. Upon CE's knowledge of a material breach by BA, CE shall have the following options:
  - 1. Provide an opportunity for BA to cure the breach or end the violation and hold the option of terminating this Agreement if BA does not cure the breach or end the violation within the time specified by CE;
  - 2. Immediately terminate this Agreement if BA has breached a material term of this Agreement and a cure is not presented by BA and/or feasible;
  - 3. If neither termination nor cure are feasible, CE shall report the violation to the Secretary.
  - 4. Effect of Termination.
  - 5. Except as provided in paragraph (2) below, upon termination of this Agreement, for any reason, CE may request that BA return all PHI received from CE, or created or received by BA on behalf of CE and destroy all recorded of such information. This provision shall also apply to PHI that is in the possession of subcontractors or agents of BA. BA shall retain no copies or records of the returned PHI.
  - 6. In the event that BA determines that returning or destroying the PHI is infeasible for any reason, BA shall provide to CE notification of the conditions that make the return or destruction infeasible. Upon negotiated terms that return or destruction of PHI is infeasible, BA shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as BA maintains such PHI.

Miscellaneous.

- a. Regulatory References. A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended.
- b. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for CE to comply with the updated requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- c. Interpretation. Any ambiguity in this Agreement shall be resolved to permit CE to comply with the Privacy Rule.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

Creditor: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

KCS: Jeffrey A. Adams

Date: 5/15/19

Name: Jeffrey A. Adams



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July 19, 2018

Tulare Regional Medical Center  
869 N Cherry  
Tulare, CA 93274

Attn: Office Manager  
Re: Electronic Funds Auto Deposit

**We are now offering Direct Deposit of funds we recover for you, directly into your Bank Account! Why risk losing a printed check in the mail? We encourage all of our valued clients to participate in our Electronic Funds Deposit Program.**

Please provide all of the information below.

Bank Name: \_\_\_\_\_ Bank Phone \_\_\_\_\_

Bank Address: \_\_\_\_\_

Routing Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

Full Name of Authorized Account Holder: \_\_\_\_\_

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

Phone Number: \_\_\_\_\_ Date: \_\_\_\_\_

Please return this information to KCS via fax (559-587-4277). If you have any questions, please call me at \_\_\_\_\_.

Sincerely,

Mark Moore  
Sales Account Executive  
559-587-4217  
mmoore@kingscredit.com