



CALIFORNIA GOVERNMENT OPERATIONS AGENCY

GAVIN NEWSOM

California Governor

January 29, 2021

YOLANDA RICHARDSON

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JULIE LEE

Undersecretary



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Janet Liang
Group President & Chief Operating
Officer for Care Delivery
Kaiser Foundation Health Plan, Inc. and
Kaiser Foundation Hospitals

Secretary Yolanda Richardson
California Government Operations Agency
915 Capitol Mall, Suite 200
Sacramento, CA 95814

RE: **Letter of Intent to Enter into An Agreement to Support
California's Vaccine Distribution Effort**

Dear Ms. Liang,

The purpose of this Letter of Intent ("LOI") is to memorialize the California Government Operations Agency's ("State") and Kaiser Foundation Hospitals' and Kaiser Foundation Health Plan, Inc.'s (collectively referred to as "Kaiser") intent to enter into a contract, under which Kaiser would assist California's COVID-19 vaccine distribution effort. The State and Kaiser may individually be referred to herein as "Party" or collectively as the "Parties." The Parties intend to work together in good faith to enter into an agreement acceptable to both Parties as quickly as is practicable. This LOI is not intended to be, and shall not constitute in any way, a binding legal agreement.

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1. Authority for Emergency Contract. The State has determined that this contract is needed to facilitate efficient distribution of the COVID-19 vaccine as a solution to the COVID-19 emergency. Therefore, pursuant to the March 4, 2020 COVID-19 State of Emergency Proclamation and Order (SOE), paragraph 2, the Parties will enter into an emergency contract to assist with California's vaccine distribution effort in order to mitigate the effect of and prevent the spread of COVID. In addition to the SOE, the Parties are statutorily authorized, pursuant to the California Public Contract Code section 1102, to enter into said emergency contract.
2. Outline for Scope of Work. The intended work is to secure, plan, organize, stand up and oversee two or more mass vaccination sites and other efforts to vaccinate hard-to-reach and disproportionately impacted populations. These efforts will be designed to serve the public, including at-risk populations, non-Kaiser members and Kaiser members, all in support of the State's COVID-19 vaccination effort and consistent with Kaiser's charitable purposes. The parties will consider additional outreach efforts in support of the State's COVID-19 vaccination effort.
3. Terms and Conditions. While both Parties acknowledge and understand that the planned contract to Support California's Vaccine Distribution Effort will be entered into pursuant to emergency authority, the Parties agree to work in good faith to include those State's standard terms and conditions applicable to the arrangement and consistent with the activities under the planned contract, and will reconcile



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the Parties' conflicting terms where appropriate. These terms may include but are not limited to:

- General Terms and Conditions for non-IT services contracts (GTC 04/2017)¹
- Contractor Certification Clauses (CCC 04/2017)²
- Federally Funded Contract Terms required by State Contracting Manual, Volume 1, Section 3.11.
- Required terms for FEMA reimbursement

The Parties acknowledge their intention that, notwithstanding such standard terms, the immunities and liability protections offered or afforded under the California Executive Order N-02-21 and any other applicable state law will, to their fullest extent, extend to the activities of Kaiser and the State in relation to their performance of activities under the planned contract. The Parties further acknowledge Kaiser's expectation that the immunities and liability protections offered or afforded under the Public Readiness and Emergency Preparedness Act and any other applicable federal law will apply to the performance of its activities under the planned contract. Kaiser acknowledges that any applicable FEMA Terms and Conditions³ are non-negotiable and required for federal reimbursement. Parties agree to develop special terms and conditions as appropriate.

4. Contract Amount. Kaiser is committed to assisting the State with responding to and mitigating the effects of COVID-19 through vaccine distribution and administration. Kaiser is prepared to undertake and initiate activities under the contract that will result in costs to Kaiser, and the State is prepared to pay Kaiser for its



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¹ <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>

² Ibid.

³ Copy of FEMA Terms and Conditions are provided with this LOI

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reasonable costs in the performance of its obligations under the contract. The Parties are developing the budget details. Kaiser intends that the contract payments to Kaiser will be at or near cost of the service, and that it will not profit from the planned contract. The State intends to seek FEMA reimbursement for eligible costs, and the Parties will reconcile any overpayments to ensure that the contract does not result in any profit to Kaiser or duplication of payment for costs.

The State looks forward to a successful partnership with Kaiser to vaccinate Californians against COVID-19.

Sincerely,

Yolanda Richardson

Yolanda Richardson,
Secretary
California Government
Operations Agency

Accepted:

Janet Liang

Janet Liang, Group President &
Chief Operating Officer for Care
Delivery
Kaiser Foundation Health Plan, Inc.
and Kaiser Foundation Hospitals



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