

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is entered into between the VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION, DOING BUSINESS AS, GOLD COAST HEALTH PLAN, a public entity (“GCHP”) and Felix Nunez (“EMPLOYEE”) (collectively, “the Parties”). It is effective on May 1, 2025.

RECITALS

A. GCHP is authorized to employ a Chief Executive Officer pursuant to its adopted Bylaws, Article VIII.

B. GCHP desires to employ EMPLOYEE as Chief Executive Officer of GCHP (CEO), and EMPLOYEE accepts such employment, in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the above referenced recitals which are incorporated herein by reference, term, conditions, covenants and promises set forth below, the parties agree as follows:

SECTION 1. NATURE AND SCOPE OF EMPLOYMENT

EMPLOYEE expressly acknowledges and agrees that he is an exempt management employee who serves at the will and pleasure of the GCHP’s Commission, that he has no property interest in his GCHP employment, and that he may be terminated with or without cause at any time.

EMPLOYEE shall function as GCHP’s CEO. His duties shall include those duties and responsibilities: (A) in the job description attached as **Exhibit “A”**; (B) in the GCHP formation ordinance, Bylaws and delineation of authority document (which is attached as **Exhibit B**), which collectively include, but are not limited to supervision of GCHP’s facilities, operations, programs, projects, financial affairs, personnel and planning; and (C) involvement in implementing GCHP

policies, Commission directives, and other duties as the Commission may, from time to time, assign to EMPLOYEE. The Commission may use any or all such duties and responsibilities in evaluating EMPLOYEE's performance. Further, at all times during his employment, EMPLOYEE shall devote his full-time time, energies and loyalty to GCHP, and comply with all policies, procedures and directives of GCHP and the Commission.

SECTION 2. TERM OF AGREEMENT; DATE EMPLOYMENT BEGINS

The term of this Agreement shall be three (3) years, commencing on the May 1, 2025 and terminating on April 30, 2028 unless terminated earlier, with or without cause as provided in Section 7. This Term may be extended by mutual written agreement in an addendum to this Agreement. Unless otherwise provided for by a subsequent written agreement between the Parties, the terms and conditions of this Agreement shall apply to any extended Term of this Agreement. Nothing herein, however, shall be construed as requiring either party to ultimately agree to such extension of the Agreement or a new employment agreement. GCHP agrees to begin considering whether to extend the Agreement on or about November 1, 2027, and to notify EMPLOYEE of its position as soon thereafter as practicable, but not later than February 1, 2028. In the event that GCHP elects not to renew the Agreement pursuant to this Section, and terminates Employee's employment prior to the expiration of the term on April 30, 2028 for reasons unrelated to Cause, the Employee shall be entitled to severance pursuant to Section 8(b), prorated based on the number of months remaining in the Term, not to exceed (6) months.

EMPLOYEE's first working day at GCHP as CEO under this contract shall be May 1, 2025.

SECTION 3. COMPENSATION

(A) Salary. Commencing on the effective date of this Agreement, GCHP shall pay to EMPLOYEE an annual gross salary of \$500,000.00, which shall be subject to all applicable payroll

taxes and withholdings. On January 1, 2026 and January 1, 2027, EMPLOYEE shall receive a 4% salary increase. On January 1, 2026 and on an annual basis thereafter, EMPLOYEE shall also be entitled to be eligible for an incentive plan up to 20% of annual salary should EMPLOYEE meet established goals of the incentive plan set by the Commission of GCHP. The goals and thresholds of the incentive plan shall be developed among the Commission of GCHP and the EMPLOYEE within 90 days of the Effective Date of this Agreement. *The goals and thresholds for the incentive plan shall be developed and mutually agreed upon in good faith within ninety (90) days following the Effective Date of this Agreement. A portion of the annual incentive bonus, up to ten percent (10%) of the Employee's annual base salary, shall be based on objective, measurable performance metrics. Upon satisfaction of such metrics, the Employee shall be entitled to the corresponding bonus payment. If an objective, measurable performance metric is not fully met, the Commission may in its discretion award a portion of such incentive bonus payment. The remaining ten percent (10%) shall remain subject to the Commission's discretion, based on broader organizational goals set forth within ninety (90) days following the Effective Date of this Agreement.*" Whether the goals and threshold of the incentive plan are achieved to the satisfaction of the Commission, and whether or not to provide any amount under the incentive plan is within the sole discretion of the Commission and its decision shall be final. Any incentive bonus earned in accordance with the terms of this Section shall be paid no later than sixty (60) days following the end of the applicable performance year. In the event this Agreement is terminated after a bonus is earned pursuant to the incentive plan such bonus shall be paid prior to the effective date of termination.

Payment of Salary. Salary shall be paid to EMPLOYEE on a pro rata basis according to the same pay periods utilized for other GCHP employees.

(B) Modification of Contract Terms. At any time during the term of this Agreement, either party may request, and the parties shall then discuss (with no obligation on the parties, however, to reach mutual agreement) proposed modification of the terms and conditions herein.

(C) Reimbursement of Job-Related Expenses. GCHP shall reimburse EMPLOYEE for ordinary and necessary job-related expenses incurred on behalf of GCHP in accordance with GCHP policy and applicable law. EMPLOYEE shall not receive mileage for travel to and from GCHP office to his residence. Consistent with GCHP's travel policy, GCHP shall pay or otherwise reimburse EMPLOYEE for the costs of necessary meetings and functions EMPLOYEE attends on GCHP's behalf, including transportation, registration, meals and hotel accommodations. EMPLOYEE shall provide appropriate receipts to GCHP for any expense reimbursements.

SECTION 4. HOURS OF WORK; CONFLICTS OF INTEREST

During the term of this Agreement, EMPLOYEE shall devote appropriate and sufficient time, ability and attention to the services he is to perform for GCHP. It is generally intended that EMPLOYEE shall perform services on behalf of GCHP during regular business hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.), evening meetings, and at other times as necessary in the performance of his duties. The parties acknowledge and agree that some services to be performed for GCHP may necessitate EMPLOYEE being away from GCHP's facilities, e.g., representing GCHP in meetings with other health plans, with local, state and federal agencies, and with professional organizations and associations. To avoid any actual or potential conflicts of interest, EMPLOYEE shall not directly or indirectly render any services of a business, commercial or professional nature to any other person or organization, whether for compensation or otherwise, that competes with the business of GCHP or interferes with the performance of his duties hereunder while employed by GCHP. Employee shall comply with all laws and GCHP policies governing conflicts of interest, including those concerning the acceptance and reporting of gifts

and business transactions. GCHP acknowledges that Employee performs paid and unpaid medical care services for Family Health Care Centers of Greater Los Angeles, and Lakewood Home Health & Palliative Care, and that such services do not complete with or interfere with the performance of Employee's duties. Employee shall adhere to the highest ethical standards and avoid even the appearance of impropriety in the conduct of GCHP business, including his dealings with contractors, vendors and customers of GCHP, as well as in his private life to the extent his activities may reflect on the GCHP.

SECTION 5. EMPLOYEE BENEFITS

(A) Employee Benefits. Unless otherwise specified herein, throughout the term of this Agreement, EMPLOYEE shall be entitled to receive the same employee benefits (including health insurance, dental, vision, long-term disability and life insurance benefits) as other GCHP management employees.

(B) Vacation. EMPLOYEE shall be entitled to receive 24 days annual paid vacation, to be accrued and paid consistent with GCHP's policy on vacation.

(C) Administrative Leave. EMPLOYEE is entitled to 3 days administrative leave as permitted by the adopted personnel rules.

(D) Sick Leave. EMPLOYEE is entitled to 10 days annually, to be accrued and paid consistent with GCHP's policy on sick leave.

(E) Retirement Compensation. EMPLOYEE shall receive retirement benefits as provided in the GCHP Personnel Rules. As of the drafting of this Agreement, GCHP contributes ten percent (10%) of salary on an employee's behalf through the existing 401(a) plan, and an employee may elect to defer compensation through the 457 plan (no employer match).

SECTION 6. PERFORMANCE EVALUATION

The Commission shall evaluate and review EMPLOYEE' job performance on an annual basis beginning approximately January 1, 2026. The Commission shall ensure that the annual performance evaluation is calendared for discussion no later than January 31 of each calendar year and shall provide reasonable notice to the Employee accordingly. Evaluations of the EMPLOYEE's performance may be conducted, however, at any time and more often than on an annual basis, at the discretion of the Commission. The evaluations shall be based upon the EMPLOYEE's job description and the mutually agreed-upon performance goals, objectives, and standards set by the Commission and EMPLOYEE. Unless otherwise directed by the Commission, performance evaluations shall be separate from salary reviews. At evaluation sessions, the Commission may discuss any performance goals, objectives and standards which EMPLOYEE is not meeting, and the Commission may establish other and new reasonable performance goals, objectives and standards that EMPLOYEE may be required to meet by EMPLOYEE's next evaluation date. Failure to meet such performance goals, objectives or standards shall be a basis for the Commission to consider termination for cause. The judgment of EMPLOYEE's job performance shall be at the sole discretion of the Commission and shall be final. It shall be the EMPLOYEE's responsibility to place performance evaluation sessions, on an annual basis, on the Commission's agenda.

SECTION 7. TERMINATION OF EMPLOYMENT

(A) This Agreement shall terminate automatically and immediately upon EMPLOYEE's death. Further, GCHP may in its discretion, and as authorized by law, terminate this Agreement if EMPLOYEE is permanently disabled. EMPLOYEE shall be considered to be permanently disabled under this paragraph if he is unable to perform his duties as set forth in this

Agreement or as established by GCHP from time to time by reason of illness or disability for a continuous period of ninety (90) days.

(B) This Agreement may be terminated at any time by GCHP in its sole discretion for cause by giving written notice of termination to EMPLOYEE. The phrase “for cause” shall include, but not be limited to, conduct whereby the EMPLOYEE: (1) willfully breaches or habitually neglects the duties that he is required to perform under the terms of this Agreement; (2) inadequately performs his assigned duties, i.e. fails to meet performance goals, objectives or standards, fails to implement Commission requests, or otherwise is evaluated as unsatisfactory pursuant to Section 6; or (3) is convicted of a felony; or (4) commits acts of dishonesty, fraud, misrepresentation or other acts of moral turpitude. For the purposes of this Agreement, Employee’s failure to meet performance goals, objectives, or standards shall not constitute Cause unless (i) the Commission provides written notice identifying the specific deficiencies, and (ii) the Employee fails to cure such deficiencies within thirty (30) days following receipt of such notice.

(C) This Agreement may be terminated at any time by GCHP in its sole discretion without cause, upon thirty (30) days written notice thereof communicated to EMPLOYEE. EMPLOYEE agrees that, in such event, he shall be entitled only to the compensation set forth in Section 8b.

(D) EMPLOYEE may terminate this Agreement at any time upon thirty (30) days prior written notice to GCHP. If EMPLOYEE terminates this Agreement, he shall not be entitled to receive any compensation for services to GCHP after the thirty (30) day notice period, or upon his cessation of work for GCHP, whichever is sooner.

SECTION 8. PAYMENT UPON TERMINATION

(A) If this Agreement terminates due to EMPLOYEE’s death, if GCHP terminates EMPLOYEE’s employment **for** cause, or if the Agreement term expires on its own terms,

EMPLOYEE shall receive no further compensation or benefits after the date of termination, other than such compensation as may be accrued but unpaid as of such date, or as otherwise required by law. If Employee contests the “cause for termination,” Employee’s sole remedy shall be a judicial action in declaratory relief to determine whether there was substantial evidence of “cause for termination.” If the court determines there was not substantial evidence, Employee shall be eligible to receive any damages, penalties or relief under applicable law.

(B) If GCHP terminates EMPLOYEE’s employment without cause, EMPLOYEE shall be paid for any accrued, but unused, vacation leave and/or administrative leave, and shall be eligible, subject to the conditions and requirements of this section, to receive a severance amount equal to his monthly salary, less any payroll taxes or withholdings required by law, multiplied by the number of months left on the unexpired term of this agreement; except that in no event shall such severance amount exceed six months. However, in the event the State of California no longer permits GCHP to operate, of the maximum severance amount for which EMPLOYEE shall be eligible shall be six (6) months, subject to the conditions above. Employee’s eligibility for any severance payment under this paragraph is expressly conditioned upon Employee’s execution of (i) a waiver and release of any and all of Employee’s claims against GCHP and all GCHP employees/officials, and (ii) a covenant not to sue the GCHP or any GCHP employees/officials. No severance pay shall be paid until the foregoing conditions are met and any applicable revocation rights have expired. Any severance amount owed shall be payable in regular increments in conjunction with GCHP’s regular payroll cycle. However, GCHP’s severance obligation shall end, and severance payments shall cease immediately, upon EMPLOYEE commencing new employment, which EMPLOYEE shall diligently seek. EMPLOYEE must notify the GCHP Commission in writing immediately upon accepting such new employment. For purposes of this Section, new employment shall mean full-time, compensated employment in an

executive or managerial role reasonably comparable in scope, responsibility, and compensation to Employee's role at GCHP. Acceptance of part-time, temporary, consulting, or substantially lower-compensated work shall not in and of itself terminate severance eligibility

This Section 8.b. shall be construed and interpreted in accordance with Article 3.5 (commencing with Section 53260) of Chapter 2 of Part 1 of Division 2 of Title 5 of the California Government Code.

(C) For purposes of this Section 8, the "date of termination" shall mean the date GCHP communicates notice of employment termination to EMPLOYEE, unless otherwise specified in such notice.

SECTION 9. OWNERSHIP OF MATERIALS, CONFIDENTIALITY

Upon termination of this Agreement, EMPLOYEE agrees to deliver to GCHP all equipment, materials, documents and other property belonging to GCHP. EMPLOYEE also agrees to maintain the confidentiality of information related to the GCHP obtained during the term of his employment and thereafter, to the extent permitted by law.

SECTION 10. INDEMNIFICATION

GCHP shall indemnify EMPLOYEE in accordance with the provisions of the California Labor Code and the California Government Claims Act (Gov't Code §§ 810 *et seq.*).

SECTION 11. NOTICES

(A) Any notices to be given under this Agreement by either party to the other shall be in writing and may be transmitted by personal delivery or mailed by overnight delivery service

(e.g. FedEx, Golden State Overnight, etc.) that is subject to tracking and delivery confirmation.

Mailed notices shall be addressed as follows:

If to GCHP: GOLD COAST HEALTH PLAN
 Attention: Chair of Commission
 711 Daily Drive, Ste. 106
 Camarillo, CA 93010-6082

With a Copy to: BEST BEST & KRIEGER LLP
 Attention: Scott Campbell
 300 South Grand Avenue, 25th Floor
 Los Angeles, CA 90071

If to EMPLOYEE: Felix L. Nunez
 608 Pascual Avenue
 San Gabriel, CA 91775

(B) Each party may change that party's address by written notice delivered in accordance with this paragraph.

(C) Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of the date of mailing.

SECTION 12. MODIFICATION

This Agreement may not be modified or amended in any way unless such modification or amendment is in writing and signed by EMPLOYEE and GCHP.

SECTION 13. ENTIRE AGREEMENT

This Agreement supersedes any and all other agreements, either oral or in writing, and including any prior employment contracts or offer letters, between the parties hereto with respect to the employment of EMPLOYEE by GCHP, and contains all of the covenants and agreements between the parties with respect to that employment in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not

embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding on either party.

SECTION 14. PARTIAL INVALIDITY

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

SECTION 15. GOVERNING LAW AND VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any dispute arising out of this Agreement shall be venued in Superior Court in Ventura County, California.

SECTION 16. DEATH OF EMPLOYEE

If EMPLOYEE dies prior to the expiration of the term of his employment, any sums that may be due him by GCHP under this Agreement as of the date of death shall be paid to EMPLOYEE's executors, administrators, heirs, or legal representatives.

SECTION 17. BINDING EFFECT

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, legatees, representatives and successors.

SECTION 18. RECITALS

The recitals are incorporated herein as if set forth in full.

SECTION 19. ACKNOWLEDGMENT

EMPLOYEE acknowledges that he has carefully read this Agreement and understands its contents; that he has been given the opportunity to consult with an attorney of his choice regarding this Agreement; that he has had sufficient time to review this Agreement; that he is executing this Agreement knowingly and voluntarily, without any coercion or duress; and that he has not relied

on any representations or promises of any kind made to him in connection with his decision to execute this Agreement, except for those set forth herein.

SECTION 20. COMPLIANCE WITH GOVERNMENT CODE §§53243 *ET SEQ.*

If Employee is convicted of a crime involving an abuse of his office or position, all of the following shall apply:

(A) if Employee is provided with administrative leave pay pending an investigation, Employee shall be required to fully reimburse GCHP for such amounts paid;

(B) if GCHP pays for the criminal legal defense of Employee (which would be in its sole discretion, as it is not generally required to pay for a criminal defense), Employee shall be required to fully reimburse GCHP such amounts paid; and

(C) if this Agreement is terminated, any cash settlement related to the termination that Employee may receive from GCHP shall be fully reimbursed to GCHP or void if not yet paid to Employee.

For this subsection, “abuse of office or position” means either (1) an abuse of public authority, including but not limited to waste, fraud, and violation of the law under color of authority, or (2) a crime against public justice, including, but not limited to a crime, described in Title 5 (commencing with Section 67, Title 6 (commencing with Section 85, or Title 7 (commencing with Section 92) of Part 1 of the Penal Code, as these statutes may, from time to time, be amended.

SECTION 21. NON-ASSIGNMENT

This is an agreement for personal services and may not be assigned by EMPLOYEE to any third party.

SECTION 22. COUNTERPARTS

The Agreement may be executed in two or more counterparts, including via facsimile or electronically-transmitted signature, each of which shall be deemed an original, but all of which together shall constitute one-in-the-same document.

Executed at Camarillo, California, as of the date set forth below.

DATE: _____

**VENTURA COUNTY MEDI-CAL MANAGED
CARE COMMISSION DBA GOLD COAST
HEALTH PLAN**

By: _____
Chair

DATE: _____

“EMPLOYEE”

Felix L. Nunez

ATTEST:

Secretary, Commission

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
Attorneys for Ventura County Medi-Cal Managed Care Commission dba
Gold Coast Health Plan

By: _____
Scott H. Campbell