

1 CONTRACT FOR PROVISION OF
 2 NARCOTIC REPLACEMENT
 3 THERAPY TREATMENT SERVICES
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 WESTERN PACIFIC RE-HAB
 8 JULY 1, 2022 THROUGH JUNE 30, ~~2025~~2027
 9

10 THIS CONTRACT entered into this 1st day of July, 2022 (effective date), is by and between the
 11 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and Western Pacific
 12 Re-Hab (nonprofit corporation) (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be
 13 referred to herein individually as “Party” or collectively as “Parties.” This Contract shall be
 14 administered by the County of Orange through its Health Care Agency or an authorized designee
 15 (“ADMINISTRATOR”).
 16

17 **W I T N E S S E T H:**
 18

19 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Narcotic
 20 Replacement Therapy Treatment Services described herein to the residents of Orange County; and

21 **WHEREAS**, the Parties executed Contract No. MA-042-18010277 for Narcotic Replacement
 22 Therapy Treatment Services, effective July 1, 2022 through June 30, 2025, in an amount not to exceed
 23 \$1,930,920, renewable for two additional one-year periods (“Contract”); and

24 **WHEREAS**, the Parties executed Amendment No. 1 to change the Contract Number from MA-
 25 042-18010277 to MA-042-22011762; and

26 **WHEREAS**, the Parties executed Amendment No. 2 to amend the Payment Paragraph of Exhibit A
 27 of the Contract, effective September 8, 2022; and

28 **WHEREAS**, the Parties executed Amendment No. 3 to amend Paragraph XVI. and Paragraph XX.
 29 and to add Paragraph XXXIV. and Paragraph XXXV. to the Contract, in order to comply with
 30 regulatory requirements identified as part of County’s Triennial Audit; and

31 **WHEREAS**, the Parties executed Amendment No. 4 to add Paragraph XXXVI. and Paragraph
 32 XXXVII. to the Contract, in order to comply with additional findings of regulatory requirements
 33 identified as part of County’s Triennial Audit; and

34 **WHEREAS**, the California Advancing and Innovating Medi-Cal (CalAIM) Payment Reform was
 35 instituted at the County level on July 1, 2023; and

36 **WHEREAS**, the Parties now desire to enter into this Amendment No. 5 to amend Exhibit A of the
 37 Contract, to adjust negotiated reimbursement rates for competitiveness with surrounding counties due to

1 CalAIM, and to renew the Contract for two years for County to continue receiving and Contractor to
2 continue providing services set forth in the Contract.

3 WHEREAS, CONTRACTOR is agreeable to the rendering of such services on the terms and
4 conditions hereinafter set forth.

5 NOW, THEREFORE, in consideration of the mutual covenants, benefits, and promises contained
6 herein, COUNTY and CONTRACTOR do hereby agree as follows:

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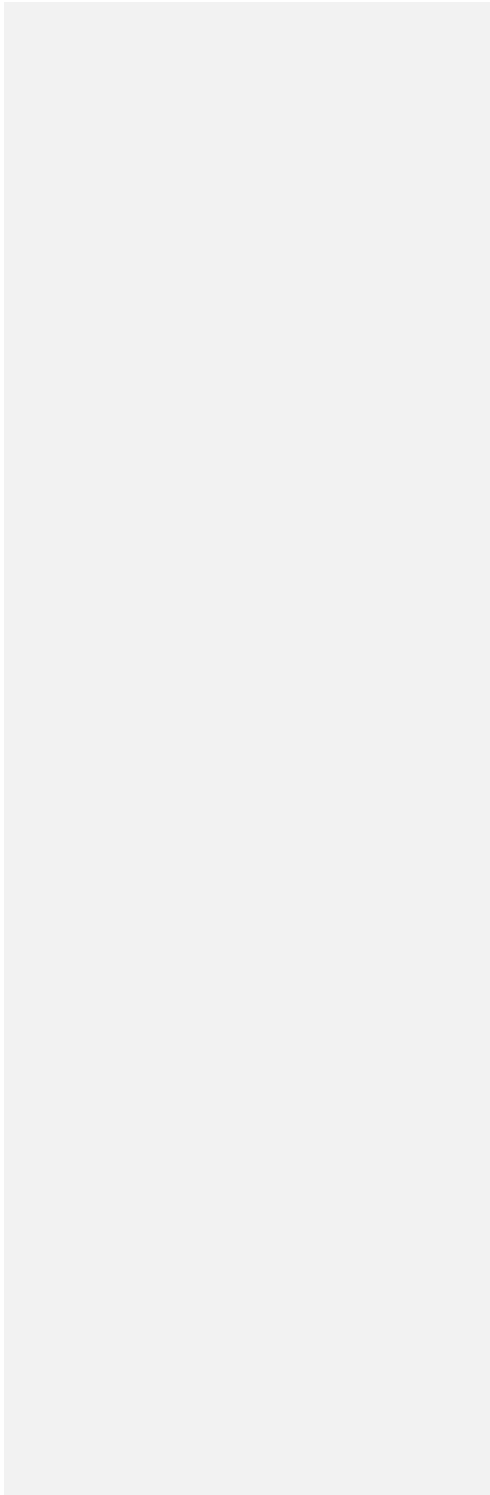


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REFERENCED CONTRACT PROVISIONS

Term: –July 1, 2022 through June 30, 2025
 Period One means the period from July 1, 2022 through June 30, 2023
 Period Two means the period from July 1, 2023 through June 30, 2024
 Period Three means the period from July 1, 2024 through June 30, 2025
Period Four means the period from July 1, 2025 through June 30, 2026
Period Five means the period from July 1, 2026 through June 30, 2027

Amount Not To Exceed:

Period One Amount Not To Exceed: \$ 643,640
 Period Two Amount Not To Exceed \$ 643,640
 Period Three Amount Not To Exceed \$ 643,640
Period Four Amount Not To Exceed: \$ 643,640
Period Five Amount Not To Exceed: \$ 643,640
TOTAL AMOUNT NOT TO EXCEED: \$3,218,200

Basis for Reimbursement: Negotiated Rate

Payment Method: Monthly in Arrears

CONTRACTOR DUNS Number: 04-690-7267

CONTRACTOR TAX ID Number: 95-4168437

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<u>CFDA#</u>	<u>FAIN#</u>	<u>Program Services Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Amount</u>	<u>Indirect Rate</u>	<u>R&D Award (Y/N)</u>
93-959	TH0062-20	Substance Abuse and Prevention Treatment Block Grant	SAMHSA	7/1/2021 TO 6/30/22	\$19,276,499	24.22%	N/A

<u>CFDA #</u>	<u>FAIN #</u>	<u>Program Services Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Amount</u>	<u>Indirect Rate</u>	<u>R&D Award (Y/N)</u>
93.959	B08TI0857 94	Substance Abuse Prevention & Treatment	SAMHSA	7/1/2023 TO 6/30/24	\$19,216,499	21.15%	N/A

		Block Grant					
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Notices to COUNTY and CONTRACTOR:

COUNTY: County of Orange
 Health Care Agency
 Procurement and Contract Services
 405 West 5th Street, Suite 600
 Santa Ana, CA 92701-4637

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CONTRACTOR: Western Pacific Re-Hab
 4544 San Fernando Road, Suite 202
 Glendale, CA 91204
 Mark Hickman, CEO
mark@westpacmed.com

I. ACRONYMS

The following standard definitions are for reference purposes only and may or may not apply in their entirety throughout this Contract:

- A. AB 109 Assembly Bill 109, 2011 Public Safety Realignment
- B. AIDS Acquired Immune Deficiency Syndrome
- C. ARRA American Recovery and Reinvestment Act of 2009
- D. ASAM PPC American Society of Addiction Medicine Patient Placement Criteria
- E. ASI Addiction Severity Index
- F. ASRS Alcohol and Drug Programs Reporting System
- G. BHS Behavioral Health Services
- H. CalOMS California Outcomes Measurement System
- I. CalWORKs California Work Opportunity and Responsibility for Kids
- J. CAP Corrective Action Plan
- K. CCC California Civil Code
- L. CCR California Code of Regulations
- M. CESI Client Evaluation of Self at Intake
- N. CEST Client Evaluation of Self and Treatment
- O. CFDA Catalog of Federal Domestic Assistance

1	P. CFR	Code of Federal Regulations
2	Q. CHPP	COUNTY HIPAA Policies and Procedures
3	R. CHS	Correctional Health Services
4	S. COI	Certificate of Insurance
5	T. CPA	Certified Public Accountant
6	U. CSW	Clinical Social Worker
7	V. DHCS	California Department of Health Care Services
8	W. D/MC	Drug/Medi-Cal
9	X. DPFS	Drug Program Fiscal Systems
10	Y. DRS	Designated Record Set
11	Z. EEOC	Equal Employment Opportunity Commission
12	AA. EHR	Electronic Health Records
13	AB. EOC	Equal Opportunity Clause
14	AC. ePHI	Electronic Protected Health Information
15	AD. EPSDT	Early and Periodic Screening, Diagnosis, and Treatment
16	AE. FFS	Fee For Service
17	AF. FSP	Full Service Partnership
18	AG. FTE	Full Time Equivalent
19	AH. GAAP	Generally Accepted Accounting Principles
20	AI. HCA	County of Orange Health Care Agency
21	AJ. HHS	Federal Health and Human Services Agency
22	AK. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
23		Law 104-191
24	AL. HITECH	Health Information Technology for Economic and Clinical Health
25		Act, Public Law 111-005
26	AM. HIV	Human Immunodeficiency Virus
27	AN. HSC	California Health and Safety Code
28	AO. IRIS	Integrated Records and Information System
29	AP. ITC	Indigent Trauma Care
30	AQ. LCSW	Licensed Clinical Social Worker
31	AR. MAT	Medication Assisted Treatment
32	AS. MFT	Marriage and Family Therapist
33	AT. MH	Mental Health
34	AU. MHP	Mental Health Plan
35	AV. MHS	Mental Health Specialist
36	AW. MHSA	Mental Health Services Act
37	AX. MSN	Medical Safety Net

1	AY. NIH	National Institutes of Health
2	AZ. NPI	National Provider Identifier
3	BA. NPPEs	National Plan and Provider Enumeration System
4	BB. OCR	Federal Office for Civil Rights
5	BC. OIG	Federal Office of Inspector General
6	BD. OMB	Federal Office of Management and Budget
7	BE. OPM	Federal Office of Personnel Management
8	BF. P&P	Policy and Procedure
9	BG. PA DSS	Payment Application Data Security Standard
10	BH. PATH	Projects for Assistance in Transition from Homelessness
11	BI. PC	California Penal Code
12	BJ. PCI DSS	Payment Card Industry Data Security Standards
13	BK. PCS	Post-Release Community Supervision
14	BL. PHI	Protected Health Information
15	BM. PII	Personally Identifiable Information
16	BN. PRA	California Public Records Act
17	BO. PSC	Professional Services Contract System
18	BP. SAPTBG	Substance Abuse Prevention and Treatment Block Grant
19	BQ. SIR	Self-Insured Retention
20	BR. SMA	Statewide Maximum Allowable (rate)
21	BS. SOW	Scope of Work
22	BT. SUD	Substance Use Disorder
23	BU. UMDAP	Uniform Method of Determining Ability to Pay
24	BV. UOS	Units of Service
25	BW. USC	United States Code
26	BX. WIC	Women, Infants and Children

II. ALTERATION OF TERMS

A. This Contract, together with Exhibit(s) A, B and C attached hereto and incorporated herein, fully expresses the complete understanding of COUNTY and CONTRACTOR with respect to the subject matter of this Contract.

B. Unless otherwise expressly stated in this Contract, no addition to, or alteration of the terms of this Contract or any Exhibits, whether written or verbal, made by the parties, their officers, employees or agents shall be valid unless made in the form of a written amendment to this Contract, which has been formally approved and executed by both Parties.

III. ASSIGNMENT OF DEBTS

1 Unless this Contract is followed without interruption by another Contract between the Parties hereto
 2 for the same services and substantially the same scope, at the termination of this Contract,
 3 CONTRACTOR shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of
 4 persons receiving services pursuant to this Contract. CONTRACTOR shall immediately notify by mail
 5 each of the respective Parties, specifying the date of assignment, the County of Orange as assignee, and
 6 the address to which payments are to be sent. Payments received by CONTRACTOR from or on behalf
 7 of said persons, shall be immediately given to COUNTY.

8 **IV. COMPLIANCE**

9
 10 A. COMPLIANCE PROGRAM - ADMINISTRATOR has established a Compliance Program for
 11 the purpose of ensuring adherence to all rules and regulations related to federal and state health care
 12 programs.

13 //

14 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the policies and
 15 procedures relating to ADMINISTRATOR's Compliance Program, Code of Conduct and access to
 16 General Compliance and Annual Provider Trainings.

17 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own
 18 compliance program, code of conduct and any compliance related policies and procedures.
 19 CONTRACTOR's compliance program, code of conduct and any related policies and procedures shall
 20 be verified by ADMINISTRATOR's Compliance Department to ensure they include all required
 21 elements by ADMINISTRATOR's Compliance Officer as described in this Compliance Paragraph to
 22 this Contract. These elements include:

- 23 a. Designation of a Compliance Officer and/or compliance staff.
- 24 b. Written standards, policies and/or procedures.
- 25 c. Compliance related training and/or education program and proof of completion.
- 26 d. Communication methods for reporting concerns to the Compliance Officer.
- 27 e. Methodology for conducting internal monitoring and auditing.
- 28 f. Methodology for detecting and correcting offenses.
- 29 g. Methodology/Procedure for enforcing disciplinary standards.

30 3. If CONTRACTOR does not provide proof of its own compliance program to
 31 ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR's Compliance
 32 Program and Code of Conduct, CONTRACTOR shall submit to ADMINISTRATOR within thirty (30)
 33 calendar days of execution of this Contract a signed acknowledgement that CONTRACTOR will
 34 internally comply with ADMINISTRATOR's Compliance Program and Code of Conduct.
 35 CONTRACTOR shall have as many Covered Individuals it determines necessary complete
 36 ADMINISTRATOR's annual compliance training to ensure proper compliance.

37 4. If CONTRACTOR elects to have its own compliance program, code of conduct and any

1 Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR
 2 shall submit a copy of its compliance program, code of conduct and all relevant policies and procedures
 3 to ADMINISTRATOR within thirty (30) calendar days of execution of this Contract.
 4 ADMINISTRATOR's Compliance Officer, or designee, shall review said documents within a
 5 reasonable time, which shall not exceed forty-five (45) calendar days, and determine if
 6 CONTRACTOR's proposed compliance program and code of conduct contain all required elements to
 7 ADMINISTRATOR's satisfaction as consistent with the HCA's Compliance Program and Code of
 8 Conduct. ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and
 9 CONTRACTOR shall revise its compliance program and code of conduct to meet
 10 ADMINISTRATOR's required elements within thirty (30) calendar days after ADMINISTRATOR's
 11 Compliance Officer's determination and resubmit the same for review by ADMINISTRATOR.

12 5. Upon written confirmation from ADMINISTRATOR's compliance officer that
 13 CONTRACTOR's compliance program, code of conduct and any compliance related policies and
 14 procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals
 15 relative to this Contract are made aware of CONTRACTOR's compliance program, code of conduct,
 16 related policies and procedures and contact information for ADMINISTRATOR's Compliance Program.

17 B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed or
 18 retained to provide services related to this Contract monthly to ensure that they are not designated as
 19 Ineligible Persons, as pursuant to this Contract. Screening shall be conducted against the General
 20 Services Administration's Excluded Parties List System or System for Award Management, the Health
 21 and Human Services/Office of Inspector General List of Excluded Individuals/Entities, and the
 22 California Medi-Cal Suspended and Ineligible Provider List, the Social Security Administration's Death
 23 Master File at date of employment, and/or any other list or system as identified by ADMINISTRATOR.

24 1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees,
 25 interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items
 26 or services or who perform billing or coding functions on behalf of ADMINISTRATOR.
 27 CONTRACTOR shall ensure that all Covered Individuals relative to this Contract are made aware of
 28 ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures (or
 29 CONTRACTOR's own compliance program, code of conduct and related policies and procedures if
 30 CONTRACTOR has elected to use its own).

31 2. An Ineligible Person shall be any individual or entity who:

32 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in
 33 federal and state health care programs; or

34 b. has been convicted of a criminal offense related to the provision of health care items or
 35 services and has not been reinstated in the federal and state health care programs after a period of
 36 exclusion, suspension, debarment, or ineligibility.

37 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.

1 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
2 Contract.

3 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors monthly to
4 ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that its
5 subcontractors use their best efforts to verify that they are eligible to participate in all federal and State
6 of California health programs and have not been excluded or debarred from participation in any federal
7 or state health care programs, and to further represent to CONTRACTOR that they do not have any
8 Ineligible Person in their employ or under contract.

9 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
10 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
11 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing
12 services directly relative to this Contract becomes debarred, excluded or otherwise becomes an
13 Ineligible Person.

14 6. CONTRACTOR acknowledges that Ineligible Persons are precluded from providing
15 federal and state funded health care services by contract with COUNTY in the event that they are
16 currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency.
17 If CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person,
18 CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY
19 business operations related to this Contract.

20 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or
21 entity is currently excluded, suspended or debarred, or is identified as such after being sanction
22 screened. Such individual or entity shall be immediately removed from participating in any activity
23 associated with this Contract. ADMINISTRATOR will determine appropriate repayment from, or
24 sanction(s) to CONTRACTOR for services provided by ineligible person or individual.
25 CONTRACTOR shall promptly return any overpayments within forty-five (45) business days after the
26 overpayment is verified by ADMINISTRATOR.

27 C. GENERAL COMPLIANCE TRAINING - ADMINISTRATOR shall make General
28 Compliance Training available to Covered Individuals.

29 1. CONTRACTORS that have acknowledged to comply with ADMINISTRATOR's
30 Compliance Program shall use its best efforts to encourage completion by all Covered Individuals;
31 provided, however, that at a minimum CONTRACTOR shall assign at least one (1) designated
32 representative to complete the General Compliance Training when offered.

33 2. Such training will be made available to Covered Individuals within thirty (30) calendar
34 days of employment or engagement.

35 3. Such training will be made available to each Covered Individual annually.

36 4. ADMINISTRATOR will track training completion while CONTRACTOR shall provide
37 copies of training certification upon request.

1 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
2 compliance training. ADMINISTRATOR shall provide instruction on group training completion while
3 CONTRACTOR shall retain the training certifications. Upon written request by ADMINISTRATOR,
4 CONTRACTOR shall provide copies of the certifications.

5 D. SPECIALIZED PROVIDER TRAINING – ADMINISTRATOR shall make Specialized
6 Provider Training, where appropriate, available to Covered Individuals.

7 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered
8 Individuals relative to this Contract. This includes compliance with federal and state healthcare
9 program regulations and procedures or instructions otherwise communicated by regulatory agencies;
10 including the Centers for Medicare and Medicaid Services or their agents.

11 2. Such training will be made available to Covered Individuals within thirty (30) calendar
12 days of employment or engagement.

13 3. Such training will be made available to each Covered Individual annually.

14 4. ADMINISTRATOR will track online completion of training while CONTRACTOR shall
15 provide copies of the certifications upon request.

16 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
17 compliance training. ADMINISTRATOR shall provide instructions on completing the training in a
18 group setting while CONTRACTOR shall retain the certifications. Upon written request by
19 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

20 E. MEDI-CAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

21 1. CONTRACTOR shall take reasonable precaution to ensure that the coding of health care
22 claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner
23 and are consistent with federal, state and county laws and regulations. This includes compliance with
24 federal and state health care program regulations and procedures or instructions otherwise
25 communicated by regulatory agencies including the Centers for Medicare and Medicaid Services or
26 their agents.

27 2. CONTRACTOR shall not submit any false, fraudulent, inaccurate and/or fictitious claims
28 for payment or reimbursement of any kind.

29 3. CONTRACTOR shall bill only for those eligible services actually rendered which are also
30 fully documented. When such services are coded, CONTRACTOR shall use proper billing codes which
31 accurately describes the services provided and must ensure compliance with all billing and
32 documentation requirements.

33 4. CONTRACTOR shall act promptly to investigate and correct any problems or errors in
34 coding of claims and billing, if and when, any such problems or errors are identified.

35 5. CONTRACTOR shall promptly return any overpayments within forty-five (45) business
36 days after the overpayment is verified by ADMINISTRATOR.

37 6. CONTRACTOR shall meet the HCA MHP Quality Management Program Standards and

1 participate in the quality improvement activities developed in the implementation of the Quality
2 Management Program.

3 7. CONTRACTOR shall comply with the provisions of ADMINISTRATOR's Cultural
4 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
5 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
6 §1810.410.subds.(c)-(d).

7 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a
8 breach of the Contract on the part of CONTRACTOR and grounds for COUNTY to terminate the
9 Contract. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty
10 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this
11 Compliance Paragraph prior to ADMINISTRATOR's right to terminate this Contract on the basis of
12 such default.

13 //

14 **V. CONFIDENTIALITY**

15 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any
16 audio and/or video recordings, in accordance with all applicable federal, state and county codes and
17 regulations, including 42 USC §290dd-2 (Confidentiality of Records), as they now exist or may
18 hereafter be amended or changed.

19 B. Prior to providing any services pursuant to this Contract, all members of the Board of Directors
20 or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns of

21 CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the confidentiality of any and
22 all information and records which may be obtained in the course of providing such services. This
23 Contract shall specify that it is effective irrespective of all subsequent resignations or terminations of
24 CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,
25 consultants, subcontractors, volunteers and interns.

26 C. CONTRACTOR shall have in effect a system to protect patient records from inappropriate
27 disclosure in connection with activity funded under this Contract. This system shall include provisions
28 for employee education on the confidentiality requirements, and the fact that disciplinary action may
29 occur upon inappropriate disclosure. CONTRACTOR agrees to implement administrative, physical, and
30 technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and
31 availability of all confidential information that it creates, receives, maintains or transmits.
32 CONTRACTOR shall provide ADMINISTRATOR with information concerning such safeguards.

33 D. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known
34 to CONTRACTOR, or its subcontractors or agents in violation of the applicable state and federal
35 regulations regarding confidentiality.

36 E. CONTRACTOR shall monitor compliance with the above provisions on confidentiality and
37

1 security, and shall include them in all subcontracts.

2 F. CONTRACTOR shall notify ADMINISTRATOR within twenty-four (24) hours during a work
3 week, of any suspected or actual breach of its computer system.

4
5 **VI. CONFLICT OF INTEREST**

6 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions
7 that could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation
8 shall apply to CONTRACTOR's employees, agents, and subcontractors associated with the provision of
9 goods and services provided under this Contract. CONTRACTOR's efforts shall include, but not be
10 limited to, establishing rules and procedures preventing its employees, agents, and subcontractors from
11 providing or offering gifts, entertainment, payments, loans or other considerations which could be
12 deemed to influence or appear to influence COUNTY staff or elected officers in the performance of
13 their duties.

14 **VII. COST REPORT**

15 CONTRACTOR shall submit a Cost Report to COUNTY no later than forty-five (45) calendar days
16 following termination of this Contract. CONTRACTOR shall prepare the Cost Report in accordance
17 with all applicable federal, state and COUNTY requirements, GAAP and the Special Provisions
18 Paragraph of this Contract. CONTRACTOR shall allocate direct and indirect costs to and between
19 programs, cost centers, services, and funding sources in accordance with such requirements and
20 consistent with prudent business practice, which costs and allocations shall be supported by source
21 documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon
22 reasonable notice.

23 1. If CONTRACTOR fails to submit an accurate and complete Cost Report within the time
24 period specified above, ADMINISTRATOR shall have sole discretion to impose one or both of the
25 following:

26 a. CONTRACTOR may be assessed a late penalty of five-hundred dollars (\$500) for each
27 business day after the above specified due date that the accurate and complete Cost Report is not
28 submitted. Imposition of the late penalty shall be at the sole discretion of the ADMINISTRATOR. The
29 late penalty shall be assessed separately on each outstanding Cost Report due COUNTY by
30 CONTRACTOR.

31 b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
32 pursuant to any or all agreements between COUNTY and CONTRACTOR until such time that the
33 accurate and complete Cost Report is delivered to ADMINISTRATOR.

34 2. CONTRACTOR may request, in advance and in writing, an extension of the due
35 date of the Cost Report setting forth good cause for justification of the request. Approval of such
36 requests shall be at the sole discretion of ADMINISTRATOR and shall not be unreasonably denied. In
37 no case shall extensions be granted for more than seven (7) calendar days.

1 3. In the event that CONTRACTOR does not submit an accurate and complete Cost Report
 2 within one hundred and eighty (180) calendar days following the termination of this Contract, and
 3 CONTRACTOR has not entered into a subsequent or new agreement for any other services with
 4 COUNTY, then all amounts paid to CONTRACTOR by COUNTY during the term of the Contract shall
 5 be immediately reimbursed to COUNTY.

6 B. The Cost Report shall be the final financial and statistical report submitted by CONTRACTOR
 7 to COUNTY, and shall serve as the basis for final settlement to CONTRACTOR. CONTRACTOR
 8 shall document that costs are reasonable and allowable and directly or indirectly related to the services
 9 to be provided hereunder. The Cost Report shall be the final financial record for subsequent audits, if
 10 any.

11 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder,
 12 less applicable revenues and any late penalty, not to exceed COUNTY's Amount Not To Exceed as set
 13 forth in the Referenced Contract Provisions of this Contract. CONTRACTOR shall not claim
 14 expenditures to COUNTY which are not reimbursable pursuant to applicable federal, state and
 15 COUNTY laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR,
 16 which is subsequently determined to have been for an unreimbursable expenditure or service, shall be
 17 repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30)
 18 calendar days of submission of the Cost Report or COUNTY may elect to reduce any amount owed
 19 CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

20 D. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
 21 this Contract, less applicable revenues and late penalty, are lower than the aggregate of interim monthly
 22 payments to CONTRACTOR, CONTRACTOR shall remit the difference to COUNTY.

23 Such reimbursement shall be made, in cash, or other authorized form of payment, with the submission
 24 of the Cost Report. If such reimbursement is not made by CONTRACTOR within thirty (30) calendar
 25 days after submission of the Cost Report, COUNTY may, in addition to any other remedies, reduce any
 26 amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

27 E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
 28 this Contract, less applicable revenues and late penalty, are higher than the aggregate of interim monthly
 29 payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the difference, provided such
 30 payment does not exceed the Amount Not To Exceed of COUNTY.

31 F. All Cost Reports shall contain the following attestation, which may be typed directly on or
 32 attached to the Cost Report:
 33

34
 35 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and
 36 supporting documentation prepared by _____ for the cost report period
 37 beginning _____ and ending _____ and that, to the best of my

1 knowledge and belief, costs reimbursed through this Contract are reasonable and
2 allowable and directly or indirectly related to the services provided and that this Cost
3 Report is a true, correct, and complete statement from the books and records of
4 (provider name) in accordance with applicable instructions, except as noted. I also
5 hereby certify that I have the authority to execute the accompanying Cost Report.

6
7 Signed _____
8 Name _____
9 Title _____
10 Date _____"

11 //
12 //
13 //

14 **VIII. PATIENTS'S RIGHTS**

15 A. CONTRACTOR shall post the current California Department of Mental Health Patients' Rights
16 poster as well as the Orange County HCA Mental Health Plan Grievance and Appeals poster in
17 locations readily available to Clients and staff and have Grievance and Appeal forms in the threshold
18 languages and envelopes readily accessible to Clients to take without having to request it on the unit.

19 B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have an
20 internal grievance processes approved by ADMINISTRATOR, to which the Client shall have access.

21 1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance, patients'
22 rights, and/or utilization management guidelines and procedures. The Client has the right to utilize
23 either or both grievance process simultaneously in order to resolve their dissatisfaction.

24 2. Title IX Rights Advocacy. This process may be initiated by a Client who registers a
25 statutory rights violation or a denial or abuse complaint with the County Patients' Rights Office.

26
27 The Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall
28 apply, which involve ADMINISTRATOR'S Director of Behavioral Health Care and the State Patients'
29 Rights Office.

30 C. The Parties agree that Clients have recourse to initiate an expression of dissatisfaction to
31 CONTRACTOR, appeal to the County Patients' Rights Office, file a grievance, and file a Title IX
32 complaint. The Patients' Advocate shall advise and assist the Client, investigate the cause of the
33 grievance, and attempt to resolve the matter

34 D. No provision of this Contract shall be construed as replacing or conflicting with the duties of
35 County Patients' Rights Office pursuant to Welfare and Institutions Code Section 5500.

36
37 **IX. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

1 A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without
 2 prior written consent of COUNTY. CONTRACTOR shall provide written notification of
 3 CONTRACTOR's intent to delegate the obligations hereunder, either in whole or part, to
 4 ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the delegation.
 5 Any attempted assignment or delegation in derogation of this paragraph shall be void.

6 B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR's
 7 business prior to completion of this Contract, and COUNTY agrees to the change or transfer in
 8 ownership as it relates to the Contract, the new owners shall be required under the terms of sale or other
 9 instruments of transfer to assume CONTRACTOR's duties and obligations contained in this Contract
 10 and complete them to the satisfaction of COUNTY. CONTRACTOR may not assign the rights
 11 hereunder, either in whole or in part, without the prior written consent of COUNTY.

12 1. If CONTRACTOR is a nonprofit organization, any change from a nonprofit corporation to
 13 any other corporate structure of CONTRACTOR, including a change in more than fifty percent (50%)
 14 of the composition of the Board of Directors within a two (2) month period of time, shall be deemed an
 15 assignment for purposes of this paragraph, unless CONTRACTOR is transitioning from a community
 16 clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal
 17 Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.

18 2. If CONTRACTOR is a for-profit organization, any change in the business structure,
 19 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of
 20 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a
 21 change in fifty percent (50%) or more of Board of Directors or any governing body of CONTRACTOR
 22 at one time shall be deemed an assignment pursuant to this paragraph. Any attempted assignment or
 23 delegation in derogation of this subparagraph shall be void.

24 3. If CONTRACTOR is a governmental organization, any change to another structure,
 25 including a change in more than fifty percent (50%) of the composition of its governing body (i.e. Board
 26 of Supervisors, City Council, School Board) within a two (2) month period of time, shall be deemed an
 27 assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of
 28 this subparagraph shall be void.

29 4. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
 30 CONTRACTOR shall provide written notification of CONTRACTOR's intent to assign the obligations
 31 hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to
 32 the effective date of the assignment.

33 5. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
 34 CONTRACTOR shall provide written notification within thirty (30) calendar days to
 35 ADMINISTRATOR when there is change of less than fifty percent (50%) of Board of Directors or any
 36 governing body of CONTRACTOR at one time.

37 6. COUNTY reserves the right to immediately terminate the Contract in the event COUNTY

1 determines, in its sole discretion that the assignee is not qualified or is otherwise unacceptable to
2 COUNTY for the provision of services under the Contract.

3 C. CONTRACTOR's obligations undertaken pursuant to this Contract may be carried out by
4 means of subcontracts, provided such subcontractors are approved in advance by ADMINISTRATOR,
5 meet the requirements of this Contract as they relate to the service or activity under subcontract, include
6 any provisions that ADMINISTRATOR may require, and are authorized in writing by
7 ADMINISTRATOR prior to the beginning of service delivery.

8 1. After approval of the subcontractor, ADMINISTRATOR may revoke the approval of the
9 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor
10 subsequently fails to meet the requirements of this Contract or any provisions that ADMINISTRATOR
11 has required. ADMINISTRATOR may disallow subcontractor expenses reported by CONTRACTOR.

12 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY
13 pursuant to this Contract.

14 3. ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR,
15 amounts claimed for subcontracts not approved in accordance with this paragraph.

16 4. This provision shall not be applicable to service contracts usually and customarily entered
17 into by CONTRACTOR to obtain or arrange for supplies, technical support, and professional services
18 provided by consultants.

19 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status
20 with respect to name changes that do not require an assignment of the Contract. CONTRACTOR also
21 shall notify COUNTY in writing if CONTRACTOR becomes a party to any litigation against
22 COUNTY, or a party to litigation that may reasonably affect CONTRACTOR's performance under the
23 Contract, as well as any potential conflicts of interest between CONTRACTOR and COUNTY that may
24 arise prior to or during the period of Contract performance. While CONTRACTOR is required to
25 provide this information without prompting from COUNTY any time there is a change in
26 CONTRACTOR's name, conflict of interest or litigation status, CONTRACTOR must also provide an
27 update to COUNTY of its status in these areas whenever requested by COUNTY.

28 **X. DISPUTE RESOLUTION**

29 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the
30 dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a
31 reasonable period of time by CONTRACTOR and ADMINISTRATOR, such matter shall be brought to
32 the attention of the County Purchasing Agent or designee by way of the following process:

33 1. CONTRACTOR shall submit to the County Purchasing Agent a written demand for a final
34 decision regarding the disposition of any dispute between the Parties arising under, related to, or
35 involving this Contract, unless COUNTY, on its own initiative, has already rendered such a final
36 decision.
37

1 2. CONTRACTOR's written demand shall be fully supported by factual information, and, if
 2 such demand involves a cost adjustment to the Contract, CONTRACTOR shall include with the demand
 3 a written statement signed by an authorized representative indicating that the demand is made in good
 4 faith, that the supporting data are accurate and complete, and that the amount requested accurately
 5 reflects the Contract adjustment for which CONTRACTOR believes COUNTY is liable.

6 B. Pending the final resolution of any dispute arising under, related to, or involving this Contract,
 7 CONTRACTOR agrees to proceed diligently with the performance of services secured via this Contract,
 8 including the delivery of goods and/or provision of services. CONTRACTOR's failure to proceed
 9 diligently shall be considered a material breach of this Contract.

10 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and
 11 shall be signed by a COUNTY Deputy Purchasing Agent. If COUNTY fails to render a decision within
 12 ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final decision
 13 adverse to CONTRACTOR's contentions.

14 D. This Contract has been negotiated and executed in the State of California and shall be governed
 15 by and construed under the laws of the State of California. In the event of any legal action to enforce or
 16 interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in
 17 Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of
 18 such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically
 19 agree to waive any and all rights to request that an action be transferred for adjudication to another
 20 county.

21 **XI. EMPLOYEE ELIGIBILITY VERIFICATION**

22 CONTRACTOR attests that it shall fully comply with all federal and state statutes and regulations
 23 regarding the employment of aliens and others and to ensure that employees, subcontractors, and
 24 consultants performing work under this Contract meet the citizenship or alien status requirements set
 25 forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees,
 26 subcontractors, and consultants performing work hereunder, all verification and other documentation of
 27 employment eligibility status required by federal or state statutes and regulations including, but not
 28 limited to, the Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently
 29 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all
 30 covered employees, subcontractors, and consultants for the period prescribed by the law.

31 **XII. EQUIPMENT**

32 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
 33 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
 34 ADMINISTRATOR to assist in performing the services described in this Contract. "Relatively
 35 Permanent" is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000
 36
 37

1 or over, including freight charges, sales taxes, and other taxes, and installation costs are defined as
2 Capital Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes
3 and other taxes, and installation costs, or electronic equipment that costs less than \$600 but may contain
4 PHI or PII, are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to
5 phones, tablets, audio/visual equipment, computer equipment, and lab equipment. The cost of
6 Equipment purchased, in whole or in part, with funds paid pursuant to this Contract shall be depreciated
7 according to GAAP.

8 B. CONTRACTOR shall obtain ADMINISTRATOR's written approval prior to purchase of any
9 Equipment with funds paid pursuant to this Contract. Upon delivery of Equipment, CONTRACTOR
10 shall forward to ADMINISTRATOR, copies of the purchase order, receipt, and other supporting
11 documentation, which includes delivery date, unit price, tax, shipping and serial numbers.
12 CONTRACTOR shall request an applicable asset tag for said Equipment and shall include each
13 purchased asset in an Equipment inventory.

14 C. Upon ADMINISTRATOR's prior written approval, CONTRACTOR may expense to
15 COUNTY the cost of the approved Equipment purchased by CONTRACTOR. To "expense," in
16 relation to Equipment, means to charge the proportionate cost of Equipment in the fiscal year in which it
17 is purchased. Title of expensed Equipment shall be vested with COUNTY.

18 D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part
19 with funds paid through this Contract, including date of purchase, purchase price, serial number, model
20 and type of Equipment.

21 Such inventory shall be available for review by ADMINISTRATOR, and shall include the original
22 purchase date and price, useful life, and balance of depreciated Equipment cost, if any.

23 E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical
24 inventories of all Equipment. Upon demand by ADMINISTRATOR, CONTRACTOR shall return any
25 or all Equipment to COUNTY.

26 F. CONTRACTOR must report any loss or theft of Equipment in accordance with the procedure
27 approved by ADMINISTRATOR and the Notices Paragraph of this Contract. In addition,
28 CONTRACTOR must complete and submit to ADMINISTRATOR a notification form when items of
29 Equipment are moved from one location to another or returned to COUNTY as surplus.

30 G. Unless this Contract is followed without interruption by another contract between the Parties for
31 substantially the same type and scope of services, at the termination of this Contract for any cause,
32 CONTRACTOR shall return to COUNTY all Equipment purchased with funds paid through this
33 Contract.

34 H. CONTRACTOR shall maintain and administer a sound business program for ensuring the
35 proper use, maintenance, repair, protection, insurance, and preservation of COUNTY Equipment.

36 I. The total cost of all Equipment purchases shall not exceed \$50,000 annually.
37

XIII. FACILITIES, PAYMENTS AND SERVICES

A. CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance with this Contract. COUNTY shall compensate, and authorize, when applicable, said services. CONTRACTOR shall operate continuously throughout the term of this Contract with at least the minimum number and type of staff which meet applicable federal and state requirements, and which are necessary for the provision of the services hereunder.

B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Amount Not to Exceed for the appropriate Period as well as the Total Amount Not To Exceed. The reduction to the Amount Not To Exceed for the appropriate Period as well as the Total Amount Not To Exceed shall be in an amount proportionate to the number of days in which CONTRACTOR was determined to be unable to provide services, staffing, facilities or supplies.

//

XIV. INDEMNIFICATION AND INSURANCE

A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY, and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special districts and agencies for which COUNTY’s Board of Supervisors acts as the governing Board (“COUNTY INDEMNITEES”) harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by CONTRACTOR pursuant to this Contract.

If judgment is entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall request a jury apportionment.

B. Prior to the provision of services under this Contract, CONTRACTOR agrees to purchase all required insurance at CONTRACTOR’s expense, including all endorsements required herein, necessary to satisfy COUNTY that the insurance provisions of this Contract have been complied with. CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with COUNTY during the entire term of this Contract. In addition, all subcontractors performing work on behalf of CONTRACTOR pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for CONTRACTOR.

C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of CONTRACTOR pursuant to this Contract shall be covered under CONTRACTOR’s insurance as an Additional Insured and maintain insurance subject to the same terms and conditions as set forth herein for CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less than the level of coverage required by COUNTY from CONTRACTOR under this Contract. It is

1 the obligation of CONTRACTOR to provide notice of the insurance requirements to every
 2 subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such
 3 proof of insurance must be maintained by CONTRACTOR through the entirety of this Contract for
 4 inspection by COUNTY representative(s) at any reasonable time.

5 D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand
 6 dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of
 7 CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved,
 8 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this
 9 Contract, agrees to all of the following:

10 1. In addition to the duty to indemnify and hold COUNTY harmless against any and all
 11 liability, claim, demand or suit resulting from CONTRACTOR's, its agents, employee's or
 12 subcontractor's performance of this Contract, CONTRACTOR shall defend COUNTY at its sole cost
 13 and expense with counsel approved by Board of Supervisors against same; and

14 2. CONTRACTOR's duty to defend, as stated above, shall be absolute and irrespective of any
 15 duty to indemnify or hold harmless; and

16 3. The provisions of California Civil Code Section 2860 shall apply to any and all actions to
 17 which the duty to defend stated above applies, and CONTRACTOR's SIR provision shall be interpreted
 18 as though CONTRACTOR was an insurer and COUNTY was the insured.

19 E. If CONTRACTOR fails to maintain insurance acceptable to COUNTY for the full term of this
 20 Contract, COUNTY may terminate this Contract.

21 F. QUALIFIED INSURER

22 1. The policy or policies of insurance must be issued by an insurer with a minimum rating of
 23 A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current
 24 edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is
 25 preferred, but not mandatory, that the insurer be licensed to do business in the state of California
 26 (California Admitted Carrier).

27 2. If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of
 28 Risk Management retains the right to approve or reject a carrier after a review of the company's
 29 performance and financial ratings.

30 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
 31 limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 aggregate
Automobile Liability including coverage	\$1,000,000 per occurrence

1	for owned, non-owned and hired vehicles	
2	(4 passengers or less)	
3	Passenger vehicles (7 passengers or less)	\$2,000,000 per occurrence
4	Passenger vehicles (8 passengers or less)	\$5,000,000 per occurrence
5		
6	Workers' Compensation	Statutory
7		
8	Employers' Liability Insurance	\$1,000,000 per occurrence
9		
10	Network Security & Privacy Liability	\$1,000,000 per claims-made
11		
12	Professional Liability Insurance	\$1,000,000 per claims-made
13		\$1,000,000 aggregate
14	Sexual Misconduct Liability	\$1,000,000 per occurrence
15		

16 H. REQUIRED COVERAGE FORMS

17 1. The Commercial General Liability coverage shall be written on ISO form CG 00 01, or a
18 substitute form providing liability coverage at least as broad.

19 2. The Business Automobile Liability coverage shall be written on ISO form CA 00 01,
20 CA 00 05, CA 00 12, CA 00 20, or a substitute form providing coverage at least as broad.

21 I. REQUIRED ENDORSEMENTS

22 1. The Commercial General Liability policy shall contain the following endorsements, which
23 shall accompany the COI:

24 a. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least
25 as broad naming the *County of Orange, its elected and appointed officials, officers, agents and*
26 *employees* as Additional Insureds, or provide blanket coverage, which will state ***AS REQUIRED BY***
27 ***WRITTEN CONTRACT.***

28 b. A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at
29 least as broad evidencing that CONTRACTOR's insurance is primary and any insurance or self-
30 insurance maintained by the County of Orange shall be excess and non-contributing.

31 2. The Network Security and Privacy Liability policy shall contain the following
32 endorsements which shall accompany the COI:

33 a. An Additional Insured endorsement naming the *County of Orange, its elected and*
34 *appointed officials, officers, agents and employees* as Additional Insureds for its vicarious liability.

35 b. A primary and non-contributing endorsement evidencing that CONTRACTOR's
36 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be
37 excess and non-contributing.

1 J. All insurance policies required by this Contract shall waive all rights of subrogation against the
 2 County of Orange, its elected and appointed officials, officers, agents and employees when acting within
 3 the scope of their appointment or employment.

4 K. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving
 5 all rights of subrogation against the *County of Orange, its elected and appointed officials,*
 6 *officers, agents and employees,* or provide blanket coverage, which will state **AS REQUIRED BY**
 7 **WRITTEN CONTRACT.**

8 L. CONTRACTOR shall notify COUNTY in writing within thirty (30) calendar days of any policy
 9 cancellation and within ten (10) calendar days for non-payment of premium and provide a copy of the
 10 cancellation notice to COUNTY. Failure to provide written notice of cancellation shall constitute a
 11 breach of CONTRACTOR's obligation hereunder and ground for COUNTY to suspend or terminate
 12 this Contract.

13 M. If CONTRACTOR's Professional Liability, Network Security & Privacy Liability are "Claims -
 14 Made" policies, CONTRACTOR shall agree to maintain coverage for two (2) years following the
 15 completion of the Contract.

16 N. The Commercial General Liability policy shall contain a "severability of interests" clause also
 17 known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

18 O. Insurance certificates should be forwarded to the department address listed in the Referenced
 19 Contract Provisions.

20 P. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7)
 21 calendar days of notification by COUNTY, COUNTY may terminate this Contract immediately, upon
 22 written notice.

23 Q. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease
 24 insurance of any of the above insurance types throughout the term of this Contract. Any increase or
 25 decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to
 26 adequately protect COUNTY.

27 R. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
 28 CONTRACTOR does not deposit copies of acceptable Certificate of Insurance and endorsements with
 29 COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice, this
 30 Contract may be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to
 31 all legal remedies.

32 S. The procuring of such required policy or policies of insurance shall not be construed to limit
 33 CONTRACTOR's liability hereunder nor to fulfill the indemnification provisions and requirements of
 34 this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

35 T. SUBMISSION OF INSURANCE DOCUMENTS

36 1. The COI and endorsements shall be provided to COUNTY as follows:

37 a. Prior to the start date of this Contract.

1 b. No later than the expiration date for each policy.

2 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
3 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

4 2. The COI and endorsements shall be provided to COUNTY at the address as set forth in the
5 Referenced Contract Provisions of this Contract.

6 3. If CONTRACTOR fails to submit the COI and endorsements that meet the insurance
7 provisions stipulated in this Contract by the above specified due dates, ADMINISTRATOR shall have
8 sole discretion to impose one or both of the following:

9 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
10 pursuant to any and all Contracts between COUNTY and CONTRACTOR until such time that the
11 required COI and endorsements that meet the insurance provisions stipulated in this Contract are
12 submitted to ADMINISTRATOR.

13 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late
14 COI or endorsement for each business day, pursuant to any and all contracts between COUNTY and
15 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance
16 provisions stipulated in this Contract are submitted to ADMINISTRATOR.

17 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from
18 CONTRACTOR's monthly invoice.

19 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
20 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
21 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.

22 **XV. INSPECTIONS AND AUDITS**

23 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
24 of the State of California, the Secretary of the United States Department of Health and Human Services,
25 the Comptroller General of the United States, or any other of their authorized representatives, shall to
26 the extent permissible under applicable law have access to any books, documents, and records, including
27 but not limited to, financial statements, general ledgers, relevant accounting systems, medical and Client
28 records, of CONTRACTOR that are directly pertinent to this Contract, for the purpose of responding to
29 a beneficiary complaint or conducting an audit, review, evaluation, or examination, or making
30 transcripts during the periods of retention set forth in the Records Management and Maintenance
31 Paragraph of this Contract. Such persons may at all reasonable times inspect or otherwise evaluate the
32 services provided pursuant to this Contract, and the premises in which they are provided.

33 B. CONTRACTOR shall actively participate and cooperate with any person specified in
34 Subparagraph A. above in any evaluation or monitoring of the services provided pursuant to this
35 Contract, and shall provide the above-mentioned persons adequate office space to conduct such
36 evaluation or monitoring.
37

1 C. AUDIT RESPONSE

2 1. Following an audit report, in the event of non-compliance with applicable laws and
3 regulations governing funds provided through this Contract, COUNTY may terminate this Agreement as
4 provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement
5 appropriate corrective action. A CAP shall be submitted to ADMINISTRATOR in writing within thirty
6 (30) calendar days after receiving notice from ADMINISTRATOR.

7 2. If the audit reveals that money is payable from one Party to the other, that is,
8 reimbursement by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to
9 CONTRACTOR, said funds shall be due and payable from one Party to the other within sixty (60)
10 calendar days of receipt of the audit results. If reimbursement is due from CONTRACTOR to
11 COUNTY, and such reimbursement is not received within said sixty (60) calendar days, COUNTY may,
12 in addition to any other remedies provided by law, reduce any amount owed CONTRACTOR by an
13 amount not to exceed the reimbursement due COUNTY.

14 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare an annual
15 Single Audit as required by 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR
16 Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal
17 Awards. CONTRACTOR shall forward the Single Audit to ADMINISTRATOR within fourteen (14)
18 calendar days of receipt.

19 E. CONTRACTOR shall forward to ADMINISTRATOR a copy of any audit report within fourteen
20 (14) calendar days of receipt. Such audit shall include, but not be limited to, management, financial,
21 programmatic or any other type of audit of CONTRACTOR's operations, whether or not the cost of
22 such operation or audit is reimbursed in whole or in part through this Contract.

23
24 **XVI. LICENSES AND LAWS**

25 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
26 the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations,
27 waivers, and exemptions necessary for the provision of the services hereunder and required by the laws,
28 regulations and requirements of the United States, the State of California, COUNTY, and all other
29 applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and
30 in writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals,
31 permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be
32 cause for termination of this Contract.

33 B. CONTRACTOR shall comply with all applicable governmental laws, regulations, and
34 requirements as they exist now or may be hereafter amended or changed. These laws, regulations, and
35 requirements shall include, but not be limited to, the following:

- 36 1. ARRA of 2009.
37 2. Trafficking Victims Protection Act of 2000.

- 1 3. CCC §§56 through 56.37, Confidentiality of Medical Information.
2 4. CCC §§1798.80 through 1798.84, Customer Records.
3 5. CCC §1798.85, Confidentiality of Social Security Numbers.
4 6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social
5 Security.
6 7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse
7 Master Plans.
8 8. HSC, §§11839 through 11839.22, Narcotic Treatment Programs.
9 9. HSC, §11876, Narcotic Treatment Programs.
10 10. HSC, §§123110 through 123149.5, Patient Access to Health Records.
11 11. Code of Federal Regulations, Title 42, Public Health.
12 12. 2 CFR 230, Cost Principles for Nonprofit Organizations.
13 13. 2 CFR 376, Nonprocurement, Debarment and Suspension.
14 14. 41 CFR 50, Public Contracts and Property Management.
15 15. 42 CFR 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
16 16. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse
17 prevention and treatment block grants and/or projects for assistance in transition from homelessness
18 grants.
19 17. 45 CFR 93, New Restrictions on Lobbying.
20 18. 45 CFR 96.127, Requirements regarding Tuberculosis.
21 19. 45 CFR 96.132, Additional Agreements.
22 20. 45 CFR 96.135, Restrictions on Expenditure of Grant.
23 21. 45 CFR 160, General Administrative Requirements.
24 22. 45 CFR 162, Administrative Requirements.
25 23. 45 CFR 164, Security and Privacy.
26 24. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
27 25. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.
28 26. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
29 Contracting and Financial Transactions.
30 27. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism;
31 National Institute on Drug Abuse.
32 28. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
33 Administration.
34 29. 42 USC §290dd-2, Confidentiality of Records.
35 30. 42 USC §1320(a), Uniform reporting systems for health services facilities and
36 organizations.
37 31. 42 USC §§1320d through 1320d-9, Administrative Simplification.

- 1 32. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
2 33. 42 USC §6101 et seq., Age Discrimination Act of 1975.
3 34. 42 USC §2000d, Civil Rights Act of 1964.
4 35. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,
5 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
6 36. U.S. Department of Health and Human Services, National Institutes of Health (NIH),
7 Grants Policy Statement (10/13).
8 37. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-
9 Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.
10 38. State of California, Department of Alcohol and Drug Programs Audit Assistance Guide
11 Manual.
12 39. State of California, Department of Alcohol and Drug Programs, Alcohol and/or Other Drug
13 Program Certification Standards, March 2004.
14 40. CCR Title 22, §§70751(c), 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and
15 77143(a).
16 41. State of California, Department of Health Care Services ASRS Manual.
17 42. State of California, Department of Health Care Services DPFS Manual.
18 43. HSC §123145.
19 44. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).
20 45. 5 USC §7321 – §7326, Political Activities (Hatch Act)
21 46. 45 CFR 96.124(e), Certain Allocations (SAPTBG).
22 47. 45 CFR 96.131, Treatment Services for Pregnant Women.
23 48. HSC §11757.59, Perinatal State General Fund.
24 49. County of Orange, HCA, Alcohol Program and Drug Abuse Services D/MC Utilization
25 Control Plan for Perinatal Residential Services.
26 50. DHCS, Perinatal Services Guidelines.
27 51. 42 CFR, Section 438, Managed Care Regulations
28 52. CCR, Title 22, §51341.1(h)(5)(A), Drug Medi-Cal Substance Abuse Services.
29 53. DHCS, Office of Women's and Perinatal Services, Perinatal Services Network Guidelines
30 2014.
31 54. CCR, Title 22, Division 3, Health Care Services.
32 55. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,
33 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
34 56. HSC, §§11758.40 through 11758.47, Medi-Cal Drug Treatment Program.
35 57. U.S. Food and Drug Administration Guidelines for Vivitrol (currently listed at
36 <http://www.fda.gov/downloads/Drugs/DrugSafety/UMC206669.pdf>).
37 58. US Department of Justice, Drug Enforcement Administration.

1 59. 42 CFR, Public Health, Part 8 – Certification of Opioid Treatment Programs.

2 60. 21 CFR Part 1308-Schedules of Controlled Substances.

3 61. 21 CFR Parts 1300, 1301, 1304, et al. Disposal of Controlled Substances, Final Rule.

4 62. AB 109 2011 Public Safety Realignment.

5 63. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination
6 on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental
7 of housing.

8 64. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101 –
9 6107), which prohibits discrimination on the basis of age.

10 65. Age Discrimination in Employment Act (29 CFR Part 1625).

11 66. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting
12 discrimination against the disabled in employment.

13 67. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination
14 against the disabled by public entities.

15 68. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.

16 69. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794),
17 prohibiting discrimination on the basis of individuals with disabilities.

18 70. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
19 nondiscrimination in employment under federal contracts and construction contracts greater than
20 \$10,000 funded by federal financial assistance.

21 71. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with
22 limited English proficiency.

23 72. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
24 nondiscrimination on the basis of drug abuse.

25 73. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A –
26 E).

27 74. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the
28 applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).

29 75. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.

30 76. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.

31 77. No federal funds shall be used by the County or its subcontractors for sectarian worship,
32 instruction, or proselytization. No federal funds shall be used by the County or its subcontractors to
33 provide direct, immediate, or substantial support to any religious activity.

34
35 **XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

36 A. Any written information or literature, including educational or promotional materials,
37 distributed by CONTRACTOR to any person or organization for purposes directly or indirectly related

1 to this Contract must be approved at least thirty (30) calendar days in advance and in writing by
 2 ADMINISTRATOR before distribution. For the purposes of this Contract, distribution of written
 3 materials shall include, but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads,
 4 and electronic media such as the Internet.

5 B. Any advertisement through radio, television broadcast, or the Internet, for educational or
 6 promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this
 7 Contract must be approved in advance at least thirty (30) calendar days and in writing by
 8 ADMINISTRATOR.

9 C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly
 10 available social media sites) in support of the services described within this Contract, CONTRACTOR
 11 shall develop social media policies and procedures and have them available to ADMINISTRATOR
 12 upon reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social media
 13 used to either directly or indirectly support the services described within this Contract. CONTRACTOR
 14 shall comply with COUNTY Social Media Use Policy and Procedures as they pertain to any social
 15 media developed in support of the services described within this Contract. CONTRACTOR shall also
 16 include any required funding statement information on social media when required by
 17 ADMINISTRATOR.

18 D. Any information as described in Subparagraphs A, B, and C above shall not imply endorsement
 19 by COUNTY, unless ADMINISTRATOR consents thereto in writing.

20 E. CONTRACTOR shall also clearly explain through these materials that there shall be no
 21 unlawful use of drugs or alcohol associated with the services provided pursuant to this Contract, as
 22 specified in HSC, §11999-11999.3.

23 **XVIII. AMOUNT NOT TO EXCEED**

24 A. The Total Amount Not To Exceed of COUNTY for services provided in accordance with this
 25 Contract, and the separate Amount Not To Exceed for each period under this Contract, are as specified
 26 in the Referenced Contract Provisions of this Contract, except as allowed for in Subparagraph B. below.

27 B. ADMINISTRATOR may amend the Amount Not To Exceed by an amount not to exceed ten
 28 percent (10%) of Period One funding for this Contract.

29 **XIX. MINIMUM WAGE LAWS**

30 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and
 31 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the
 32 federal or California Minimum Wage to all its Covered Individuals (as defined within the "Compliance"
 33 paragraph of this Contract) that directly or indirectly provide services pursuant to this Contract, in any
 34 manner whatsoever. CONTRACTOR shall require and verify that all of its Covered Individuals
 35 providing services pursuant to this Contract be paid no less than the greater of the federal or California
 36
 37

1 Minimum Wage.

2 B. CONTRACTOR shall comply and verify that its Covered Individuals comply with all other
3 federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor
4 standards pursuant to providing services pursuant to this Contract.

5 C. Notwithstanding the minimum wage requirements provided for in this clause, CONTRACTOR,
6 where applicable, shall comply with the prevailing wage and related requirements, as provided for in
7 accordance with the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the
8 State of California (§§1770, et seq.), as it now exists or may hereafter be amended.

9
10 **XX. NONDISCRIMINATION**

11 A. EMPLOYMENT

12 1. During the term of this Contract, CONTRACTOR and its Covered Individuals (as defined
13 in the "Compliance" paragraph of this Contract) shall not unlawfully discriminate against any employee
14 or applicant for employment because of his/her race, religious creed, color, national origin, ancestry,
15 physical disability, mental disability, medical condition, genetic information, marital status, sex, gender,
16 gender identity, gender expression, age, sexual orientation, or military and veteran status. Additionally,
17 during the term of this Contract, CONTRACTOR and its Covered Individuals shall require in its
18 subcontracts that subcontractors shall not unlawfully discriminate against any employee or applicant for
19 employment because of his/her race, religious creed, color, national origin, ancestry, physical disability,
20 mental disability, medical condition, genetic information, marital status, sex, gender, gender identity,
21 gender expression, age, sexual orientation, or military and veteran status.

22 2. CONTRACTOR and its Covered Individuals shall not discriminate against employees or
23 applicants for employment in the areas of employment, promotion, demotion or transfer; recruitment or
24 recruitment advertising, layoff or termination; rate of pay or other forms of compensation; and selection
25 for training, including apprenticeship.

26 3. CONTRACTOR shall not discriminate between employees with spouses and employees
27 with domestic partners, or discriminate between domestic partners and spouses of those employees, in
28 the provision of benefits.

29 4. CONTRACTOR shall post in conspicuous places, available to employees and applicants for
30 employment, notices from ADMINISTRATOR and/or the United States Equal Employment
31 Opportunity Commission setting forth the provisions of the EOC.

32 5. All solicitations or advertisements for employees placed by or on behalf of
33 CONTRACTOR and/or subcontractor shall state that all qualified applicants will receive consideration
34 for employment without regard to race, religious creed, color, national origin, ancestry, physical
35 disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender
36 identity, gender expression, age, sexual orientation, or military and veteran status. Such requirements
37 shall be deemed fulfilled by use of the term EOE.

1 6. Each labor union or representative of workers with which CONTRACTOR and/or
 2 subcontractor has a collective bargaining contract or other contract or understanding must post a notice
 3 advising the labor union or workers' representative of the commitments under this Nondiscrimination
 4 Paragraph and shall post copies of the notice in conspicuous places, available to employees and
 5 applicants for employment.

6 B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not
 7 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities
 8 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental
 9 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender
 10 expression, age, sexual orientation, or military and veteran status in accordance with Title IX of the
 11 Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights
 12 Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division
 13 4, Chapter 6, Article 1 (§10800, et seq.) of the CCR; and Title II of the Genetic Information
 14 Nondiscrimination Act of 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent rules and
 15 regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all
 16 may now exist or be hereafter amended or changed. For the purpose of this Nondiscrimination
 17 paragraph, discrimination includes, but is not limited to the following based on one or more of the
 18 factors identified above:

19 1. Denying a Client or potential Client any service, benefit, or accommodation.

20 2. Providing any service or benefit to a Client which is different or is provided in a different
 21 manner or at a different time from that provided to other Clients.

22 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by
 23 others receiving any service and/or benefit.

24 4. Treating a Client differently from others in satisfying any admission requirement or
 25 condition, or eligibility requirement or condition, which individuals must meet in order to be provided
 26 any service and/or benefit.

27 5. Assignment of times or places for the provision of services.

28 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all Clients
 29 through a written statement that CONTRACTOR's and/or subcontractor's Clients may file all
 30 complaints alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and
 31 ADMINISTRATOR or the U.S. Department of Health and Human Services' OCR.

32 1. Whenever possible, problems shall be resolved at the point of service. CONTRACTOR
 33 shall establish an internal problem resolution process for Clients not able to resolve such problems at the
 34 point of service. Clients may initiate a grievance or complaint directly with CONTRACTOR either
 35 orally or in writing.

36 a. COUNTY shall establish a formal resolution and grievance process in the event
 37 grievance is not able to be resolved at point of service.

1 2. Within the time limits procedurally imposed, the complainant shall be notified in writing as
 2 to the findings regarding the alleged complaint and, if not satisfied with the decision, has the right to
 3 request a State Fair Hearing.

4 D. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply
 5 with the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as
 6 implemented in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 as amended (42
 7 USC 12101 et seq.; as implemented in 29 CFR 1630), as applicable, pertaining to the prohibition of
 8 discrimination against qualified persons with disabilities in all programs or activities, and if applicable,
 9 as implemented in Title 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended together
 10 with succeeding legislation.

11 E. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents shall
 12 intimidate, coerce or take adverse action against any person for the purpose of interfering with rights
 13 secured by federal or state laws, or because such person has filed a complaint, certified, assisted or
 14 otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to
 15 enforce rights secured by federal or state law.

16 F. In the event of non-compliance with this paragraph or as otherwise provided by federal and
 17 state law, this Contract may be canceled, terminated or suspended in whole or in part and
 18 CONTRACTOR or subcontractor may be declared ineligible for further contracts involving federal,
 19 state or COUNTY funds.

20 G. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES - County certifies that under
 21 the laws of the United States and the State of California, County will not unlawfully discriminate against
 22 any person

23
 24 **XXI. NOTICES**

25 A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements
 26 authorized or required by this Contract shall be effective:

- 27 1. When written and deposited in the United States mail, first class postage prepaid and
 28 addressed as specified in the Referenced Contract Provisions of this Contract or as otherwise directed by
 29 ADMINISTRATOR;
- 30 2. When faxed, transmission confirmed;
- 31 3. When sent by Email; or
- 32 4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel
 33 Service, or any other expedited delivery service.

34 B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of
 35 this Contract or as otherwise directed by ADMINISTRATOR and shall be effective when faxed,
 36 transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United
 37 Parcel Service, or any other expedited delivery service.

1 C. CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of
 2 becoming aware of any occurrence of a serious nature, which may expose COUNTY to liability. Such
 3 occurrences shall include, but not be limited to, accidents, injuries, or acts of negligence, or loss or
 4 damage to any COUNTY property in possession of CONTRACTOR.

5 D. For purposes of this Contract, any notice to be provided by COUNTY may be given by
 6 ADMINISTRATOR.

7 **XXII. NOTIFICATION OF DEATH**

8
 9 A. Upon becoming aware of the death of any person served pursuant to this Contract,
 10 CONTRACTOR shall immediately notify ADMINISTRATOR.

11 B. All Notifications of Death provided to ADMINISTRATOR by CONTRACTOR shall contain
 12 the name of the deceased, the date and time of death, the nature and circumstances of the death, and the
 13 name(s) of CONTRACTOR's officers or employees with knowledge of the incident.

14 1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by
 15 telephone immediately upon becoming aware of the death due to non-terminal illness of any person
 16 served pursuant to this Contract; notice need only be given during normal business hours.

17 2. WRITTEN NOTIFICATION

18 a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send
 19 via encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming
 20 aware of the death due to non-terminal illness of any person served pursuant to this Contract.

21 b. TERMINAL ILLNESS – CONTRACTOR shall notify ADMINISTRATOR by written
 22 report hand delivered, faxed, sent via encrypted email, within forty-eight (48) hours of becoming aware
 23 of the death due to terminal illness of any person served pursuant to this Contract.

24 c. When notification via encrypted email is not possible or practical CONTRACTOR may
 25 hand deliver or fax to a known number said notification.

26 C. If there are any questions regarding the cause of death of any person served pursuant to this
 27 Contract who was diagnosed with a terminal illness, or if there are any unusual circumstances related to
 28 the death, CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with this
 29 Notification of Death Paragraph.

30 **XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

31
 32 A. CONTRACTOR shall notify ADMINISTRATOR of any public event or meeting funded in
 33 whole or in part by COUNTY, except for those events or meetings that are intended solely to serve
 34 Clients or occur in the normal course of business.

35 B. CONTRACTOR shall notify ADMINISTRATOR at least thirty (30) business days in advance
 36 of any applicable public event or meeting. The notification must include the date, time, duration,
 37 location and purpose of the public event or meeting. Any promotional materials or event related flyers

1 must be approved by ADMINISTRATOR prior to distribution.

2
3 **XXIV. RECORDS MANAGEMENT AND MAINTENANCE**

4 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term
5 of this Contract, prepare, maintain and manage records appropriate to the services provided and in
6 accordance with this Contract and all applicable requirements.

7 1. CONTRACTOR shall maintain records that are adequate to substantiate the services for
8 which claims are submitted for reimbursement under this Contract and the charges thereto. Such
9 records shall include, but not be limited to, individual patient charts and utilization review records.

10 2. CONTRACTOR shall keep and maintain records of each service rendered to each MSN
11 Patient, the identity of the MSN Patient to whom the service was rendered, the date the service was
12 rendered, and such additional information as ADMINISTRATOR or DHCS may require.

13 3. CONTRACTOR shall maintain books, records, documents, accounting procedures and
14 practices, and other evidence sufficient to reflect properly all direct and indirect cost of whatever nature
15 claimed to have been incurred in the performance of this Contract and in accordance with Medicare
16 principles of reimbursement and GAAP.

17 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
18 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
19 necessity of the service, and the quality of care provided. Records shall be maintained in accordance
20 with §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

21 B. CONTRACTOR shall implement and maintain administrative, technical and physical
22 safeguards to ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of
23 PHI in violation of the HIPAA, federal and state regulations. CONTRACTOR shall mitigate to the
24 extent practicable, the known harmful effect of any use or disclosure of PHI made in violation of federal
25 or state regulations and/or COUNTY policies.

26 C. CONTRACTOR's participant, client, and/or patient records shall be maintained in a secure
27 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish
28 and implement written record management procedures.

29 D. CONTRACTOR shall retain all financial records for a minimum of ten (10) years from the
30 termination of the Contract unless a longer period is required due to legal proceedings such as litigations
31 and/or settlement of claims.

32 E. CONTRACTOR shall retain all client and/or patient medical records for ten (10) years
33 following discharge of the participant, client and/or patient.

34 F. CONTRACTOR shall make records pertaining to the costs of services, participant fees, charges,
35 billings, and revenues available at one (1) location within the limits of the County of Orange. If
36 CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR may provide
37 written approval to CONTRACTOR to maintain records in a single location, identified by

1 CONTRACTOR.

2 G. CONTRACTOR shall notify ADMINISTRATOR of any PRA requests related to, or arising out
3 of, this Contract, within forty-eight (48) hours. CONTRACTOR shall provide ADMINISTRATOR all
4 information that is requested by the PRA request.

5 H. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that
6 clients, participants and/or patients be provided the right to access or receive a copy of their DRS and/or
7 request addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records
8 maintained by or for a covered entity that is:

9 1. The medical records and billing records about individuals maintained by or for a covered
10 health care provider;

11 2. The enrollment, payment, claims adjudication, and case or medical management record
12 systems maintained by or for a health plan; or

13 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.

14 I. CONTRACTOR may retain client, and/or patient documentation electronically in accordance
15 with the terms of this Contract and common business practices. If documentation is retained
16 electronically, CONTRACTOR shall, in the event of an audit or site visit:

17 1. Have documents readily available within twenty-four (24) hour notice of a scheduled audit
18 or site visit.

19 2. Provide auditor or other authorized individuals access to documents via a computer
20 terminal.

21 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if
22 requested.

23 J. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and
24 security of PII and/or PHI. CONTRACTOR shall, upon discovery of a Breach of privacy and/or
25 security of PII and/or PHI by CONTRACTOR, notify federal and/or state authorities as required by law
26 or regulation, and copy ADMINISTRATOR on such notifications.

27 K. CONTRACTOR may be required to pay any costs associated with a Breach of privacy
28 and/or security of PII and/or PHI, including but not limited to the costs of notification. CONTRACTOR
29 shall pay any and all such costs arising out of a Breach of privacy and/or security of PII and/or PHI.

30 **XXV. RESEARCH AND PUBLICATION**

31 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out
32 of, or developed, as a result of this Contract for any purpose other than performance of services under
33 this Contract.

34 **XXVI. SEVERABILITY**

35 If a court of competent jurisdiction declares any provision of this Contract or application thereof to
36 any person or circumstances to be invalid or if any provision of this Contract contravenes any federal,
37

1 state or county statute, ordinance, or regulation, the remaining provisions of this Contract or the
 2 application thereof shall remain valid, and the remaining provisions of this Contract shall remain in full
 3 force and effect, and to that extent the provisions of this Contract are severable.

4
 5 **XXVII. SPECIAL PROVISIONS**

6 A. CONTRACTOR shall not use the funds provided by means of this Contract for the following
 7 purposes:

- 8 1. Making cash payments to intended recipients of services through this Contract.
- 9 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
 10 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on
 11 use of appropriated funds to influence certain federal contracting and financial transactions).
- 12 3. Fundraising.
- 13 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
 14 CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of
 15 Directors or governing body.
- 16 5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing
 17 body for expenses or services.
- 18 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,
 19 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
 20 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
- 21 7. Paying an individual salary or compensation for services at a rate in excess of the current
 22 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary
 23 Schedule may be found at www.opm.gov.
- 24 8. Severance pay for separating employees.
- 25 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
 26 codes and obtaining all necessary building permits for any associated construction.
- 27 10. Purchasing or improving land, including constructing or permanently improving any
 28 building or facility, except for tenant improvements.
- 29 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal
 30 funds (matching).
- 31 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.
- 32 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or
 33 alcohol.
- 34 14. Promoting the legalization of any drug or other substance included in Schedule 1 of the
 35 Controlled Substance Act (21 USC 812).
- 36 15. Distributing or aiding in the distribution of sterile needles or syringes for the hypodermic
 37 injection of any illegal drug.

1 16. Assisting, promoting, or deterring union organizing.

2 17. Providing inpatient hospital services or purchasing major medical equipment.

3 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR
4 shall not use the funds provided by means of this Contract for the following purposes:

5 1. Funding travel or training (excluding mileage or parking).

6 2. Making phone calls outside of the local area unless documented to be directly for the
7 purpose of Client care.

8 3. Payment for grant writing, consultants, certified public accounting, or legal services.

9 4. Purchase of artwork or other items that are for decorative purposes and do not directly
10 contribute to the quality of services to be provided pursuant to this Contract.

11 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
12 CONTRACTOR's Clients.

13 C. Neither Party shall be responsible for delays or failures in performance resulting from acts
14 beyond the control of the affected Party. Such acts shall include, but not be limited to, acts of God, fire,
15 flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight, embargo, public
16 related utility, or governmental statutes or regulations imposed after the fact.

17
18 **XXVIII. STATUS OF CONTRACTOR**

19 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
20 wholly responsible for the manner in which it performs the services required of it by the terms of this
21 Contract. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and
22 consultants employed by CONTRACTOR. This Contract shall not be construed as creating the
23 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR
24 or any of CONTRACTOR's employees, agents, consultants, volunteers, interns, or subcontractors.
25 CONTRACTOR assumes exclusively the responsibility for the acts of its employees, agents,
26 consultants, volunteers, interns, or subcontractors as they relate to the services to be provided during the
27 course and scope of their employment. CONTRACTOR, its agents, employees, consultants, volunteers,
28 interns, or subcontractors, shall not be entitled to any rights or privileges of COUNTY's employees and
29 shall not be considered in any manner to be COUNTY's employees.

30
31 **XXIX. TERM**

32 A. The term of this Contract shall commence as specified in the Referenced Contract Provisions of
33 this Contract or the execution date, whichever is later. This Contract shall terminate as specified in the
34 Referenced Contract Provisions of this Contract unless otherwise sooner terminated as provided in this
35 Contract. CONTRACTOR shall be obligated to perform such duties as would normally extend beyond
36 this term, including but not limited to, obligations with respect to confidentiality, indemnification,
37 audits, reporting, and accounting.

1 B. Any administrative duty or obligation to be performed pursuant to this Contract on a weekend
2 or holiday may be performed on the next regular business day.

3
4 **XXX. TERMINATION**

5 A. Either party may terminate this Contract, without cause, upon thirty (30) calendar day written
6 notice given the other party. CONTRACTOR shall be responsible for meeting all programmatic and
7 administrative contracted objectives and requirements as indicated in this Contract. CONTRACTOR
8 shall be subject to the issuance of a CAP for the failure to perform to the level of contracted objectives,
9 continuing to not meet goals and expectations, and/or for non-compliance. If CAPs are not completed
10 within timeframe as determined by ADMINISTRATOR notice, payments may be reduced or withheld
11 until CAP is resolved and/or the Contract could be terminated.

12 B. COUNTY may terminate this Contract immediately, upon written notice, on the occurrence of
13 any of the following events:

- 14 1. The loss by CONTRACTOR of legal capacity.
- 15 2. Cessation of services.
- 16 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
17 another entity without the prior written consent of COUNTY.
- 18 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
19 required pursuant to this Contract.
- 20 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of
21 this Contract.
- 22 6. The continued incapacity of any physician or licensed person to perform duties required
23 pursuant to this Contract.
- 24 7. Unethical conduct or malpractice by any physician or licensed person providing services
25 pursuant to this Contract; provided, however, COUNTY may waive this option if CONTRACTOR
26 removes such physician or licensed person from serving persons treated or assisted pursuant to this
27 Contract.

28 **C. CONTINGENT FUNDING**

- 29 1. Any obligation of COUNTY under this Contract is contingent upon the following:
 - 30 a. The continued availability of federal, state and county funds for reimbursement of
31 COUNTY's expenditures, and
 - 32 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)
33 approved by the Board of Supervisors.
- 34 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
35 terminate or renegotiate this Contract upon thirty (30) calendar days' written notice given
36 CONTRACTOR. If COUNTY elects to renegotiate this Contract due to reduced or terminated funding,
37 CONTRACTOR shall not be obligated to accept the renegotiated terms.

1 D. In the event this Contract is suspended or terminated prior to the completion of the term as
 2 specified in the Referenced Contract Provisions of this Contract, ADMINISTRATOR may, at its
 3 sole discretion, reduce the Not To Exceed Amount of this Contract to be consistent with the reduced
 4 term of the Contract.

5 E. In the event this Contract is terminated, CONTRACTOR shall do the following:

6 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which
 7 is consistent with recognized standards of quality care and prudent business practice.

8 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
 9 performance during the remaining contract term.

10 3. Until the date of termination, continue to provide the same level of service required by this
 11 Contract.

12 4. If Clients are to be transferred to another facility for services, furnish ADMINISTRATOR,
 13 upon request, all Client information and records deemed necessary by ADMINISTRATOR to effect an
 14 orderly transfer.

15 5. Assist ADMINISTRATOR in effecting the transfer of Clients in a manner consistent with
 16 Client's best interests.

17 6. If records are to be transferred to COUNTY, pack and label such records in accordance
 18 with directions provided by ADMINISTRATOR.

19 7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and
 20 supplies purchased with funds provided by COUNTY.

21 8. To the extent services are terminated, cancel outstanding commitments covering the
 22 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding
 23 commitments which relate to personal services. With respect to these canceled commitments,
 24 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims
 25 arising out of such cancellation of commitment which shall be subject to written approval of
 26 ADMINISTRATOR.

27 9. Provide written notice of termination of services to each Client being served under this
 28 Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of
 29 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendars
 30 day period.

31 F. COUNTY may terminate this Contract, without cause, upon thirty (30) calendar days' written
 32 notice. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be
 33 exclusive, and are in addition to any other rights and remedies provided by law or under this Contract.

34
 35 **XXXI. THIRD PARTY BENEFICIARY**

36 Neither party hereto intends that this Contract shall create rights hereunder in third parties including,
 37 but not limited to, any subcontractors or any Clients provided services pursuant to this Contract.

XXXII. WAIVER OF DEFAULT OR BREACH

Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this Contract shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any default or any breach by CONTRACTOR shall not be considered a modification of the terms of this Contract.

XXXIII. REVENUE

A. CLIENT FEES – CONTRACTOR shall charge a fee to Clients to whom services are provided pursuant to this Contract, their estates and responsible relatives, in accordance with the fee system designated by ADMINISTRATOR. This fee shall be based upon the person's ability to pay for services, but it shall not exceed the actual cost of services provided. No person shall be denied services because of an inability to pay.

B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all available third-party reimbursement for which persons served pursuant to this Contract may be eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR's usual and customary charges. An Assignment of Benefits must be present in a Client's file when applicable.

C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately ensure proper billing and collection procedures. CONTRACTOR's procedures shall specifically provide for the identification of delinquent accounts and methods for pursuing such accounts. CONTRACTOR shall provide ADMINISTRATOR, monthly, a written report specifying the current status of fees which are billed, collected, transferred to a collection agency, or deemed by CONTRACTOR to be uncollectible.

XXXIV. PARTICIPATION OF COUNTY BEHAVIORAL HEALTH DIRECTOR'S ASSOCIATION OF CALIFORNIA

A. The County AOD Program Administrator shall participate and represent the County in meetings of the County Behavioral Health Director's Association of California for the purposes of representing the counties in their relationship with DHCS with respect to policies, standards, and administration for AOD abuse services.

B. The County AOD Program Administrator shall attend any special meetings call by the Director of DHCS. Participation and representation shall also be provided by the County Behavioral Health Director's Association of California.

XXXV. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996

All work performed under this Contract is subject to HIPAA, County shall perform the work in

1 compliance with all applicable provisions of HIPAA. As identified in Exhibit E, DHCS and County
2 shall cooperate to assure mutual agreement as to those transactions between them, to which this
3 provision applies. Refer to Exhibit E for additional information.

4
5 **XXXVI. INTRAVENOUS DRUG USE (IVDU) TREATMENT**

6 County shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo
7 AOD treatment (42 USC 300x-23 (45 CFR 96.126(e)).

8
9 **XXXVII. YOUTH TREATMENT GUIDELINES**

10 County must comply with DHCS guidelines in developing and implementing youth treatment
11 programs funded under this Enclosure, until new Youth Treatment Guidelines are established and
12 adopted.

13 Youth Treatment Guidelines are posted online at [http://www.dhcs.ca.gov/provgovpart/Pages/Youth-
15 Services.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/Youth-
14 Services.aspx).

16 Adolescent Substance Use Disorder Best Practices Guide found here:
17 [https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdolBe
19 stPracGuideOCTOBER2020.pdf](https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdolBe
18 stPracGuideOCTOBER2020.pdf).

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SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Contract, in the County of Orange, State of California.

WESTERN PACIFIC RE-HAB

BY: _____ DATED: _____

TITLE: _____

COUNTY OF ORANGE

BY: _____ DATED: _____

HEALTH CARE AGENCY

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

BY: _____ DATED: _____

DEPUTY

If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution or by-laws whereby the Board of Directors has empowered said authorized individual to act on its behalf by his or her signature alone is required by ADMINISTRATOR.

EXHIBIT A
 TO CONTRACT FOR PROVISION OF
 NARCOTIC REPLACEMENT
 THERAPY TREATMENT SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 WESTERN PACIFIC RE-HAB
 JULY 01, 2022 THROUGH JUNE 30, 2025

I. COMMON TERMS AND DEFINITIONS

The Parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in this Contract.

A. AB109 Services means services for those Clients deemed eligible by California Department of Corrections and Rehabilitation and/or OCPD. Clients in AB 109 Services are those who have received sentencing for a felony or misdemeanor that is non-violent, non-sexual, and non-serious.

B. CalOMS means a statewide Client based data collection and outcomes measurement system as required by the State to effectively manage and improve the provision of alcohol and other drug services at the state, COUNTY, and provider levels.

C. Counselor means a staff member who is registered or certified by one of the state approved Counseling Certification programs or who is a registered intern or licensed by the Board of Behavioral Sciences. A Counselor must remain in good standing with the certification or licensing process.

D. Diagnosis means the identification of the nature of the Client's substance use disorder. When formulating the diagnosis of a Client, CONTRACTOR shall use the diagnosis codes and axes as specified in the most current edition of the DSM published by the American Psychiatric Association. CONTRACTOR shall record all DSM diagnoses on all IRIS documents and in the Client files as appropriate.

E. Dose means the administration of a specific amount of medication prescribed by a physician for the Client's care along with medical care and individual and/or group counseling.

F. Dual Diagnosed Client means a Client having co-occurring mental illness and substance abuse diagnosis, irrespective of which is the primary diagnosis.

G. Family Counseling means a face-to-face contact between a Counselor and members of a Client's family or significant other. The Client may or may not be present.

H. Gatekeeper means ADMINISTRATOR staff responsible for all initial referrals to CONTRACTOR for methadone maintenance treatment or detoxification therapy.

I. Group Counseling means group-based services, at sixty (60) or ninety (90) minute sessions, with a minimum of two (2) and a maximum of twelve (12) Clients, billed in fifteen (15) minute

1 ~~increments. Group counseling sessions are provided in a developmentally appropriate environment (i.e.,~~
 2 ~~age, culture, etc.) and utilize evidence-based practices (EBP).Group Counseling means a face to face~~
 3 ~~contact between a Counselor and each Client involved in a group counseling session. A group session is~~
 4 ~~a ninety (90) minute session with more than one (1) person in an encounter with a Counselor.~~

5 J. Individual Counseling means counseling provided to an individual as needed and identified on
 6 the treatment plan as appropriate for Clients. Individual Counseling shall be performed at a minimum of
 7 one (1) fifty (50) minute session per month.

8 K. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in
 9 which specific information about the Client is gathered including the ability to pay and standard
 10 admission forms pursuant to the Contract, post Gatekeeper approval.

11 L. IRIS means a collection of applications and data bases that serve the needs of programs within
 12 HCA and includes functionality such as registration and scheduling, laboratory information system,
 13 billing and reporting capabilities, compliance with regulatory requirements, electronic medical records
 14 and other relevant information.

15 M. Linkage means connecting Clients to ancillary services such as outpatient treatment and
 16 supportive services which may include self-help groups, social services, rehabilitation services,
 17 vocational services, job training services or other appropriate services.

18 N. Maintenance Client means a male or female aged 18 and over residing in the County of Orange
 19 who has a primary problem of opiate addiction and is currently recovering through Narcotic
 20 Replacement Maintenance Therapy.

21 O. Medical Director means the physician licensed to practice medicine in California who is
 22 responsible for medical services provided by CONTRACTOR. The Medical Director shall be enrolled
 23 with DHCS under applicable state regulations. The Medical Director duties encompass signing of notes,
 24 placing Clients in treatment, initiating, altering and terminating therapy medications and dosage
 25 amounts, supervising the administration and dispensing of medications, and planning and supervising
 26 provision of treatment including regular review and notes in the Clients' records.

27 P. Medical Necessity means the decision by Contractor's Medical Director that a Client meets
 28 admission criteria and continuing care justification pursuant to CCR, Title 22 and Title 9, Section
 29 10270. Medically Necessary services are provided in accordance with an individualized treatment plan
 30 determined by a licensed physician or licensed prescriber and approved and authorized according to
 31 State requirements.

32 Q. Narcotic Replacement Maintenance Therapy means the medically supervised use of an opiate
 33 agonist medication to provide a means whereby the Client may be rehabilitated from opiate substance
 34 use disorders.

35 R. Narcotic Replacement Detoxification means narcotic therapy used in decreasing medically
 36 determined dosage levels for a period of not more than twenty-one (21) calendar days, to reduce or
 37 eliminate opiate addiction.

1 S. Client means an adolescent 12 through 17 years old or an adult aged 18 and over residing in the
 2 County of Orange who has a primary problem of opiate addiction and/or other MAT allowable by the
 3 DMC-ODS formulary that also qualifies for admission as per Title 9 and contractual eligibility
 4 requirements.

5 T. Program Protocol means the written program description, goals, objectives, and policies
 6 established by CONTRACTOR for the services provided pursuant to the Contract.

7 U. Ryan White Funding means specific funding for Clients with HIV disease as may be awarded
 8 by the COUNTY HIV Planning Council.

9 V. Screening means the process by which the program obtains information about the individual
 10 seeking admission for methadone therapy services.

11 W. Token means the security device which allows an individual user to access the HCA computer-
 12 based IRIS.

13 X. Unit of Service means a calendar month of treatment services at a Narcotic Treatment Program
 14 provided pursuant to Title 22 and Title 9. Dosing and counseling services may be provided on the same
 15 day to a single Client.

16 Y. Case Management means services which include, but are not limited to, referral and linkage to
 17 ancillary services not provided by CONTRACTOR such as contacting outside agencies and making
 18 referrals for services, including academic education, vocational training, medical and dental treatment,
 19 pre-and-post counseling and testing for infectious diseases, legal assistance, job search assistance,
 20 financial assistance, childcare, and self-help programs such as 12-step programs. Additionally, Case
 21 Management includes helping Clients build support in the community and helping Clients deal with
 22 impairments in life skills due to their substance use problems. Case management service include
 23 periodic reassessment of the Client's need for continued case management services and assistance to
 24 successfully transition to lower or higher levels of care, as determined by review of the treatment plans.

25 Z. Crisis Intervention means providing emergency assessment and counseling with the Client in a
 26 crisis situation. This shall include an actual relapse or an unforeseen event or circumstance which
 27 presents an imminent threat of relapse to stabilize the emergency situation. Crisis sessions shall be
 28 limited to the stabilization of the Client's emergency situation.

29 AA. Discharge/Referral and Linkage means providing the needed resources upon discharge from
 30 program through Discharge Planning services via an Exit Plan for those completing their individualized
 31 course of maintenance services so that Client has the knowledge and resources to seek treatment again
 32 as needed or outside supportive services. As part of the Discharge/Referral and Linkage process,
 33 CONTRACTOR must perform a discharge summary for Clients within thirty (30) calendar days of
 34 discharge.

35 AB. Drug/Alcohol Screening means providing drug/alcohol screening/testing once a month or as
 36 delineated by HCA.

37 AC. Follow-up/After Care means protocol to be followed by CONTRACTOR to follow-up with

1 Clients ninety (90) calendar days post discharge from treatment to review progress and offer drop-in
2 counseling or other services on an as needed basis.

3 AD. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
4 Common Terms and Definitions Paragraph of this Exhibit A to the Contract.

5 6 **II. PAYMENTS**

7 A. ~~BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided
8 pursuant to the Contract, COUNTY shall pay CONTRACTOR monthly in arrears at the following all-
9 inclusive rates of reimbursement: \$20.00 daily per Maintenance Client served at CONTRACTOR’s
10 facility, \$12.00 per dose for Detoxification Clients at CONTRACTOR’s facility, and \$30.00 per dose
11 for Maintenance Clients at other locations as approved by ADMINISTRATOR; however, the total of
12 monthly payments to CONTRACTOR shall not exceed COUNTY’s Amount Not To Exceed set forth in
13 the Referenced Contract Provisions of the Contract and provided further, that CONTRACTOR’s costs
14 are allowable pursuant to applicable COUNTY, federal and state regulations. Non-compliance will
15 require the completion of a CAP by CONTRACTOR. If CAPs are not completed within timeframes
16 approved by ADMINISTRATOR, payments may be reduced accordingly.~~
17 ~~BASIS FOR
18 REIMBURSEMENT – As compensation to CONTRACTOR for services provided pursuant to the
19 Contract, COUNTY shall pay CONTRACTOR monthly in arrears at the following all inclusive rates of
20 reimbursement: \$19.33 daily per Maintenance Client served at CONTRACTOR’s facility, \$12.00 per
21 dose for Detoxification Clients at CONTRACTOR’s facility, and \$26.07 per dose for Maintenance
22 Clients at other locations as approved by ADMINISTRATOR; however, the total of monthly payments
23 to CONTRACTOR shall not exceed COUNTY’s Amount Not To Exceed set forth in the Referenced
24 Contract Provisions of the Contract and provided further, that CONTRACTOR’s costs are allowable
25 pursuant to applicable COUNTY, federal and state regulations. Non-compliance will require the
26 completion of a CAP by CONTRACTOR. If CAPs are not completed within timeframes approved by
27 ADMINISTRATOR, payments may be reduced accordingly.~~

28 B. COUNTY shall pay CONTRACTOR monthly, in arrears. CONTRACTOR's invoice shall be
29 on an approved invoice form, approved or supplied by ADMINISTRATOR, and provide such
30 information as is required by ADMINISTRATOR.

31 C. CONTRACTOR's invoices are due the twentieth (20th) day of the month. Invoices received
32 after the due date may not be paid within the same month.

33 D. All billings to COUNTY shall be supported by supporting documentation that clearly show
34 CONTRACTOR is entitled to compensation as a result of and in the performance of duties for
35 COUNTY.

36 E. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply
37 with any provision of the Contract or is not in compliance with federal, state or COUNTY regulations
governing the provision of contracted services.

1 F. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
2 and/or termination of the Contract, except as may otherwise be provided for under the Contract.

3 G. In conjunction with Payments Paragraph, Subparagraph A, Units of Service shall not be entered
4 in the IRIS system for services not rendered. If information has been entered, corrections will be made
5 within ten (10) business days from notification of ADMINISTRATOR. Additionally, to assist in the
6 protection of data integrity, CONTRACTOR shall create a procedure to ensure separation of duties
7 between the individual performing direct services (LPHA, clinicians, counselors, etc.), and the clerical
8 staff who enter information into the IRIS system. Clerical staff shall enter data into IRIS using the chart
9 information provided by the direct service staff.

10 H. The Contract includes federal funds paid to CONTRACTOR. The CFDA number(s) and
11 associated information for federal funds paid through the Contract are referenced in the Referenced
12 Contract Provisions section of the Contract.

13 I. CONTRACTOR may be required to have an audit conducted in accordance with federal OMB
14 Circular A-133. CONTRACTOR shall be responsible for complying with any federal audit
15 requirements within the reporting period specified by OMB Circular A-133.

16 J. ADMINISTRATOR may revise the CFDA information listed above, and shall notify
17 CONTRACTOR in writing of said revisions.

18 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
19 Payments Paragraph of this Exhibit A to the Contract.

20 **III. RECORDS**

21
22 A. CLIENT RECORDS – CONTRACTOR shall maintain adequate records in accordance with the
23 ADMINISTRATOR Alcohol and Drug Abuse Services Guidelines on each individual Client in
24 sufficient detail to permit an evaluation of services, which shall include, but need not be limited to
25 unless otherwise approved by ADMINISTRATOR:

- 26 1. ADMINISTRATOR's Treatment Authorization Form
- 27 2. Substance abuse history
- 28 3. Case Manager's name and telephone number
- 29 4. Tuberculosis clearance
- 30 5. Emergency notification information
- 31 6. Record of any funds collected from, or on behalf of, the Client
- 32 7. Treatment Plan
- 33 8. ASAM-based screening tool
- 34 9. Physical examination data, including laboratory results for required tests and analyses.
- 35 10. Discharge Plan (PRN) and Discharge Summary
- 36 11. Quality Review check sheet
- 37 12. Client date of birth

1 13. Evidence of current use of heroin, other opiates, and/or alcohol.

2 14. Date of admission, plan of treatment, and medication orders signed by the physician.

3 15. Program's response to a test or analysis for illicit drug use which discloses the absence of
4 prescribed medications and their primary metabolites, the presence of any illicit drugs, or abuse of other
5 substances, including alcohol

6 16. Incidence of arrest and conviction or any other signs of retrogression

7 17. Any other client information which the program finds useful in treating the Client or as
8 ADMINISTRATOR deems necessary

9 B. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete
10 financial records of its costs and operating expenses. Such records shall reflect the actual costs of the
11 type of service for which payment is claimed in accordance with generally accepted accounting
12 principles, the ASRS Manual.

13 1. Any apportionment of or distribution of costs, including indirect costs, to or between
14 programs or cost centers of CONTRACTOR shall be documented, and shall be made in accordance with
15 generally accepted principles, the ASRS Manual, and the DPFS Manual.

16 2. CONTRACTOR shall account for funds provided through the Contract separately from
17 other funds, and maintain a clear audit trail for the expenditure of funds.

18 3. The Client eligibility determination and fee charged to and collected from Clients, together
19 with a record of all billings rendered and revenues received from any source, on behalf of Clients treated
20 pursuant to the Contract, must be reflected in CONTRACTOR's financial records.

21 C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
22 Records Paragraph of this Exhibit A to the Contract.

23 **IV. REPORTS**

24 **A. MONTHLY PROGRAMMATIC**

25 1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR,
26 including information required and on a form approved or provided by ADMINISTRATOR, in
27 conjunction with the billing described in the Payments paragraph of this Exhibit A of the Contract.
28 These monthly programmatic reports should be received by ADMINISTRATOR no later than the tenth
29 (10th) business day of the month following the report month.
30

31 2. CONTRACTOR shall be responsible to report any problems in implementing the
32 provisions of the Contract, pertinent facts or interim findings, staff changes, status of license(s) and/or
33 certification(s), changes in population served, and reasons for any changes. Additionally, a statement
34 that CONTRACTOR is or is not progressing satisfactorily in achieving all the terms of the Contract
35 shall be included.

36 B. MONTHLY IRIS – CONTRACTOR shall participate in COUNTY's IRIS and input all IRIS
37 and CalOMS data by established submission deadlines. CONTRACTOR shall input all services for the

1 preceding month no later than the tenth (10th) calendar day of the following month. Services entered
 2 into IRIS must match the monthly billing documents prior to funds being released. CONTRACTOR
 3 shall be responsible for entering an error-free CalOMS admission record within twenty-one (21)
 4 calendar days of the start of services, entering an error-free CalOMS annual record up to sixty (60)
 5 calendar days prior to each admission anniversary, and an error-free CalOMS discharge record within
 6 twenty-one (21) calendar days after the last dosing service. CONTRACTOR shall utilize the CalOMS
 7 Error Detail Report (CEDR) to ensure that any CalOMS entry errors are corrected within two (2)
 8 business days of entry. CONTRACTOR shall ensure that a minimum of 96% of their CalOMS are
 9 completed on time every month. Any individual provider of services must have an NPI number and be
 10 listed in IRIS as the provider of the service conducted prior to performing any clinical services.

11 C. MONTHLY DATAR – CONTRACTOR shall provide reports under the DATAR and/or any
 12 other State Department of Alcohol and Drug Programs Reporting System no later than the fifth (5th)
 13 business day of the month following the report month.

14 D. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports, as required by
 15 ADMINISTRATOR, concerning CONTRACTOR's activities as they affect the services hereunder.
 16 ADMINISTRATOR will be specific as to the nature of information requested.

17 E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
 18 Reports Paragraph of this Exhibit A to the Contract.

19 **V. SERVICES**

20 A. CONTRACTOR shall operate a licensed accredited and certified alcohol and drug abuse
 21 Narcotic Replacement Therapy program, in accordance with the standards established by COUNTY and
 22 under Title 9, Division 4, Chapter 4 of the CCR by the State of California, DHCS, and shall administer
 23 or dispense methadone and other prescribed medications as a maintenance substitute narcotic drug or for
 24 detoxification for Clients who are dependent on heroin or other morphine-like drugs at the following
 25 locations unless otherwise approved in advance and in writing by ADMINISTRATOR:
 26

27 275 Victoria St.	218 E. Commonwealth Ave.
28 Costa Mesa, CA 92627	Fullerton, CA 92832

29
 30
 31 B. PERSONS TO BE SERVED – CONTRACTOR shall provide services three hundred sixty-five
 32 (365) days per year to Maintenance Clients who are eligible for services. Maintenance Clients are
 33 considered eligible for services if they are indigent or earning up to 200% of poverty level; including
 34 those who are disabled, have HIV and/or Hepatitis C, or are pregnant, and those identified in the
 35 Services Paragraph, subparagraph N. In addition to the above, program eligibility shall be determined
 36 as per Title 9 section 10270 for Maintenance and Detoxification Clients. Detoxification services shall
 37 be provided to those Clients that are indigent or earning up to 200% of poverty level or as approved by

1 ADMINISTRATOR. Detoxification therapy shall not include pregnant women. In addition,
 2 CONTRACTOR shall provide maintenance and detoxification services to adolescents 12 through 17
 3 years old and persons eighteen (18) and over earning up to 200% of poverty level and/or eligible for
 4 AB109 via referral from OC Probation Department assessment staff. Other eligibility requirements may
 5 be determined by ADMINISTRATOR.

6 1. CONTRACTOR shall provide individual case management, treatment planning, crisis
 7 intervention, discharge planning, medication handling and dispensing, and related services as required
 8 by federal, state, and COUNTY rules and regulations.

9 2. CONTRACTOR's program must include an introduction to appropriate self-help structured
 10 support programs as approved by ADMINISTRATOR.

11 3. ADDITIONAL REQUIREMENTS FOR ADOLESCENT CLIENTS

12 i. Detoxification treatment for Clients who are under 18 years old requires written consent
 13 of their parent(s) or guardian prior to the administration of the first medication dose.

14 ii. In order for Clients who are under 18 years old to receive maintenance treatment, there
 15 must be a documented history of two unsuccessful attempts at short-term detoxification or drug-free
 16 treatment within a twelve (12) month period. The methods to confirm this history and the types of
 17 documentation to be maintained in the Client's record shall be stated in the protocol. Additionally, for
 18 Clients under the age of 18 years old, written consent of their parent(s) or guardian prior to the
 19 admission into maintenance treatment is required.

20 iii. CONTRACTOR shall adhere to DHCS Youth Treatment Guidelines and as they may be
 21 amended or superseded at a later time during the course of this Contract when treating adolescents 12
 22 through 17 years old.

23 C. INTAKE/ASSESSMENT – Before admitting an applicant to Detoxification or Maintenance
 24 therapy, the Medical Director shall determine Medical Necessity by either conducting a medical
 25 evaluation or documenting the review in agreement with a medical evaluation conducted by the
 26 physician's designee. Within seven (7) calendar days of admission, CONTRACTOR shall provide a
 27 standardized, comprehensive risk and needs assessment on each Maintenance Client to assess alcohol
 28 and drug abuse history, family history, mental and emotional status, educational and vocational
 29 background, as well as daily living skills, stress management, literacy, employment, education and
 30 money management. Assessment tools may include Addiction Severity Index, or any other assessment
 31 tool, as approved by ADMINISTRATOR. The content of Client records shall follow Title 9, Section
 32 10165 and all requirements specified by this Contract.

33 D. PROGRAM ORIENTATION – CONTRACTOR shall, within seventy-two (72) hours of
 34 Client's admission into the program, provide an overview of the program. The program orientation
 35 shall be documented in the Client's file, and shall include, but not be limited to:

- 36 1. Overview of program structure and schedules;
- 37 2. Program rules and regulations;

- 1 3. Effects of medication used in Narcotic Replacement Therapy and adverse effects of abrupt
2 withdrawal;
- 3 4. Policies regarding Client fees;
- 4 5. Client rights and responsibilities;
- 5 6. Assignment of a counselor;
- 6 7. Staff code of conduct;
- 7 8. Confidentiality Statement, and how release of information is permitted in accordance with
8 42 CFR Part 2 and 45 CFR (HIPAA);
- 9 9. Agreements needed to exchange appropriate information within the network of consultants
10 and linkage agencies in accordance with HIPAA regulations and 42 CFR Part 2; and Title 9, Division 4,
11 Chapter 4, Section 10290; and
- 12 10. Continuing care services.

13 E. TREATMENT PLAN

14 1. CONTRACTOR shall, within twenty-eight (28) calendar days of initiation of Narcotic
15 Replacement Therapy for a Maintenance Client, have a registered, certified, and/or licensed Counselor
16 develop an individual treatment plan with each Client per Title 9, Section 10305 which shall include:

17 a. Goals, based on identified needs, to be achieved by the Client with estimated target
18 dates for attainment in accordance with the following:

19 1) Short-term goals which are estimated to require eighty-nine (89) calendar days or
20 less for Client to achieve;

21 2) Long-term goals which are estimated to require a specified time exceeding ninety
22 (90) calendar days for Client to achieve;

23 b. Specific behavioral tasks the Client must accomplish to complete each short-term and
24 long-term goal;

25 c. A description of the type and frequency of counseling services to be provided to the
26 Client;

27 d. An effective date based on the day the Counselor signed the initial treatment plan;

28 e. The Supervising Counselor shall review the initial maintenance treatment plan, along
29 with the needs assessment, and all updated maintenance treatment plans within fourteen (14) calendar
30 days from the effective dates and shall countersign these documents to signify concurrence with the
31 findings; and

32 f. Medical Director or Designee will review the needs assessment, and sign the initial and
33 all updated treatment plans within fourteen (14) calendar days of Counselor's signature.

34 2. CONTRACTOR's registered, certified, and/or licensed Counselor shall evaluate and update
35 the Client's treatment plan whenever necessary, or at a minimum once every ninety (90) calendar days
36 from the date of initiation of Narcotic Replacement Therapy. The updated treatment plan shall include:

37 a. A summary of the Client's progress or lack of progress toward each goal identified in

- 1 the initial treatment plan;
- 2 b. New goals and behavioral tasks for any newly identified needs, and related changes in
3 the type and frequency of counseling services.
- 4 3. CONTRACTOR shall develop an individualized treatment plan for each Client undergoing
5 detoxification including:
- 6 a. Provision to educate the Client on illicit drug addictions and how to deal with them;
- 7 b. Provision for furnishing services to the Client as needed when Detoxification is
8 completed;
- 9 c. Required treatment services and the role of the Client to achieve stated goals; and
- 10 d. The type and frequency of scheduled counseling services.
- 11 F. COUNSELING – Upon completion of the initial treatment plan, CONTRACTOR shall arrange
12 for Client to receive a minimum of fifty (50) minutes of counseling services per calendar month for
13 Maintenance, and two (2) twenty-five (25) minute counseling sessions within the 21-day period for
14 Detoxification, in accordance with the following requirements:
- 15 1. Program staff member conducting the session must be a Counselor;
- 16 2. The session must be conducted in a private setting in accordance with all applicable federal,
17 state, and COUNTY regulations regarding confidentiality; and
- 18 3. The format of the counseling session shall be an Individual session, with face-to-face
19 discussion with the Client, on a one-on-one basis, on issues identified in the Client's treatment plan.
20 Counselor shall document this session in Client's file.
- 21 G. CONTINUATION OF TREATMENT – CONTRACTOR shall provide justification for
22 treatment to Clients who have been on methadone maintenance for a period of two (2) years, and
23 annually thereafter. Justification shall be provided by the Medical Director and noted in Clients' files.
24 CONTRACTOR shall ensure that no Maintenance Client is enrolled for more than one (1) year from
25 admission date on COUNTY funding and that no Detoxification Client is enrolled for more than one (1)
26 detox episode per fiscal year, unless approved by ADMINISTRATOR. COUNTY funding is designed
27 to be a short-term stabilizer with the Client progressing to longer-term self- sustainment. Only those
28 Clients with special circumstances will be allowed to remain on Maintenance funding for up to two (2)
29 years of their admission unless otherwise approved by ADMINISTRATOR.
- 30 H. DISCHARGE PLAN/EXIT PLANNING/TERMINATION – CONTRACTOR shall begin
31 discharge planning immediately after enrollment. CONTRACTOR shall develop a formal exit plan no
32 later than fourteen (14) calendar days prior to Client's successful completion of the program for a
33 Maintenance or Detoxification Client. The transition/exit plan shall be completed and signed by
34 CONTRACTOR and Client. CONTRACTOR shall establish a protocol for scheduled termination of
35 services and document any discharge via a discharge summary.
- 36 1. The transition/exit plan shall include:
- 37 a. A strategy or strategies to assist the Client in maintaining an alcohol and drug free

- 1 lifestyle;
- 2 b. A continuing treatment exit plan that includes linkage and referral of the Client to
- 3 appropriate services, such as outpatient treatment, other support services such as self-help groups, social
- 4 services, vocational rehabilitation, job training and other services, if needed, and document this in
- 5 Client's chart. The continuing treatment exit plan shall also include the goals identified in the Client's
- 6 treatment plan; and
- 7 c. Referrals to appropriate non-substance abuse resources such as continuing education
- 8 and vocational rehabilitation.
- 9 2. Written criteria for the discharge summary shall include:
- 10 a. Reason for discharge;
- 11 b. Client's achievements while in the Treatment Program such as meeting or progressing
- 12 towards educational or vocational goals;
- 13 c. Description of detoxification episodes or maintenance services and Client progress;
- 14 d. Current alcohol and/or drug usage at discharge;
- 15 e. Vocational and educational achievements;
- 16 f. Any outstanding legal concerns;
- 17 g. Linkages and referrals made;
- 18 h. Client's comments; and
- 19 i. Prognosis.
- 20 I. PERFORMANCE OUTCOMES – CONTRACTOR shall be required to meet the following
- 21 performance Objectives and Outcomes:
- 22 1. Achieve a goal of twenty percent (20%) or fewer of all unduplicated Clients who test
- 23 positive for illicit drugs after an enrollment of ninety (90) calendar days.
- 24 2. Achieve a goal of seventy percent (70%) or above unduplicated Clients who after an
- 25 enrollment of ninety (90) calendar days self-report being able to lead a productive lifestyle. A
- 26 productive lifestyle includes employment, being enrolled in school, becoming a caretaker, or community
- 27 volunteer.
- 28 3. Submit monthly Performance Outcome Reports to evaluate the impact or contribution of
- 29 CONTRACTOR's services on the well-being of HCA Client being served. CONTRACTOR shall
- 30 implement a process improvement project as outlined in the NIATx model, targeting at least one of the
- 31 following four (4) NIATx aims:
- 32 a. Reduce waiting times
- 33 b. Reduce no-shows
- 34 c. Increase admissions
- 35 d. Increase continuation in treatment
- 36 J. ADDITIONAL REPORTING – CONTRACTOR shall submit written report to
- 37 ADMINISTRATOR on a weekly basis, or as arranged by ADMINISTRATOR, for all Clients

1 participating in treatment as part of the Contract. Report will note all current Clients.
 2 ADMINISTRATOR will approve CONTRACTOR's form for report, and determine mode of
 3 transmission of said report from CONTRACTOR to ADMINISTRATOR.

4 K. CASE MANAGEMENT – CONTRACTOR shall provide Case Management services which
 5 include the process of identification, assessment of need, planning, coordination and linking, monitoring
 6 and continuous evaluation of Clients and of available resources, and advocacy through a process of
 7 casework activities in order to achieve the best possible resolution of individual needs in the most
 8 effective way possible.

9 L. REFERRAL AND LINKAGE – CONTRACTOR shall provide effective linkage of a Client to
 10 other ancillary services to include literacy training, vocational counseling, and other Client services,
 11 with follow-up to be provided and documented in the Client file to ensure that the Client has contacted
 12 the referred service provider. Referrals shall also be made for individuals having special needs, such as
 13 persons living with chronic diseases. Referrals shall be sensitive to the Client's cultural needs.

14 M. ALCOHOL AND/OR DRUG SCREENING – CONTRACTOR shall have a written policy and
 15 procedure regarding alcohol and/or drug testing at a minimum of one (1) time per month for all
 16 Maintenance Clients. Clients requiring Detoxification shall be screened for alcohol/illicit drug use at
 17 the time of admission, prior to completion, and any other time deemed necessary by the attending
 18 physician. Urine specimen collection shall be observed by same sex staff. This policy shall be
 19 approved by ADMINISTRATOR. Results of these screenings shall be documented in the Client's file.
 20 If any Maintenance Client's drug screen results indicate a negative pattern of testing positive for non-
 21 opioid illegal substances, or methadone diversion, CONTRACTOR shall list on the Monthly Report, the
 22 corrective action taken to refocus the Client. CONTRACTOR shall document this in the Client's file.
 23 Detoxification Clients that produce positive drug screens for illicit substances during detoxification shall
 24 be given relapse prevention strategies during counseling sessions or moved to a higher level of service
 25 such as maintenance dosing, extended detox, with ADMINISTRATOR approval, linkages to residential
 26 treatment, or ongoing outpatient treatment services for substance use disorders. All counseling session
 27 discussions and referrals/linkages shall be documented in the Client's file.

28 N. IN CUSTODY SERVICES

29 1. CONTRACTOR shall provide methadone dosing to pregnant women currently on
 30 methadone and shall be responsible for coordinating care that includes a process for methadone dosing
 31 at the following COUNTY correctional facilities:

- 32 a. COUNTY's Intake and Release Center; and
- 33 b. Santa Ana City Jail.

34 2. Additional sites may be added by mutual agreement of ADMINISTRATOR and
 35 CONTRACTOR.

36 3. Services are to be provided seven (7) calendar days per week, including COUNTY
 37 observed holidays.

1 4. CONTRACTOR will have staff approved to dispense methadone carry identification that
2 includes at a minimum, the following:

- 3 a. persons name,
- 4 b. picture,
- 5 c. title,
- 6 d. organizational name, and
- 7 e. organizational address.

8 5. CONTRACTOR must submit a list of staff administering methadone to COUNTY Sheriff's
9 Department monthly or as any changes occur.

10 6. CONTRACTOR will make every effort possible to ensure that services are provided in a
11 timely manner to the Clients.

12 7. CONTRACTOR will advise methadone treatment programs within a fifty (50)-mile radius
13 of their role in the COUNTY correctional facilities, and maintain collaboration with these clinics to
14 coordinate care of mutual Clients.

15 8. CONTRACTOR will develop, and submit to ADMINISTRATOR for approval, a policy
16 and procedure for jail dosing by implementation of the Contract.

17 9. CONTRACTOR is responsible for all costs incurred for properly disposing all methadone
18 that could not be administered to Clients in custody.

19 O. TOKENS – ADMINISTRATOR shall provide CONTRACTOR the necessary number of
20 Tokens for appropriate individual staff to access the HCA IRIS at no cost to CONTRACTOR.

21 1. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member with
22 a unique password. Tokens and passwords will not be shared with anyone.

23 2. CONTRACTOR shall maintain an inventory of the Tokens, by serial number and the staff
24 member to whom each is assigned.

25 3. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following
26 conditions:

- 27 a. Token of each staff member who no longer supports the Contract;
- 28 b. Token of each staff member who no longer requires access to the IRIS;
- 29 c. Token of each staff member who leaves employment of CONTRACTOR; or
- 30 d. Token is malfunctioning.

31 4. ADMINISTRATOR shall issue Tokens for CONTRACTOR's staff members who require
32 access to the IRIS upon initial training or as a replacement for malfunctioning Tokens.

33 5. CONTRACTOR shall reimburse the COUNTY for Tokens lost, stolen, or damaged through
34 acts of negligence.

35 P. PREGNANT CLIENTS - Within fourteen (14) calendar days from the date the primary
36 counselor becomes aware the Client may be pregnant, as documented in the Client's file, the medical
37 director shall review, sign, and date a confirmation of pregnancy, document acceptance of medical

1 responsibility of the Client's prenatal care or verify and document the Client is under the care of a
2 physician licensed by the State of California and trained in obstetrics and/or gynecology.

3 1. Within fourteen (14) calendar days from the date the medical director confirmed the
4 pregnancy, the primary counselor shall update the Client's treatment plan in accordance with Title 9,
5 Section 10305. The nature of prenatal support reflected in subsequent updated treatment plans shall
6 include at least the following services:

7 a. periodic face-to-face consultation at least monthly with the medical director or
8 physician extender designated by the medical director;

9 b. drug/alcohol screens at least once each calendar week in accordance with collection
10 procedures in Title 9, Section 10310.

11 c. prenatal instruction conducted by the medical director or licensed health personnel
12 designated by the medical director, including topics as listed in Title 9, Section 10360.

13 2. Any refusals to access on-site prenatal care or referrals for such, shall be documented in the
14 Client's file and have the Client acknowledge in writing said refusals for these treatment services.

15 3. Within fourteen (14) calendar days after the date of birth and/or termination of the
16 pregnancy, the medical director shall document in the Client's file the following:

17 a. the hospital's or attending physician's summary of the delivery and treatment outcome
18 for the Client and child; or

19 b. Evidence that a request for information was made, but no response was received.

20 4. Within fourteen (14) calendar days of the date of birth and/or termination of the pregnancy,
21 the primary counselor shall update the Client's treatment plan. The nature of pediatric care and child
22 immunization shall be reflected in subsequent updated treatment plans until the child is at least three (3)
23 years of age, should the Client remain enrolled.

24 Q. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
25 Services Paragraph of this Exhibit A to the Contract.

26 **VI. STAFFING**

27 A. CONTRACTOR shall ensure that all clinical staffing, including those providing direct Client
28 services, meet the requirements of Title 22 and Title 9 of the CCR as it exists now or may hereafter be
29 amended or changed and all standards of the Department of Health Care Services.

30 B. CONTRACTOR shall include bilingual/bicultural services to meet the needs of the population
31 to be served under the Contract. Whenever possible, bilingual/bicultural staff should be retained.

32 C. CONTRACTOR shall make its best effort to provide services pursuant to the Contract in a
33 manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR
34 shall maintain documents of such efforts which may include; but not be limited to: records of
35 participation in COUNTY-sponsored or other applicable training; recruitment and hiring policies and
36 procedures; copies of literature in multiple languages and formats, as appropriate; and descriptions of
37

1 measures taken to enhance accessibility for, and sensitivity to, individuals who are physically
2 challenged.

3 D. CONTRACTOR shall ensure that administrative staffing is sufficient to support the
4 performance of services pursuant to the Contract.

5 E. CONTRACTOR may augment paid staff with volunteers or part-time student interns.
6 CONTRACTOR shall provide supervision to volunteers as specified in the respective job descriptions
7 or work contracts.

8 F. STAFF CONDUCT – CONTRACTOR shall establish a written policies and procedures for
9 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be
10 limited to, standards related to the use of drugs and/or alcohol; staff-Client relationships; prohibition of
11 sexual conduct with Clients; prohibition of forging or falsifying documents or drug tests; and real or
12 perceived conflict of interest. Situations that may be perceived as a conflict of interest shall be brought
13 to the ADMINISTRATOR’s attention prior to the occurrence. Prior to providing any services pursuant
14 to the Contract all employees, volunteers, and interns shall agree in writing to maintain the standards set
15 forth in the said policies and procedures. A copy said policies and procedures shall be provided to each
16 Client upon admission and shall be posted in writing in a prominent place in the treatment facility and
17 updated annually by the Board of Directors.

18 G. CONTRACTOR shall provide pre-employment screening of any staff person providing any
19 service pursuant to the Contract. All new staff, volunteers, and interns shall pass a one-time “live scan”
20 fingerprinting background check prior to such staff becoming involved with the Clients.
21 CONTRACTOR shall provide copies of the criminal record reviews to ADMINISTRATOR within ten
22 (10) calendar days of receiving such reviews. The results of the fingerprinting will be sent directly from
23 the Department of Justice to CONTRACTOR. Results must remain in staff file. ADMINISTRATOR
24 may change this approval mechanism at their discretion.

25 1. All staff, prior to hiring, shall meet the following requirements:

26 a. No person shall have been convicted of a sex offense for which the person is required
27 to register as a sex offender under California Penal Code section 290;

28 b. No person shall have been convicted of an arson offense – Violation of Penal Code
29 sections 451, 451.1, 451.5, 452, 452.1, 453, 454, or 455;

30 c. No person shall have been convicted of any violent felony as defined in Penal Code
31 section 667.5, which involve doing bodily harm to another person, for which the staff member was
32 convicted within five years prior to employment;

33 d. No person shall be on parole or probation, unless approved in advance by
34 ADMINISTRATOR;

35 e. No prior employment history of improper conduct, including but not limited to, forging
36 or falsifying documents or drug tests, sexual assault or sexual harassment, or inappropriate behavior
37 with staff at another treatment facility; and

1 f. No person shall participate in the criminal activities of a criminal street gang and/or
2 prison gang.

3 2. Exceptions to staffing requirements set forth above, may be requested if CONTRACTOR
4 deems the decision will benefit the program. Requests for exceptions shall be submitted in writing and
5 approved in advance by ADMINISTRATOR.

6 H. CONTRACTOR shall provide ongoing training in topics related to alcohol and drug use on an
7 annual basis including:

8 1. analysis of illicit drug use, the meaning of the analysis results, and procedures to be
9 followed by CONTRACTOR to alleviate continued use.

10 2. confidentiality requirements.

11 3. Compliance training.

12 4. Law & Ethics.

13 5. Evidence based practices (e.g., Motivational Interviewing, CBT, MRT or others).

14 6. Co-occurring Mental Health/SUD diagnoses.

15 7. Suicide prevention training.

16 8. Any other training required to maintain staff certification/licensure

17 I. All staff providing services shall be licensed and/or certified in accordance with the
18 requirements and professional guidelines as applicable.

19 J. All personnel files shall be complete and made readily accessible to ADMINISTRATOR for
20 purposes of audits and investigation or any other reason deemed necessary by ADMINISTRATOR.

21 K. CONTRACTOR's Executive Director or designee shall participate, when requested, in
22 meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to the Contract.

23 L. Any CONTRACTOR staff participating in the delivery of services to Clients, including the
24 Medical Director, shall complete the Annual Provider Training made available by ADMINISTRATOR.
25 Completion certificates shall be placed in each personnel file as applicable.~~Any CONTRACTOR staff~~
26 ~~participating in the delivery of services to Clients shall complete the Annual Provider Training made~~
27 ~~available by ADMINISTRATOR. Completion certificates shall be placed in each personnel file as~~
28 ~~applicable.~~

29 M. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,
30 with respect to any person who has been referred to CONTRACTOR by COUNTY under the terms of
31 the Contract. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to
32 promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian
33 institution, or religious belief.

34 N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
35 Staffing Paragraph of this Exhibit A to the Contract.

1 EXHIBIT B
2 TO CONTRACT FOR PROVISION OF
3 NARCOTIC REPLACEMENT
4 THERAPY TREATMENT SERVICES
5 BETWEEN
6 COUNTY OF ORANGE
7 AND
8 WESTERN PACIFIC RE-HAB
9 JULY 1, 2022 THROUGH JUNE 30, 202~~5~~7

10
11 **I. BUSINESS ASSOCIATE CONTRACT**

12 A. GENERAL PROVISIONS AND RECITALS

13 1. The parties agree that the terms used, but not otherwise defined in the Common Terms and
14 Definitions Paragraph of Exhibit A to the Contract or in Subparagraph B. below, shall have the same
15 meaning given to such terms under HIPAA, the HITECH Act, and their implementing regulations at
16 45 CFR Parts 160 and 164 (“the HIPAA regulations”) as they may exist now or be hereafter amended.

17 2. The parties agree that a business associate relationship under HIPAA, the HITECH Act,
18 and the HIPAA regulations between the CONTRACTOR and COUNTY arises to the extent that
19 CONTRACTOR performs, or delegates to subcontractor to perform, functions or activities on behalf of
20 COUNTY pursuant to, and as set forth in, the Contract that are described in the definition of “Business
21 Associate” in 45 CFR § 160.103.

22 3. The COUNTY wishes to disclose to CONTRACTOR certain information pursuant to the
23 terms of the Contract, some of which may constitute PHI, as defined below in Subparagraph B.10, to be
24 used or disclosed in the course of providing services and activities pursuant to, and as set forth, in the
25 Contract.

26 4. The parties intend to protect the privacy and provide for the security of PHI that may be
27 created, received, maintained, transmitted, used, or disclosed pursuant to the Contract in compliance
28 with the applicable standards, implementation specifications, and requirements of HIPAA, the HITECH
29 Act, and the HIPAA regulations as they may exist now or be hereafter amended.

30 5. The parties understand and acknowledge that HIPAA, the HITECH Act, and the HIPAA
31 regulations do not pre-empt any state statutes, rules, or regulations that are not otherwise pre-empted by
32 other Federal law(s) and impose more stringent requirements with respect to privacy of PHI.

33 6. The parties understand that the HIPAA Privacy and Security rules, as defined below in
34 Subparagraphs B.9 and B.14, apply to the CONTRACTOR in the same manner as they apply to the
35 covered entity (COUNTY). CONTRACTOR agrees therefore to be in compliance at all times with the
36 terms of this Business Associate Contract, as it exists now or be hereafter updated with notice to
37 CONTRACTOR and the applicable standards, implementation specifications, and requirements of the

1 Privacy and the Security rules, as they may exist now or be hereafter amended, with respect to PHI and
 2 electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Contract.

3 B. DEFINITIONS

4 1. "Administrative Safeguards" are administrative actions, and policies and procedures, to
 5 manage the selection, development, implementation, and maintenance of security measures to protect
 6 electronic PHI and to manage the conduct of CONTRACTOR's workforce in relation to the protection
 7 of that information.

8 2. "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted
 9 under the HIPAA Privacy Rule which compromises the security or privacy of the PHI.

10 a. Breach excludes:

11 1) Any unintentional acquisition, access, or use of PHI by a workforce member or
 12 person acting under the authority of CONTRACTOR or COUNTY, if such acquisition, access, or use
 13 was made in good faith and within the scope of authority and does not result in further use or disclosure
 14 in a manner not permitted under the Privacy Rule.

15 2) Any inadvertent disclosure by a person who is authorized to access PHI at
 16 CONTRACTOR to another person authorized to access PHI at the CONTRACTOR, or organized health
 17 care arrangement in which COUNTY participates, and the information received as a result of such
 18 disclosure is not further used or disclosed in a manner not permitted under the HIPAA Privacy Rule.

19 3) A disclosure of PHI where CONTRACTOR or COUNTY has a good faith belief
 20 that an unauthorized person to whom the disclosure was made would not reasonably have been able to
 21 retain such information.

22 b. Except as provided in Subparagraph a. of this definition, an acquisition, access, use, or
 23 disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule is presumed to be a breach
 24 unless CONTRACTOR demonstrates that there is a low probability that the PHI has been compromised
 25 based on a risk assessment of at least the following factors:

26 1) The nature and extent of the PHI involved, including the types of identifiers and the
 27 likelihood of re-identification;

28 2) The unauthorized person who used the PHI or to whom the disclosure was made;

29 3) Whether the PHI was actually acquired or viewed; and

30 4) The extent to which the risk to the PHI has been mitigated.

31 3. "Data Aggregation" shall have the meaning given to such term under the HIPAA Privacy
 32 Rule in 45 CFR § 164.501.

33 4. "DRS" shall have the meaning given to such term under the HIPAA Privacy Rule in
 34 45 CFR § 164.501.

35 5. "Disclosure" shall have the meaning given to such term under the HIPAA regulations in
 36 45 CFR § 160.103.

37 6. "Health Care Operations" shall have the meaning given to such term under the HIPAA

1 Privacy Rule in 45 CFR § 164.501.

2 7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in
3 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance
4 with 45 CFR § 164.502(g).

5 8. "Physical Safeguards" are physical measures, policies, and procedures to protect
6 CONTRACTOR's electronic information systems and related buildings and equipment, from natural
7 and environmental hazards, and unauthorized intrusion.

8 9. "The HIPAA Privacy Rule" shall mean the Standards for Privacy of Individually
9 Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

10 10. "PHI" shall have the meaning given to such term under the HIPAA regulations in
11 45 CFR § 160.103.

12 11. "Required by Law" shall have the meaning given to such term under the HIPAA Privacy
13 Rule in 45 CFR § 164.103.

14 12. "Secretary" shall mean the Secretary of the Department of Health and Human Services or
15 his or her designee.

16 13. "Security Incident" means attempted or successful unauthorized access, use, disclosure,
17 modification, or destruction of information or interference with system operations in an information
18 system. "Security incident" does not include trivial incidents that occur on a daily basis, such as scans,
19 "pings", or unsuccessful attempts to penetrate computer networks or servers maintained by
20 CONTRACTOR.

21 14. "The HIPAA Security Rule" shall mean the Security Standards for the Protection of
22 electronic PHI at 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

23 15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in
24 45 CFR § 160.103.

25 16. "Technical safeguards" means the technology and the policy and procedures for its use that
26 protect electronic PHI and control access to it.

27 17. "Unsecured PHI" or "PHI that is unsecured" means PHI that is not rendered unusable,
28 unreadable, or indecipherable to unauthorized individuals through the use of a technology or
29 methodology specified by the Secretary of Health and Human Services in the guidance issued on the
30 HHS Web site.

31 18. "Use" shall have the meaning given to such term under the HIPAA regulations in
32 45 CFR § 160.103.

33 C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE:

34 1. CONTRACTOR agrees not to use or further disclose PHI COUNTY discloses to
35 CONTRACTOR other than as permitted or required by this Business Associate Contract or as required
36 by law.

37 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business

1 Associate Contract and the Contract, to prevent use or disclosure of PHI COUNTY discloses to
 2 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
 3 other than as provided for by this Business Associate Contract.

4 3. CONTRACTOR agrees to comply with the HIPAA Security Rule at Subpart C of
 5 45 CFR Part 164 with respect to ePHI COUNTY discloses to CONTRACTOR or CONTRACTOR
 6 creates, receives, maintains, or transmits on behalf of COUNTY.

7 4. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is
 8 known to CONTRACTOR of a Use or Disclosure of PHI by CONTRACTOR in violation of the
 9 requirements of this Business Associate Contract.

10 5. CONTRACTOR agrees to report to COUNTY immediately any Use or Disclosure of PHI
 11 not provided for by this Business Associate Contract of which CONTRACTOR becomes aware.
 12 CONTRACTOR must report Breaches of Unsecured PHI in accordance with Subparagraph E. below
 13 and as required by 45 CFR § 164.410.

14 6. CONTRACTOR agrees to ensure that any Subcontractor that create, receive, maintain, or
 15 transmit PHI on behalf of CONTRACTOR agree to the same restrictions and conditions that apply
 16 through this Business Associate Contract to CONTRACTOR with respect to such information.

17 7. CONTRACTOR agrees to provide access, within fifteen (15) calendar days of receipt of a
 18 written request by COUNTY, to PHI in a DRS, to COUNTY or, as directed by COUNTY, to an
 19 Individual in order to meet the requirements under 45 CFR § 164.524. If CONTRACTOR maintains an
 20 EHR with PHI, and an individual requests a copy of such information in an electronic format,
 21 CONTRACTOR shall provide such information in an electronic format.

22 8. CONTRACTOR agrees to make any amendment(s) to PHI in a DRS that COUNTY directs
 23 or agrees to pursuant to 45 CFR § 164.526 at the request of COUNTY or an Individual, within thirty
 24 (30) calendar days of receipt of said request by COUNTY. CONTRACTOR agrees to notify COUNTY
 25 in writing no later than ten (10) calendar days after said amendment is completed.

26 9. CONTRACTOR agrees to make internal practices, books, and records, including P&Ps,
 27 relating to the use and disclosure of PHI received from, or created or received by CONTRACTOR on
 28 behalf of, COUNTY available to COUNTY and the Secretary in a time and manner as determined by
 29 COUNTY or as designated by the Secretary for purposes of the Secretary determining COUNTY's
 30 compliance with the HIPAA Privacy Rule.

31 10. CONTRACTOR agrees to document any Disclosures of PHI COUNTY discloses to
 32 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,
 33 and to make information related to such Disclosures available as would be required for COUNTY to
 34 respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45
 35 CFR § 164.528.

36 11. CONTRACTOR agrees to provide COUNTY or an Individual, as directed by COUNTY, in
 37 a time and manner to be determined by COUNTY, that information collected in accordance with the

1 //

2 Contract, in order to permit COUNTY to respond to a request by an Individual for an accounting of

3 Disclosures of PHI in accordance with 45 CFR § 164.528.

4 12. CONTRACTOR agrees that to the extent CONTRACTOR carries out COUNTY's

5 obligation under the HIPAA Privacy and/or Security rules CONTRACTOR will comply with the

6 requirements of 45 CFR Part 164 that apply to COUNTY in the performance of such obligation.

7 13. If CONTRACTOR receives Social Security data from COUNTY provided to COUNTY by

8 a state agency, upon request by COUNTY, CONTRACTOR shall provide COUNTY with a list of all

9 employees, subcontractor, and agents who have access to the Social Security data, including employees,

10 agents, subcontractor, and agents of its subcontractor.

11 14. CONTRACTOR will notify COUNTY if CONTRACTOR is named as a defendant in a

12 criminal proceeding for a violation of HIPAA. COUNTY may terminate the Contract, if

13 CONTRACTOR is found guilty of a criminal violation in connection with HIPAA. COUNTY may

14 terminate the Contract, if a finding or stipulation that CONTRACTOR has violated any standard or

15 requirement of the privacy or security provisions of HIPAA, or other security or privacy laws are made

16 in any administrative or civil proceeding in which CONTRACTOR is a party or has been joined.

17 COUNTY will consider the nature and seriousness of the violation in deciding whether or not to

18 terminate the Contract.

19 15. CONTRACTOR shall make itself and any subcontractor, employees or agents assisting

20 CONTRACTOR in the performance of its obligations under the Contract, available to COUNTY at no

21 cost to COUNTY to testify as witnesses, or otherwise, in the event of litigation or administrative

22 proceedings being commenced against COUNTY, its directors, officers or employees based upon

23 claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy,

24 which involves inactions or actions by CONTRACTOR, except where CONTRACTOR or its

25 subcontractor, employee, or agent is a named adverse party.

26 16. The Parties acknowledge that federal and state laws relating to electronic data security and

27 privacy are rapidly evolving and that amendment of this Business Associate Contract may be required to

28 provide for procedures to ensure compliance with such developments. The Parties specifically agree to

29 take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH

30 Act, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon

31 COUNTY's request, CONTRACTOR agrees to promptly enter into negotiations with COUNTY

32 concerning an amendment to this Business Associate Contract embodying written assurances consistent

33 with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other

34 applicable laws. COUNTY may terminate the Contract upon thirty (30) days written notice in the event:

35 a. CONTRACTOR does not promptly enter into negotiations to amend this Business

36 Associate Contract when requested by COUNTY pursuant to this Subparagraph C.; or

37 //

1 //

2 b. CONTRACTOR does not enter into an amendment providing assurances regarding the
3 safeguarding of PHI that COUNTY deems are necessary to satisfy the standards and requirements of
4 HIPAA, the HITECH Act, and the HIPAA regulations.

5 17. CONTRACTOR shall work with COUNTY upon notification by CONTRACTOR to
6 COUNTY of a Breach to properly determine if any Breach exclusions exist as defined in Subparagraph
7 B.2.a. above.

8 D. SECURITY RULE

9 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish
10 and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with
11 45 CFR § 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to
12 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.
13 CONTRACTOR shall develop and maintain a written information privacy and security program that
14 includes Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of
15 CONTRACTOR's operations and the nature and scope of its activities.

16 2. CONTRACTOR shall implement reasonable and appropriate policies and procedures to
17 comply with the standards, implementation specifications and other requirements of
18 45 CFR Part 164, Subpart C, in compliance with 45 CFR § 164.316. CONTRACTOR will provide
19 COUNTY with its current and updated policies upon request.

20 3. CONTRACTOR shall ensure the continuous security of all computerized data systems
21 containing electronic PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives,
22 maintains, or transmits on behalf of COUNTY. CONTRACTOR shall protect paper documents
23 containing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives,
24 maintains, or transmits on behalf of COUNTY. These steps shall include, at a minimum:

25 a. Complying with all of the data system security precautions listed under
26 Subparagraph E., below;

27 b. Achieving and maintaining compliance with the HIPAA Security Rule, as necessary in
28 conducting operations on behalf of COUNTY;

29 c. Providing a level and scope of security that is at least comparable to the level and scope
30 of security established by the OMB in OMB Circular No. A-130, Appendix III - Security of Federal
31 Automated Information Systems, which sets forth guidelines for automated information systems in
32 Federal agencies;

33 4. CONTRACTOR shall ensure that any subcontractor that create, receive, maintain, or
34 transmit ePHI on behalf of CONTRACTOR agree through a contract with CONTRACTOR to the same
35 restrictions and requirements contained in this Subparagraph D. of this Business Associate Contract.

36 5. CONTRACTOR shall report to COUNTY immediately any Security Incident of which it
37 becomes aware. CONTRACTOR shall report Breaches of Unsecured PHI in accordance with

1 Subparagraph E. below and as required by 45 CFR § 164.410.

2 6. CONTRACTOR shall designate a Security Officer to oversee its data security program who
3 shall be responsible for carrying out the requirements of this paragraph and for communicating on
4 security matters with COUNTY.

5 E. DATA SECURITY REQUIREMENTS

6 1. Personal Controls

7 a. Employee Training. All workforce members who assist in the performance of
8 functions or activities on behalf of COUNTY in connection with Contract, or access or disclose PHI
9 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
10 behalf of COUNTY, must complete information privacy and security training, at least annually, at
11 CONTRACTOR's expense. Each workforce member who receives information privacy and security
12 training must sign a certification, indicating the member's name and the date on which the training was
13 completed. These certifications must be retained for a period of six (6) years following the termination
14 of Contract.

15 b. Employee Discipline. Appropriate sanctions must be applied against workforce
16 members who fail to comply with any provisions of CONTRACTOR's privacy P&Ps, including
17 termination of employment where appropriate.

18 c. Confidentiality Statement. All persons that will be working with PHI COUNTY
19 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
20 COUNTY must sign a confidentiality statement that includes, at a minimum, General Use, Security and
21 Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the
22 workforce member prior to access to such PHI. The statement must be renewed annually. The
23 CONTRACTOR shall retain each person's written confidentiality statement for COUNTY inspection
24 for a period of six (6) years following the termination of the Contract.

25 d. Background Check. Before a member of the workforce may access PHI COUNTY
26 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
27 COUNTY, a background screening of that worker must be conducted. The screening should be
28 commensurate with the risk and magnitude of harm the employee could cause, with more thorough
29 screening being done for those employees who are authorized to bypass significant technical and
30 operational security controls. The CONTRACTOR shall retain each workforce member's background
31 check documentation for a period of three (3) years.

32 2. Technical Security Controls

33 a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY
34 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
35 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which
36 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the
37 COUNTY.

1 b. Server Security. Servers containing unencrypted PHI COUNTY discloses to
2 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
3 must have sufficient administrative, physical, and technical controls in place to protect that data, based
4 upon a risk assessment/system security review.

5 c. Minimum Necessary. Only the minimum necessary amount of PHI COUNTY discloses
6 to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
7 required to perform necessary business functions may be copied, downloaded, or exported.

8 d. Removable media devices. All electronic files that contain PHI COUNTY discloses to
9 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
10 must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives,
11 floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140-2 certified
12 algorithm which is 128bit or higher, such as AES. Such PHI shall not be considered "removed from the
13 premises" if it is only being transported from one of CONTRACTOR's locations to another of
14 CONTRACTOR's locations.

15 e. Antivirus software. All workstations, laptops and other systems that process and/or
16 store PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or
17 transmits on behalf of COUNTY must have installed and actively use comprehensive anti-virus software
18 solution with automatic updates scheduled at least daily.

19 f. Patch Management. All workstations, laptops and other systems that process and/or
20 store PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or
21 transmits on behalf of COUNTY must have critical security patches applied, with system reboot if
22 necessary. There must be a documented patch management process which determines installation
23 timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable
24 patches must be installed within thirty (30) calendar or business days of vendor release. Applications
25 and systems that cannot be patched due to operational reasons must have compensatory controls
26 implemented to minimize risk, where possible.

27 g. User IDs and Password Controls. All users must be issued a unique user name for
28 accessing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
29 or transmits on behalf of COUNTY. Username must be promptly disabled, deleted, or the password
30 changed upon the transfer or termination of an employee with knowledge of the password, at maximum
31 within twenty-four (24) hours. Passwords are not to be shared. Passwords must be at least eight
32 characters and must be a non-dictionary word. Passwords must not be stored in readable format on the
33 computer. Passwords must be changed every ninety (90) calendar or business days, preferably every
34 sixty (60) calendar or business days. Passwords must be changed if revealed or compromised.
35 Passwords must be composed of characters from at least three (3) of the following four (4) groups from
36 the standard keyboard:
37 //

1 1) Upper case letters (A-Z)

2 2) Lower case letters (a-z)

3 3) Arabic numerals (0-9)

4 4) Non-alphanumeric characters (punctuation symbols)

5 h. Data Destruction. When no longer needed, all PHI COUNTY discloses to
6 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
7 must be wiped using the Gutmann or US DoD 5220.22-M (7 Pass) standard, or by degaussing. Media
8 may also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods
9 require prior written permission by COUNTY.

10 i. System Timeout. The system providing access to PHI COUNTY discloses to
11 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
12 must provide an automatic timeout, requiring re-authentication of the user session after no more than
13 twenty (20) minutes of inactivity.

14 j. Warning Banners. All systems providing access to PHI COUNTY discloses to
15 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
16 must display a warning banner stating that data is confidential, systems are logged, and system use is for
17 business purposes only by authorized users. User must be directed to log off the system if they do not
18 agree with these requirements.

19 k. System Logging. The system must maintain an automated audit trail which can
20 identify the user or system process which initiates a request for PHI COUNTY discloses to
21 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,
22 or which alters such PHI. The audit trail must be date and time stamped, must log both successful and
23 failed accesses, must be read only, and must be restricted to authorized users. If such PHI is stored in a
24 database, database logging functionality must be enabled. Audit trail data must be archived for at least
25 three (3) years after occurrence.

26 l. Access Controls. The system providing access to PHI COUNTY discloses to
27 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
28 must use role based access controls for all user authentications, enforcing the principle of least privilege.

29 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
30 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
31 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
32 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
33 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as
34 website access, file transfer, and E-Mail.

35 n. Intrusion Detection. All systems involved in accessing, holding, transporting, and
36 protecting PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
37 //

1 or transmits on behalf of COUNTY that are accessible via the Internet must be protected by a
2 comprehensive intrusion detection and prevention solution.

3 3. Audit Controls

4 a. System Security Review. CONTRACTOR must ensure audit control mechanisms that
5 record and examine system activity are in place. All systems processing and/or storing PHI COUNTY
6 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
7 COUNTY must have at least an annual system risk assessment/security review which provides
8 assurance that administrative, physical, and technical controls are functioning effectively and providing
9 adequate levels of protection. Reviews should include vulnerability scanning tools.

10 b. Log Reviews. All systems processing and/or storing PHI COUNTY discloses to
11 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
12 must have a routine procedure in place to review system logs for unauthorized access.

13 c. Change Control. All systems processing and/or storing PHI COUNTY discloses to
14 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
15 must have a documented change control procedure that ensures separation of duties and protects the
16 confidentiality, integrity and availability of data.

17 4. Business Continuity/Disaster Recovery Control

18 a. Emergency Mode Operation Plan. CONTRACTOR must establish a documented plan
19 to enable continuation of critical business processes and protection of the security of PHI COUNTY
20 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
21 COUNTY kept in an electronic format in the event of an emergency. Emergency means any
22 circumstance or situation that causes normal computer operations to become unavailable for use in
23 performing the work required under this Contract for more than twenty four (24) hours.

24 b. Data Backup Plan. CONTRACTOR must have established documented procedures to
25 backup such PHI to maintain retrievable exact copies of the PHI. The plan must include a regular
26 schedule for making backups, storing backup offsite, an inventory of backup media, and an estimate of
27 the amount of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule
28 must be a weekly full backup and monthly offsite storage of DHCS data. BCP for CONTRACTOR and
29 COUNTY (e.g. the application owner) must merge with the DRP.

30 5. Paper Document Controls

31 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
32 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left
33 unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means
34 that information is not being observed by an employee authorized to access the information. Such PHI
35 in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in
36 baggage on commercial airplanes.

37 //

1 b. Escorting Visitors. Visitors to areas where PHI COUNTY discloses to
 2 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY is
 3 contained shall be escorted and such PHI shall be kept out of sight while visitors are in the area.

4 c. Confidential Destruction. PHI COUNTY discloses to CONTRACTOR or
 5 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY must be disposed of
 6 through confidential means, such as cross cut shredding and pulverizing.

7 d. Removal of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
 8 creates, receives, maintains, or transmits on behalf of COUNTY must not be removed from the premises
 9 of the CONTRACTOR except with express written permission of COUNTY.

10 e. Faxing. Faxes containing PHI COUNTY discloses to CONTRACTOR or
 11 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall not be left
 12 unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement
 13 notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the
 14 intended recipient before sending the fax.

15 f. Mailing. Mailings containing PHI COUNTY discloses to CONTRACTOR or
 16 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall be sealed and
 17 secured from damage or inappropriate viewing of PHI to the extent possible. Mailings which include
 18 five hundred (500) or more individually identifiable records containing PHI COUNTY discloses to
 19 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY in
 20 a single package shall be sent using a tracked mailing method which includes verification of delivery
 21 and receipt, unless the prior written permission of COUNTY to use another method is obtained.

22 F. BREACH DISCOVERY AND NOTIFICATION

23 1. Following the discovery of a Breach of Unsecured PHI, CONTRACTOR shall notify
 24 COUNTY of such Breach, however both parties agree to a delay in the notification if so advised by a
 25 law enforcement official pursuant to 45 CFR § 164.412.

26 a. A Breach shall be treated as discovered by CONTRACTOR as of the first day on which
 27 such Breach is known to CONTRACTOR or, by exercising reasonable diligence, would have been
 28 known to CONTRACTOR.

29 b. CONTRACTOR shall be deemed to have knowledge of a Breach, if the Breach is
 30 known, or by exercising reasonable diligence would have known, to any person who is an employee,
 31 officer, or other agent of CONTRACTOR, as determined by federal common law of agency.

32 2. CONTRACTOR shall provide the notification of the Breach immediately to the COUNTY
 33 Privacy Officer. CONTRACTOR's notification may be oral, but shall be followed by written
 34 notification within twenty four (24) hours of the oral notification.

35 3. CONTRACTOR's notification shall include, to the extent possible:

36 a. The identification of each Individual whose Unsecured PHI has been, or is reasonably
 37 believed by CONTRACTOR to have been, accessed, acquired, used, or disclosed during the Breach;

1 b. Any other information that COUNTY is required to include in the notification to
2 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or
3 promptly thereafter as this information becomes available, even after the regulatory sixty (60) day
4 period set forth in 45 CFR § 164.410 (b) has elapsed, including:

5 1) A brief description of what happened, including the date of the Breach and the date
6 of the discovery of the Breach, if known;

7 2) A description of the types of Unsecured PHI that were involved in the Breach (such
8 as whether full name, social security number, date of birth, home address, account number, diagnosis,
9 disability code, or other types of information were involved);

10 3) Any steps Individuals should take to protect themselves from potential harm
11 resulting from the Breach;

12 4) A brief description of what CONTRACTOR is doing to investigate the Breach, to
13 mitigate harm to Individuals, and to protect against any future Breaches; and

14 5) Contact procedures for Individuals to ask questions or learn additional information,
15 which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

16 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in
17 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the
18 COUNTY.

19 5. In the event that CONTRACTOR is responsible for a Breach of Unsecured PHI in violation
20 of the HIPAA Privacy Rule, CONTRACTOR shall have the burden of demonstrating that
21 CONTRACTOR made all notifications to COUNTY consistent with this Subparagraph F. and as
22 required by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or
23 disclosure of PHI did not constitute a Breach.

24 6. CONTRACTOR shall maintain documentation of all required notifications of a Breach or
25 its risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur.

26 7. CONTRACTOR shall provide to COUNTY all specific and pertinent information about the
27 Breach, including the information listed in Section E.3.b.(1)-(5) above, if not yet provided, to permit
28 COUNTY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as
29 practicable, but in no event later than fifteen (15) calendar days after CONTRACTOR's initial report of
30 the Breach to COUNTY pursuant to Subparagraph F.2. above.

31 8. CONTRACTOR shall continue to provide all additional pertinent information about the
32 Breach to COUNTY as it may become available, in reporting increments of five (5) business days after
33 the last report to COUNTY. CONTRACTOR shall also respond in good faith to any reasonable
34 requests for further information, or follow-up information after report to COUNTY, when such request
35 is made by COUNTY.

36 9. If the Breach is the fault of CONTRACTOR, CONTRACTOR shall bear all expense or
37 other costs associated with the Breach and shall reimburse COUNTY for all expenses COUNTY incurs

1 in addressing the Breach and consequences thereof, including costs of investigation, notification,
2 remediation, documentation or other costs associated with addressing the Breach.

3 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

4 1. CONTRACTOR may use or further disclose PHI COUNTY discloses to CONTRACTOR
5 as necessary to perform functions, activities, or services for, or on behalf of, COUNTY as specified in
6 the Contract, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done by
7 COUNTY except for the specific Uses and Disclosures set forth below.

8 a. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary,
9 for the proper management and administration of CONTRACTOR.

10 b. CONTRACTOR may disclose PHI COUNTY discloses to CONTRACTOR for the
11 proper management and administration of CONTRACTOR or to carry out the legal responsibilities of
12 CONTRACTOR, if:

13 1) The Disclosure is required by law; or

14 2) CONTRACTOR obtains reasonable assurances from the person to whom the PHI
15 is disclosed that it will be held confidentially and used or further disclosed only as required by law or for
16 the purposes for which it was disclosed to the person and the person immediately notifies
17 CONTRACTOR of any instance of which it is aware in which the confidentiality of the information has
18 been breached.

19 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to
20 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of
21 CONTRACTOR.

22 2. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary, to
23 carry out legal responsibilities of CONTRACTOR.

24 3. CONTRACTOR may use and disclose PHI COUNTY discloses to CONTRACTOR
25 consistent with the minimum necessary policies and procedures of COUNTY.

26 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
27 required by law.

28 H. PROHIBITED USES AND DISCLOSURES

29 1. CONTRACTOR shall not disclose PHI COUNTY discloses to CONTRACTOR or
30 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY about an individual to
31 a health plan for payment or health care operations purposes if the PHI pertains solely to a health care
32 item or service for which the health care provider involved has been paid out of pocket in full and the
33 individual requests such restriction, in accordance with 42 USC § 17935(a) and 45 CFR § 164.522(a).

34 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
35 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
36 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
37 42 USC § 17935(d)(2).

1 I. OBLIGATIONS OF COUNTY

2 1. COUNTY shall notify CONTRACTOR of any limitation(s) in COUNTY's notice of
3 privacy practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect
4 CONTRACTOR's Use or Disclosure of PHI.

5 2. COUNTY shall notify CONTRACTOR of any changes in, or revocation of, the permission
6 by an Individual to use or disclose his or her PHI, to the extent that such changes may affect
7 CONTRACTOR's Use or Disclosure of PHI.

8 3. COUNTY shall notify CONTRACTOR of any restriction to the Use or Disclosure of PHI
9 that COUNTY has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction
10 may affect CONTRACTOR's Use or Disclosure of PHI.

11 4. COUNTY shall not request CONTRACTOR to use or disclose PHI in any manner that
12 would not be permissible under the HIPAA Privacy Rule if done by COUNTY.

13 J. BUSINESS ASSOCIATE TERMINATION

14 1. Upon COUNTY's knowledge of a material Breach or violation by CONTRACTOR of the
15 requirements of this Business Associate Contract, COUNTY shall:

16 a. Provide an opportunity for CONTRACTOR to cure the material Breach or end the
17 violation within thirty (30) business days; or

18 b. Immediately terminate the Contract, if CONTRACTOR is unwilling or unable to cure
19 the material Breach or end the violation within thirty (30) days, provided termination of the Contract is
20 feasible.

21 2. Upon termination of the Contract, CONTRACTOR shall either destroy or return to
22 COUNTY all PHI CONTRACTOR received from COUNTY or CONTRACTOR created, maintained,
23 or received on behalf of COUNTY in conformity with the HIPAA Privacy Rule.

24 a. This provision shall apply to all PHI that is in the possession of Subcontractor or agents
25 of CONTRACTOR.

26 b. CONTRACTOR shall retain no copies of the PHI.

27 c. In the event that CONTRACTOR determines that returning or destroying the PHI is not
28 feasible, CONTRACTOR shall provide to COUNTY notification of the conditions that make return or
29 destruction infeasible. Upon determination by COUNTY that return or destruction of PHI is infeasible,
30 CONTRACTOR shall extend the protections of this Business Associate Contract to such PHI and limit
31 further Uses and Disclosures of such PHI to those purposes that make the return or destruction
32 infeasible, for as long as CONTRACTOR maintains such PHI.

33 3. The obligations of this Business Associate Contract shall survive the termination of the
34 Contract.

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EXHIBIT C
 TO CONTRACT FOR PROVISION OF
 NARCOTIC REPLACEMENT
 THERAPY TREATMENT SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 WESTERN PACIFIC RE-HAB
 JULY 1, 2022 THROUGH JUNE 30, 2025⁷

I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT

Any reference to statutory, regulatory, or contractual language herein shall be to such language as in effect or as amended.

A. DEFINITIONS

1. "Breach" shall have the meaning given to such term under the IEA and CMPPA. It shall include a "PII loss" as that term is defined in the CMPPA.

2. "Breach of the security of the system" shall have the meaning given to such term under the CIPA, CCC § 1798.29(d).

3. "CMPPA Agreement" means the CMPPA Agreement between SSA and CHHS.

4. "DHCS PI" shall mean PI, as defined below, accessed in a database maintained by the COUNTY or DHCS, received by CONTRACTOR from the COUNTY or DHCS or acquired or created by CONTRACTOR in connection with performing the functions, activities and services specified in the Contract on behalf of the COUNTY.

5. "IEA" shall mean the IEA currently in effect between SSA and DHCS.

6. "Notice-triggering PI" shall mean the PI identified in CCC § 1798.29(e) whose unauthorized access may trigger notification requirements under CCC § 1709.29. For purposes of this provision, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print, a photograph or a biometric identifier. Notice-triggering PI includes PI in electronic, paper or any other medium.

7. "PII" shall have the meaning given to such term in the IEA and CMPPA.

8. "PI" shall have the meaning given to such term in CCC § 1798.3(a).

9. "Required by law" means a mandate contained in law that compels an entity to make a use or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or

1 regulations that require the production of information, including statutes or regulations that require such
2 information if payment is sought under a government program providing public benefits.

3 10. "Security Incident" means the attempted or successful unauthorized access, use, disclosure,
4 modification, or destruction of PI, or confidential data utilized in complying with this Contract; or
5 interference with system operations in an information system that processes, maintains or stores PI.

6 B. TERMS OF AGREEMENT

7 1. Permitted Uses and Disclosures of DHCS PI and PII by CONTRACTOR. Except as
8 otherwise indicated in this Exhibit, CONTRACTOR may use or disclose DHCS PI only to perform
9 functions, activities, or services for or on behalf of the COUNTY pursuant to the terms of the Contract
10 provided that such use or disclosure would not violate the CIPA if done by the COUNTY.

11 2. Responsibilities of CONTRACTOR

12 CONTRACTOR agrees:

13 a. Nondisclosure. Not to use or disclose DHCS PI or PII other than as permitted or
14 required by this Personal Information Privacy and Security Contract or as required by applicable state
15 and federal law.

16 b. Safeguards. To implement appropriate and reasonable administrative, technical, and
17 physical safeguards to protect the security, confidentiality and integrity of DHCS PI and PII, to protect
18 against anticipated threats or hazards to the security or integrity of DHCS PI and PII, and to prevent use
19 or disclosure of DHCS PI or PII other than as provided for by this Personal Information Privacy and
20 Security Contract. CONTRACTOR shall develop and maintain a written information privacy and
21 security program that include administrative, technical and physical safeguards appropriate to the size
22 and complexity of CONTRACTOR's operations and the nature and scope of its activities, which
23 incorporate the requirements of Subparagraph c., below. CONTRACTOR will provide COUNTY with
24 its current policies upon request.

25 c. Security. CONTRACTOR shall ensure the continuous security of all computerized
26 data systems containing DHCS PI and PII. CONTRACTOR shall protect paper documents containing
27 DHCS PI and PII. These steps shall include, at a minimum:

28 1) Complying with all of the data system security precautions listed in
29 Subparagraph E. of the Business Associate Contract, Exhibit B to the Contract; and
30 2) Providing a level and scope of security that is at least comparable to the level and
31 scope of security established by the OMB in OMB Circular No. A-130, Appendix III-Security of
32 Federal Automated Information Systems, which sets forth guidelines for automated information systems
33 in Federal agencies.

34 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
35 CONTRACTOR shall also comply with the substantive privacy and security requirements in the
36 CMPPA Agreement between SSA and CHHS and in the Agreement between SSA and DHCS, known as
37 the IEA. The specific sections of the IEA with substantive privacy and security requirements to be

1 complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information
2 Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies
3 Exchanging Electronic Information with SSA. CONTRACTOR also agrees to ensure that any of
4 CONTRACTOR's agents or subcontractor, to whom CONTRACTOR provides DHCS PII agree to the
5 same requirements for privacy and security safeguards for confidential data that apply to
6 CONTRACTOR with respect to such information.

7 d. Mitigation of Harmful Effects. To mitigate, to the extent practicable, any harmful
8 effect that is known to CONTRACTOR of a use or disclosure of DHCS PI or PII by CONTRACTOR or
9 its subcontractor in violation of this Personal Information Privacy and Security Contract.

10 e. CONTRACTOR's Agents and Subcontractor. To impose the same restrictions and
11 conditions set forth in this Personal Information and Security Contract on any subcontractor or other
12 agents with whom CONTRACTOR subcontracts any activities under the Contract that involve the
13 disclosure of DHCS PI or PII to such subcontractor or other agents.

14 f. Availability of Information. To make DHCS PI and PII available to the DHCS and/or
15 COUNTY for purposes of oversight, inspection, amendment, and response to requests for records,
16 injunctions, judgments, and orders for production of DHCS PI and PII. If CONTRACTOR receives
17 DHCS PII, upon request by COUNTY and/or DHCS, CONTRACTOR shall provide COUNTY and/or
18 DHCS with a list of all employees, CONTRACTOR and agents who have access to DHCS PII,
19 including employees, CONTRACTOR and agents of its subcontractor and agents.

20 g. Cooperation with COUNTY. With respect to DHCS PI, to cooperate with and assist
21 the COUNTY to the extent necessary to ensure the DHCS's compliance with the applicable terms of the
22 CIPA including, but not limited to, accounting of disclosures of DHCS PI, correction of errors in DHCS
23 PI, production of DHCS PI, disclosure of a security Breach involving DHCS PI and notice of such
24 Breach to the affected individual(s).

25 h. Breaches and Security Incidents. During the term of the Contract, CONTRACTOR
26 agrees to implement reasonable systems for the discovery of any Breach of unsecured DHCS PI and PII
27 or security incident. CONTRACTOR agrees to give notification of any Breach of unsecured DHCS PI
28 and PII or security incident in accordance with Subparagraph F. of the Business Associate Contract,
29 Exhibit B to the Contract.

30 i. Designation of Individual Responsible for Security. CONTRACTOR shall designate
31 an individual, (e.g., Security Officer), to oversee its data security program who shall be responsible for
32 carrying out the requirements of this Personal Information Privacy and Security Contract and for
33 communicating on security matters with the COUNTY.

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