

1 CONTRACT FOR PROVISION OF
2 DRUG MEDI-CAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES
3 BETWEEN
4 COUNTY OF ORANGE
5 AND
6 WESTERN PACIFIC RE-HAB
7 JULY 1, 2025 THROUGH JUNE 30, 2028
8

9 THIS CONTRACT entered into this 1st day of July 2025 (effective date), is by and between the
10 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and WESTERN
11 PACIFIC RE-HAB, a California nonprofit corporation, (CONTRACTOR). COUNTY and
12 CONTRACTOR may sometimes be referred to herein individually as "Party" or collectively as
13 "Parties." This Contract shall be administered by the County of Orange Health Care Agency
14 (ADMINISTRATOR).
15

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

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

21 WHEREAS, CONTRACTOR is agreeable to the rendering of such services on the terms and
22 conditions hereinafter set forth:

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

25 //

26 //

27 //

28 //

29 //

30 //

31 //

32 //

33 //

34 //

35 //

36 //

37 //

TABLE OF CONTENTS

| <u>PARAGRAPH</u> | <u>PAGE</u> |
|---|--------------------|
| Title Page | 1 |
| Table of Contents..... | 2 |
| Referenced Contract Provisions | 4 |
| I. Acronyms..... | 4 |
| II. Alteration of Terms | 8 |
| III. Assignment of Debts | 8 |
| IV. Compliance | 8 |
| V. Confidentiality | 12 |
| VI. Conflict of Interest..... | 13 |
| VII. Cost Report | 13 |
| VIII. Debarment and Suspension Certification | 15 |
| IX. Delegation, Assignment and Subcontracts | 16 |
| X. Dispute Resolution | 18 |
| XI. Employee Eligibility Verification..... | 18 |
| XII. Equipment..... | 19 |
| XIII. Facilities, Payments and Services | 20 |
| XIV. Indemnification and Insurance..... | 20 |
| XV. Inspections and Audits | 24 |
| XVI. Licenses and Laws..... | 25 |
| XVII. Literature, Advertisements and Social Media | 28 |
| XVIII. Amount Not To Exceed..... | 29 |
| XIX. Minimum Wage Laws..... | 29 |
| XX. Nondiscrimination | 29 |
| XXI. Notices | 32 |
| XXII. Notification of Death..... | 32 |
| XXIII. Notification of Public Events and Meetings | 33 |
| XXIV. Patient's Rights..... | 33 |
| XXV. Records Management and Maintenance..... | 34 |
| XXVI. Research and Publication | 36 |
| XXVII. Revenue | 36 |
| XXVIII. Severability | 36 |
| XXIX. Special Provisions | 37 |
| XXX. Status of Contractor | 38 |
| XXXI. Term..... | 38 |
| XXXII. Termination..... | 39 |
| XXXIII. Third Party Beneficiary | 40 |

[illegible]

REFERENCED CONTRACT PROVISIONS

Term: July 1, 2025 through June 30, 2028
Period One means the period from July 1, 2025 through June 30, 2026
Period Two means the period from July 1, 2026 through June 30, 2027
Period Three means the period from July 1, 2027 through June 30, 2028

| | | |
|--|--|-------------------|
| Aggregate Amount Not To Exceed: | | |
| Period One Aggregate Amount Not To Exceed: | | \$ 16,000,000 |
| Period Two Aggregate Amount Not To Exceed: | | 16,000,000 |
| Period Three Aggregate Amount Not To Exceed: | | <u>16,000,000</u> |
| TOTAL AGGREGATE AMOUNT NOT TO EXCEED: | | \$ 48,000,000 |

Basis for Reimbursement: Negotiated Rate
Payment Method: Monthly in Arrears

CONTRACTOR UEI Number: KU9NQJ4DKF85
CONTRACTOR TAX ID Number: 95-4168437

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

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. AES | Advanced Encryption Standard |
| D. AOD | Alcohol and Other Drug |
| E. ARRA | American Recovery and Reinvestment Act |
| F. ASAM PPC | American Society of Addiction Medicine Patient Placement Criteria |
| G. ASI | Addiction Severity Index |
| H. ASRS | Alcohol and Drug Programs Reporting System |
| I. BCP | Business Continuity Plan |
| J. BHS | Behavioral Health Services |
| K. CalOMS | California Outcomes Measurement System |
| L. CalWORKs | California Work Opportunity and Responsibility for Kids |
| M. CAP | Corrective Action Plan |
| N. CCC | California Civil Code |
| O. CCR | California Code of Regulations |
| P. CD/DVD | Compact Disc/Digital Video or Versatile Disc |
| Q. CEO | County Executive Office |
| R. CESI | Client Evaluation of Self at Intake |
| S. CEST | Client Evaluation of Self and Treatment |
| T. CFDA | Catalog of Federal Domestic Assistance |
| U. CFR | Code of Federal Regulations |
| V. CHHS | California Health and Human Services Agency |
| W. CHPP | COUNTY HIPAA Policies and Procedures |
| X. CHS | Correctional Health Services |
| Y. CIPA | California Information Practices Act |
| Z. CMPPA | Computer Matching and Privacy Protection Act |
| AA. COI | Certificate of Insurance |
| AB. CPA | Certified Public Accountant |
| AC. CSU | Crisis Stabilization Unit |
| AD. CSW | Clinical Social Worker |
| AE. DATAR | Drug Abuse Treatment Access Report |
| AF. DHCS | Department of Health Care Services |
| AG. D/MC | Drug/Medi-Cal |
| AH. DMC ODS | Drug Medi-Cal Organized Delivery System |

| | | |
|----|------------|--|
| 1 | AI. DoD | US Department of Defense |
| 2 | AJ. DPFS | Drug Program Fiscal Systems |
| 3 | AK. DRP | Disaster Recovery Plan |
| 4 | AL. DRS | Designated Record Set |
| 5 | AM. DSM–5 | Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition |
| 6 | AN. DSS | Department of Social Services |
| 7 | AO. EBPs | Evidenced Based Treatment Practices |
| 8 | AP. EEOC | Equal Employment Opportunity Commission |
| 9 | AQ. EHR | Electronic Health Records |
| 10 | AR. ePHI | Electronic Protected Health Information |
| 11 | AS. EPSDT | Early Periodic Screening, Diagnostic and Treatment |
| 12 | AT. FIPS | Federal Information Processing Standards |
| 13 | AU. FFS | Fee For Service |
| 14 | AV. FSP | Full Service Partnership |
| 15 | AW. FTE | Full Time Equivalent |
| 16 | AX. GAAP | Generally Accepted Accounting Principles |
| 17 | AY. HCA | Health Care Agency |
| 18 | AZ. HHS | Health and Human Services |
| 19 | BA. HIPAA | Health Insurance Portability and Accountability Act of 1996, Public |
| 20 | | Law 104–191 |
| 21 | BB. HITECH | The Health Information Technology for Economic and Clinical Health |
| 22 | | Act, Public Law 111–005 |
| 23 | BC. HIV | Human Immunodeficiency Virus |
| 24 | BD. HSC | California Health and Safety Code |
| 25 | BE. ID | Identification |
| 26 | BF. IEA | Information Exchange Agreement |
| 27 | BG. IRIS | Integrated Records and Information System |
| 28 | BH. ISO | Insurance Services Office |
| 29 | BI. ITC | Indigent Trauma Care |
| 30 | BJ. LCSW | Licensed Clinical Social Worker |
| 31 | BK. LPHA | Licensed Practitioner of the Healing Arts |
| 32 | BL. MAT | Medication Assisted Treatment |
| 33 | BM. MFT | Marriage and Family Therapist |
| 34 | BN. MH | Mental Health |
| 35 | BO. MHP | Mental Health Plan |
| 36 | BP. MHS | Mental Health Specialist |
| 37 | BQ. MHSA | Mental Health Services Act |

| | | |
|----|-------------|---|
| 1 | BR. MSN | Medical Safety Net |
| 2 | BS. NIH | National Institutes of Health |
| 3 | BT. NIST | National Institute of Standards and Technology |
| 4 | BU. NPI | National Provider Identifier |
| 5 | BV. NPPES | National Plan and Provider Enumeration System |
| 6 | BW. OCPD | Orange County Probation Department |
| 7 | BX. OCR | Office for Civil Rights |
| 8 | BY. OIG | Office of Inspector General |
| 9 | BZ. OMB | Office of Management and Budget |
| 10 | CA. OPM | Federal Office of Personnel Management |
| 11 | CB. P&P | Policy and Procedure |
| 12 | CC. PA DSS | Payment Application Data Security Standard |
| 13 | CD. PATH | Projects for Assistance in Transition from Homelessness |
| 14 | CE. PC | State of California Penal Code |
| 15 | CF. PCI DSS | Payment Card Industry Data Security Standard |
| 16 | CG. PCS | Post-Release Community Supervision |
| 17 | CH. PHI | Protected Health Information |
| 18 | CI. PII | Personally Identifiable Information |
| 19 | CJ. PI | Personal Information |
| 20 | CK. RPC | Residential Placement Coordinator |
| 21 | CL. RTS | Residential Treatment Services |
| 22 | CM. SIR | Self-Insured Retention |
| 23 | CN. SMA | Statewide Maximum Allowance |
| 24 | CO. STC | Special Terms and Conditions |
| 25 | CP. SAPTBG | Substance Abuse Prevention and Treatment Block Grant |
| 26 | CQ. SMA | Statewide Maximum Allowable (rate) |
| 27 | CR. SOW | Scope of Work |
| 28 | CS. SUD | Substance Use Disorder |
| 29 | CT. TB | Tuberculosis |
| 30 | CU. UMDAP | Uniform Method of Determining Ability to Pay |
| 31 | CV. UOS | Units of Service |
| 32 | CW. USC | United States Code |
| 33 | CX. WIC | Women, Infants and Children |
| 34 | // | |
| 35 | // | |
| 36 | // | |
| 37 | // | |

II. ALTERATION OF TERMS

A. This Contract, together with Exhibits 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

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

IV. COMPLIANCE

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

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

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

- a. Designation of a Compliance Officer and/or compliance staff.
- b. Written standards, policies and/or procedures.
- c. Compliance related training and/or education program and proof of completion.
- d. Communication methods for reporting concerns to the Compliance Officer.
- e. Methodology for conducting internal monitoring and auditing.
- f. Methodology for detecting and correcting offenses.

g. Methodology/Procedure for enforcing disciplinary standards.

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

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

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

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

1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees, interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items or services or who perform billing or coding functions on behalf of ADMINISTRATOR. CONTRACTOR shall ensure that all Covered Individuals relative to this Contract are made aware of

1 ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures (or
2 CONTRACTOR's own compliance program, code of conduct and related policies and procedures if
3 CONTRACTOR has elected to use its own).

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

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

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

10 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
11 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
12 Contract.

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

19 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
20 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
21 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing
22 services directly relative to this Contract becomes debarred, excluded or otherwise becomes an Ineligible
23 Person.

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

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

37 C. GENERAL COMPLIANCE TRAINING - ADMINISTRATOR shall make General

1 Compliance Training available to Covered Individuals.

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

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

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

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

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

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

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

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

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

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

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

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

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

37 2. CONTRACTOR shall not submit any false, fraudulent, inaccurate and/or fictitious claims

1 for payment or reimbursement of any kind.

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

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

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

10 6. CONTRACTOR shall meet the HCA Quality Assessment and Performance Improvement
11 Standards established by Quality Management Services (QMS) and participate in the quality
12 improvement activities developed in the implementation of the DMC-ODS Quality Management
13 Program. CONTRACTOR shall establish an internal Quality Management program and appoint
14 designated Quality Improvement (QI) staff consisting of at least one dedicated QI
15 coordinator/professional to participate in QI activities with ADMINISTRATOR and to ensure service
16 delivery and support program staff implement QI initiatives and requirements appropriately at the
17 program site.

18 7. CONTRACTOR shall comply with the provisions of ADMINISTRATOR's Cultural
19 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
20 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
21 §1810.410.subds.(c)-(d).

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

28 **V. CONFIDENTIALITY**

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

33 B. Prior to providing any services pursuant to this Contract, all members of the Board of Directors
34 or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns of
35 CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the confidentiality of any and
36 all information and records which may be obtained in the course of providing such services. This
37

Contract shall specify that it is effective irrespective of all subsequent resignations or terminations of CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns.

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

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

E. CONTRACTOR shall monitor compliance with the above provisions on confidentiality and security, and shall include them in all subcontracts.

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

VI. CONFLICT OF INTEREST

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

VII. COST REPORT

A. CONTRACTOR shall submit separate Cost Reports for each Period, or for a portion thereof, to COUNTY no later than forty-five (45) calendar days following the period for which they are prepared or termination of this Contract. CONTRACTOR shall prepare the Cost Report in accordance with all applicable federal, state and COUNTY requirements, GAAP and the Special Provisions Paragraph of this Contract. CONTRACTOR shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in accordance with such requirements and consistent with prudent business practice, which costs and allocations shall be supported by source documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon reasonable notice.

1. If CONTRACTOR fails to submit an accurate and complete Cost Report within the time

1 period specified above, ADMINISTRATOR shall have sole discretion to impose one or both of the
2 following:

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

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

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

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

20 B. The individual and/or consolidated Cost Report prepared for each period shall be the final
21 financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis
22 for final settlement to CONTRACTOR for that period. CONTRACTOR shall document that costs are
23 reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The
24 Cost Report shall be the final financial record for subsequent audits, if any.

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

34 D. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
35 this Contract, less applicable revenues and late penalty, are lower than the aggregate of interim monthly
36 payments to CONTRACTOR, CONTRACTOR shall remit the difference to COUNTY. Such
37 reimbursement shall be made, in cash, or other authorized form of payment, with the submission of the

1 Cost Report. If such reimbursement is not made by CONTRACTOR within thirty (30) calendar days
 2 after submission of the Cost Report, COUNTY may, in addition to any other remedies, reduce any
 3 amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

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

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

10
 11 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and
 12 supporting documentation prepared by _____ for the cost report period
 13 beginning _____ and ending _____ and that, to the best of my
 14 knowledge and belief, costs reimbursed through this Contract are reasonable and
 15 allowable and directly or indirectly related to the services provided and that this Cost
 16 Report is a true, correct, and complete statement from the books and records of
 17 (provider name) in accordance with applicable instructions, except as noted. I also
 18 hereby certify that I have the authority to execute the accompanying Cost Report.

19
 20 Signed _____
 21 Name _____
 22 Title _____
 23 Date _____"

24 25 **VIII. DEBARMENT AND SUSPENSION CERTIFICATION**

26 A. CONTRACTOR certifies that it and its principals:

27 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or
 28 voluntarily excluded by any federal department or agency.

29 2. Have not within a three-year period preceding this Contract been convicted of or had a civil
 30 judgment rendered against them for commission of fraud or a criminal offense in connection with
 31 obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract
 32 under a public transaction; violation of federal or state antitrust statutes or commission of
 33 embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements,
 34 or receiving stolen property.

35 3. Are not presently indicted for or otherwise criminally or civilly charged by a federal, state,
 36 or local governmental entity with commission of any of the offenses enumerated in Subparagraph A.2.
 37 above.

4. Have not within a three-year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

5. Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR Part 9, Subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction unless authorized by the State of California.

6. Shall include without modification, the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction," (i.e., transactions with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in accordance with 2 CFR Part 376.

B. The terms and definitions of this paragraph have the meanings set out in the Definitions and Coverage sections of the rules implementing 51 F.R. 6370.

IX. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS

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

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

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

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

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

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

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

6. COUNTY reserves the right to immediately terminate this Contract in the event COUNTY determines, in its sole discretion that the assignee is not qualified or is otherwise unacceptable to COUNTY for the provision of services under this Contract.

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

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

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

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

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

D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status with respect to name changes that do not require an assignment of this Contract. CONTRACTOR also shall notify COUNTY in writing if CONTRACTOR becomes a party to any litigation against COUNTY, or a party to litigation that may reasonably affect CONTRACTOR's performance under this Contract, as well as any potential conflicts of interest between CONTRACTOR and COUNTY that may arise

1 prior to or during the period of Contract performance. While CONTRACTOR must provide this
2 information without prompting from COUNTY any time there is a change in CONTRACTOR's name,
3 conflict of interest or litigation status, CONTRACTOR must also provide an update to COUNTY of its
4 status in these areas whenever requested by COUNTY.

5 6 **X. DISPUTE RESOLUTION**

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

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

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

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

24 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and
25 shall be signed by a COUNTY Deputy Purchasing Agent. If COUNTY does not render a decision within
26 ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final decision
27 adverse to CONTRACTOR's contentions.

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

35 36 **XI. EMPLOYEE ELIGIBILITY VERIFICATION**

37 CONTRACTOR attests that it shall fully comply with all federal and state statutes and regulations

1 regarding the employment of aliens and others and to ensure that employees, subcontractors, and
2 consultants performing work under this Contract meet the citizenship or alien status requirements set
3 forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees,
4 subcontractors, and consultants performing work hereunder, all verification and other documentation of
5 employment eligibility status required by federal or state statutes and regulations including, but not
6 limited to, the Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently
7 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all
8 covered employees, subcontractors, and consultants for the period prescribed by the law.

10 **XII. EQUIPMENT**

11 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
12 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
13 ADMINISTRATOR to assist in performing the services described in this Contract. "Relatively
14 Permanent" is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000
15 or over, including freight charges, sales taxes, and other taxes, and installation costs are defined as
16 Capital Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes
17 and other taxes, and installation costs, or electronic equipment that costs less than \$600 but may contain
18 PHI or PII, are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to
19 phones, tablets, audio/visual equipment, computer equipment, and lab equipment. The cost of
20 Equipment purchased, in whole or in part, with funds paid pursuant to this Contract shall be depreciated
21 according to GAAP.

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

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

32 D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part
33 with funds paid through this Contract, including date of purchase, purchase price, serial number, model
34 and type of Equipment. Such inventory shall be available for review by ADMINISTRATOR, and shall
35 include the original purchase date and price, useful life, and balance of depreciated Equipment cost, if
36 any.

37 E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical

inventories of all Equipment. Upon demand by ADMINISTRATOR, CONTRACTOR shall return any or all Equipment to COUNTY.

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

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

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

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 Aggregate Amount Not To Exceed for the appropriate Period as well as the Total Aggregate 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 carry all

1 required insurance at CONTRACTOR's expense, including all endorsements required herein, necessary
2 to satisfy COUNTY that the insurance provisions of this Contract have been complied with.
3 CONTRACTOR agrees to keep such insurance coverage current, provide Certificates of Insurance, and
4 endorsements to COUNTY during the entire term of this Contract.

5 C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of
6 CONTRACTOR pursuant to this Contract shall be covered under CONTRACTOR's insurance as an
7 Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for
8 CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less
9 than the level of coverage required by COUNTY from CONTRACTOR under this Contract. It is the
10 obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor
11 and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of
12 insurance must be maintained by CONTRACTOR through the entirety of this Contract for inspection
13 by COUNTY representative(s) at any reasonable time.

14 D. All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any
15 SIRs in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by
16 COUNTY's Risk Manager, or designee. COUNTY reserves the right to require current audited financial
17 reports from CONTRACTOR. If CONTRACTOR is self-insured, CONTRACTOR will indemnify
18 COUNTY for any and all claims resulting or arising from CONTRACTOR's services in accordance
19 with the indemnity provision stated in this Contract. If CONTRACTOR's SIR is approved,
20 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this
21 Contract, agrees to all of the following:

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

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

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

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

33 F. QUALIFIED INSURER

34 1. The policy or policies of insurance must be issued by an insurer with a minimum rating of
35 A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current
36 edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**).

37 2. If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Risk

Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum 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 for owned, non-owned and hired vehicles (4 passengers or less) | \$1,000,000 per occurrence |
| Workers' Compensation | Statutory |
| Employers' Liability Insurance | \$1,000,000 per accident or disease |
| Network Security & Privacy Liability | \$1,000,000 per claims-made |
| Professional Liability Insurance | \$1,000,000 per claims-made \$1,000,000 aggregate |
| Sexual Misconduct Liability | \$1,000,000 per occurrence |

1. Increased insurance limits may be satisfied with Excess/Umbrella policies.
Excess/Umbrella policies when required must provide Follow Form coverage.

H. REQUIRED COVERAGE FORMS

1. The Commercial General Liability coverage shall be written on occurrence basis utilizing Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

2. The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

I. REQUIRED ENDORSEMENTS

1. The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

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

1 **WRITTEN CONTRACT.**

2 b. A primary non-contributory endorsement using ISO form CG 20 01 04 13, or a form at
3 least as broad evidencing that CONTRACTOR's insurance is primary, and any insurance or self-
4 insurance maintained by COUNTY shall be excess and non-contributing.

5 2. The Network Security and Privacy Liability policy shall contain the following
6 endorsements which shall accompany the Certificate of Insurance:

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

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

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

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

19 L. CONTRACTOR shall provide thirty (30) calendar days prior written notice to COUNTY of any
20 policy cancellation or non-renewal and ten (10) calendar days prior written notice where cancellation is
21 due to non-payment of premium and provide a copy of the cancellation notice to COUNTY. Failure to
22 provide written notice of cancellation may constitute a material breach of the Contract, upon which
23 COUNTY may suspend or terminate this Contract.

24 M. If CONTRACTOR's Professional Liability and Network Security & Privacy Liability are
25 "Claims -Made" policies, CONTRACTOR shall agree to the following:

26 1. The retroactive date must be shown and must be before the date of the Contract or the
27 beginning of the Contract services.

28 2. Insurance must be maintained, and evidence of insurance must be provided for at least three
29 (3) years after expiration or earlier termination of Contract services.

30 3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy
31 form with a retroactive date prior to the effective date of the contract services, CONTRACTOR
32 must purchase an extended reporting period for a minimum of three (3) years after expiration of earlier
33 termination of this Contract.

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

36 O. Insurance certificates should be forwarded to the department address listed in the Referenced
37 Contract Provisions of this Contract.

1 P. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7)
2 calendar days of notification by COUNTY, COUNTY may immediately terminate this Contract.

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

7 R. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
8 CONTRACTOR does not provide acceptable Certificates of Insurance and endorsements to COUNTY
9 incorporating such changes within thirty (30) calendar days of receipt of such notice, this Contract may
10 be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal
11 remedies.

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

15 16 **XV. INSPECTIONS AND AUDITS**

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

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

31 C. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records,
32 documents, contracts, computers, or other electronic systems pertaining to Medi-Cal/Drug Medi-Cal
33 enrollees, Medi-Cal/Drug Medi-Cal-related activities, services and activities furnished under the terms
34 of this Contract or determinations of amounts payable available at any time for inspection, examination
35 of copying by the State, CMS, HHS Inspector General, the United States Comptroller General, their
36 designees, and other authorized federal and state agencies. (42 CFR §438.3(h)) This audit right will exist
37 for ten (10) years from the final date of the contract period or from the date of completion of any audit,

1 | whichever is later. (42 CFR §438.230(c)(3)(iii).) The State, CMS, or the
2 | HHS Inspector General may inspect, evaluate, and audit CONTRACTOR at any time if there is a
3 | reasonable possibility of fraud or similar risk. (42 CFR §438.230(c)(3)(iv).)

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

9 | E. ADMINISTRATOR shall inform providers and CONTRACTOR, at the time they enter into a
10 | contract, of the following:

11 | 1. Beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in
12 | 42 C.F.R. 438.400 through 42 C.F.R. 438.424.

13 | 2. The beneficiary's right to file grievances and appeals and the requirements and timeframes
14 | for filing.

15 | 3. The availability of assistance to the beneficiary with filing grievances and appeals.

16 | 4. The beneficiary's right to request continuation of benefits that ADMINISTRATOR seeks
17 | to reduce or terminate during an appeal or state fair hearing filing, if filed within the allowable
18 | timeframes, although the beneficiary may be liable for the cost of any continued benefits while the
19 | appeal or state fair hearing is pending if the final decision is adverse to the beneficiary.

20 | 5. The conduction of random reviews to ensure beneficiaries are being notified in a timely
21 | manner.

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

26 | **XVI. LICENSES AND LAWS**

27 | A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
28 | the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations,
29 | waivers, and exemptions necessary for the provision of the services hereunder and required by the laws,
30 | regulations and requirements of the United States, the State of California, COUNTY, and all other
31 | applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and
32 | in writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals,
33 | permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be
34 | cause for termination of this Contract. In addition, all treatment providers will be certified by the State
35 | Department of Health Care Services as a Drug Medi-Cal provider and must meet any additional
36 | requirements established by COUNTY as part of this certification.
37 |

1 B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

2 1. CONTRACTOR certifies it is in full compliance with all applicable federal and State
3 reporting requirements regarding its employees and with all lawfully served Wage and Earnings
4 Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the
5 term of the Contract. Failure to comply shall constitute a material breach of the Contract and failure to
6 cure such breach within sixty (60) calendar days of notice from COUNTY shall constitute grounds for
7 termination of the Contract.

8 2. CONTRACTOR agrees to furnish to ADMINISTRATOR within thirty (30) calendar days
9 of the award of this Contract:

10 a. In the case of an individual CONTRACTOR, his/her name, date of birth, social security
11 number, and residence address;

12 b. In the case of a CONTRACTOR doing business in a form other than as an individual,
13 the name, date of birth, social security number, and residence address of each individual who owns an
14 interest of ten percent (10%) or more in the contracting entity;

15 3. It is expressly understood that this data will be transmitted to governmental agencies
16 charged with the establishment and enforcement of child support orders, or as permitted by federal
17 and/or state statute.

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

- 21 1. ARRA of 2009.
- 22 2. Trafficking Victims Protection Act of 2000.
- 23 3. Title 22, CCR, §51009, Confidentiality of Records.
- 24 4. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
- 25 5. D/MC Certification Standards for Substance Abuse Clinics, July 2004.
- 26 6. D/MC Billing Manual (March 23, 2010).
- 27 7. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 28 8. State of California-Health and Human Services Agency, Department of Health Care
29 Services, MHSD, Medi-Cal Billing Manual, October 2013.
- 30 9. Orange County Medi-Cal Mental Health Managed Care Plan.
- 31 10. 42 CFR, Section 438, Managed Care Regulations
- 32 11. Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management.
- 33 12. Medi-Cal Modifications/Revisions for the Rehabilitation Option and Targeted Case
34 Management Manual, including DMH Letter 94-14, dated July 7, 1994, DMH Letter No. 95-04, dated
35 July 27, 1995, DMH Letter 96-03, dated August 13, 1996.
- 36 13. HSC, §§11758.40 through 11758.47, Medi-Cal Drug Treatment Program.
- 37 14. U.S. Food and Drug Administration Guidelines for Vivitrol (currently listed at

26 of 42

<http://www.fda.gov/downloads/Drugs/DrugSafety/UMC206669.pdf>).

15. US Department of Justice, Drug Enforcement Administration.
16. 42 CFR, Public Health, Part 8 – Certification of Opioid Treatment Programs.
17. 21 CFR Part 1308-Schedules of Controlled Substances.
18. 21 CFR Parts 1300, 1301, 1304, et al. Disposal of Controlled Substances, Final Rule.
19. AB 109 2011 Public Safety Realignment.
20. 45 CFR 96.124(e), Certain Allocations (SAPTBG).
21. 45 CFR 96.131, Treatment Services for Pregnant Women.
22. HSC §11757.59, Perinatal State General Fund.
23. County of Orange, HCA, Alcohol Program and Drug Abuse Services D/MC Utilization Control Plan for Perinatal Residential Services.
24. DHCS, Perinatal Services Guidelines.
25. 42 CFR, Section 438, Managed Care Regulations
26. CCR, Title 22, §51341.1(h)(5)(A), Drug Medi-Cal Substance Abuse Services.
27. DHCS, Office of Women's and Perinatal Services, Perinatal Services Network Guidelines 2014.
28. CCR, Title 22, Division 3, Health Care Services.
29. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
30. HSC, §§11839 through 11839.22, Narcotic Treatment Programs.
31. HSC, §11876, Narcotic Treatment Programs (inspections).
32. 42 CFR, Public Health, Part 8 – Certification of Opioid Treatment Programs.
33. 21 CFR, Chapter 2, Part 1300 through 1399, Drug Enforcement Administration.
34. CCR Title 9, Division 4, Chapter 4, Subchapters 1 through 6, Narcotic Treatment Programs.
35. 21 USC 300x-27(a) and 300y-11.
36. 21 USC §§355, and 505, Manufacture of Drugs.
37. 21 USC §§812, 823, and 958, Controlled Substances.
38. US Department of Justice, Drug Enforcement Administration.
39. CFR, Section 438, Managed Care Regulations
40. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions, August 2015
41. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
42. Drug Medi-Cal Certification Standards for Substance Abuse Clinics (Document 2E).
43. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1, (Document 2C).
44. Standards for Drug Treatment Programs (October 21, 1981) (Document 2F);
45. Title 9, CCR, Division 4, Chapter 4, Subchapter 1, Sections 10000, et seq.;
46. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.

47. Title 9, CCR, Section 1810.435.

48. Title 9, CCR, Section 1840.105.

D. CONTRACTOR shall at all times be capable and authorized by the State of California to provide treatment and bill for services provided to Medi-Cal eligible Clients while working under the terms of this Contract.

E. CONTRACTOR shall have hours of operation during which services are provided to Medi-Cal beneficiaries that are no less than the hours of operation during which CONTRACTOR offers services to non-Medi-Cal beneficiaries. If CONTRACTOR only serves Medi-Cal beneficiaries, CONTRACTOR shall require that hours of operation are comparable to the hours CONTRACTOR makes available for Medi-Cal services that are not covered by CONTRACTOR, or another Mental Health Plan.

XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA

A. Any written information or literature, including educational or promotional materials, distributed by CONTRACTOR to any person or organization for purposes directly or indirectly related to this Contract must be approved at least thirty (30) calendar days in advance and in writing by ADMINISTRATOR before distribution. For the purposes of this Contract, distribution of written materials shall include, but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads, and electronic media such as the Internet.

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

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

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

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

//

//

XVIII. AMOUNT NOT TO EXCEED

A. The Aggregate Amount Not To Exceed of COUNTY for services provided in accordance with all contracts for Drug Medi-Cal Narcotic Replacement Therapy Treatment Services during each Period are as specified in the Referenced Contract Provisions of this Contract. This specific Contract with CONTRACTOR is only one of several agreements to which this Aggregate Amount Not To Exceed applies. It therefore is understood by the Parties that reimbursement to CONTRACTOR will be only a fraction of these Aggregate Amount Not To Exceed.

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

XIX. MINIMUM WAGE LAWS

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

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

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

XX. NONDISCRIMINATION**A. EMPLOYMENT**

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

gender expression, age, sexual orientation, or military and veteran status.

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

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

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

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

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

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

1. Denying a Client or potential Client any service, benefit, or accommodation.
2. Providing any service or benefit to a Client which is different or is provided in a different manner or at a different time from that provided to other Clients.

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

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

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

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

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

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

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

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

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

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

G. Nondiscrimination and Institutional Safeguards for Religious Providers: COUNTY shall establish such processes and procedures as necessary to comply with the provisions of USC, Title 42,

Section 300x-65 and CFR, Title 42, Part 54.

H. Nondiscrimination in Employment and Services: CONTRACTOR certifies that under the laws of the United States and the State of California, CONTRACTOR will not unlawfully discriminate against any person.

XXI. NOTICES

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

1. When written and deposited in the United States mail, first class postage prepaid and addressed as specified in the Referenced Contract Provisions of this Contract or as otherwise directed by ADMINISTRATOR;

2. When faxed, transmission confirmed;

3. When sent by Email; or

4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel Service, or any other expedited delivery service.

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

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

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

XXII. NOTIFICATION OF DEATH

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

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

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

2. WRITTEN NOTIFICATION

a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send

1 via encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming
2 aware of the death due to non-terminal illness of any person served pursuant to this Contract.

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

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

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

12 13 **XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

17 B. CONTRACTOR shall notify ADMINISTRATOR at least thirty (30) business days in advance
18 of any applicable public event or meeting. The notification must include the date, time, duration, location
19 and purpose of the public event or meeting. Any promotional materials or event related flyers must be
20 approved by ADMINISTRATOR prior to distribution.

21 22 **XXIV. PATIENT'S RIGHTS**

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

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

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

32 2. Title IX Rights Advocacy. This process may be initiated by a Client who registers a
33 statutory rights violation or a denial or abuse complaint with COUNTY Patients' Rights Office. The
34 Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall apply,
35 which involve ADMINISTRATOR's Director of Behavioral Health Care and the State Patients' Rights
36 Office.

37 C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to

1 CONTRACTOR, appeal to COUNTY Patients' Rights Office, file a grievance, and file a Title IX
2 complaint. The Patients' Advocate shall advise and assist the Client, investigate the cause of the
3 grievance, and attempt to resolve the matter.

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

6 7 **XXV. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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

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

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

30 C. CONTRACTOR's participant, Client, and/or patient records shall be maintained in a secure
31 manner. CONTRACTOR shall maintain participant, Client, and/or patient records and must establish
32 and implement written record management procedures.

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

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

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

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

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

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

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

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

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

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

23 2. Provide auditor or other authorized individuals access to documents via a computer
24 terminal.

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

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

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

34 L. CONTRACTOR shall obtain a NPI for each site identified as a location for providing
35 contractual services. CONTRACTOR's site NPIs must be submitted to the ADMINISTRATOR prior
36 to rendering services to Clients. A CONTRACTOR providing direct or indirect services for State
37 reporting must also submit rendering (individual) provider NPIs to ADMINISTRATOR for each staff

1 member providing Medi-Cal billable services. CONTRACTOR reimbursement will not be processed
2 unless NPIs are on file with ADMINISTRATOR in advance of providing services to Clients. It is the
3 responsibility of each CONTRACTOR site and individual staff member that bills Medi-Cal to obtain a
4 NPI from the NPPES. Each CONTRACTOR site, as well as every staff member that provides billable
5 services, is responsible for notifying the NPPES within thirty (30) calendar days of any updates to
6 personal information, which may include, but is not limited to, worksite address, name changes,
7 taxonomy code changes, etc.

8 9 **XXVII. RESEARCH AND PUBLICATION**

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

13 14 **XXVII. REVENUE**

15 A. CLIENT FEES – CONTRACTOR shall not charge a fee to DMC beneficiaries to whom
16 services are provided pursuant to this Contract, their estates and/or responsible relatives, unless a Share
17 of Cost is determined per Medi-Cal eligibility.

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

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

28 29 **XXVIII. SEVERABILITY**

30 If a court of competent jurisdiction declares any provision of this Contract or application thereof to
31 any person or circumstances to be invalid or if any provision of this Contract contravenes any federal,
32 state or county statute, ordinance, or regulation, the remaining provisions of this Contract or the
33 application thereof shall remain valid, and the remaining provisions of this Contract shall remain in full
34 force and effect, and to that extent the provisions of this Contract are severable.

35 //

36 //

37 //

XXIX. SPECIAL PROVISIONS

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

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

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

- 1 1. Funding travel or training (excluding mileage or parking).
- 2 2. Making phone calls outside of the local area unless documented to be directly for the
- 3 purpose of Client care.
- 4 3. Payment for grant writing, consultants, certified public accounting, or legal services.
- 5 4. Purchase of artwork or other items that are for decorative purposes and do not directly
- 6 contribute to the quality of services to be provided pursuant to this Contract.
- 7 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
- 8 CONTRACTOR's Clients.

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

13 14 **XXXX. STATUS OF CONTRACTOR**

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

26 27 **XXXI. TERM**

28 A. This specific Contract with CONTRACTOR is only one of several contracts to which the term
29 of this Contract applies. This specific Contract shall commence as specified in the Referenced Contract
30 Provisions of this Contract or the execution date, whichever is later. This specific Contract shall
31 terminate as specified in the Referenced Contract Provisions of this Contract, unless otherwise sooner
32 terminated as provided in this Contract. CONTRACTOR shall be obligated to perform such duties as
33 would normally extend beyond this term, including but not limited to, obligations with respect to
34 confidentiality, indemnification, audits, reporting and accounting.

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

XXXII. TERMINATION

A. CONTRACTOR shall be responsible for meeting all programmatic and administrative contracted objectives and requirements as indicated in this Contract. CONTRACTOR shall be subject to the issuance of a CAP for the failure to perform to the level of contracted objectives, continuing to not meet goals and expectations, and/or for non-compliance. If CAPs are not completed within timeframe as determined by ADMINISTRATOR notice, payments may be reduced or withheld until CAP is resolved and/or the Contract could be terminated.

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

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

C. CONTINGENT FUNDING

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

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

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

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

4 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
5 performance during the remaining Contract term.

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

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

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

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

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

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

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

27 F. COUNTY may terminate this Contract, without cause, upon thirty (30) calendar days' written
28 notice.

29 G. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be
30 exclusive, and are in addition to any other rights and remedies provided by law or under this Contract.

31 32 **XXXIII. THIRD PARTY BENEFICIARY**

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

35 36 **XXXIV. WAIVER OF DEFAULT OR BREACH**

37 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any
40 of 42

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

4 //

5 //

6 //

7 //

8 //

9 //

10 //

11 //

12 //

13 //

14 //

15 //

16 //

17 //

18 //

19 //

20 //

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //

29 //

30 //

31 //

32 //

33 //

34 //

35 //

36 //

37 //

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

3
4 **WESTERN PACIFIC RE-HAB**

5
6 Signed by:
7 BY: Mark Hickman DATED: 1/27/2025
8 768A3D7AE19B419...

9 TITLE: CEO

10
11
12
13 COUNTY OF ORANGE

14
15
16 BY: _____ DATED: _____
17 HEALTH CARE AGENCY

18
19
20
21 APPROVED AS TO FORM
22 OFFICE OF THE COUNTY COUNSEL
23 ORANGE COUNTY, CALIFORNIA

24 Signed by:
25 BY: Brittany McLean DATED: 1/27/2025
26 71CFE638662E411...
27 DEPUTY

28
29
30
31
32
33 If CONTRACTOR is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice President;
34 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)
35 authorized individual only, a copy of the corporate resolution or by-laws whereby the Board of Directors has empowered said authorized individual to act
36 on its behalf by his or her signature alone is required by ADMINISTRATOR.
37

EXHIBIT A
TO CONTRACT FOR PROVISION OF
DRUG MEDICAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES
WITH
WESTERN PACIFIC RE-HAB
JULY 1, 2025 THROUGH JUNE 30, 2028

I. COMMON TERMS AND DEFINITIONS

A. 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.

1. AB109 Services means services for DMC covered 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.

2. Access Log means entering each person's initial contact date, intake date and date of first service, level of care and any other information requested by COUNTY into the Access Log as an IRIS component.

3. Adolescent Substance Use Disorder Best Practices Guide provides expertise and guidance on how SUD treatment and recovery programs can best serve adolescents. In consideration of the developmental growth, emotional growth, and complex needs of this population, the best practices incorporate scientific research, clinical practices, and the ASAM criteria in the development of this guide.

4. American Society of Addiction Medicine (ASAM) Criteria means a comprehensive set of guidelines for placement, continued stay and transfer/discharge of Clients with addiction and co-occurring conditions.

5. California Outcomes Measurement System (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.

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

7. Certified Peer Support Specialists are individuals who are 18 years of age or older who self-identify as having lived experience with the process of recovery from mental illness, SUD, or both, either

1 as a consumer of behavioral treatment services or as a parent or a family member of a consumer, and who
2 have a current Peer Support Specialist certification in California.

3 8. Client means a male or female aged 12 and over residing in the County of Orange who has a
4 primary problem of opiate use disorder and/or other qualifying substance use disorder allowable by the
5 DMC-ODS formulary that also qualifies for admission as per Title 9 and contractual eligibility
6 requirements.

7 9. Collateral Services means sessions with the significant persons in the Client's life, focusing
8 on their treatment needs to support the achievement of the Client's treatment goals. Significant persons
9 are individuals that have a personal, not official or professional, relationship with the Client. The Client
10 may or may not be present during the session.

11 10. Completion –

12 a. Satisfactory Completion is defined as Clients who have attended sessions as prescribed
13 and are discharged from treatment after making significant positive progress on their treatment plan goals.
14 Unsatisfactory completion is defined as Clients who have not attended sessions and are discharged without
15 making progress on their treatment plan goals.

16 b. Unsatisfactory Completion means Clients who have not attended sessions and are
17 discharged without making progress on their treatment plan goals.

18 11. Co-Occurring means a person who has at least one substance use disorder and one mental
19 health disorder that can be diagnosed independently of each other.

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

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

27 14. Detoxification Therapy means narcotic therapy used in decreasing medically determined
28 dosage levels for a period of not more than twenty-one (21) calendar days, to reduce or eliminate opiate
29 dependence.

30 15. DHCS Designated Levels of Care means a designation that is issued by State Department of
31 Health Care Services (DHCS) to an outpatient program based on the services provided at the facility. For
32 the purposes of this Contract, CONTRACTOR shall provide services in accordance with one of the
33 following ASAM-Designated Levels of Care:

34 a. Outpatient Drug Free (ODF): ASAM Level 1.0 means services which are provided to
35 adolescents who meet medical necessity for this level of care, as determined by an LPHA or Medical
36 Director's diagnosis and ASAM criteria. Services shall be less than six (6) hour per week for adolescents.

37 b. Intensive Outpatient Treatment (IOT): ASAM Level 2.1 means services are provided to

adolescents who meet medical necessity for this level of care, determined by an LPHA or Medical Director's diagnosis and ASAM criteria. Services shall be a minimum of six (6) hours with a maximum of nineteen (19) hours per week for adolescents. Services may exceed the maximum based on individual medical necessity.

16. Diagnosis means the definition of the nature of the Client's substance use disorder. When formulating the diagnosis of Client, CONTRACTOR shall use the diagnosis codes as specified in the most current edition of the DSM published by the American Psychiatric Association. DSM diagnosis shall be recorded on all IRIS documents, as appropriate. It shall also be recorded on the Medical Necessity form and Treatment Plans and any other documents deemed necessary.

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

18. DMC 2nd Service documentation means that, under DMC-ODS, a provider may submit claims for the same Client receiving more than one service on the same date by various providers or at a single provider (e.g., IOT case management and group on the same day). There remains an exception with regard to claiming two (2) groups on the same calendar day for DMC covered Clients.

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

20. Drug and Alcohol Treatment Access Report (DATAR) means the Department of Health Care Services (DHCS) system to collect data on Substance Use Disorder treatment capacity and waiting lists.

21. Drug/Alcohol Screening means providing drug/alcohol screening/testing once a month or as delineated by COUNTY.

22. Drug Medi-Cal is the organized delivery of health care services for Medicaid eligible individuals with substance use disorders.

23. Early Periodic Screening, Diagnostic and Treatment (EPSDT) means the federally mandated Medicaid benefit that entitles full-scope Medi-Cal-covered beneficiaries less than twenty-one (21) years of age to receive any Medicaid service necessary to correct or help to improve a defect, mental illness, or other condition, such as a substance-related disorder, that is discovered during a health screening.

24. Group Counseling means group-based services with a minimum of two (2) Clients and a maximum of twelve (12) Clients with at least one DMC beneficiary per group billed in fifteen (15) minute increments. Group counseling sessions are provided in a developmentally appropriate environment (i.e., age, culture, etc.) and utilize evidence-based practices (EBP).

25. Individual Counseling means counseling provided to an individual as needed and identified

1 on the treatment plan as appropriate for Clients. Individual Counseling shall be performed at a minimum
2 of one (1) fifty (50) minute session per month. Utilization of EBPs in these sessions is required by the
3 County DMC-ODS standards.

4 26. Intake means the initial meeting between a Client and CONTRACTOR staff in which specific
5 information about the Client is gathered and standard admission forms are completed pursuant to this
6 Contract. This includes utilization of an ASAM-based Assessment, or any other tools as designated by
7 COUNTY, to provide a standardized, comprehensive risk and needs assessment to each Client.
8 Assessment tools will be co-occurring capable, and meet best practice standards.

9 27. Integrated Records Information System (IRIS) means a collection of applications and
10 databases that serve the needs of programs within HCA and includes functionality such as registration and
11 scheduling, laboratory information system, billing and reporting capabilities, compliance with regulatory
12 requirements, electronic medical records, and other relevant applications.

13 28. Level of Care Assessment means a comprehensive set of guidelines for placement, continued
14 stay, and transfer/discharge of Clients with a SUD and/or co-occurring conditions based on ASAM
15 criteria. Level of care determination must be documented by a LPHA within their scope of practices.

16 29. Licensed Practitioner of the Healing Art (LPHA) means any Physicians, Nurse Practitioners,
17 Physician Assistants, Registered Nurses, Registered Pharmacists, Licensed Clinical Psychologists,
18 Licensed Clinical Social Worker, Licensed Professional Clinical Counselor, Licensed Marriage and
19 Family Therapists, or license-eligible practitioners working under the supervision of licensed clinicians,
20 working within their scope of practice.

21 30. Linkage means connecting Clients to services such as outpatient and/or residential treatment
22 and other supportive services which may include self-help groups, social services, rehabilitation services,
23 vocational services, job training services, or other appropriate services.

24 31. Maintenance Therapy means the treatment modality whereby narcotic replacement therapy
25 is used in sustained, stable, medically determined dosage levels for a period in excess of twenty-one (21)
26 calendar days, to reduce or eliminate chronic opioid use disorder, while the Client is provided a
27 comprehensive range of treatment services.

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

34 33. Medical Necessity means a set of criteria used to determine whether a Client meets the level
35 of care to be treated in the DMC-ODS as determined by an LPHA.

36 34. Medication Assisted Treatment (MAT) is the assessment, prescription, administration, and
37 monitoring of FDA-approved medications for SUD. MAT services are conducted by staff lawfully

1 authorized to provide such services within their scope of practice or licensure.

2 35. Medication Psychotherapy means a type of counseling service consisting of a face-to-face
3 discussion conducted by the Medical Director of the NTP on a one-on-one basis with the Client on issues
4 identified in the treatment plan.

5 36. Medication Services means the physician prescribed medications related to a Client's SUD
6 treatment services covered under the DMC-ODS formulary including methadone, buprenorphine,
7 naloxone, buprenorphine-naloxone, naltrexone, and disulfiram. CONTRACTOR staff will regularly
8 communicate with physicians unless the Client refuses to consent to sign a 42 CFR Part 2 compliant
9 Authorization to Disclose form.

10 37. Mobile Narcotic Treatment Program (MNTP) means, as defined by Federal and State laws,
11 a program operating from a motor vehicle that serves as a mobile component of a primary NTP to treat
12 opioid addiction. It operates under the primary NTP's active license.

13 38. Notice of Adverse Benefit Determination (NOABD) means a formal communication to the
14 Medi-Cal beneficiary of any action regarding their Drug Medi-Cal services and their right to appeal,
15 consistent with 42 CFR 438.404 and 438.10.

16 39. Perinatal means the condition of being pregnant or up to 12 months Postpartum.
17 CONTRACTOR shall offer the Perinatal Clients additional parenting education, referrals, transportation,
18 childcare, and other services, as specified by the DHCS Perinatal Practice Guidelines. If Client no longer
19 meets this Perinatal definition, the Client would be eligible for non-Perinatal services as long as they meet
20 medical necessity for the designated level of care.

21 40. Physician Extender means a registered nurse practitioner and physicians' assistants only.

22 41. Plan of Safe Care (POSC) is part of a program designed to help pregnant women, families,
23 caregivers, and infants affected by a substance use disorder. POSC is a document that lists and directs
24 possible referrals for services and supports to provide for the safety and well-being of an infant affected
25 by substance use.

26 42. Program Protocol means the written program description, goals, objectives, and policies
27 established by CONTRACTOR for the methadone therapy program provided pursuant to the Contract.

28 43. Recovery Incentives (RI) means an evidence-based, cost-effective treatment for substance
29 use disorders; the RI Program only covers Contingency Management (CM) for Stimulant Use Disorder.
30 CM reinforces individual positive behavior change consistent with meeting treatment goals.

31 44. Recovery Services are designed to support recovery and prevent relapse with the objective
32 of restoring the Client to their best possible functional level. Recovery Services emphasize the Client's
33 central role in managing their health, using effective self-management support strategies, and organizing
34 internal and community resources to provide ongoing self-management support.

35 45. Screening means the process by which CONTRACTOR obtains information about the
36 individual seeking admission for methadone therapy services.

37 46. Self Help Meeting means a non-professional, peer participatory meeting formed by people

with a common problem or situation offering mutual support to each other towards a goal of healing or recovery.

47. Substance Use Disorder (SUD) means a condition in which the use of one or more substances leads to a clinically significant impairment or distress as specified in the most current edition of the DSM published by the American Psychiatric Association.

48. Telehealth means office or outpatient visits between provider and Client via interactive audio and video telecommunication systems. Telehealth between providers means communication between two providers for purpose of consultation, performed via interactive audio and video telecommunication systems.

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

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

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

II. PAYMENTS

A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided pursuant to the Contract, COUNTY shall pay CONTRACTOR monthly in arrears at the negotiated DMC NRT ODS rates of reimbursement per Period, as listed below:

| | Unit / Designation | Period One | Period Two | Period Three |
|---|-----------------------|---------------|---------------|-----------------|
| Dosing Services | | | | |
| Methadone (non perinatal) | Daily | \$18.00 | \$18.00 | \$18.00 |
| Methadone (perinatal) | Daily | \$20.00 | \$20.00 | \$20.00 |
| Buprenorphine- Mono (non perinatal) | Daily | \$32.00 | \$32.00 | \$32.00 |
| Buprenorphine-Mono (perinatal) | Daily | \$43.00 | \$43.00 | \$43.00 |
| Buprenorphine-Naloxone: Tablets (non perinatal) | Daily | \$32.00 | \$32.00 | \$32.00 |
| Buprenorphine-Naloxone: Tablets (perinatal) | Daily | \$44.00 | \$44.00 | \$44.00 |
| Buprenorphine-Naloxone: Film (non perinatal) | Daily | \$29.00 | \$29.00 | \$29.00 |

| Dosing Services | Unit / Designation | Period One | Period Two | Period Three |
|--|---------------------------|-------------------|-------------------|---------------------|
| Buprenorphine-Naloxone: Film (perinatal) | Daily | \$40.00 | \$40.00 | \$40.00 |
| Disulfiram (non perinatal) | Daily | \$11.00 | \$11.00 | \$11.00 |
| Disulfiram (perinatal) | Daily | \$11.00 | \$11.00 | \$11.00 |
| Buprenorphine Injectable (non perinatal) | Monthly | \$2,036.00 | \$2,036.00 | \$2,036.00 |
| Buprenorphine Injectable (perinatal) | Monthly | \$2,036.00 | \$2,036.00 | \$2,036.00 |
| Naltrexone Injectable (non perinatal) | Monthly | \$2,224.00 | \$2,224.00 | \$2,224.00 |
| Naltrexone Injectable (perinatal) | Monthly | \$2,224.00 | \$2,224.00 | \$2,224.00 |
| Naloxone HCL - 2 pack, Generic (non perinatal and perinatal) | dispensed as needed | \$100.00 | \$100.00 | \$100.00 |
| Naloxone HCL - 2 pack, Narcan (non perinatal and perinatal) | dispensed as needed | \$144.00 | \$144.00 | \$144.00 |

| Other Services/Designation | Unit | Period One | Period Two | Period Three |
|---|-------------------|-------------------|-------------------|---------------------|
| NTP Individual Counseling, non LPHA (non perinatal) | 15 min increments | \$47.00 | \$47.00 | \$47.00 |
| NTP Individual Counseling, non LPHA (perinatal) | 15 min increments | \$47.00 | \$47.00 | \$47.00 |
| NTP Group Counseling, non LPHA (non perinatal) | 15 min increments | \$18.00 | \$18.00 | \$18.00 |
| NTP Group Counseling, non LPHA (perinatal) | 15 min increments | \$18.00 | \$18.00 | \$18.00 |
| NTP Individual Counseling, LPHA (non perinatal) | 15 min increments | \$50.00 | \$50.00 | \$50.00 |
| NTP Individual Counseling, LPHA (perinatal) | 15 min increments | \$50.00 | \$50.00 | \$50.00 |

| Other Services/Designation | Unit | Period One | Period Two | Period Three |
|---|-------------------|------------|------------|--------------|
| NTP Group Counseling, LPHA (non perinatal) | 15 min increments | \$18.00 | \$18.00 | \$18.00 |
| NTP Group Counseling, LPHA (perinatal) | 15 min increments | \$18.00 | \$18.00 | \$18.00 |
| Naltrexone, Face to Face Visit, non perinatal | per visit | \$19.00 | \$19.00 | \$19.00 |
| Clinician Consultation, LCSW (Licensed, Waivered or Registered) | 30 mins or more | \$229.00 | \$229.00 | \$229.00 |
| Clinician Consultation, MFT/LPCC (Licensed, Waivered or Registered) | 30 mins or more | \$229.00 | \$229.00 | \$229.00 |
| Clinician Consultation, Nurse Practitioner | 30 mins or more | \$324.00 | \$324.00 | \$324.00 |
| Clinician Consultation, Physician Assistant | 30 mins or more | \$304.00 | \$304.00 | \$304.00 |
| Clinician Consultation, Psychologist (Licensed or Waivered) | 30 mins or more | \$232.00 | \$232.00 | \$232.00 |
| Clinician Consultation, Registered Nurse | 30 mins or more | \$282.00 | \$282.00 | \$282.00 |
| Clinician Consultation, Registered Pharmacist | 30 mins or more | \$318.00 | \$318.00 | \$318.00 |
| Physician Consultation | 30 mins or more | \$554.00 | \$554.00 | \$554.00 |

B. MAT will be reimbursed for onsite administration and dispensing at NTP programs; additionally, physicians and licensed prescribers in DMC programs will be reimbursed for the ordering, prescribing, administering, and monitoring of MAT as per DMC-ODS Waiver STC's. However, the total of monthly payments to CONTRACTOR shall not exceed COUNTY's Aggregate Amount Not To Exceed set forth in the Referenced Contract Provisions of the Contract; and provided further that CONTRACTOR's invoicing and billing are allowable pursuant to applicable COUNTY, federal and state regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices for any month for which the negotiated amount for actual units of service provided during Period One and/or Period Two, as specified

1 in the Referenced Contract Provisions of this Contract, has not been fully paid. Non-compliance will
2 require the completion of a CAP by CONTRACTOR. If CAPs are not completed within timeframes
3 approved by ADMINISTRATOR, payments may be reduced accordingly.

4 C. COUNTY shall pay CONTRACTOR monthly, in arrears, however, the total of such payments
5 during any Period shall not exceed COUNTY's corresponding Period Aggregate Amount Not To Exceed.
6 CONTRACTOR's invoices shall be on a form approved or provided by ADMINISTRATOR and shall
7 provide such information as is required by ADMINISTRATOR. Invoices are due by the tenth (10th)
8 calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later
9 than thirty (30) calendar days after receipt of the correctly completed invoice form.

10 D. Monthly payments are interim payments only, and subject to Final Settlement of this Contract.
11 Invoices received after the due date may not be paid in accordance with Subparagraph II.C of this Exhibit
12 A to this Contract.

13 E. All invoicing and billing to COUNTY shall be supported at CONTRACTOR's facility, by source
14 documentation, including, but not limited to, Client charts, electronic health records, treatment plans,
15 records of services, etc. that clearly denote the appropriate and allowable provision of specified units of
16 service to eligible Clients to which CONTRACTOR is entitled to compensation as a result of and in the
17 performance of duties for COUNTY.

18 F. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with
19 any provision of this Contract or is not in compliance with federal, state or COUNTY regulations
20 governing the provision of contracted services.

21 G. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
22 and/or termination of this Contract, except as may otherwise be provided for under this Contract.

23 H. In conjunction with Subparagraph II.A and B. above, CONTRACTOR shall not enter Units of
24 Service into COUNTY IRIS system for services not rendered. If such information has been entered,
25 CONTRACTOR shall make corrections within ten (10) calendar days from notification by
26 ADMINISTRATOR. Additionally, to assist in the protection of data integrity, CONTRACTOR shall
27 create a procedure to ensure separation of duties between the individual performing direct services
28 (LPHA, clinicians, counselors, etc.), and the clerical staff who enter information into the IRIS system.
29 Clerical staff shall enter data into IRIS using the chart information provided by the direct service staff.

30 I. CONTRACTOR shall ensure compliance with all DMC billing and documentation requirements
31 when entering Units of Service into COUNTY IRIS system. ADMINISTRATOR shall withhold payment
32 for non-compliant Units of Service, and may reduce, withhold or delay any payment associated with non-
33 compliant billing practices.

34 J. CONTRACTOR may be required to have an audit conducted in accordance with federal OMB
35 Circular A-133. CONTRACTOR is responsible for complying with any federal audit requirements within
36 the reporting period specified by OMB Circular A-133.

37 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the

1 Payments Paragraph of this Exhibit A to the Contract.

2 3 **III. RECORDS**

4 A. CLIENT RECORDS – CONTRACTOR shall maintain adequate records in accordance with the
5 DHCS as they may be amended or superseded at a later time during the course of this Contract, the
6 COUNTY Guidelines, California Code of Regulations (CCR), Title 22, Title 9, and ADMINISTRATOR's
7 requirements on each individual Client in sufficient detail to permit an evaluation of services, which shall
8 include documentation of all activities, services, sessions, and assessment, including but not limited to:

9 1. Documentation that the prescribed treatment for substance use disorders is appropriate for
10 the Client. This shall include the Medical Director or LPHA's initial medical necessity determination for
11 the DMC-ODS benefit, including evidence of prior treatment history and/or current use of opiates and/or
12 alcohol;

13 2. SUD Diagnosis;

14 3. Date of Birth;

15 4. Intake and admission data, including a physical examination;

16 5. Treatment Plans;

17 6. Reassessments of Client functioning;

18 7. Progress notes, including those for required monthly counseling sessions;

19 8. Medication orders and regular reviews signed by the physician;

20 9. Continuing Service Justifications;

21 10. Laboratory test orders and results, including Tuberculosis clearance and other lab results as
22 required by Title 9 and COUNTY;

23 11. Evidence of care coordination to support Clients in meeting their essential needs;

24 12. Screening for Human Trafficking – each Client's chart shall contain the results of screening
25 for victims of human trafficking (TVPA 2000);

26 13. California Outcomes Measurement System (CalOMS);

27 14. Outcome measures and screening tools as determined by ADMINISTRATOR;

28 15. Drug screening results, as well as CONTRACTOR's response to a test or analysis for illicit
29 drug use which discloses: the absence of methadone and/or other prescribed medications and their primary
30 metabolites, the presence of any illicit drugs, or abuse of other substances, including alcohol;

31 a. Discharge plan;

32 b. Discharge summary;

33 c. Quality Review Check Sheet; and

34 d. Any other Client information which the program finds useful in treating the Client or as
35 ADMINISTRATOR deems necessary;

36 16. CONTRACTOR shall retain all Client medical records for ten (10) years following discharge
37 of the Client, with the exception of non-emancipated minors for whom records must be kept for at least

one (1) year after such minors have reached the age of eighteen (18) years, or for ten (10) years after the last date of service, whichever is longer.

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

1. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and shall be made in accordance with generally accepted accounting principles.

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

3. CLIENT FEES – Pursuant to 42 CFR 438.106, CONTRACTOR shall not collect fees from a Medi-Cal beneficiary or persons acting on behalf of the beneficiary for any SUD or related administrative services provided under this Contract, except to collect other health insurance coverage, share of cost, and co-payments. Drug Medi-Cal is payment in full for treatment services rendered for Medi-Cal beneficiaries. The Client eligibility determination and fee charged to and collected from Clients, together with a record of all billings rendered and revenues received from any source, on behalf of Clients treated pursuant to the Contract, must be reflected in CONTRACTOR's financial records.

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

IV. REPORTS

A. MONTHLY PROGRAMMATIC

1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR, including information required and on a form approved or provided by ADMINISTRATOR. These monthly programmatic reports should be received by ADMINISTRATOR no later than the twentieth (20th) business day of the month following the report month.

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

3. FOLLOW-UPS – CONTRACTOR shall conduct follow-ups with Clients after discharge at intervals designated by ADMINISTRATOR. ADMINISTRATOR shall provide information/questions to CONTRACTOR for follow up. CONTRACTOR shall track data on Client functioning which at minimum shall include current substance use.

B. FISCAL

1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by,

1 ADMINISTRATOR. CONTRACTOR shall submit these reports by no later than twenty (20) calendar
2 days following the end of the month reported.

3 C. MONTHLY IRIS – CONTRACTOR shall input all Units of Service provided in COUNTY's
4 IRIS database for the preceding month no later than the tenth (10th) calendar day of the month following
5 the report month. Services entered into IRIS must match the monthly billing documents prior
6 to funds being released. CONTRACTOR shall utilize monitoring reports available in IRIS to ensure the
7 accuracy of Units of Service and other forms that are entered by CONTRACTOR into IRIS.

8 D. CalOMS – CONTRACTOR shall: (1) enter an error-free CalOMS admission record within
9 twenty-one (21) calendar days of the start of services, (2) enter an error-free CalOMS annual record
10 between one (1) and sixty (60) calendar days prior to the admission anniversary, and (3) enter an error-
11 free CalOMS discharge record within twenty-one (21) calendar days after the last face-to-face service.
12 CONTRACTOR shall utilize the CalOMS Error Detail Report (CEDR) to ensure that any CalOMS entry
13 errors are corrected within two (2) business days of the entry. CONTRACTOR shall utilize other available
14 CalOMS monitoring reports to ensure correct and timely submission and will report findings of these
15 reports at monthly meetings with ADMINISTRATOR. CONTRACTOR shall ensure that a minimum of
16 ninety-six percent (96%) of their CalOMS are completed on time monthly. Any individual provider of
17 services must have an NPI number and be listed in IRIS as the provider of the service conducted prior to
18 performing any clinical services.

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

22 F. ACCESS LOG – CONTRACTOR shall track and enter information on requests for services into
23 a designated form provided by ADMINISTRATOR.

24 G. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports, as required by
25 ADMINISTRATOR, concerning CONTRACTOR's activities as they affect the services hereunder.
26 ADMINISTRATOR will be specific as to the nature of information requested and the timeframe the
27 information is needed.

28 H. CONTRACTOR agrees to enter psychometrics into COUNTY's EHR system as requested by
29 ADMINISTRATOR. Said psychometrics are for COUNTY's analytical uses only, and shall not be relied
30 upon by CONTRACTOR to make clinical decisions. CONTRACTOR agrees to hold COUNTY harmless,
31 and indemnify pursuant to Paragraph XIV. of the Contract, from any claims that arise from non-COUNTY
32 use of said psychometrics.

33 I. CONTRACTOR shall submit reports as required by ADMINISTRATOR and/or the State.

34 J. CONTRACTOR shall ensure that data submitted is accurate and complete by verifying the
35 accuracy and timeliness of reported data, screening the data for completeness, logic, and consistency,
36 submitting data in standardized formats as determined appropriate by ADMINISTRATOR.

37 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports

Paragraph of this Exhibit A to the Contract.

V. SERVICES

A. ADMINISTRATOR reserves the right to amend the scope of services as written in this Exhibit A in order to meet State mandated California Advancing and Innovating Medi-Cal (CalAIM) requirements.

B. CONTRACTOR shall order, prescribe, administer, and monitor methadone and all other DMC-ODS reimbursable medications for the treatment of substance use disorders. CONTRACTOR shall make available all reimbursable forms of the following medications: methadone, buprenorphine, buprenorphine-naloxone, naloxone, naltrexone, and disulfiram.

C. FACILITY – CONTRACTOR shall provide contracted services in accordance with the standards established by COUNTY and State DHCS as they may be amended or superseded at a later time during the course of this Contract within the specifications stated below, unless otherwise authorized by ADMINISTRATOR. CONTRACTOR shall provide services within a DMC certified, and state-licensed NRT program, in accordance with the standards established by COUNTY and under Title 9, Division 4, Chapter 4 of the CCR by the State of California, DHCS. The environment shall be healthy and safe and the facility shall be clean and in good repair. Services shall be provided at the following location, mobile units, or at any other Certified DMC facility approved in advance, in writing, by ADMINISTRATOR:

275 Victoria St. 1H
Costa Mesa, CA 92627-1905

1. CONTRACTOR's facility shall operate 365 days per year with scheduled closures only as permitted by state and federal regulations and guidelines. Hours of operation may be adjusted with prior approval from ADMINISTRATOR.

2. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday schedule, unless otherwise authorized, in writing, by ADMINISTRATOR.

3. CONTRACTOR's treatment program shall be accessible to people with disabilities in accordance with Title 45, Code of Federal Regulations (herein referred to as CFR), Part 84 and the American with Disabilities Act.

4. CONTRACTOR shall provide at a minimum, on site or by referral, prenatal and postpartum medical care, pediatric care, vocational/educational services to pregnant or parenting Clients.

5. CONTRACTOR shall be DMC Certified to provide DMC NTP services to DMC beneficiaries before execution of this Contract and during the entire term of this Contract. CONTRACTOR is expected to provide DMC treatment services and bill per NTP billing guidelines. Therefore, CONTRACTOR must be:

a. DMC certified and with a billing system established before services commence.

- b. Diligent and maintain active DMC certification throughout all Period(s) of this Contract.
- c. In close proximity to public transportation for easy access for Clients and their parents/caregivers or other family/support persons who are participating in the Client's treatment.
- d. A safe, drug-free, and welcoming environment and staff.
- e. Able to provide private rooms for individual counseling, separate administrative area for operations, billing and file storage.
- f. Located in Orange County.
- g. Certain to include DMC administrative costs of ten percent (10%) of the annual DMC budget allocation for purposes of quality assurance to be provided by COUNTY.

D. PERSONS TO BE SERVED – CONTRACTOR shall serve adults and adolescents twelve (12) years of age or older, unless COUNTY agrees in writing to limit the persons served to adults eighteen (18) years of age or older. In order to receive services through the DMC-ODS, the Client must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria, as outlined below. As COUNTY resources allow and as approved by ADMINISTRATOR, CONTRACTOR may serve Clients that are in the process of applying for Medi-Cal or those Clients that are in the process of having Medi-Cal reinstated as long as Clients reside in Orange County and meet medical necessity criteria, as outlined below.

E. MEDI-CAL ELIGIBILITY - MEDICAL NECESSITY

1. CONTRACTOR must verify the Medicaid eligibility determination of potential Clients. The verification shall be reviewed and approved by ADMINISTRATOR prior to payment for services, unless the individual is eligible to receive services from tribal health programs operating under the Indian Self Determination and Education Assistance Act (ISDEAA – Pub.L 93-638, as amended). If the individual is eligible to receive services from tribal health programs operating under the ISDEAA, then the determination shall be conducted as set forth in the Tribal Delivery System – Attachment BB to the STCs. CONTRACTOR may accept uninsured persons with proof of Medi-Cal application.

2. The initial medical necessity determination for an individual to receive a DMC-ODS benefit must be performed face-to-face by the Medical Director or appropriate designee within their scope of practice and as allowed by state and federal regulations.

3. All Medi-Cal beneficiaries under the age of twenty-one (21) are eligible to receive Medicaid services pursuant to the EPSDT mandate. Under the EPSDT mandate, beneficiaries under the age of twenty-one (21) are eligible to receive all appropriate and medically necessary services needed to correct and ameliorate health conditions that are coverable under section 1905(a) Medicaid authority, even if they do not meet criteria for a substance use disorder (SUD) diagnosis. This includes treatment for risky substance use and early engagement services. Nothing in the DMC-ODS overrides any EPSDT requirements. CONTRACTOR is responsible for the provision of services pursuant to the EPSDT mandate. Beneficiaries under age twenty-one (21) are eligible for DMC-ODS services without a diagnosis from the DSM for Substance-Related and Addictive Disorders.

1 4. CONTRACTOR shall ensure Clients are reassessed for continued medical necessity and
2 appropriate level of care placement.

3 F. ADMISSIONS

4 1. Subject to V.D., CONTRACTOR shall accept any person who is physically and mentally
5 able to comply with the program's rules and regulations and is Medi-Cal eligible. Persons with co-
6 occurring disorders and/or chronic conditions who require prescribed medication shall not be precluded
7 from acceptance or admission solely based on their licit use of prescribed medication(s).

8 2. Clients may contact CONTRACTOR directly to request services. Beneficiaries may also be
9 referred to CONTRACTOR by the 24/7 Beneficiary Access Line, network providers, and other access
10 points determined by ADMINISTRATOR. CONTRACTOR shall enter data regarding requests for
11 service into an access log established by ADMINISTRATOR.

12 3. CONTRACTOR shall have policies and procedures in place to screen for emergency medical
13 conditions and immediately refer beneficiaries to emergency medical care.

14 4. CONTRACTOR shall have a policy that requires Clients who show signs of any
15 communicable disease, or through medical disclosure during the intake process admitting to a health-
16 related problem that would put others at risk, to be cleared medically before services are provided by
17 CONTRACTOR.

18 5. CONTRACTOR shall initiate services within reasonable promptness and shall have a
19 documented system for monitoring and evaluating the quality, appropriateness, and accessibility of care,
20 including a system for addressing problems that develop regarding admission wait times.

21 6. ADMISSION POLICY – CONTRACTOR shall establish and make available to the public a
22 written Admission Policy. CONTRACTOR's Admission Policy shall reflect all applicable federal, state
23 and county regulations.

24 G. INFORMING MATERIALS – CONTRACTOR is responsible to distribute informing materials
25 and provider lists that meet the content requirements of 42 CFR 438.100 to Clients when they first access
26 SUD services through the DMC-ODS and on request. Informing materials will be provided by
27 ADMINISTRATOR.

28 H. INTERIM SERVICES – Any DMC Client participating in NTP treatment not admitted within
29 three (3) calendar days due to lack of capacity shall be provided interim services. Interim services shall
30 consist of: Voluntary testing, referral for medical evaluation, if appropriate; and HIV education, HIV risk
31 assessment and disclosure counseling and voluntary confidential HIV antibody testing. For pregnant
32 women, interim services shall also include counseling on the effects of alcohol and drugs on the
33 developing fetus and referral to prenatal medical care services. Interim services may be provided directly
34 or by referral to ADMINISTRATOR or another appropriate provider and given to prospective Clients
35 within 48 hours. Provision of interim services for DMC covered Client with alcohol and/or other
36 drug problems, who could otherwise be admitted into substance use disorder outpatient treatment, shall
37 be documented in IRIS, and reported monthly by the fifth (5th) business day or as determined by

1 ADMINISTRATOR.

2 I. In the event of non-compliance with timely access to care requirements, ADMINISTRATOR
3 shall provide CONTRACTOR assistance to adhere to the requirements. ADMINISTRATOR shall also
4 issue a written report documenting the non-compliance and require CONTRACTOR to submit a CAP
5 within thirty (30) calendar days of the report. ADMINISTRATOR is responsible for approving the CAP
6 and verifying that corrections have been made to resolve timely access.

7 J. NTP SERVICES shall include: screening, assessment, physical examination, care coordination,
8 individual counseling, group counseling, collateral services, medication services, medical psychotherapy,
9 patient education, SUD crisis intervention services, and discharge services, as required by federal, state,
10 and COUNTY rules and regulations. NTP services are provided when determined to be medically
11 necessary by a physician or Physician Extender. All services and documentation shall meet DMC
12 standards. Components of NTP Services are:

13 1. ASSESSMENT – Within three (3) calendar days of admission, CONTRACTOR shall assess
14 the Client utilizing an ASAM-based Assessment tool approved by ADMINISTRATOR to provide a
15 standardized, comprehensive risk and needs assessment. Assessment of each Client shall include, at a
16 minimum, their history and current functioning status in the following categories: substance use and prior
17 treatment history, medical, family, psychiatric/psychological, social/recreational, financial, educational,
18 employment, criminal, legal status. Additionally, CONTRACTOR is encouraged to assess each Client for
19 stress management, literacy, developmental and cognitive levels, emotional skills, self-help/independent
20 living skills, risk of suicide, current/history of physical and/or sexual abuse, and perpetration of physical
21 and/or sexual abuse. Individuals assessed to need SUD services outside of NTP services will be referred
22 to providers within the network who can provide the needed service. If the assessment indicates there is
23 no medical necessity for any SUD treatment levels, an NOABD will be provided to the Client after the
24 assessment or mailed to the Client no later than three (3) business days after the decision to deny SUD
25 services has been made. The content of Client records shall follow Title 9, Section 10165 and all other
26 requirements specified by this Contract.

27 2. PHYSICAL EXAMINATION - Before admitting a Client to treatment, the Medical Director
28 shall determine Medical Necessity by either conducting a medical evaluation or documenting the review
29 in agreement with a medical evaluation conducted by the physician's designee.

30 3. COUNSELING - Upon completion of the initial treatment plan, CONTRACTOR shall
31 arrange for Client to receive a minimum of fifty (50) minutes to a maximum of two hundred (200) minutes
32 of counseling services per calendar month for Maintenance, except when waived and documented by
33 CONTRACTOR's Medical Director. Counseling services shall be in accordance with the following
34 requirements:

- 35 a. Program staff member conducting the session must be a Counselor or LPHA;
36 b. The session must be conducted in a private setting in accordance with all applicable
37 federal, state, and county regulations regarding confidentiality; and

c. The format of the counseling session shall be in an Individual session, Group session, or medical psychotherapy, with all services including a face-to-face discussion with the Client on issues identified in the Client's treatment plan.

4. CARE COORDINATION – Consists of activities to provide coordination of SUD care, mental health care, and medical care, and to support the Client with Linkages to services and supports designed to restore the Client to their best possible functional level. Care coordination includes one or more of the following components:

a. Coordinating with medical and mental health care providers to monitor and support comorbid health conditions.

b. Discharge planning, including coordinating with SUD treatment providers to support transitions between levels of care and to recovery resources, referrals to mental health providers, and referrals to primary or specialty medical providers.

c. Coordinating with ancillary services, including individualized connection, referral, and linkages to community-based services and supports including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

5. COLLATERAL SERVICES – Sessions with therapists or counselors and significant persons in the life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of their treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the Client.

6. NARCOTIC REPLACEMENT THERAPY – Medication prescription, administration, and monitoring services provided in a stable, medically determined manner to reduce or eliminate chronic opioid use disorder, while the Client is provided a comprehensive range of treatment services.

7. MEDICATION ASSISTED TREATMENT – CONTRACTOR shall either directly offer or have an effective referral mechanism to MAT for Clients with SUD diagnoses that are treatable with Food and Drug Administration (FDA)-approved medications or biological products. CONTRACTOR's referral mechanism shall include a warm handoff by CONTRACTOR to the MAT provider to ensure the Client has been accepted into the MAT provider's program. The warm handoff must be done in real-time with the Client. Medically necessary MAT services directly offered by CONTRACTOR must be provided in accordance with an individualized treatment plan determined by a licensed physician or LPHA working within their scope of practice.

a. CONTRACTOR must ensure ability to continue MAT after discharge through Linkage to appropriate prescriber. MAT shall include the assessment, treatment planning, ordering, prescribing, administering, and monitoring of all medications for SUDs.

b. CONTRACTOR must provide administration of buprenorphine, buprenorphine injectable (Sublocade), buprenorphine-naloxone, naltrexone, naltrexone injectable (Vivitrol) acamprosate, disulfiram, and naloxone as clinically appropriate for this population and approved by the

1 FDA. Other approved medications in the treatment of SUDs may also be prescribed and administered, as
2 medically necessary and clinically appropriate.

3 c. CONTRACTOR must provide care coordination with treatment and ancillary service
4 providers and facilitate transitions between levels of care. Clients may simultaneously participate in MAT
5 services and other ASAM LOCs.

6 8. MAINTENANCE TREATMENT PLANNING - CONTRACTOR shall, within twenty-eight
7 (28) calendar days of initiation of Narcotic Replacement Therapy for a Maintenance Client, have a
8 registered, certified, and/or licensed Counselor/LPHA develop an individualized treatment plan with each
9 Client per Title 9, Section 10305 which shall be based on the multi-dimensional assessment and health
10 assessment.

11 a. Maintenance treatment plans shall include:

12 i) Goals, based on identified needs, to be achieved by the Client with estimated target
13 dates for attainment in accordance with the following. Short-term goals are estimated to require eighty-
14 nine (89) calendar days or less for Client to achieve. Long-term goals are estimated to require a specified
15 time exceeding ninety (90) calendar days for Client to achieve.

16 ii) Specific behavioral tasks the Client must accomplish to complete each short-term
17 and long-term goal;

18 iii) A description of the type and frequency of counseling services to be provided to the
19 Client;

20 iv) An effective date based on the day the Counselor signed the initial treatment plan;

21 v) The SUD diagnosis shall appear on the treatment plan;

22 b. The Supervising Counselor shall review the initial maintenance services plan, along with
23 the needs assessment, and all updated maintenance services plans within fourteen (14) calendar days from
24 the effective dates and shall countersign these documents to signify concurrence with the findings.

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

27 d. CONTRACTOR's registered, certified, and/or licensed Counselor/LPHA shall evaluate
28 and update the Client's treatment plan whenever necessary, or at a minimum once every three (3) months
29 from the date of admission. The updated treatment plan shall include:

30 i) A summary of the Client's progress or lack of progress toward each goal identified
31 in the initial treatment plan;

32 ii) New goals and behavioral tasks for any newly identified needs, and related changes
33 in the type and frequency of counseling services.

34 9. DETOXIFICATION TREATMENT PLANNING – CONTRACTOR shall develop an
35 individualized treatment plan for each detoxification Client which shall include:

36 a. Provisions to assist the Client to understand illicit drug addictions and how to deal with
37 them.

b. Provisions for furnishing services to the Client as needed when the period of detoxification treatment is completed.

c. The treatment services required and a description of the role they play in achieving the stated goals.

d. The type and frequency of scheduled counseling services.

10. SUBSTANCE USE SCREENING

a. CONTRACTOR shall have a written policy and procedure statement regarding alcohol and drug screening that includes unannounced drug and/or alcohol testing upon admission to the program and at a minimum of once a month and more often in situations where there is suspicion of use. The urine specimen collection shall be observed by sex-congruent staff. This policy shall be approved by ADMINISTRATOR. A Client shall not be denied admittance to treatment for a positive alcohol and/or drug screen at admission if they meet all other criteria for admission. For those situations where drug screening is deemed appropriate and necessary, CONTRACTOR shall:

i. Establish procedures that protect against the falsification and/or contamination of any body specimen sample collected for drug screening;

ii. Document results of the drug screening in the Client's record; and

iii. Maintain a copy of on-site testing results in the Client's record indicating the outcome and include the signature and date of the Client and staff conducting the testing.

b. Drug and/or alcohol test results can be used to assist in diagnosis, confirm clinical impressions, help modify the treatment plan, and determine the extent of the Client's reduction in substance use. However, clinical decisions should not be based solely on these results.

c. If any Maintenance Client's drug screen results indicate a negative pattern of testing positive for non-opioid illegal substances, or methadone diversion, CONTRACTOR shall thoroughly document the corrective action taken to refocus the Client. All counseling session discussions and referrals/Linkages shall be documented.

d. In the event CONTRACTOR wishes to utilize the COUNTY-contracted laboratory for drug screening purposes, CONTRACTOR shall collect and label samples from Clients.

e. Drug and/or Alcohol testing is not a DMC reimbursable service and is not to be conducted during an Individual or Group session.

11. SUD CRISIS INTERVENTION SERVICES – CONTRACTOR shall provide sessions between a therapist or counselor and a Client in crisis. Crisis means an actual relapse or an unforeseen event or circumstance, which presents an imminent threat of relapse. Crisis intervention services shall focus on alleviating the crisis problem and be limited to the stabilization of the Client's immediate situation. These types of services are not scheduled and do not appear on the treatment plan and may be provided on the same day as a scheduled group or individual service as initiated by the Client.

12. DISCHARGE SERVICES - The process to prepare the Client for referral into another level of care, post treatment return or reentry into the community, and/or the Linkage of the Client to essential

1 community treatment, housing and human services. CONTRACTOR shall begin discharge planning
2 immediately upon enrollment. CONTRACTOR shall develop written procedures regarding Client
3 discharge.

4 a. Discharge Plan – CONTRACTOR shall develop a formal discharge plan within thirty
5 (30) calendar days prior to Client's planned discharge from the program. A discharge plan is to be
6 completed for each Client, except a Client with whom the provider loses contact. The discharge plan shall
7 be completed and signed by CONTRACTOR staff and the Client. A copy of the discharge plan shall be
8 provided to the Client and retained in the Client's record. The discharge plan shall include, but not be
9 limited to, all of the following:

10 i) A description of each of the Client's relapse triggers;
11 ii) A plan to assist the Client to avoid relapse when confronted with each trigger;
12 iii) A support plan, including linkage and referral of the Client to appropriate services,
13 such as outpatient treatment, other support services such as self-help groups, social services, vocational
14 rehabilitation, job training and other services, as needed.

15 b. Discharge Summary – The discharge summary is to be completed by the LPHA or
16 counselor within thirty (30) calendar days of the date of the last face-to-face treatment contact with the
17 Client. The discharge summary shall include all of the following:

18 i) The duration of the Client's treatment as determined by the dates of admission to and
19 discharge from treatment;
20 ii) The reason for discharge;
21 iii) A narrative of the treatment episode, including services provided and the Client's
22 progress during treatment; and
23 iv) The Client's prognosis.

24 13. EVIDENCE-BASED PRACTICES - CONTRACTOR will implement at least two of the
25 following EBPs. The required EBPs include:

26 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
27 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach
28 frequently includes other problem-solving or solution-focused strategies that build on Client's past
29 successes.

30 b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral
31 reactions are learned and that new ways of reacting and behaving can be learned.

32 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
33 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
34 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved
35 during initial substance use treatment.

36 d. Trauma-Informed Treatment: Services must take into account an understanding of
37 trauma, and place priority on trauma survivors' safety, choice and control.

e. Psycho-Education: Psycho-educational groups are designed to educate Clients about substance abuse, and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth and change, identify community resources that can assist Clients in recovery, develop an understanding of the process of recovery, and prompt people using substances to take action on their own behalf.

14. CLINICAL DOCUMENTATION shall occur for each session attended by the Client and include treatment plan progress on each note for at least one problem area. Staff documenting for any Client's group or individual service shall understand progress notes are individualized narrative summaries and shall include the following:

a. The type and topic of the session and how the topic relates to substance use disorders in the content of the progress note;

b. A narrative describing the service, including how the service addressed the Client's behavioral health need (e.g., symptom, condition, diagnosis, and/or risk factors);

c. Information on attendance, including the date, start and end times of each group or individual and duration of the service, including travel and documentation time;

d. Location of the Client at the time of receiving the service;

e. Type or legibly print the name, date and signature of the counselor or therapist who conducted the session and document services within three (3) business days of providing a service except for crisis services notes which shall be completed within twenty-four (24) hours;

f. ICD 10 code;

g. Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) code and the number of Clients in attendance;

h. Next steps including, but not limited to, planned action steps by the provider or by the Client, collaboration with the Client, collaboration with other provider(s) and any update to the treatment plan, as appropriate.

15. HEALTH, MEDICAL, PSYCHIATRIC, AND EMERGENCY SERVICES

a. CONTRACTOR shall provide directly or by referral: HIV education, voluntary, confidential HIV antibody testing and risk assessment and disclosure counseling.

b. CONTRACTOR shall have and post written procedures for obtaining medical or psychiatric evaluation and emergency services.

c. CONTRACTOR shall have readily available the name, address, and telephone number for the fire department, a crisis center, local law enforcement, and a paramedical unit or ambulance service.

d. CONTRACTOR shall obtain the medical records and record the Client's medical information in their file including all applicable authorizations to disclose information, primary care physician (PCP) name and location, medical history, medications, and significant conditions. CONTRACTOR shall notify the medical home provider immediately upon intake and shall request

1 medical records within one (1) week. After review of medical records received, the Medical Director of
2 CONTRACTOR shall consult with the PCP at the medical home to ensure proper coordination of care
3 within thirty (30) calendar days. If medication is prescribed, SUD clinical staff will notify the medical
4 home provider within one (1) week of prescribing. If no medical home is identified, CONTRACTOR will
5 discuss the benefits of coordinated/integrated care and identifying a medical home shall be a goal on the
6 treatment plan. All progress towards and attempts to link the Client to a medical home will be documented
7 in the file.

8 16. Physician/Clinician Consultation Services – Clinician Consultation consists of DMC-ODS
9 LPHAs consulting with LPHAs, such as addiction medicine physicians, addiction psychiatrists, licensed
10 clinicians, or clinical pharmacists, to support the provision of care. CONTRACTOR will have access to
11 Clinician Consultation Services defined as DMC clinicians consulting with addiction medicine
12 physicians, addiction psychiatrists, clinicians or clinical pharmacists. Clinician consultation services are
13 designed to support DMC-ODS licensed clinicians with complex cases and may address medication
14 selection, dosing, side effect management, adherence, drug-drug interactions, or level of care
15 considerations. It includes consultations between clinicians designed to assist DMC clinicians with
16 seeking expert advice on treatment needs for specific DMC-ODS beneficiaries. This service is distinct
17 from internal care coordination or supervision.

18 K. ORIENTATION – CONTRACTOR shall advise Client of the nature and purpose of treatment
19 and shall document the Client's acknowledgement of orientation in the Client's file. The program
20 orientation shall be documented in the Client's file, and shall include, but not be limited to:

- 21 1. The addicting nature of medications used in replacement narcotic therapy;
- 22 2. The hazards and risks involved in replacement narcotic therapy;
- 23 3. The Client's responsibility to the program;
- 24 4. The program's responsibility to the Client;
- 25 5. The Client's participation in the program is wholly voluntary and the Client may terminate
26 his/her participation in the program at any time without penalty;
- 27 6. The Client will be tested for evidence of use of opiates and other illicit drugs;
- 28 7. The Client's medically determined dosage level may be adjusted without the Client's
29 knowledge, and at some later point the Client's dose may contain no medications used in replacement
30 narcotic therapy;
- 31 8. Take-home medication which may be dispensed to the Client is only for the Client's personal
32 use;
- 33 9. Misuse of medications will result in specified penalties within the program and may also
34 result in criminal prosecution;
- 35 10. The Client has a right to a humane procedure of withdrawal from medications used in
36 replacement narcotic therapy and a procedure for gradual withdrawal is available;
- 37 11. Possible adverse effects of abrupt withdrawal from medications used in replacement narcotic

1 therapy;

2 12. Protection under the confidentiality requirements.

3 L. ADDITIONAL REQUIREMENTS FOR PREGNANT CLIENTS - Within fourteen (14) calendar
4 days from the date the primary counselor becomes aware the Client may be pregnant, as documented in
5 the Client's file, the medical director shall review, sign, and date a confirmation of pregnancy, document
6 acceptance of medical responsibility of the Client's prenatal care, or verify and document the Client is
7 under the care of a physician licensed by the State of California and trained in obstetrics and/or
8 gynecology.

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

13 a. periodic face-to-face consultation at least monthly with the medical director or Physician
14 Extender designated by the medical director;

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

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

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

21 3. Within fourteen (14) calendar days after the date of birth and/or termination of the pregnancy,
22 if the Client is still enrolled, the medical director shall document in the Client's file the following:

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

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

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

30 M. CONTINUATION OF TREATMENT – CONTRACTOR shall provide updated justification for
31 treatment for Clients who have been on methadone maintenance for a period of one (1) year, and provide
32 this justification annually thereafter as per Title 9, Section 10410. Justification shall be provided by the
33 Medical Director or program physician and noted in Client's file. Without said justification the medical
34 director or program physician shall discontinue Client's maintenance services.

35 N. PERFORMANCE OBJECTIVES AND OUTCOMES – CONTRACTOR shall meet the
36 following performance Objectives and Outcomes:

37 1. Achieve a goal of forty percent (40%) or fewer of all unduplicated clients who test positive

1 for illicit drugs after an enrollment of ninety (90) calendar days.

2 2. Achieve a goal of retaining at least seventy percent (70%) of clients who are enrolled each
3 month. Retention rates will be based on the number of clients who either remain in treatment or
4 successfully complete treatment within the month.

5 3. Achieve a goal of seventy percent (70%) or above of unduplicated clients who after an
6 enrollment of ninety (90) calendar days self-report being able to lead a productive lifestyle. A productive
7 lifestyle includes being employed, enrolled in school, a caretaker, or a community volunteer.

8 4. Adhere to the National Standards for Culturally and Linguistically Appropriate Services in
9 Health and Health Care and respond to each standard as directed by COUNTY.

10 O. MEETINGS – CONTRACTOR’s Executive Director and Chief Financial Officer or designees
11 shall participate in monthly meetings facilitated by ADMINISTRATOR related to the provision of
12 services pursuant to this Contract. Active participation in regular SUD Quality Improvement (QI)
13 Coordinator’s meetings organized by the Authority and Quality Improvement Services (AQIS) Quality
14 Management program is required for at least one dedicated program QI coordinator/professional.

15 P. CULTURAL COMPETENCY – CONTRACTOR shall provide culturally competent services.
16 CONTRACTOR shall make its best effort to provide services pursuant to this Contract in a manner that
17 is culturally and linguistically appropriate for the population(s) served. CONTRACTOR must ensure that
18 their policies, procedures, and practices are consistent with the principles outlined and are embedded in
19 the organizational structure, as well as being upheld in day-to-day operations. CONTRACTOR shall
20 maintain documentation of such efforts which may include, but not be limited to: records of participation
21 in COUNTY-sponsored or other applicable training; recruitment and hiring policies and procedures;
22 copies of literature in multiple languages and formats, as appropriate; and descriptions of measures taken
23 to enhance accessibility for, and sensitivity to, individuals who are physically challenged.
24 CONTRACTOR shall refer to Culturally and Linguistically Appropriate Services (CLAS) adapted by
25 DHCS to develop culturally informed services.

26 Q. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold
27 languages as determined by COUNTY. Language translation services must be available for Clients and
28 their involved family members, as needed. Whenever possible, bilingual/bicultural staff should be
29 retained. Any clinical vacancies occurring at a time when bilingual and bicultural composition of the
30 clinical staffing does not meet the above requirement must be filled with bilingual and bicultural staff
31 unless ADMINISTRATOR consents, in advance and in writing, to the filling of those positions with non-
32 bilingual staff. Salary savings resulting from such vacant positions may not be used to cover costs other
33 than salaries and employees benefits unless otherwise authorized, in advance and in writing, by
34 ADMINISTRATOR.

35 R. POSTINGS – CONTRACTOR shall post the following in a prominent place within each
36 contracted facility:

37 1. State Licensure and Certification

2. Business License
 3. Conditional Use Permit (if applicable)
 4. Fire clearance
 5. Client rights
 6. Grievance procedures and form
 7. Availability of translation services at no cost
 8. Employee Code of Conduct
 9. Evacuation floor plan
 10. Equal Employment Opportunity notices
 11. Name, address, telephone number for fire department, crisis program, local law enforcement, and ambulance service.
 12. List of resources within Orange County which shall include medical, dental, mental health, public health, social services and where to apply for determination of eligibility for Federal, State, or County entitlement programs.
 13. Information on self-help meetings. AA, NA, and non-12 step meetings shall be included.
- S. CONTRACTOR shall utilize protocols developed and supported by the Medical Director. These protocols shall provide procedures should a Client's condition deteriorate and appear to need medical intervention.
- T. NO PROSELYTIZING POLICY – CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any person who has been referred to CONTRACTOR by COUNTY under the terms of this Contract. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.
- U. AUTHORITY – CONTRACTOR shall recognize the authority of Orange County Probation Department (OCPD) as officers of the court and shall extend cooperation to OCPD within the constraints of CONTRACTOR's program.
- V. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy, which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy shall specify the facilities are "smoke free" and Clients are prohibited from smoking at all times. The policy shall also specify that vaping is prohibited at all times.
- W. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available at minimum two (2) unexpired Naloxone doses for the treatment of known or suspected opioid overdose. At least one (1) staff per shift shall be trained in administering the Naloxone. Naloxone is not a substitute for emergency medical care. CONTRACTOR shall always seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid emergency.
- X. TOKENS – ADMINISTRATOR will provide CONTRACTOR the necessary number of Tokens for appropriate individual staff to access IRIS at no cost to CONTRACTOR.

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

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

5 3. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the Token
6 for each staff member assigned a Token.

7 4. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following
8 conditions:

- 9 a. Token of each staff member who no longer supports this Contract.
- 10 b. Token of each staff member who no longer requires access to IRIS.
- 11 c. Token of each staff member who leaves employment of CONTRACTOR.
- 12 d. Tokens malfunctioning.
- 13 e. Termination of this Contract.

14 5. ADMINISTRATOR will issue tokens for CONTRACTOR's staff members who require
15 access to IRIS upon initial training or as a replacement for malfunctioning Tokens.

16 6. CONTRACTOR shall reimburse COUNTY for tokens lost, stolen, or damaged through acts
17 of negligence.

18 7. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice. All
19 statistical data used to monitor CONTRACTOR shall be compiled using only COUNTY IRIS reports, if
20 available, and if applicable.

21 Y. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of
22 CONTRACTOR's administrative and program P&Ps. CONTRACTOR shall provide signature
23 confirmation of its P&P training for each staff member and place in their personnel files.

24 Z. CONTRACTOR shall ensure that all staff responsible for input into IRIS are to complete IRIS
25 New User Training.

26 AA. CONTRACTOR shall conduct Supervisory Review of Client records at minimum upon
27 admission, at thirty (30) calendar day intervals, and upon discharge in accordance with procedures
28 developed by ADMINISTRATOR. CONTRACTOR shall ensure that all chart documentation complies
29 with all federal, state, and local guidelines and standards.

30 AB. CONTRACTOR shall provide effective administrative management of the budget, staffing,
31 recording, and reporting portion of this Contract with COUNTY. If administrative responsibilities are
32 delegated to subcontractors, CONTRACTOR must ensure that any subcontractor(s) possess the
33 qualifications and capacity to perform all delegated responsibilities. These responsibilities include, but
34 are not limited, to the following:

35 1. Designate the responsible position(s) in your organization for managing the funds allocated
36 to the program;

37 2. Maximize the use of the allocated funds;

3. Ensure timely and accurate reporting of monthly expenditures;
4. Maintain appropriate staffing levels;
5. Request budget and/or staffing modifications to this Contract;
6. Effectively communicate and monitor the program for its success;
7. Track and report expenditures electronically;
8. Maintain electronic and telephone communication between CONTRACTOR and ADMINISTRATOR; and,
9. Act quickly to identify and solve problems.

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

AD. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours, of any significant program changes.

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

VI. STAFFING

A. CONTRACTOR shall ensure that all clinical staffing, including those providing direct Client services, meet the requirements of Title 22, Title 9 of the CCR, and CALAIM DMC-ODS Program updates as they exist now or may hereafter be amended or changed and all standards of the Department of Health Care Services.

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

C. Professional staff shall be licensed, registered, certified, or recognized under California scope of practice statutes. Professional staff shall provide services within their individual scope of practice and receive supervision required under their scope of practice laws.

D. Professional staff shall undergo the HCA credentialing process by the AQIS Managed Care Support Team (MCST) prior to rendering any Medi-Cal covered services.

1. CONTRACTOR shall comply with the requirements of the State's established, uniform credentialing and re-credentialing policy that addresses behavioral and substance use disorders, outlined in DHCS Information Notice 18-019.

2. CONTRACTOR shall follow COUNTY's process for credentialing and re-credentialing of network providers and shall ensure that all registered, licensed, or certified staff who deliver Medi-Cal covered services are properly credentialed by COUNTY before delivering any Medi-Cal covered services. Services shall not be rendered by CONTRACTOR staff prior to completion of credentialing and re-credentialing. Any services rendered by CONTRACTOR staff prior to completion of credentialing and

1 re-credentialing is a material breach of this Contract and shall not be reimbursed.

2 E. CONTRACTOR shall have a P&P in place for onboarding non-professional staff. Non-
3 professional staff shall receive appropriate onsite orientation and training prior to performing assigned
4 duties. Non-professional staff shall be supervised by professional and/or administrative staff.

5 F. Professional and Non-professional staff are required to have appropriate experience and any
6 necessary training at the time of hiring.

7 G. Registered and certified SUD counselors shall adhere to all requirements in the CCR, Title 9,
8 Division 4, Chapter 8.

9 H. Substance Use Disorder Staffing levels and qualifications shall meet the requirements of the State
10 Department of Health Care Services (DHCS) Counselor Certification Standards for California for
11 Outpatient Services and CCR, Title 9, Chapter 8. All staff providing treatment services shall be licensed
12 and/or certified in accordance with state requirements, and professional guidelines, as applicable. At least
13 thirty percent (30%) of staff providing counseling (group, individual, case management, and intake)
14 services in all AOD programs shall be licensed or certified pursuant to the requirements of Title 9,
15 Division 4, Chapter 8. All other counseling staff shall be registered pursuant to Section 13035(f).

16 I. CONTRACTOR must have a Medical Director who, prior to the delivery of services under this
17 Contract has enrolled with DHCS under applicable state regulations, has been screened in accordance
18 with 42 CFR 455.450(a) as a "limited" categorical risk within a year prior to serving as a Medical Director
19 under this Contract.

20 1. The Medical Director's responsibilities shall, at a minimum, include all of the following:

21 a. Ensure that medical care provided by physicians, registered nurse practitioners, and
22 physician assistants meets the applicable standard of care;

23 b. Ensure that physicians do not delegate their duties to non-physician personnel;

24 c. Develop and implement medical policies and standards for the provider;

25 d. Ensure that physicians, registered nurse practitioners, and physician assistants follow the
26 provider's medical policies and standards;

27 e. Ensure that the medical decisions made by physicians are not influenced by fiscal
28 considerations;

29 f. Ensure that provider's physicians and LPHAs are adequately trained to perform diagnosis
30 of substance use disorders for Clients and determine the medical necessity of treatment for Clients;

31 g. Ensure that provider's physicians are adequately trained to perform other physician
32 duties, as outlined in this section.

33 2. The Medical Director may delegate his/her responsibilities to a physician or Physician
34 Extender consistent with the provider's medical policies and standards and state, federal, and COUNTY
35 rulings. The Medical Director shall remain responsible for ensuring all delegated duties are properly
36 performed.

37 3. Written roles and responsibilities and a code of conduct for the Medical Director shall be

1 clearly documented, signed and dated by a provider representative and the physician. The Medical
2 Director shall complete the credentialing process along with required DMC and COUNTY trainings.

3 J. CONTRACTOR must maintain at least one designated Quality Assurance coordinator to track
4 data outcomes and report on ability to meet performance objectives and ensure file compliance with this
5 Contract and the DMC-ODS Implementation Plan.

6 K. CONTRACTOR's certification to participate in the DMC program shall automatically terminate
7 in the event CONTRACTOR or its owners, officers or directors are convicted of Medi-Cal fraud, abuse
8 or malfeasance. For purposes of this section, a conviction shall include a plea of guilty or nolo contendere.

9 L. VOLUNTEERS/INTERNS – CONTRACTOR may augment the above paid staff with volunteers
10 or part-time student interns. Unless waived by ADMINISTRATOR, prior to providing services pursuant
11 to this Contract, interns shall be Master's Candidates in Counseling or Social Work or have a Bachelor's
12 Degree in a related field or be participating in any state recognized counselor certification program.
13 Additionally, volunteers or student interns must be AOD registered or certified. CONTRACTOR shall
14 provide supervision of work by interns consistent with school or licensing Board requirements.
15 CONTRACTOR shall provide supervision to volunteers as specified in the respective job descriptions or
16 work contracts. Volunteer or student intern services may not comprise more than twenty percent (20%)
17 of the services provided, unless approved in advance by ADMINISTRATOR. If utilizing the services of
18 volunteers or student interns, CONTRACTOR shall implement procedures which address the following:
19 recruitment; screening; selection; training and orientation; duties and assignments; scope of practice;
20 supervision; evaluation; and Client confidentiality.

21 M. CONTRACTOR shall develop a policy governing supervision of staff that will be approved by
22 ADMINISTRATOR. That policy will address the training needs and requirements of all staff.

23 N. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, albeit paid
24 or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness.
25 Supervision methods should include debriefings and consultation as needed, individual supervision or
26 one-on-one support, and team meetings. Supervision should be provided by a supervisor who has
27 extensive knowledge regarding substance use disorders.

28 O. STAFF CONDUCT – CONTRACTOR shall establish a written policies and procedures for
29 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be
30 limited to, standards related to the use of drugs and/or alcohol; staff-Client relationships; prohibition of
31 sexual conduct with Clients; prohibition of forging or falsifying documents or drug tests; and real or
32 perceived conflict of interest. Situations that may be perceived as a conflict of interest shall be brought to
33 ADMINISTRATOR's attention prior to the occurrence. Prior to providing any services pursuant to the
34 Contract, all employees, volunteers, and interns shall agree in writing to maintain the standards set forth
35 in the said policies and procedures. A copy of said policies and procedures shall be provided to each Client
36 upon admission and shall be posted in writing in a prominent place in the treatment facility.

37 P. STAFF/VOLUNTEER/INTERN SCREENING - CONTRACTOR shall provide pre-

1 employment “live scan” screening of any staff person providing any service pursuant to the Contract. All
2 new staff, volunteers, and interns shall pass a one-time “live scan” fingerprinting background check prior
3 to employment. ADMINISTRATOR may change this approval mechanism at their discretion.

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

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

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

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

12 d. No person shall be on parole or probation;

13 e. No person shall have prior employment history of improper conduct, including but not
14 limited to, forging or falsifying documents or drug tests, sexual assault or sexual harassment, or
15 inappropriate behavior with staff at another treatment facility.

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

18 Q. STAFF TRAINING - CONTRACTOR shall develop a written plan for staff training. All Staff
19 training shall be documented and maintained as part of the training plan and shall adhere to requirements
20 set forth by HCA Quality Management Services Policies and Procedures.

21 1. All personnel shall be trained or shall have experience which provides knowledge of the skills
22 required in the following areas, as appropriate to the job assigned, and as evidenced by safe and effective
23 job performance:

24 a. General knowledge of alcohol and/or substance use disorder and the principles of
25 recovery;

26 b. Housekeeping and sanitation principles;

27 c. Principles of communicable disease prevention and control;

28 d. Recognition of early signs of illness and the need for professional assistance;

29 e. Availability of community services and resources;

30 f. Recognition of individuals under the influence of alcohol and/or drugs.

31 2. CONTRACTOR shall ensure that within thirty (30) calendar days of hire and on an annual
32 basis, all program staff including administrator, volunteers, and interns shall complete:

33 a. Annual County Compliance Training;

34 b. A minimum of one (1) hour of training in cultural competence annually; and

35 c. Cyber Security Awareness Training (for any CONTRACTOR staff who may, could, do
36 access Citrix, COUNTY’s Electronic Portal).

37 3. In addition to the above, CONTRACTOR shall ensure that staff complete training as follows:

1 a. Professional staff (Licensed Professionals of the Healing Arts), including Medical
2 Directors, shall receive a minimum of five (5) hours of continuing education related to addiction medicine
3 annually.

4 b. MAT Documentation Training within ninety (90) calendar days of hire is mandatory for
5 all clinical staff, all on-site Quality Management staff, and all supervisors; however, compliant
6 documentation is required from the onset of services.

7 c. Any and all staff completing the CalOMS should be trained in the CalOMS clinical
8 training.

9 d. All providers, including volunteers and interns, providing DMC-ODS services are
10 required to be trained and complete at least once prior to providing services, the most updated ASAM-A
11 and ASAM-B, in addition to any current version of the following two (2) training modules:

12 i. American Society of Addiction Medicine (ASAM) Multidimensional Assessment
13 (sometimes referred to as ASAM-A or ASAM I), including any current ASAM-A versions.

14 ii. Assessment to Service Planning and Level of Care (sometimes referred to as ASAM-
15 B or ASAM II), including any current ASAM-B or -II versions).

16 iii. This requirement applies to all physicians and Medical Directors regardless of their
17 role in the program and may only be waived for physicians/Medical Directors who are Board Certified
18 with an Addiction sub-specialty.

19 e. All providers and administrators must receive training on DMC-ODS requirements at
20 least annually. These requirements will be contained in the COUNTY-developed Annual Provider
21 Training.

22 f. DMC-ODS/SUD documentation training within ninety (90) calendar days of hire is
23 mandatory for all clinical staff, all on-site Quality Management staff, and all supervisors; however,
24 compliant documentation is required from the onset of services.

25 g. Annual training in the two minimum evidence-based practices (EBP) utilized at the
26 program.

27 h. Motivational Interviewing must be taken at least once and will count as one EBP for the
28 year. CONTRACTOR may choose other EBP courses after.

29 i. Naloxone Administration training.

30 j. CPR/first aid training.

31 k. Additional trainings as required by ADMINISTRATOR.

32 R. PERSONNEL FILES – CONTRACTOR shall maintain personnel files and ensure continued
33 compliance with required credentials and trainings for each staff person, including management and
34 other administrative positions, subcontractors, and volunteers/interns, both direct and indirect to this
35 Contract, which shall include, but not be limited to:

36 1. Application for employment and/or resume;

37 2. Signed employment confirmation statement/duty statement;

3. Job description;
4. Salary schedule and salary adjustment information;
5. Performance evaluations;
6. Health records/status as required by the provider, AOD Certification or Title 9;
7. Other personnel actions (e.g., commendations, discipline, status change, employment incidents and/or injuries);
8. Training documentation relevant to substance use disorders and treatment;
9. Current registration, certification, intern status, or licensure;
10. Proof of continuing education required by licensing or certifying agency and program;
11. CONTRACTOR's signed Code of Conduct must be contained within the personnel file for each staff; and
12. A signed copy of the certifying/licensing body's code of conduct for each registered, certified, and licensed staff.

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

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

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

EXHIBIT B
TO CONTRACT FOR PROVISION OF
DRUG MEDI-CAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES
BETWEEN
COUNTY OF ORANGE
AND
WESTERN PACIFIC RE-HAB
JULY 1, 2025 THROUGH JUNE 30, 2028

I. BUSINESS ASSOCIATE CONTRACT

A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

6. The parties understand that the HIPAA Privacy and Security rules, as defined below in Subparagraphs B.9 and B.14, apply to CONTRACTOR in the same manner as they apply to the covered entity (COUNTY). CONTRACTOR agrees therefore to be in compliance at all times with the terms of this Business Associate Contract as it exists now or be hereafter updated with notice to CONTRACTOR, and the applicable standards, implementation specifications, and requirements of the Privacy and the Security rules, as they may exist now or be hereafter amended, with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Contract.

1 B. DEFINITIONS

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

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

8 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

35 6. "Health Care Operations" shall have the meaning given to such term under the HIPAA
36 Privacy Rule in 45 CFR § 164.501.

37 7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in 45

1 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with
2 45 CFR § 164.502(g).

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

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

8 10. "PHI" shall have the meaning given to such term under the HIPAA regulations in 45 CFR §
9 160.103.

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

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

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

19 14. "The HIPAA Security Rule" shall mean the Security Standards for the Protection of ePHI at
20 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

21 15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in
22 45 CFR § 160.103.

23 16. "Technical safeguards" means the technology and the policy and procedures for its use that
24 protect ePHI and control access to it.

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

28 18. "Use" shall have the meaning given to such term under the HIPAA regulations in 45 CFR §
29 160.103.

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

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

34 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business
35 Associate Contract and the Contract, to prevent use or disclosure of PHI COUNTY discloses to
36 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
37 other than as provided for by this Business Associate Contract.

1 3. CONTRACTOR agrees to comply with the HIPAA Security Rule at Subpart C of 45 CFR
2 Part 164 with respect to electronic PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
3 creates, receives, maintains, or transmits on behalf of COUNTY.

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

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

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

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

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

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

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

33 11. CONTRACTOR agrees to provide COUNTY or an Individual, as directed by COUNTY, in
34 a time and manner to be determined by COUNTY, that information collected in accordance with the
35 Contract, in order to permit COUNTY to respond to a request by an Individual for an accounting of
36 Disclosures of PHI in accordance with 45 CFR § 164.528.

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

1 under the HIPAA Privacy and/or Security rules CONTRACTOR will comply with the requirements of 45
2 CFR Part 164 that apply to COUNTY in the performance of such obligation.

3 13. If CONTRACTOR receives Social Security data from COUNTY provided to COUNTY by
4 a state agency, upon request by COUNTY, CONTRACTOR shall provide COUNTY with a list of all
5 employees, subcontractors, and agents who have access to the Social Security data, including employees,
6 agents, subcontractors, and agents of its subcontractors.

7 14. CONTRACTOR will notify COUNTY if CONTRACTOR is named as a defendant in a
8 criminal proceeding for a violation of HIPAA. COUNTY may terminate the Contract, if CONTRACTOR
9 is found guilty of a criminal violation in connection with HIPAA. COUNTY may terminate the Contract,
10 if a finding or stipulation that CONTRACTOR has violated any standard or requirement of the privacy or
11 security provisions of HIPAA, or other security or privacy laws are made in any administrative or civil
12 proceeding in which CONTRACTOR is a party or has been joined. COUNTY will consider the nature
13 and seriousness of the violation in deciding whether or not to terminate the Contract.

14 15. CONTRACTOR shall make itself and any subcontractors, employees or agents assisting
15 CONTRACTOR in the performance of its obligations under the Contract, available to COUNTY at no
16 cost to COUNTY to testify as witnesses, or otherwise, in the event of litigation or administrative
17 proceedings being commenced against COUNTY, its directors, officers or employees based upon claimed
18 violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves
19 inactions or actions by CONTRACTOR, except where CONTRACTOR or its subcontractor, employee,
20 or agent is a named adverse party.

21 16. The Parties acknowledge that federal and state laws relating to electronic data security and
22 privacy are rapidly evolving and that amendment of this Business Associate Contract may be required to
23 provide for procedures to ensure compliance with such developments. The Parties specifically agree to
24 take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH
25 Act, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon
26 COUNTY's request, CONTRACTOR agrees to promptly enter into negotiations with COUNTY
27 concerning an amendment to this Business Associate Contract embodying written assurances consistent
28 with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other
29 applicable laws. COUNTY may terminate the Contract upon thirty (30) days written notice in the event:

30 a. CONTRACTOR does not promptly enter into negotiations to amend this Business
31 Associate Contract when requested by COUNTY pursuant to this Subparagraph F; or

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

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

1 D. SECURITY RULE

2 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish and
3 maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR §
4 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to CONTRACTOR
5 or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY. CONTRACTOR
6 shall develop and maintain a written information privacy and security program that includes
7 Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of
8 CONTRACTOR's operations and the nature and scope of its activities.

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

13 3. CONTRACTOR shall ensure the continuous security of all computerized data systems
14 containing electronic PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives,
15 maintains, or transmits on behalf of COUNTY. CONTRACTOR shall protect paper documents
16 containing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
17 or transmits on behalf of COUNTY. These steps shall include, at a minimum:

18 a. Complying with all of the data system security precautions listed under Subparagraphs
19 E, below;

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

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

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

29 5. CONTRACTOR shall report to COUNTY immediately any Security Incident of which it
30 becomes aware. CONTRACTOR shall report Breaches of Unsecured PHI in accordance with
31 Subparagraph E below and as required by 45 CFR § 164.410.

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

35 E. DATA SECURITY REQUIREMENTS

36 1. Personal Controls

37 a. Employee Training. All workforce members who assist in the performance of functions

1 or activities on behalf of COUNTY in connection with Contract, or access or disclose PHI COUNTY
2 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
3 COUNTY, must complete information privacy and security training, at least annually, at
4 CONTRACTOR's expense. Each workforce member who receives information privacy and security
5 training must sign a certification, indicating the member's name and the date on which the training was
6 completed. These certifications must be retained for a period of six (6) years following the termination
7 of Contract.

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

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

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

25 2. Technical Security Controls

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

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

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

37 d. Removable media devices. All electronic files that contain PHI COUNTY discloses to

1 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
2 must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives,
3 floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140–2 certified algorithm
4 which is 128bit or higher, such as AES. Such PHI shall not be considered “removed from the premises”
5 if it is only being transported from one of CONTRACTOR’s locations to another of CONTRACTOR’s
6 locations.

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

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

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

- 27 1) Upper case letters (A–Z)
- 28 2) Lower case letters (a–z)
- 29 3) Arabic numerals (0–9)
- 30 4) Non-alphanumeric characters (punctuation symbols)

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

36 i. System Timeout. The system providing access to PHI COUNTY discloses to
37 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY

1 must provide an automatic timeout, requiring re-authentication of the user session after no more than
2 twenty (20) minutes of inactivity.

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

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

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

18 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
19 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
20 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
21 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
22 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website
23 access, file transfer, and E-Mail.

24 n. Intrusion Detection. All systems involved in accessing, holding, transporting, and
25 protecting PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
26 or transmits on behalf of COUNTY that are accessible via the Internet must be protected by a
27 comprehensive intrusion detection and prevention solution.

28 3. Audit Controls

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

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

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

4. Business Continuity/Disaster Recovery Control

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

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

5. Paper Document Controls

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

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

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

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

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

1 recipient before sending the fax.

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

9 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 9. If the Breach is the fault of CONTRACTOR, CONTRACTOR shall bear all expense or other
23 costs associated with the Breach and shall reimburse COUNTY for all expenses COUNTY incurs in
24 addressing the Breach and consequences thereof, including costs of investigation, notification,
25 remediation, documentation or other costs associated with addressing the Breach.

26 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

36 1) The Disclosure is required by law; or

37 2) CONTRACTOR obtains reasonable assurances from the person to whom the PHI is

disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person and the person immediately notifies CONTRACTOR of any instance of which it is aware in which the confidentiality of the information has been breached.

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

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

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

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

H. PROHIBITED USES AND DISCLOSURES

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

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

I. OBLIGATIONS OF COUNTY

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

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

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

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

J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

9 a. This provision shall apply to all PHI that is in the possession of Subcontractors or agents
10 of CONTRACTOR.

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

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

18 3. The obligations of this Business Associate Contract shall survive the termination of the
19 Contract.

20 //

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //

29 //

30 //

31 //

32 //

33 //

34 //

35 //

36 //

37 //

EXHIBIT C
TO CONTRACT FOR PROVISION OF
DRUG MEDI-CAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES
BETWEEN
COUNTY OF ORANGE
AND
WESTERN PACIFIC RE-HAB
JULY 1, 2025 THROUGH JUNE 30, 2028

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 the SSA and CHHS.

4. "DHCS PI" shall mean Personal Information, as defined below, accessed in a database maintained by COUNTY or DHCS, received by CONTRACTOR from 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 COUNTY.

5. "IEA" shall mean the IEA currently in effect between the 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 regulations that require the production of information, including statutes or regulations that require such information if payment

1 is sought under a government program providing public benefits.

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

5 B. TERMS OF CONTRACT

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

10 2. Responsibilities of CONTRACTOR

11 CONTRACTOR agrees:

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

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

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

27 1) Complying with all of the data system security precautions listed in Subparagraph
28 E of the Business Associate Contract, Exhibit B to the Contract; and

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

33 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
34 CONTRACTOR shall also comply with the substantive privacy and security requirements in the
35 CMPPA Agreement between the SSA and the CHHS and in the Contract between the SSA and DHCS,
36 known as the IEA. The specific sections of the IEA with substantive privacy and security requirements
37 to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information

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

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

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

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

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

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

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

33 //

34 //

35 //

36 //

37 //