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REFERENCED CONTRACT PROVISIONS

Term: July 1, 2026 through June 30, 2029

Period One means the period from July 1, 2026 through June 30, 2027

Period Two means the period from July 1, 2027 through June 30, 2028

Period Three means the period from July 1, 2028 through June 30, 2029

Amount Not to Exceed: \$9,450,000

Period One Amount Not to Exceed: \$ 4,200,000

Period Two Amount Not to Exceed: \$ 4,200,000

Period Three Amount Not to Exceed: \$ 4,200,000

TOTAL AMOUNT NOT TO EXCEED: \$12,600,000

Basis for Reimbursement: Fee For Service/Actual Cost

Payment Method: Monthly in Arrears

CONTRACTOR UEI Number: RD38MGSEWJT5

CONTRACTOR TAX ID Number: 46-0627995

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: Lee Heiligman
 Clean Path Recovery LLC
 1650 Adams Ave
 Costa Mesa, CA 92626
 lee@cleanpathbh.com

<u>CFDA#</u>	<u>FAIN#</u>	<u>Program/ Service Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Amount</u>	<u>R&D Award (Y/N)</u>
93.959	VE2ZZY1ZHN19	SABG	Substance Abuse and Mental Health ServicesAdministration (SAMHSA)	02/24/2025	\$19,216,499	N

I. ACRONYMS

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

1		
2		
3		
4	A. AB 109	Assembly Bill 109, 2011 Public Safety Realignment
5	B. AIDS	Acquired Immune Deficiency Syndrome
6	C. AES	Advanced Encryption Standard
7	D. AOD	Alcohol and Other Drug
8	E. ARRA	American Recovery and Reinvestment Act
9	F. ASAM PPC	American Society of Addiction Medicine Patient Placement Criteria
10	G. ASI	Addiction Severity Index
11	H. ASRS	Alcohol and Drug Programs Reporting System
12	I. BCP	Business Continuity Plan
13	J. BHS	Behavioral Health Services
14	K. CalOMS	California Outcomes Measurement System
15	L. CalWORKs	California Work Opportunity and Responsibility for Kids
16	M. CAP	Corrective Action Plan
17	N. CCC	California Civil Code
18	O. CCR	California Code of Regulations
19	P. CD/DVD	Compact Disc/Digital Video or Versatile Disc
20	Q. CEO	County Executive Office
21	R. CFDA	Catalog of Federal Domestic Assistance
22	S. CFR	Code of Federal Regulations
23	T. CHHS	California Health and Human Services Agency
24	U. CHPP	COUNTY HIPAA Policies and Procedures
25	V. CHS	Correctional Health Services
26	W. CIPA	California Information Practices Act
27	X. CMPPA	Computer Matching and Privacy Protection Act
28	Y. COI	Certificate of Insurance
29	Z. CPA	Certified Public Accountant
30	AA. CSU	Crisis Stabilization Unit
31	AB. CSW	Clinical Social Worker
32	AC. DATAR	Drug Abuse Treatment Access Report
33	AD. DHCS	Department of Health Care Services
34	AE. D/MC	Drug/Medi-Cal
35	AF. DMC ODS	Drug Medi-Cal Organized Delivery System
36	AG. DoD	US Department of Defense
37	AH. DPFS	Drug Program Fiscal Systems

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

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

1 CONTRACTOR's compliance program, code of conduct and any related policies and procedures shall be
2 verified by ADMINISTRATOR's Compliance Department to ensure they include all required elements
3 by ADMINISTRATOR's Compliance Officer as described in this Compliance Paragraph to this Contract.

4 These elements include:

- 5 a. Designation of a Compliance Officer and/or compliance staff.
- 6 b. Written standards, policies and/or procedures.
- 7 c. Compliance related training and/or education program and proof of completion.
- 8 d. Communication methods for reporting concerns to the Compliance Officer.
- 9 e. Methodology for conducting internal monitoring and auditing.
- 10 f. Methodology for detecting and correcting offenses.
- 11 g. Methodology/Procedure for enforcing disciplinary standards.

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

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

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

36 B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed or
37 retained to provide services related to this Contract monthly to ensure that they are not designated as

1 Ineligible Persons, as pursuant to this Contract. Screening shall be conducted against the General Services
2 Administration's Excluded Parties List System or System for Award Management, the Health and Human
3 Services/Office of Inspector General List of Excluded Individuals/Entities, and the California Medi-Cal
4 Suspended and Ineligible Provider List, the Social Security Administration's Death Master File at date of
5 employment, and/or any other list or system as identified by ADMINISTRATOR.

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

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

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

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

19 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
20 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
21 Contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

17 6. CONTRACTOR shall meet the HCA Quality Assessment and Performance Improvement
18 Standards established by Quality Management Services (QMS) and participate in the quality improvement
19 activities developed in the implementation of the DMC-ODS MHP Quality Management Program.

20 7. CONTRACTOR shall comply with the provisions of ADMINISTRATOR's Cultural
21 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
22 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
23 §1810.410.subds.(c)-(d).

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

30
31 **VI. CONFIDENTIALITY**

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

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

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

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

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

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

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

20 21 **VII. CONFLICT OF INTEREST**

22 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions that
23 could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation shall
24 apply to CONTRACTOR's officers, directors, employees, agents, and subcontractors associated with the
25 provision of goods and services provided under this Contract. CONTRACTOR's efforts shall include,
26 but not be limited to establishing rules and procedures preventing its employees, agents, and
27 subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations
28 which could be deemed to influence or appear to influence COUNTY staff or elected officers in the
29 performance of their duties. CONTRACTOR shall notify COUNTY, in writing, of any potential or actual
30 conflicts of interest between CONTRACTOR and COUNTY that may arise prior to, or during the period
31 of, Contract performance, including, but not limited to, whether any known county public officer's child
32 is an officer or director or, or has an ownership interest of ten (10) percent or more in, CONTRACTOR.
33 While CONTRACTOR must provide this information without prompting from COUNTY any time there
34 is a change regarding conflict of interest, CONTRACTOR must also provide an update to COUNTY upon
35 request by COUNTY. County of Orange Board of Supervisors policy prohibits its employees from
36 engaging in activities involving a conflict of interest. CONTRACTOR shall not, during the period of this
37 Contract, employ any County employee for any purpose.

VIII. COST RECONCILIATION REPORT

CONTRACTOR shall submit Cost Reconciliation Report to COUNTY no later than sixty (60) calendar days following termination of this Contract.

1. As indicated in Exhibit A, Section IV. Payments, Medi-Cal Reimbursement Rates, the Cost Reconciliation Report shall be for approved claims. Costs of Medi-Cal services shall not exceed the negotiated rate as specified in this Contract. CONTRACTOR shall prepare the Cost Reconciliation Report in accordance with all applicable federal, state and COUNTY requirements, and the Special Provisions Paragraph of this Contract.

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

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

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

3. CONTRACTOR may request, in advance and in writing, an extension of the due date of the Cost Reconciliation Report setting forth good cause for justification of the request. Approval of such requests shall be at the sole discretion of ADMINISTRATOR and shall not be unreasonably denied.

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

B. The Cost Reconciliation Report shall be the final financial and statistical report submitted by CONTRACTOR to COUNTY and shall serve as the basis for final settlement to CONTRACTOR. The Cost Reconciliation Report shall be the final financial record for subsequent audits, if any.

C. Final settlement shall be based upon the approved claims, as detailed in Exhibit A, Section IV. Payments, less applicable revenues and any late penalty, not to exceed COUNTY's Total Amount Not to Exceed as set forth in the Referenced Contract Provisions of this Contract. CONTRACTOR shall not claim claims to COUNTY which are not reimbursable pursuant to applicable federal, state and COUNTY laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR, which is subsequently determined to have been for unreimbursable claims, shall be repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30) calendar days of submission

1 of the Cost Reconciliation Report or COUNTY may elect to reduce any amount owed CONTRACTOR
2 by an amount not to exceed the reimbursement due COUNTY.

3 D. If the Cost Reconciliation Report indicates the approved claims provided pursuant to this
4 Contract, less applicable revenues and late penalty, are lower than the aggregate of interim monthly
5 payments to CONTRACTOR, CONTRACTOR shall remit the difference to COUNTY. Such
6 reimbursement shall be made, in cash, or other authorized form of payment, with the submission of the
7 Cost Reconciliation Report. If such reimbursement is not made by CONTRACTOR within thirty (30)
8 calendar days after submission of the Cost Reconciliation Report, COUNTY may, in addition to any other
9 remedies, reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due
10 COUNTY.

11 E. If the Cost Reconciliation Report indicates the State-approved claims provided pursuant to this
12 Contract, less applicable revenues and late penalty, are higher than the aggregate of interim monthly
13 payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the difference, provided such
14 payment does not exceed the Total Amount Not to Exceed of COUNTY.

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

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

25
26 Signed _____
27 Name _____
28 Title _____
Date _____

29 **IX. DEBARMENT AND SUSPENSION CERTIFICATION**

30 A. CONTRACTOR certifies that it and its principals:

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

33 2. Have not within a three-year period preceding this Contract been convicted of or had a civil
34 judgment rendered against them for commission of fraud or a criminal offense in connection with
35 obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract
36 under a public transaction; violation of federal or state antitrust statutes or commission of
37

1 embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or
2 receiving stolen property.

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

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

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

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

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

18 19 **X. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

20 A. No performance of this Contract or any portion thereof may be subcontracted or otherwise
21 delegated by CONTRACTOR, in whole or in part, without first obtaining the prior express written consent
22 of COUNTY. Any attempt by CONTRACTOR to subcontract or delegate any performance of this
23 Contract without the prior express written consent of COUNTY shall be invalid and shall constitute a
24 material breach of this Contract, and any attempted assignment or delegation in derogation of this
25 paragraph shall be void. In the event that CONTRACTOR is authorized by COUNTY to subcontract, this
26 Contract shall take precedence over the terms of the contract between CONTRACTOR and subcontractor,
27 and any contract between CONTRACTOR and a subcontractor shall incorporate by reference the terms
28 of this Contract. CONTRACTOR shall remain responsible for the performance of this Contract and
29 indemnification of COUNTY notwithstanding COUNTY's consent to CONTRACTOR's request for
30 approval of a subcontractor. Under no circumstances shall COUNTY be required to directly monitor the
31 performance of any subcontractor. All work performed by a subcontractor must be monitored by
32 CONTRACTOR and must meet the approval of the County of Orange pursuant to the terms of this
33 Contract.

34 B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR's
35 business prior to completion of this Contract, and COUNTY agrees to an assignment of the Contract, the
36 new owners shall be required under the terms of sale or other instruments of transfer to assume
37 CONTRACTOR's duties and obligations contained in this Contract and complete them to the satisfaction

1 of COUNTY. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without
2 the prior written consent of COUNTY.

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

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

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

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

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

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

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

36 1. After approval of the subcontractor, ADMINISTRATOR may revoke the approval of the
37 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor

1 subsequently fails to meet the requirements of this Contract or any provisions that ADMINISTRATOR
 2 has required. ADMINISTRATOR may disallow subcontractor expenses reported by CONTRACTOR.

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

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

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

10 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR’s status
 11 with respect to name changes that do not require an assignment of the Contract. CONTRACTOR also
 12 shall notify COUNTY in writing if CONTRACTOR becomes a party to any litigation against COUNTY,
 13 or a party to litigation that may reasonably affect CONTRACTOR’s performance under the Contract, as
 14 well as any potential conflicts of interest between CONTRACTOR and COUNTY that may arise prior to
 15 or during the period of Contract performance. While CONTRACTOR must provide this information
 16 without prompting from COUNTY any time there is a change in CONTRACTOR’s name, conflict of
 17 interest or litigation status, CONTRACTOR must also provide an update to COUNTY of its status in
 18 these areas whenever requested by COUNTY.

19
 20 **XI. DISPUTE RESOLUTION**

21 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the
 22 dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a
 23 reasonable period of time by CONTRACTOR and ADMINISTRATOR, such matter shall be brought to
 24 the attention of COUNTY Purchasing Agency by way of the following process:

25 1. CONTRACTOR shall submit to COUNTY Purchasing Agency a written demand for a final
 26 decision regarding the disposition of any dispute between the Parties arising under, related to, or involving
 27 this Contract, unless COUNTY, on its own initiative, has already rendered such a final decision.

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

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

37 //

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

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

11
 12 **XII. EMPLOYEE ELIGIBILITY VERIFICATION**

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

22
 23 **XIII. FACILITIES, PAYMENTS AND SERVICES**

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

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

35 //
 36 //
 37 //

XIV. INDEMNIFICATION AND INSURANCE

1
2 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,
3 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special
4 districts and agencies for which COUNTY's Board of Supervisors acts as the governing Board
5 ("COUNTY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature,
6 including but not limited to personal injury or property damage, arising from or related to the services,
7 products or other performance provided by CONTRACTOR pursuant to this Contract. If judgment is
8 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the
9 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and
10 COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall request
11 a jury apportionment.

12 B. Prior to the provision of services under this Contract, CONTRACTOR agrees to carry all required
13 insurance at CONTRACTOR's expense, including all endorsements required herein, necessary to satisfy
14 COUNTY that the insurance provisions of this Contract have been complied with. CONTRACTOR agrees
15 to keep such insurance coverage current, provide Certificates of Insurance, and endorsements to
16 COUNTY during the entire term of this Contract.

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

26 D. All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any SIRs
27 in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by COUNTY's
28 Risk Manager, or designee. COUNTY reserves the right to require current audited financial reports from
29 CONTRACTOR. If CONTRACTOR is self-insured, CONTRACTOR will indemnify COUNTY for any
30 and all claims resulting or arising from CONTRACTOR's services in accordance with the indemnity
31 provision stated in this Contract.

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

34 F. QUALIFIED INSURER

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

2. If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of 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 or scheduled, non-owned, and hired vehicles (4 passengers or less)	\$1,000,000 per occurrence
Passenger vehicles (7 passengers or less)	\$2,000,000 per occurrence
Passenger vehicles (8 passengers or more)	\$5,000,000 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 or occurrence \$1,000,000 aggregate
Sexual Misconduct Liability	\$1,000,000 per claims made or occurrence
Employee Dishonesty	\$1,000,000 per occurrence

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.

//

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

3 I. REQUIRED ENDORSEMENTS

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

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

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

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

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

17 b. A primary and non-contributing endorsement evidencing that CONTRACTOR’s
18 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be
19 excess and non-contributing.

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

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

27 L. The County of Orange shall be the loss payee on the Employee Dishonesty coverage. A Loss
28 Payee endorsement evidencing that the County of Orange is a Loss Payee shall accompany the Certificate
29 of Insurance.

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

35 N. If CONTRACTOR’s Professional Liability, Sexual Misconduct Liability and/or Network
36 Security & Privacy Liability are “Claims-Made” policy(ies), CONTRACTOR shall agree to the following:

37 //

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

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

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

9 O. The Commercial General Liability policy shall contain a severability of interests clause also
 10 known as a “separation of insureds” clause (standard in the ISO CG 0001 policy).

11 P. Insurance certificates should be forwarded to the department address listed in the Referenced
 12 Contract Provisions of this Contract.

13 Q. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7)
 14 calendar days of notification by COUNTY, COUNTY may suspend or terminate this Contract.

15 R. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease insurance
 16 of any of the above insurance types throughout the term of this Contract. Any increase or decrease in
 17 insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect
 18 COUNTY.

19 S. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
 20 CONTRACTOR does not provide acceptable Certificate of Insurance and endorsements to COUNTY
 21 incorporating such changes within thirty (30) calendar days of receipt of such notice, this Contract may
 22 be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal
 23 remedies.

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

27
 28 **XV. INSPECTIONS AND AUDITS**

29 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
 30 of the State of California, the Secretary of the United States Department of Health and Human Services,
 31 the Comptroller General of the United States, or any other of their authorized representatives, shall to the
 32 extent permissible under applicable law have access to any books, documents, and records, including but
 33 not limited to, financial statements, general ledgers, relevant accounting systems, medical and Client
 34 records, of CONTRACTOR that are directly pertinent to this Contract, for the purpose of responding to a
 35 beneficiary complaint or conducting an audit, review, evaluation, or examination, or making transcripts
 36 during the periods of retention set forth in the Records Management and Maintenance Paragraph of this
 37 //

1 Contract. Such persons may at all reasonable times inspect or otherwise evaluate the services provided
2 pursuant to this Contract, and the premises in which they are provided.

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

7 C. AUDIT RESPONSE

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

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

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

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

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

29 2. The beneficiary's right to file grievances and appeals and the requirements and timeframes
30 for filing.

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

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

36 5. The conduction of random reviews to ensure beneficiaries are being notified in a timely
37 manner.

1 F. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records,
 2 documents, contracts, computers, or other electronic systems pertaining to Medi-Cal/Drug Medi-Cal
 3 enrollees, Medi-Cal/Drug Medi-Cal-related activities, services and activities furnished under the terms of
 4 the Contract or determinations of amounts payable available at any time for inspection, examination of
 5 copying by the State, CMS, HHS Inspector General, the United States Comptroller General, their
 6 designees, and other authorized federal and state agencies. (42 CFR §438.3(h).) This audit right will exist
 7 for ten (10) years from the final date of the contract period or from the date of completion of any audit,
 8 whichever is later. (42 CFR §438.230(c)(3)(iii).) The State, CMS, or the HHS Inspector General may
 9 inspect, evaluate, and audit CONTRACTOR at any time if there is a reasonable possibility of fraud or
 10 similar risk, then. (42 CFR §438.230(c)(3)(iv).)

11
 12 **XVI. LICENSES AND LAWS**

13 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
 14 the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations,
 15 waivers, and exemptions necessary for the provision of the services hereunder and required by the laws,
 16 regulations and requirements of the United States, the State of California, COUNTY, and all other
 17 applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and in
 18 writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals,
 19 permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be
 20 cause for termination of this Contract. In addition, all treatment providers will be certified by the State
 21 Department of Health Care Services as a Drug Medi-Cal provider and must meet any additional
 22 requirements established by COUNTY as part of this certification.

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

- 26 1. ARRA of 2009.
- 27 2. Trafficking Victims Protection Act of 2000.
- 28 3. CCC §§56 through 56.37, Confidentiality of Medical Information.
- 29 4. CCC §§1798.80 through 1798.84, Customer Records.
- 30 5. CCC §1798.85, Confidentiality of Social Security Numbers.
- 31 6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social
 32 Security.
- 33 7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse Master
 34 Plans.
- 35 8. HSC, §§11839 through 11839.22, Narcotic Treatment Programs.
- 36 9. HSC, §11876, Narcotic Treatment Programs.
- 37 10. HSC, §§123110 through 123149.5, Patient Access to Health Records.

- 1 11. Code of Federal Regulations, Title 42, Public Health.
- 2 12. 2 CFR 230, Cost Principles for Nonprofit Organizations.
- 3 13. 2 CFR 376, Nonprocurement, Debarment and Suspension.
- 4 14. 41 CFR 50, Public Contracts and Property Management.
- 5 15. 42 CFR Part 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
- 6 16. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse
- 7 prevention and treatment block grants and/or projects for assistance in transition from homelessness
- 8 grants.
- 9 17. 45 CFR 93, New Restrictions on Lobbying.
- 10 18. 45 CFR 96.127, Requirements regarding Tuberculosis.
- 11 19. 45 CFR 96.132, Additional Agreements.
- 12 20. 45 CFR 96.135, Restrictions on Expenditure of Grant.
- 13 21. 45 CFR 160, General Administrative Requirements.
- 14 22. 45 CFR 162, Administrative Requirements.
- 15 23. 45 CFR 164, Security and Privacy.
- 16 24. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
- 17 25. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.
- 18 26. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
- 19 Contracting and Financial Transactions.
- 20 27. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism.
- 21 28. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
- 22 Administration.
- 23 29. 42 USC §290dd-2, Confidentiality of Records.
- 24 30. 42 USC §1320(a), Uniform reporting systems for health services facilities and organizations.
- 25 31. 42 USC §§1320d through 1320d-9, Administrative Simplification.
- 26 32. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
- 27 33. 42 USC §6101 et seq., Age Discrimination Act of 1975.
- 28 34. 42 USC §2000d, Civil Rights Act of 1964.
- 29 35. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
- 30 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 31 36. U.S. Department of Health and Human Services, National Institutes of Health (NIH), Grants
- 32 Policy Statement (10/13).
- 33 37. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-
- 34 Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.
- 35 38. State of California, Department of Health Care Services (DHCS), Alcohol and/or Other Drug
- 36 Program Certification Standards, December 2020.
- 37 //

- 1 39. CCR Title 22, §§70751(c), 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).
- 2 40. State of California, Department of Health Care Services ASRS Manual.
- 3 41. State of California, Department of Health Care Services DPFS Manual.
- 4 42. HSC §123145.
- 5 43. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).
- 6 44. 5 USC §7321 – §7326, Political Activities (Hatch Act)
- 7 45. 45 CFR 96.124(e), Certain Allocations (SAPTBG).
- 8 46. 45 CFR 96.131, Treatment Services for Pregnant Women.
- 9 47. HSC §11757.59, Perinatal State General Fund.
- 10 48. County of Orange, HCA, Alcohol Program and Drug Abuse Services D/MC Utilization
- 11 Control Plan for Perinatal Residential Services.
- 12 49. DHCS, Perinatal Services Guidelines.
- 13 50. 42 CFR, Section 438, Managed Care Regulations
- 14 51. CCR, Title 22, §51341.1(h)(5)(A), Drug Medi-Cal Substance Abuse Services.
- 15 52. DHCS, Office of Women’s and Perinatal Services, Perinatal Services Network Guidelines
- 16 2014.
- 17 53. CCR, Title 22, Division 3, Health Care Services.
- 18 54. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
- 19 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- 20 55. D/MC Certification Title 22, California Code of Regulations (CCR).
- 21 56. D/MC Billing Manual (March 23, 2010).
- 22 57. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 23 58. State of California-Health and Human Services Agency, Department of Health Care Services,
- 24 MHSD, Medi-Cal Billing Manual, October 2013.
- 25 59. Orange County Drug Medi-Cal Organized Delivery System Managed Care Plan
- 26 60. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,
- 27 August 2015, and subsequent versions.
- 28 61. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
- 29 62. Drug Medi-Cal Certification Standards for Substance Abuse Clinics (Document 2E).
- 30 63. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1, (Document 2C).
- 31 64. Standards for Drug Treatment Programs (October 21, 1981) (Document 2F).
- 32 65. Title 9, CCR, Division 4, Chapter 5, Subchapter 1, Sections 10000, et seq.
- 33 66. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.
- 34 67. Title 9, CCR, Section 1810.435.
- 35 68. Title 9, CCR, Section 1840.105.
- 36 69. Title 22, CCR, §51009, Confidentiality of Records.
- 37 70. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.

- 1 71. HSC, §§11758.40 through 11758.47, Medi-Cal Drug Treatment Program.
- 2 72. U.S. Food and Drug Administration Guidelines for Vivitrol (currently listed at
3 <http://www.fda.gov/downloads/Drugs/DrugSafety/UMC206669.pdf>).
- 4 73. US Department of Justice, Drug Enforcement Administration.
- 5 74. 42 CFR, Public Health, Part 8 – Certification of Opioid Treatment Programs.
- 6 75. 21 CFR Part 1308-Schedules of Controlled Substances.
- 7 76. 21 CFR Parts 1300, 1301, 1304, et al. Disposal of Controlled Substances, Final Rule.
- 8 77. AB 109 2011 Public Safety Realignment.
- 9 78. 4.3.2: Intergovernmental Agreement Exhibit A, Attachment I, III, DD, 15, i-xiii:
- 10 a. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
11 nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000
12 funded by federal financial assistance.
- 13 b. Executive Order 13166 (67 FR 41455) to improve access to federal services for those
14 with limited English proficiency.
- 15 c. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
16 nondiscrimination on the basis of drug abuse.
- 17 d. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and
18 Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of
19 alcohol abuse or alcoholism.
- 20 79. 4.3.3: Intergovernmental Agreement Exhibit A, Attachment I, III, DD, 16, i-v:
- 21 a. Fair Employment and Housing Act (Gov. Code Section 12900 et seq.) and the applicable
22 regulations promulgated thereunder (Cal. Code Regs., tit. 2, Div. 4 § 7285.0 et seq.).
- 23 b. Title 2, Division 3, Article 9.5 of the Gov. Code, commencing with Section 11135.
- 24 c. Noncompliance with the requirements of nondiscrimination in services shall constitute
25 grounds for state to withhold payments under this Contract or terminate all, or any type, of funding
26 provided hereunder.
- 27 80. 1.5.3: SABG Application, Enclosure 2, II General, 20:
- 28 a. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting
29 discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the
30 sale or rental of housing.
- 31 b. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101 –
32 6107), which prohibits discrimination on the basis of age.
- 33 c. Age Discrimination in Employment Act (29 CFR Part 1625).
- 34 d. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting
35 discrimination against the disabled in employment.
- 36 e. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting
37 discrimination against the disabled by public entities.

- 1 f. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
2 g. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794),
3 prohibiting discrimination on the basis of individuals with disabilities.
4 h. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
5 nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000
6 funded by federal financial assistance.
7 i. Executive Order 13166 (67 FR 41455) to improve access to federal services for those
8 with limited English proficiency.
9 j. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
10 nondiscrimination on the basis of drug abuse.
11 k. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A
12 – E).
13 81. 1.5.4: SABG Application Enclosure 2, II General 21:
14 a. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the
15 applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).
16 b. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section
17 11135.
18 c. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.
19 d. No federal funds shall be used by CONTRACTOR or its subcontractors for sectarian
20 worship, instruction, or proselytization. No federal funds shall be used by CONTRACTOR or its
21 subcontractors to provide direct, immediate, or substantial support to any religious activity.
22

23 **XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

33 C. If CONTRACTOR uses social media (such as Facebook, X, YouTube or other publicly available
34 social media sites) in support of the services described within this Contract, CONTRACTOR shall develop
35 social media policies and procedures and have them available to ADMINISTRATOR upon reasonable
36 notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social media used to either
37 directly or indirectly support the services described within this Contract. CONTRACTOR shall comply

1 with COUNTY Social Media Use Policy and Procedures as they pertain to any social media developed in
2 support of the services described within this Contract. CONTRACTOR shall also include any required
3 funding statement information on social media when required by ADMINISTRATOR.

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

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

9 **XVIII. MEMBERS' RIGHTS**

10 A. CONTRACTOR shall post the current Drug Medi-Cal Organized Delivery System (DMC-ODS)
11 Grievance and Appeals poster in locations readily available to Clients and staff and have Grievance and
12 Appeal forms in the threshold languages and envelopes readily accessible to Clients to take without having
13 to request it on the unit.

14 B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have
15 internal grievance processes approved by ADMINISTRATOR, to which the member shall have access.

16 1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance and/or
17 utilization management guidelines and procedures. The member has the right to utilize either or both
18 grievance process simultaneously in order to resolve their dissatisfaction.

19 C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to
20 CONTRACTOR and file a grievance or complaint.

21 **XIX. MINIMUM WAGE LAWS**

22 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and
23 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the federal
24 or California Minimum Wage to all its Covered Individuals (as defined within the "Compliance"
25 paragraph of this Contract) that directly or indirectly provide services pursuant to this Contract, in any
26 manner whatsoever. CONTRACTOR shall require and verify that all of its Covered Individuals providing
27 services pursuant to this Contract be paid no less than the greater of the federal or California Minimum
28 Wage.
29

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

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

37 **XX. NONDISCRIMINATION**

1 A. EMPLOYMENT

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

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

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

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

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

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

33 B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not
34 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities
35 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability,
36 medical condition, genetic information, marital status, sex, gender, gender identity, gender expression,
37 age, sexual orientation, or military and veteran status in accordance with Title IX of the Education

1 Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights Act of 1964
 2 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division 4, Chapter 6,
 3 Article 1 (§10800, et seq.) of the CCR; and Title II of the Genetic Information Nondiscrimination Act of
 4 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent rules and regulations promulgated
 5 pursuant thereto, and as otherwise provided by state law and regulations, as all may now exist or be
 6 hereafter amended or changed. For the purpose of this Nondiscrimination paragraph, discrimination
 7 includes, but is not limited to the following based on one or more of the factors identified above:

- 8 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 9 2. Providing any service or benefit to a Client which is different or is provided in a different
 10 manner or at a different time from that provided to other Clients.
- 11 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by
 12 others receiving any service and/or benefit.
- 13 4. Treating a Client differently from others in satisfying any admission requirement or
 14 condition, or eligibility requirement or condition, which individuals must meet in order to be provided
 15 any service and/or benefit.
- 16 5. Assignment of times or places for the provision of services.

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

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

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

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

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

37 E. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents shall

1 intimidate, coerce or take adverse action against any person for the purpose of interfering with rights
2 secured by federal or state laws, or because such person has filed a complaint, certified, assisted or
3 otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to enforce
4 rights secured by federal or state law.

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

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

11 **XXI. NOTICES**

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

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

17 2. When faxed, transmission confirmed;

18 3. When sent by Email; or

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

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

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

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

31
32 **XXII. NOTIFICATION OF DEATH**

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

35 //

36 //

37 B. All Notifications of Death provided to ADMINISTRATOR by CONTRACTOR shall contain the

1 name of the deceased, the date and time of death, the nature and circumstances of the death, and the
 2 name(s) of CONTRACTOR’s officers or employees with knowledge of the incident.

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

6 2. WRITTEN NOTIFICATION

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

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

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

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

19
 20 **XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

28
 29 **XXIV. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

36 //

37 2. CONTRACTOR shall keep and maintain records of each service rendered to each MSN

1 Patient, the identity of the MSN Patient to whom the service was rendered, the date the service was
2 rendered, and such additional information as ADMINISTRATOR or DHCS may require.

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

7 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
8 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
9 necessity of the service, and the quality of care provided. Records shall be maintained in accordance with
10 §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

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

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

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

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

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

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

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

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

37 2. The enrollment, payment, claims adjudication, and case or medical management record

1 systems maintained by or for a health plan; or

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

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

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

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

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

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

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

18 L. CONTRACTOR shall obtain a NPI for each site identified as a location for providing contractual
19 services. CONTRACTOR’s site NPIs must be submitted to ADMINISTRATOR prior to rendering
20 services to Clients. CONTRACTOR providing direct or indirect services for State reporting must also
21 submit rendering (individual) provider NPIs to ADMINISTRATOR for each staff member providing
22 Medi-Cal billable services. CONTRACTOR reimbursement will not be processed unless NPIs are on
23 file with ADMINISTRATOR in advance of providing services to Clients. It is the responsibility of
24 CONTRACTOR site and individual staff member that bills Medi-Cal to obtain a NPI from the NPPES.
25 Each Contract site, as well as every staff member that provides billable services, is responsible for
26 notifying the NPPES within thirty (30) calendar days of any updates to personal information, which may
27 include, but is not limited to, worksite address, name changes, taxonomy code changes, etc.

28
29 **XXV. RESEARCH AND PUBLICATION**

30 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out of,
31 or developed, as a result of this Contract for the purpose of personal or professional research, or for
32 publication.

33 //

34 //

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36 //

37 **XXVI. REVENUE**

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

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

8 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately
 9 ensure proper billing and collection procedures. CONTRACTOR’s procedures shall specifically provide
 10 for the identification of delinquent accounts and methods for pursuing such accounts.

11 D. OTHER REVENUES – CONTRACTOR shall charge for services, supplies, or facility use by
 12 persons other than individuals or groups eligible for services pursuant to this Contract.

13
 14 **XXVII. SEVERABILITY**

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

20
 21 **XXVIII. SPECIAL PROVISIONS**

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

- 24 1. Making cash payments to intended recipients of services through this Contract.
- 25 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
 26 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use
 27 of appropriated funds to influence certain federal contracting and financial transactions).
- 28 3. Fundraising.
- 29 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
 30 CONTRACTOR’s staff, volunteers, or members of the Board of Directors or governing body.
- 31 5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing body
 32 for expenses or services.
- 33 6. Making personal loans to CONTRACTOR’s staff, volunteers, interns, consultants,
 34 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
 35 agent, or making salary advances or giving bonuses to CONTRACTOR’s staff.

36 //

37 7. Paying an individual salary or compensation for services at a rate in excess of the current

1 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule
 2 may be found at www.opm.gov.

3 8. Severance pay for separating employees.

4 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
 5 codes and obtaining all necessary building permits for any associated construction.

6 10. Purchasing or improving land, including constructing or permanently improving any building
 7 or facility, except for tenant improvements.

8 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds
 9 (matching).

10 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.

11 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or
 12 alcohol.

13 14. Promoting the legalization of any drug or other substance included in Schedule 1 of the
 14 Controlled Substance Act (21 USC 812).

15 15. Distributing or aiding in the distribution of sterile needles or syringes for the hypodermic
 16 injection of any illegal drug.

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

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

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

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

22 2. Making phone calls outside of the local area unless documented to be directly for the purpose
 23 of client care.

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

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

27 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
 28 CONTRACTOR's clients.

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

33
 34 **XXIX. STATUS OF CONTRACTOR**

35 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
 36 wholly responsible for the manner in which it performs the services required of it by the terms of this
 37 Contract. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and consultants

1 employed by CONTRACTOR. This Contract shall not be construed as creating the relationship of
2 employer and employee, or principal and agent, between COUNTY and CONTRACTOR or any of
3 CONTRACTOR's employees, agents, consultants, volunteers, interns, or subcontractors.
4 CONTRACTOR assumes exclusively the responsibility for the acts of its employees, agents, consultants,
5 volunteers, interns, or subcontractors as they relate to the services to be provided during the course and
6 scope of their employment. CONTRACTOR, its agents, employees, consultants, volunteers, interns, or
7 subcontractors, shall not be entitled to any rights or privileges of COUNTY's employees and shall not be
8 considered in any manner to be COUNTY's employees.

9 10 **XXX. TERM**

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

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

19 20 **XXXI. TERMINATION**

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

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

- 29 1. The loss by CONTRACTOR of legal capacity.
- 30 2. Cessation of services.
- 31 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
32 another entity without the prior written consent of COUNTY.
- 33 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
34 required pursuant to this Contract.
- 35 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this
36 Contract.
- 37 6. The continued incapacity of any physician or licensed person to perform duties required

1 pursuant to this Contract.

2 7. Unethical conduct or malpractice by any physician or licensed person providing services
 3 pursuant to this Contract; provided, however, COUNTY may waive this option if CONTRACTOR
 4 removes such physician or licensed person from serving persons treated or assisted pursuant to this
 5 Contract.

6 C. CONTINGENT FUNDING

7 1. Any obligation of COUNTY under this Contract is contingent upon the following:

8 a. The continued availability of federal, state and county funds for reimbursement of
 9 COUNTY's expenditures, and

10 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)
 11 approved by the Board of Supervisors.

12 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
 13 terminate or renegotiate this Contract upon written notice given CONTRACTOR. If COUNTY elects to
 14 renegotiate this Contract due to reduced or terminated funding, CONTRACTOR shall not be obligated to
 15 accept the renegotiated terms.

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

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

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

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

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

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

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

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

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

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37 8. To the extent services are terminated, cancel outstanding commitments covering the

1 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding
2 commitments which relate to personal services. With respect to these canceled commitments,
3 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims
4 arising out of such cancellation of commitment which shall be subject to written approval of
5 ADMINISTRATOR.

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

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

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

14
15 **XXXII. THIRD-PARTY BENEFICIARY**

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

18
19 **XXXIII. WAIVER OF DEFAULT OR BREACH**

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

24
25 **XXXIV. PARTICIPATION OF COUNTY BEHAVIORAL HEALTH DIRECTOR'S**
26 **ASSOCIATION OF CALIFORNIA**

27 The County AOD Program Administrator shall participate and represent COUNTY in meetings of
28 the County Behavioral Health Director's Association of California for the purposes of representing the
29 counties in their relationship with DHCS with respect to policies, standards, and administration for AOD
30 abuse services. The County AOD Program Administrator shall attend any special meetings called by the
31 Director of DHCS. Participation and representation shall also be provided by the County Behavioral
32 Health Director's Association of California.

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37 **XXXV. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)**

OF 1996

All work performed under this Contract is subject to HIPAA. COUNTY shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Exhibit E of DHCS Agreement #21-10100, DHCS and COUNTY shall cooperate to assure mutual agreement as to those transactions between them, to which this provision applies. Refer to Exhibit E of DHCS Agreement #21-10100 for additional information.

XXXVI. INTRAVENOUS DRUG USE (IVDU) TREATMENT

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

XXXVII. YOUTH TREATMENT GUIDELINES

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

Adolescent Substance Use Disorder Best Practices Guide found here:

https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdolBestPracGuideOCTOBER2020.pdf.

XXXVIII. SUBG – DEBARMENT AND SUSPENSION

A. County shall not subcontract with or employ any party listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp. p. 189) and 12689 (3 CFR part 1989., p. 235), “Debarment and Suspension.” SAM exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

B. The County shall advise all subcontractors of their obligation to comply with applicable federal debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001.

C. If a County subcontracts or employs an excluded party, DHCS has the right to withhold payments, disallow costs, or issue a CAP, as appropriate, pursuant to HSC Code 11817.8(h).

XXXIX. SUBG - NO UNLAWFUL USE OR UNLAWFUL USE MESSAGES REGARDING DRUGS

County agrees that information produced through these funds, and which pertains to drugs and alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol-related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC, Division 10.7, Chapter 1429, Sections 11999-11999.3). By signing this Enclosure, County agrees that it will

1 enforce, and will require its subcontractors to enforce, these requirements.

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XL. SUBG - LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES

None of the funds made available through this Contract may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

XLI. SUBG - RESTRICTION ON DISTRIBUTION OF STERILE NEEDLES

No SABG funds made available through this Contract shall be used to carry out any program that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug unless DHCS chooses to implement a demonstration syringe services program for injecting drug users.

XLII. SUBG - 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.

XLIII. SUBG - TRAFFICKING VICTIMS PROTECTION ACT OF 2000

County and its subcontractors that provide services covered by this Contract shall comply with the Trafficking Victims Protection Act of 2000 (USC, Title 22, Chapter 78, Section 7104) as amended by section 1702 of Pub. L. 112-239.

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IN WITNESS WHEREOF, the parties have executed this Contract in the County of Orange, State of

1 California.

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3 CLEAN PATH RECOVERY LLC

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5 Signed by:
6 BY: Lee Heiligman
327E43DCBC10437...

DATED: 3/13/2026

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8 TITLE: CEO

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12 COUNTY OF ORANGE

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15 BY: _____ DATED: _____

16

HEALTH CARE AGENCY

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

23

24 Signed by:
BY: Brittany McLean
71CFE638662E411...

DATED: 3/16/2026

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DEPUTY

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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; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. If the Contract is signed by one (1) authorized individual only, a copy of the corporate resolution or by-laws whereby the Board of Directors has empowered said authorized individual to act on its behalf by his or her signature alone is required by ADMINISTRATOR.

EXHIBIT A
 TO CONTRACT FOR PROVISION OF
 SUBSTANCE USE DISORDER SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 CLEAN PATH RECOVERY LLC
 JULY 1, 2026 THROUGH JUNE 30, 2029

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 means services for those Clients deemed eligible by Assembly Bill 109, Public Safety Realignment, under which the Client’s last offense was non-violent, non-sexual, and non-serious.

2. AB109 Supervision means an offender released from prison to OCPD or sentenced under AB109 and is doing their incarceration in jail instead of prison.

3. Adolescent means members under age 21.

4. Adult means members 21 years of age or over.

5. Ancillary Service means to include individualized connection, referral, and linkages to community-based services and supports.

6. Authorization for Residential Treatment (ART) Team means a Health Care Agency team that assesses for treatment, authorizes services, and refers for treatment.

7. ASAM Criteria means a comprehensive set of guidelines for placement, continued stay and transfer/discharge of Clients with addiction and co-occurring conditions

8. Assessment means activities to evaluate or monitor the status of a member’s behavioral health and determine the appropriate level of care and course of treatment for that member. Assessments shall be conducted in accordance with applicable State and Federal laws, and regulations, and standards. Assessment may be initial and periodic, and may include contact with family members or other collaterals if the purpose of the collateral’s participation is to focus on the treatment needs of the member. Assessment services may include one or more of the following components:

a. Collection of information for assessment used in the evaluation and analysis of the cause or nature of the substance use disorder.

b. Diagnosis of substance use disorders utilizing the current DSM and assessment of treatment needs for medically necessary treatment services. This may include a physical examination necessary for treatment and evaluation.

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1 c. Treatment planning is a service activity that consists of development and updates to
 2 documentation needed to plan and address the member’s needs, planned interventions and to address and
 3 monitor a member’s progress and restoration of member to their best possible functional level.

4 9. CalOMS means a statewide Client-based data collection and outcomes measurement system
 5 as required by the State to effectively manage and improve the provision of alcohol and drug treatment
 6 services at the State, COUNTY, and provider levels.

7 10. Care Coordination means services that assist a Client to access needed medical, educational,
 8 social, prevocational, rehabilitative, or other community services.

9 11. Client means a member or unfunded person who has a substance use disorder, for whom a
 10 COUNTY-approved intake and admission for Residential Treatment Services as appropriate have been
 11 completed pursuant to this Contract.

12 12. Clinically Managed means services are directed by addiction professional such as therapist
 13 or counselor as opposed to services directed by medical physician. These services are designed to improve
 14 a Client’s ability to structure and organize tasks of daily living and recovery.

15 13. Closed-loop referral means the people, processes and technologies that are deployed to
 16 coordinate and refer Clients to available community resources (i.e., health care, behavioral health services,
 17 and/or other support services) and follow-up to verify if services were rendered.

18 14. Completion means the Client has made sufficient progress on goals and objectives identified
 19 during treatment planning activities to be safely transitioned to lower level of care.

20 15. Co-Occurring means when a person has at least one substance use disorder and one mental
 21 health disorder that can be diagnosed independently of each other.

22 16. DATAR means the DHCS system used to collect data on SUD treatment capacity and waiting
 23 lists.

24 17. DHCS (DHCS)-Designated Levels of Care (LOC) means a designation that is issued by
 25 DHCS to a residential program based on the services provided at the facility. For the purposes of this
 26 Contract, CONTRACTOR shall provide services in accordance with one of the following DHCS-
 27 Designated Levels of Care:

28 a. 3.1 – Clinically Managed Low-Intensity Residential Services means a twenty-four (24)
 29 hour structure with available trained personnel; at least five (5) hours of clinical service/week that includes
 30 groups, individual counseling, patient education and other structured therapeutic activities and preparation
 31 for outpatient treatment.

32 b. 3.2 – Clinically Managed Residential Withdrawal Management (3.2 WM) means twenty-
 33 four (24) hour structure and support with trained and credentialed personnel providing organized services
 34 in a social setting emphasizing peer support for individuals with moderate risk of withdrawal.

35 c. 3.5 – Clinically Managed High-Intensity Residential Services means a twenty-four (24)
 36 hour residential care for Clients who require a twenty-four (24) hour supportive treatment environment in
 37 //

1 order to develop sufficient recovery skills to avoid relapse or continued AOD use. It will include at least
2 five (5) hours of clinical service/week.

3 18. Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) means the federal mandate
4 under Section 1905(r) of the Act, which requires CONTRACTOR to ensure that all members under age
5 21 receive all applicable mental health or SUD services needed to correct or ameliorate health conditions
6 that are coverable under Section 1905(a) of the Act. Consistent with federal guidance, services need not
7 be curative or completely restorative to ameliorate a health condition. Services that sustain, support,
8 improve, or make more tolerable a health condition are considered to ameliorate the condition and are thus
9 covered as EPSDT services.

10 19. Family Therapy means a rehabilitative service that includes family members in the treatment
11 process, providing education about factors that are important to the member's recovery as well as the
12 holistic recovery of the family system. Family members can provide social support to the member and
13 help motivate their loved one to remain in treatment. There may be times when, based on clinical
14 judgment, the member is not present during the delivery of this service, but the service is for the direct
15 benefit of the member.

16 20. Group Counseling consists of contacts with multiple members at the same time. Group
17 Counseling shall focus on the needs of the participants. Group counseling means contacts in which one or
18 more therapists or counselors treat two or more members at the same time with a maximum of 12 in the
19 group, focusing on the needs of the individuals served. A member that is 17 years of age or younger shall
20 not participate in group counseling with any participants who are 18 years of age or older. However, a
21 member who is 17 years of age or younger may participate in group counseling with participants who are
22 18 years of age or older when the counseling is at a provider's certified school site.

23 21. Incidental Medical Services means optional services, approved by DHCS to be provided at a
24 licensed adult alcoholism or drug use residential treatment facility by or under the supervision of a LPHA
25 that addresses medical issues associated with either detoxification or substance use.

26 22. Individual Counseling consists of contacts with a member. Individual counseling can include
27 contact with family members or other collaterals if the purpose of the collateral's participation is to focus
28 on the treatment needs of the member by supporting the achievement of the member's treatment goals.
29 Individual counseling also includes preparing the beneficiary to live in the community, and providing
30 Linkages to treatment and services available in the community.

31 23. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in
32 which specific information about the Client is gathered including the ability to pay and standard admission
33 forms pursuant to this Contract.

34 24. IRIS means a collection of applications and databases that serve the needs of programs within
35 HCA and includes functionality such as registration and scheduling, laboratory information system,
36 invoices and reporting capabilities, compliance with regulatory requirements, electronic medical records
37 and other relevant applications.

1 25. Linkage means when a Client has attended at least one appointment or made one visit to the
2 identified program or service for which the Participant has received a referral or to which they have self-
3 referred.

4 26. Licensed Practitioners of the Healing Arts (LPHA) includes any of the following: licensed
5 physicians, licensed psychologists (including waived psychologists), licensed clinical social workers
6 (including waived or registered clinical social workers), licensed professional clinical counselors
7 (including waived or registered professional clinical counselors), licensed marriage and family
8 therapists (including waived or registered marriage and family therapists), registered nurses (including
9 certified nurse specialists and nurse practitioners), licensed vocational nurses, licensed psychiatric
10 technicians, and licensed occupational therapists.

11 27. Medically necessary or medical necessity has the same meaning as set forth in W&I Code
12 sections 14059.5 and 14184.402 and any related guidance issued by the Department.

13 a. For members 21 years of age or older, a service is “medically necessary” or a “medical
14 necessity” when it is reasonable and necessary to protect life, to prevent significant illness or significant
15 disability, or to alleviate severe pain.

16 b. For members under 21 years of age, a service is “medically necessary” or a “medical
17 necessity” if the service meets the EPSDT standard set forth in Section 1396d(r)(5) of Title 42 of the
18 United States Code, including if the service is necessary to correct or ameliorate mental health conditions
19 and SUDs, as described above under the definition of ESPDT.

20 28. Medications for Addiction Treatment (also known as medication assisted treatment (MAT))
21 for Alcohol Use Disorders (AUD) and Non-Opioid Substance Use Disorders includes all FDA-approved
22 drugs and services to treat AUD and other non-opioid SUDs involving FDA-approved medications to treat
23 AUD and non-opioid SUDs.

24 29. Medication Services means the prescription or administration of medication related to
25 substance use disorder services, or the assessment of the side effects or results of the medication.
26 Medication Services does not include MAT for Opioid Use Disorders (OUD) or MAT for Alcohol Use
27 Disorders (AUD) and other Non-Opioid Substance Use Disorders. Medication Services includes
28 prescribing, administering, and monitoring medications used in the treatment or management of SUD
29 and/or withdrawal management not included in the definitions of MAT for OUD or MAT for AUD
30 services.

31 30. Member means a Medi-Cal recipient who is eligible to receive services from COUNTY.

32 31. Non-Perinatal Residential Program services are provided in DHCS licensed residential
33 facilities that also have DMC certification and have been designated by DHCS as capable of delivering
34 care consistent with ASAM treatment criteria. These residential services are provided to the non-perinatal
35 population and do not require the enhanced services found in the perinatal residential programs.

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1 32. Observation means the process of monitoring the member’s course of withdrawal.
2 CONTRACTOR shall ensure observation be conducted at the frequency required by applicable state and
3 federal laws, regulations, and standards. This may include but is not limited to observation of the member’s
4 health status.

5 33. Peer Support Specialist means an individual with a current State-approved Medi-Cal Peer
6 Support Specialist Certification Program certification who meets ongoing education requirements and
7 provides services under the direction of a Behavioral Health Professional.

8 34. Patient Education means education for the member on addiction, treatment, recovery and
9 associated health risks.

10 35. Perinatal means the condition of being pregnant or Postpartum. This condition must be
11 documented to apply the billing descriptor of perinatal attached to services.

12 36. Perinatal DMC Services means covered services as well as parent/child habilitative and
13 rehabilitative services; services access (i.e., provision or arrangement of transportation to and from
14 medically necessary treatment); education to reduce harmful effects of alcohol and drugs on the parent
15 and fetus or infant; and coordination of ancillary services (Cal. Code Regs., tit. 22, § 51341.1(c)(4))

16 37. Postpartum as defined for DMC purposes, means the 60-day period beginning on the last day
17 of pregnancy, regardless of whether other conditions of eligibility are met. Eligibility for perinatal services
18 shall end on the last day of the calendar month in which the 60th day occurs.

19 38. Proposition 36 refers to offenders who choose court-approved treatment and probation in lieu
20 of jail. Successful completion results in the dismissal of the charge.

21 39. Recovery monitoring means recovery coaching, monitoring designed for the maximum
22 reduction of the member’s SUD.

23 03. Recovery Services means billable services available after the Client has completed the
24 residential episode of care. While in residential treatment recovery services are part of the bundled day
25 rate. Recovery Services are designed to support recovery and prevent relapse with the objective of
26 restoring the client to their best possible functional level. Recovery services emphasize the Client’s central
27 role in managing their health, use effective self-management support strategies, and organize internal and
28 community resources to provide ongoing self-management support to Clients.

29 41. Referral means the process of sending a Client from one service provider to another service
30 provider for health care, behavioral health services, and/or other support services, by electronic
31 transmission, in writing or verbally, regardless of Linkage status.

32 42. Residential Treatment Authorization means the approval that is provided by the HCA ART
33 Team for a Client to receive residential services to ensure that the Client meets the requirements for the
34 service. Decisions for service authorization are provided by the ART team for admission with exception
35 determined by CONTRACTOR.

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1 43. Resource Recommendation means the process of providing a Client with one or more
2 suggested resources, without plans and/or an ability to follow up on Linkage status as part of the closed-
3 loop referral process.

4 44. RTS means alcohol and other drug treatment services that are provided to Clients at a twenty-
5 four (24) hour residential program. Services are provided in an alcohol and drug free environment and
6 support recovery from alcohol and/or other drug related problems. These services are provided in a non-
7 medical, residential setting that has been licensed and certified by DHCS.

8 45. Self-Help Meetings means a non-professional, peer participatory meeting formed by people
9 with a common problem or situation offering mutual support to each other towards a goal or healing or
10 recovery.

11 46. Self-Referral means when a Client or family member directly contacts a service provider with
12 the goal of receiving services for themselves or a family member, regardless of Linkage status.

13 47. Structured Therapeutic Activities means organized program activities that are designed to
14 meet treatment goals and objectives for increased social responsibility, self-motivation, and integration
15 into the larger community. Such activities would include participation in the social structure of the
16 residential program. It also includes the Client's progression, with increasing levels of responsibility and
17 independence through job and other assignments culminating in employment seeking and employment-
18 initiation activities in the community.

19 48. Substance Use Disorder Crisis Intervention Services means contacts with a member in crisis.
20 A crisis means an actual relapse or an unforeseen event or circumstance which presents to the member an
21 imminent threat of relapse. SUD Crisis Intervention Services shall focus on alleviating the crisis problem,
22 be limited to the stabilization of the member's immediate situation, and be provided in the least intensive
23 level of care that is medically necessary to treat their condition.

24 49. SUD means a condition in which the use of one or more substances leads to a clinically
25 significant impairment or distress per the DSM-5.

26 50. Token means the security device which allows an individual user to access IRIS.

27 51. Unfunded means Orange County residents that are uninsured and ineligible for Medi-Cal.

28 52. Unit of Service means a unit as defined by the applicable procedure code and rendering
29 provider type in accordance with DHCS billing requirements.

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

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II. BUDGET

	<u>PERIOD</u>	<u>PERIOD</u>	<u>PERIOD</u>	<u>TOTAL</u>
	<u>ONE</u>	<u>TWO</u>	<u>THREE</u>	
Federal Medi-Cal	\$4,200,000	\$4,200,000	\$4,200,000	\$12,600,000
Actual Cost	<u>Actual Cost</u>	<u>Actual Cost</u>	<u>Actual Cost</u>	<u>Actual Cost</u>
TOTAL REVENUE	\$4,200,000	\$4,200,000	\$4,200,000	\$12,600,000
TOTAL AMOUNT	\$4,200,000	\$4,200,000	\$4,200,000	\$12,600,000
NOT TO EXCEED				

III. GENERAL REQUIREMENTS

A. MEETINGS – CONTRACTOR’s Executive Director or designee shall participate, when requested, in meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to this Contract.

B. ALCOHOL AND/OR DRUG SCREENING

1. CONTRACTOR shall have a written policy and procedure statement regarding drug screening that includes random drug and/or alcohol screen at a minimum of one (1) time per month for the first thirty (30) calendar days and two (2) times per month for the remaining term of the Contract for all Clients. All urine specimen collections shall be observed by same-sex or 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.

CONTRACTOR shall:

- a. Establish procedures that protect against the falsification and/or contamination of any body specimen sample collected for drug screening; and,
- b. Assure that all urine specimen collections are observed by same-sex or sex congruent staff; and,
- c. Document results of the drug screening in the Client's record.

2. In the event CONTRACTOR wishes to utilize a COUNTY-contracted laboratory for drug screening purposes, CONTRACTOR shall collect and label samples from Clients. Such testing shall be provided at COUNTY’s expense. For tests not already covered in COUNTY-contracted laboratory agreement, CONTRACTOR must receive approval from ADMINISTRATOR prior to using COUNTY-contracted laboratory for drug screenings.

3. In the event that any Client receives a drug test result indicating any substance abuse, CONTRACTOR shall formulate and implement a plan of corrective action which shall be documented in the Client record. CONTRACTOR shall notify ADMINISTRATOR within two (2) business days of

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1 receipt of such test results via an incident report indicating the corrective action to be taken by the Client
 2 if the Client is allowed to remain in the program.

3 C. CULTURAL COMPETENCY – CONTRACTOR shall provide culturally competent services.
 4 CONTRACTOR must ensure that their policies, procedures, and practices are consistent with the
 5 principles outlined and are embedded in the organizational structure, as well as being upheld in day-to-
 6 day operations. Translation services must be available for Clients, as needed. CONTRACTOR shall
 7 maintain documentation of such efforts which may include; but not be limited to: records of participation
 8 in COUNTY-sponsored or other applicable training; recruitment and hiring policies and procedures;
 9 copies of literature in multiple languages and formats, as appropriate; and descriptions of measures taken
 10 to enhance accessibility for, and sensitivity to, individuals who are physically challenged.

11 D. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold
 12 languages as determined by COUNTY. Whenever possible, bilingual/bicultural staff should be retained.
 13 Any clinical vacancies occurring at a time when bilingual and bicultural composition of the clinical
 14 staffing does not meet the above requirement must be filled with bilingual and bicultural staff unless
 15 ADMINISTRATOR consents, in writing, to the filling of those positions with non-bilingual staff

16 E. POSTINGS – CONTRACTOR shall post the following in a prominent place within the facility:

- 17 1. State Licensure and Certification
- 18 2. Business License
- 19 3. Conditional Use Permit (if applicable)
- 20 4. Fire clearance
- 21 5. Client rights
- 22 6. Grievance, appeal, and expedited appeal procedure
- 23 7. Employee Code of Conduct
- 24 8. Evacuation floor plan
- 25 9. Equal Employment Opportunity notices
- 26 10. Nondiscrimination notice
- 27 11. Language Assistance Taglines
- 28 10. Name, address, telephone number for fire department, crisis program, local law enforcement,
 29 and ambulance service.
- 30 11. List of resources within community which shall include medical, dental, mental health, public
 31 health, social services and where to apply for determination of eligibility for Federal, State, or County
 32 entitlement programs.
- 33 12. Information on self-help meetings. AA, NA, and non-12 step meetings shall be included.

34 F. NO PROSELYTIZING POLICY – CONTRACTOR shall not conduct any proselytizing
 35 activities, regardless of funding sources, with respect to any person who has been referred to
 36 CONTRACTOR by COUNTY under the terms of this Contract. Further, CONTRACTOR agrees that the
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1 funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious creed
2 or cult, denomination or sectarian institution, or religious belief.

3 G. AUTHORITY – CONTRACTOR shall recognize the authority of OCPD as officers of the court,
4 and shall extend cooperation to OCPD within the constraints of CONTRACTOR’s program of substance
5 use disorder residential services.

6 H. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy
7 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy
8 shall specify that the facility is “smoke free” and that designated smoking areas are outside the visiting
9 areas at the facility.

10 I. CLIENT SIGN IN/OUT LOG AND SCHEDULE – CONTRACTOR shall maintain a resident
11 sign in/out log for all residents, which shall include, but not be limited to, the following:

- 12 1. Client’s schedule for treatment, work, education or other activities;
- 13 2. Location and telephone number where the Client may be reached; and
- 14 3. Requirement for all Clients to notify the program of any change in his/her schedule.

15 J. GOOD NEIGHBOR POLICY – ADMINISTRATOR has established a Good Neighbor Policy
16 for the purpose of identifying community impacts and measures to mitigate those impacts. The Good
17 Neighbor Policy is a set of principles and activities designed to provide a consistent means of
18 communication between facilities that provide client services and their respective neighbors. The Good
19 Neighbor Policy is applicable for Residential Programs when CONTRACTOR provides service to County
20 residents and the services have a potential impact including but not limited to community safety,
21 cleanliness, and security in the surrounding neighborhood(s).

22 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the Good Neighbor
23 Policy, attached hereto as Exhibit D.

24 2. CONTRACTOR agrees to adhere to the Good Neighbor Policy to the fullest extent possible.
25 In addition, each facility shall develop a written procedure for the handling of neighborhood complaints
26 which shall be approved by ADMINISTRATOR. Approved procedure must be available onsite, readily
27 accessible upon request, and include ADMINISTRATOR’s contact information as provided.

28 3. Non-compliance with this Paragraph and Exhibit D shall constitute a material breach of this
29 Contract and constitute cause for immediate termination of this Contract.

30 K. VISITATION POLICY – CONTRACTOR shall establish a written Visitation Policy, which shall
31 be reviewed and approved by ADMINISTRATOR, which shall include, but not be limited to, the
32 following:

- 33 1. Sign in logs;
- 34 2. Visitation hours; and
- 35 3. Designated visiting areas at the Facility.

36 //

37 //

1 L. TRANSGENDER POLICY – CONTRACTOR shall establish a written Transgender Policy,
2 which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not limited
3 to, the following:

- 4 1. Admission
- 5 2. Housing arrangement
- 6 3. Bathroom privacy
- 7 4. Drug testing

8 M. MEDICATION POLICY – CONTRACTOR shall establish a written Medication Policy, which
9 shall be reviewed and approved by ADMINISTRATOR. The policy shall include but not be limited to
10 the securing, handling, and administering medication(s) prescribed to the Client. The policy shall address
11 Medications that are prescribed for substance and mental health disorders. Clients shall be allowed to
12 have Medications during their stay with the program, and/or to have the ability to get refill(s).

13 N. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available at
14 each program site at minimum two (2) unexpired Naloxone doses or other opioid reversal medication for
15 the treatment of known or suspected opioid overdose. Staff shall be trained in how to access and
16 administer the Naloxone. Training may include review of online resources and the National Harm
17 Reduction Coalition's Opioid Overdose Basics website to respond effectively to an opioid-associated
18 overdose emergency. Staff shall certify that they have reviewed and undergone training in opioid overdose
19 prevention and treatment. Completion of training shall be documented in the staff member's individual
20 personnel file. Naloxone is not a substitute for emergency medical care. CONTRACTOR shall always
21 seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid
22 emergency.

23 O. TOKENS – ADMINISTRATOR will provide CONTRACTOR the necessary number of Tokens
24 for appropriate individual staff to access IRIS at no cost to CONTRACTOR.

25 1. CONTRACTOR recognizes that a Token is assigned to a specific individual staff member
26 with a unique password. Tokens and passwords shall not be shared with anyone.

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

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

31 4. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following
32 conditions:

- 33 a. Token of each staff member who no longer supports this Contract.
- 34 b. Token of each staff member who no longer requires access to IRIS.
- 35 c. Token of each staff member who leaves employment of CONTRACTOR.
- 36 d. Tokens malfunctioning.

37 //

1 5. ADMINISTRATOR will issue Tokens for CONTRACTOR's staff members who require
2 access to the IRIS upon initial training or as a replacement for malfunctioning Tokens. CONTRACTOR
3 shall reimburse COUNTY for Tokens lost, stolen, or damaged through acts of negligence.

4 P. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the General
5 Requirements Paragraph of this Exhibit A to the Contract.

7 **IV. PAYMENTS**

8 A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided
9 pursuant to the Contract, COUNTY shall pay CONTRACTOR monthly in arrears at the negotiated
10 established reimbursement rates for bundled services, as well as established rates for other units of services
11 delivered outside of bundled services. Rates are outlined in Paragraph B and may be periodically adjusted
12 by COUNTY, as DHCS adjusts its reimbursement rates for COUNTY. Furthermore, if CONTRACTOR
13 is ineligible to provide services due to non-compliance with licensure and/or certification standards of the
14 state, COUNTY or OCPD, ADMINISTRATOR may elect to reduce COUNTY's Amount Not to Exceed
15 proportionate to the length of time that CONTRACTOR is ineligible to provide services. CONTRACTOR
16 shall ensure compliance with all DMC-ODS billing and documentation requirements when entering Units
17 of Service into COUNTY's IRIS system. ADMINISTRATOR may reduce, withhold or delay any
18 payment associated with non-compliant billing practices. If CAPs are not completed within timeframes
19 as determined by ADMINISTRATOR, payments may be reduced accordingly.

20 1. For Medi-Cal services provided pursuant to the Contract, COUNTY shall claim
21 reimbursement to the State Medi-Cal unit on behalf of CONTRACTOR to the extent these services are
22 eligible.

23 2. Proper DMC certification and enrollment with the Provider Enrollment Division (PED) of
24 DHCS, through the Provider Application and Validation for Enrollment (PAVE) system is required.
25 CONTRACTOR shall submit proof of enrollment for each new rendering provider as required by
26 regulations. Failure to demonstrate provider enrollment within six months of services being rendered shall
27 result in disallowance of those services by pending providers.

28 3. CONTRACTOR shall submit appropriate Medi-Cal billing to ADMINISTRATOR on a
29 monthly basis. CONTRACTOR shall review registration, charge entry, billing queues and other related
30 screens in IRIS for billing errors and make necessary corrections. ADMINISTRATOR shall review billing
31 and remit to Accounting for submission to the State Medi-Cal unit.

32 4. CONTRACTOR shall assume responsibility for any audit disallowances or penalties
33 imposed on COUNTY by the State related to amounts or services claimed by COUNTY on behalf of
34 CONTRACTOR. CONTRACTOR shall reimburse COUNTY for any such disallowances or penalties
35 within thirty (30) calendar days of written notification by COUNTY.

36 5. For individuals who are uninsured and eligible for Medi-Cal, CONTRACTOR will work with
37 the Client to apply for Medi-Cal.

Other	
Start-up Costs	Actual Cost
MODE OF SERVICE PERINATAL	PER BED DAY RATE
Residential Treatment 3.1	\$203.62
Residential Room and Board 3.1	\$173.59
Residential Treatment 3.2	\$288.32
Room and Board 3.2	\$111.00
Residential Treatment 3.5	\$210.84
Residential Room and Board 3.5	\$172.71
MODE OF SERVICE ADOLESCENTS	PER BED DAY RATE
Residential Treatment 3.1	\$204.19
Residential Room and Board 3.1	\$163.59
Residential Treatment 3.2	\$266.82
Room and Board 3.2	\$107.30
Residential Treatment 3.5	\$211.37
Residential Room and Board 3.5	\$162.76

6. ADMINISTRATOR will update reimbursement rate table, however total payments made will not exceed COUNTY’s Amount Not to Exceed as set forth in the Referenced Contract Provisions of the Contract.

B. PAYMENT METHOD

1. COUNTY shall pay CONTRACTOR monthly in arrears, however, the total of all payments under this Contract shall not exceed COUNTY’s Total Amount Not to Exceed. CONTRACTOR’s invoices shall be on a form approved by ADMINISTRATOR and shall provide such information as is required by ADMINISTRATOR. Invoices are due by the twentieth (20th) calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice form. For each Period, invoices received after the due date may not be paid in accordance with this Subparagraph IV.B.

a. Monthly payments are interim payments only, and subject to Final Settlement in accordance with Paragraph VIII. Cost Reconciliation Report and with subparagraph 3.B.1.b. of this Exhibit A below.

b. Quarterly, ADMINISTRATOR will review the BHS 837P/835 Report.

1) If total amounts paid by the State for adjudicated claims are less than what was billed for those claims, COUNTY shall reduce the monthly invoice amount for the month immediately following ADMINISTRATOR’s completion of the quarterly review.

1 C. In conjunction with Subparagraph IV.A above, CONTRACTOR shall not enter UOS into
2 COUNTY IRIS system for services not rendered. If such information is entered, CONTRACTOR shall
3 make corrections within ten (10) calendar days from notification by ADMINISTRATOR. Additionally,
4 to assist in the protection of data integrity, CONTRACTOR shall create a procedure to ensure separation
5 of duties between the individual performing direct services (LPHA, clinicians, counselors, etc.), and the
6 clerical staff who enter information into the IRIS system. Clerical staff shall enter data into IRIS using the
7 chart information provided by the direct service staff.

8 D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with
9 any provision of this Contract.

10 E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
11 and/or termination of this Contract.

12 H. CONTRACTOR shall ensure compliance with all DMC-ODS billing and documentation
13 requirements when entering Units of Service into COUNTY's IRIS system. ADMINISTRATOR shall
14 withhold payment for non-compliant Units of Service, and may reduce, withhold or delay any payment
15 associated with non-compliant billing practices.

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

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

21 22 **V. RECORDS**

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

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

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

31 3. CLIENT FEES – Pursuant to 42 CFR 438.106, CONTRACTOR shall not collect fees from
32 a Medi-Cal beneficiary or persons acting on behalf of the beneficiary for any SUD or related
33 administrative services provided under this Contract, except to collect other health insurance coverage,
34 share of cost, and co-payments. Drug Medi-Cal is payment in full for treatment services rendered for
35 Medi-Cal beneficiaries.

36 B. CLIENT RECORDS – CONTRACTOR shall maintain adequate records in accordance with the
37 licensing authority, DHCS, the Orange County DMC ODS CalAIM Documentation Manual, and CCR,

1 Title 22, related to DMC , and AOD certification (if applicable) on each individual Client in sufficient
2 detail to permit an evaluation of services, which shall include, but not limited to:

3 1. Documentation of ADMINISTRATOR's Residential Treatment Authorization for
4 Residential Treatment Services.

5 2. Documentation that RTS for substance use disorders are appropriate for the Client. This shall
6 include initial medical necessity determination for the DMC-ODS benefit performed through a review by
7 a LPHA. Additionally, the ASAM Criteria assessment will be applied to determine placement into the
8 level of assessed services and documented in the Client record.

9 3. Intake and admission data, including, if applicable, a physical examination;

10 4. Problem lists;

11 5. Reassessments of client functioning based on ASAM criteria;

12 6. Progress notes;

13 7. Laboratory test orders and results;

14 8. Referrals;

15 9. Discharge plan and/or;

16 10. Discharge summary;

17 11. Any other information relating to the treatment services rendered to the Client; and

18 12. A sign in sheet for every group counseling session.

19 13. Proof of pregnancy and /or proof of birth for perinatal clients

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

22 **VI. REPORTS**

23 **A. PROGRAMMATIC**

24 1. Monthly Data and Performance Outcome Report (MDPOR) - CONTRACTOR shall submit
25 a MDPOR to ADMINISTRATOR, on a template provided by ADMINISTRATOR, no later than the tenth
26 (10th) calendar day of the month following the report month. CONTRACTOR shall be responsible for
27 including in the monthly programmatic report any problems in implementing the provisions of this
28 Contract, pertinent facts or interim findings, staff changes, status of license(s) and/or certification(s),
29 changes in population served, and reasons for any changes. Additionally, a statement that
30 CONTRACTOR is or is not progressing satisfactorily in achieving all the terms of the Contract shall be
31 included.
32

33 2. DATAR – CONTRACTOR shall provide reports under the DATAR, and/or any other State
34 reporting system in a manner prescribed by ADMINISTRATOR, no later than the fifth (5th) calendar day
35 of the month following the report month.

36 3. DAILY BED CAPACITY- CONTRACTOR shall notify ART team daily regarding status of
37 bed availability slots and percentage of total capacity being utilized.

1 B. MANAGED CARE

2 1. Provider Directory - CONTRACTOR shall update all provider information, including but not
3 limited to provider name, NPI number, primary site, license expiration date, etc. via the COUNTY's 274
4 User Interface online portal no later than the 15th of each month.

5 2. Clinical Supervision Reporting – Provider shall provide supervisor information for all
6 treatment/counseling staff.

7 3. Grievance Reporting – Provider shall submit Managed Care Team Grievance Tracking form
8 when grievances are filed.

9 4. Provider shall provide Managed Care Team copy of Notice of Adverse Benefit
10 Determinations issued to beneficiaries.

11 5. Provider shall submit Change of Provider/Second Opinion Tracking on quarterly basis.

12 C. FISCAL

13 1. In support of the monthly invoice, CONTRACTOR shall submit monthly Expenditure and
14 Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by
15 ADMINISTRATOR CONTRACTOR shall submit these reports by no later than twenty (20) calendar
16 days following the end of the month reported.

17 D. IRIS

18 1. CONTRACTOR shall input all Units of Service provided in COUNTY's IRIS database.

19 2. CalOMS – CONTRACTOR shall complete a CalOMS encounter and a CalOMS admission
20 record in IRIS within seven (7) calendar days of Client admission. CONTRACTOR shall complete a
21 CalOMS discharge record in IRIS within seven (7) calendar days of Client discharge. CONTRACTOR
22 shall run a CalOMS error report (CEDR) and correct any errors within two (2) business days of submitting
23 the CalOMS admission or discharge, and continue to recheck until error free.

24 3. ACCESS LOG – CONTRACTOR shall track and enter information on initial requests for
25 DMC ODS services and all required follow-up appointment offers into the access log form in IRIS or
26 other access log tool identified by COUNTY.

27 4. LEVEL OF CARE SUMMARY – CONTRACTOR shall enter ASAM level of care
28 information into IRIS on each ASAM level of care assessment and re-assessment completed.

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

34 F. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports as required by
35 ADMINISTRATOR and/or the State concerning CONTRACTOR's activities as they affect the services
36 hereunder. ADMINISTRATOR will be specific as to the nature of the information requested and the
37 timeframe the information is needed.

1 G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports
 2 Paragraph of this Exhibit A to the Contract.

3
 4 **VII. SERVICES**

5 A. FACILITY – CONTRACTOR shall operate a DHCS licensed perinatal substance use disorder
 6 residential treatment facility in accordance with the standards established by COUNTY and the State
 7 within the specifications stated below, unless otherwise authorized by ADMINISTRATOR. Program
 8 shall have DMC certification and must be designated by DHCS or ASAM as capable of delivering care
 9 consistent with ASAM treatment criteria. Residential services may be provided in facilities with no bed
 10 capacity limit. The environment shall be healthy and safe and the facility shall be clean and in good repair.
 11 Unless otherwise authorized in writing by ADMINISTRATOR, CONTRACTOR shall maintain regularly
 12 scheduled service hours, seven (7) days a week, twenty-four (24) hours per day, three hundred sixty-five
 13 (365) days a year.

14 B. FACILITY – CONTRACTOR shall operate a Community Care Licensing (CCL) licensed
 15 and DMC certified Adolescent Residential Treatment Services program in accordance with the standards
 16 established by the COUNTY, the State, DHCS, Youth Treatment Guidelines, and the California
 17 Department of Social Services within the specifications stated below, unless otherwise authorized by the
 18 ADMINISTRATOR. CONTRACTOR shall provide services within a licensed and DMC
 19 certified adolescent facility that has been designated by DHCS as capable of delivering care consistent
 20 with ASAM adolescent treatment criteria. The environment shall be healthy and safe and the facility shall
 21 be clean and in good repair. Unless otherwise authorized in writing by ADMINISTRATOR,
 22 CONTRACTOR shall maintain regularly scheduled service hours, seven (7) days a week, twenty-four
 23 (24) hours per day, three hundred sixty-five (365) days a year.

24 a. The facility will have, at a minimum: a kitchen, dining room, and laundry facilities, with
 25 enough space for leisure time and group activities. Services shall be provided at the following location:

26
 27 7820 Marine Way,
 28 Irvine, CA 92618
 29

30 C. LENGTH OF STAY - Length of stay is based on medical necessity as determined by a Licensed
 31 Practitioner of the Healing Arts. COUNTY is adhering to the state goal of a thirty (30) calendar day
 32 average in the residential level of care based on medical necessity. At CONTRACTOR’s discretion,
 33 CONTRACTOR may hold a Client’s bed seven (7) calendar days or less during which the Client is absent
 34 from the program due to a brief hospitalization for physical or mental health condition including
 35 detoxification, family death or emergency, or flash incarceration. A temporary absence bed hold is not
 36 reimbursed by ADMINISTRATOR. Client’s readmission will not necessitate a new treatment
 37 authorization or CalOMS admission. Documentation timelines must adhere to original admission date.

1 D. PERSONS TO BE SERVED –

2 1. CONTRACTOR shall serve adult women, ages eighteen (18) years or older, who are not in
3 need of detoxification services, who are pregnant and/or have custody of their dependent children up to
4 twelve (12) years of age, in their care; who have abstained from substance use for at least twenty-four
5 (24) hours who have a problem of SUD, and who demonstrate a need for Perinatal Residential SUD
6 Treatment Services based on ASAM Criteria. CONTRACTOR shall also serve those women eighteen
7 (18) years or older who are in the process of reunification with their children. Prospective Clients with
8 dependent children over the age of twelve (12) years may be admitted upon written approval of
9 ADMINISTRATOR.

10 2. CONTRACTOR also shall serve adolescents ages twelve (12) through seventeen (17) years
11 of age. Child Welfare dependents and Probation youth are eligible for these services if they meet all other
12 eligibility requirements under this Contract. A pregnant youth is eligible for these services if they meet all
13 other eligibility requirements under this Contract. When a pregnant youth is admitted to treatment, the
14 DHCS Perinatal Practice Guidelines are to be followed.

15 3. In order to receive services through the DMC-ODS, the Client must be enrolled in Medi-
16 Cal, reside in Orange County, and meet medical necessity criteria, as outlined below.

17 4. CONTRACTOR may serve Clients without insurance, as COUNTY resources allow.
18 Services shall be provided when determined by a Medical Director or LPHA as medically necessary.
19 Appropriateness for services must adhere to all DHCS requirements, meet ASAM Criteria and be
20 documented in the Client's file. CONTRACTOR shall prioritize admission of Orange County adolescents
21 when beds are available.

22 5. For Medi-Cal eligible individuals, who are uninsured, clients CONTRACTOR will work
23 with the client to apply for Medi-Cal.

24 E. MEDI-CAL ELIGIBILITY

25 1. CONTRACTOR must verify the Medi-Cal eligibility determination of potential Clients.

26 2. ADMINISTRATOR will reimburse treatment for unfunded Clients and undocumented
27 Clients with Opioid Abatement funding while CONTRACTOR assists Client in applying for benefits or
28 transferring Medi-Cal benefits to Orange County. The Heath plan in IRIS will be assigned as
29 "Unfunded/Uninsured". When applying for Medi-Cal, Client shall request that Medi-Cal coverage is
30 retroactively applied to date of admission. If current Medi-Cal is assigned to a different county (not
31 Orange County) Client must initiate transfer within ten (10) calendar days of admission. If county of
32 responsibility is other than Orange County and county of residence in Medical Eligibility Data System is
33 Orange County and Medi-Cal transfer has been initiated, CONTRACTOR shall enter Health plan as
34 "Medi-Cal" in IRIS. These claims will be accepted by the State. If both county of responsibility and
35 county of residence are other than Orange County, or Client is undocumented, Contractor shall assign the
36 Health plan as "Unfunded/Uninsured". CONTRACTOR shall review Unfunded/Uninsured Health Plan
37 claims from the previous six months and recheck eligibility status. If claims dates are covered by Medi-

1 Cal, CONTRACTOR shall update the Health Plan and these claims will be automatically credited and re-
2 dropped by the IRIS system.

3 F. MEDICAL NECESSITY - DMC-ODS services must be medically necessary.

4 1. Pursuant to W&I Code section 14059.5(a), for individuals 21 years of age or older, a service
5 is “medically necessary” when it is reasonable and necessary to protect life, to prevent significant illness
6 or significant disability, or to alleviate severe pain.

7 2. For individuals under 21 years of age, a service is “medically necessary” or a “medical
8 necessity” if the service is necessary to correct or ameliorate screened health conditions. Consistent with
9 federal guidance, services need not be curative or completely restorative to ameliorate a health condition,
10 including substance misuse and SUDs. Services that sustain, support, improve, or make more tolerable
11 substance misuse or a SUD are considered to ameliorate the condition and are thus covered as EPSDT
12 services.

13 3. The ASAM Criteria shall be used to determine placement into the appropriate level of care for
14 all members and is separate and distinct from determining medical necessity.

15 G. ADMISSIONS

16 1. CONTRACTOR shall accept any person who is physically and mentally able to comply with
17 the program's rules and regulations. Said persons shall include persons with a concurrent or co-occurring
18 diagnosis of mental illness. Persons with co-occurring mental health disorders and others who require
19 prescribed medication shall not be precluded from acceptance or admission solely based on their licit use
20 of prescribed medications.

21 2. CONTRACTOR shall accept Unfunded/Uninsured Clients with proof of Medi-Cal
22 application. Clients may be referred to an outpatient clinic or a Social Service office to complete an
23 application if necessary. CONTRACTOR is responsible for verification of application and status.

24 3. CONTRACTOR shall have policies and procedures in place to screen for emergency medical
25 conditions and immediately refer Clients to emergency medical care.

26 4. CONTRACTOR shall have a policy that requires a Client who shows signs of any
27 communicable disease or through medical disclosure during the intake process admits to a health-related
28 problem that would put others at risk, to be cleared medically before services are provided.

29 5. Admission Policy – CONTRACTOR shall establish and make available to the public a
30 written Admission Policy. ADMINISTRATOR may revise Admission Policy due to funding. Admission
31 Policy shall recognize the following specialty populations:

- 32 a. pregnant injection drug users.
- 33 b. pregnant substance abusers.
- 34 c. injection drug users.
- 35 d. persons who have a recent history of fentanyl use disorder.
- 36 e. persons linking to residential from withdrawal management.

37 //

1 6. CONTRACTOR's Admission Policy shall reflect all applicable federal, state, and county
2 regulations. CONTRACTOR shall have the right to refuse admission of a person only in accordance with
3 its written Admission Policy; provided, however, CONTRACTOR complies with the Nondiscrimination
4 provisions of this Contract.

5 7. Any woman who is pregnant upon admission or discovers she is pregnant after admission,
6 shall be under the care of a qualified physician and will have regular prenatal and post-partum care for
7 herself and her child(ren) through her Medi-Cal or her private health benefits.

8 8. Medical documentation that substantiates the Client's pregnancy and the last day of
9 pregnancy shall be maintained in the Client record.

10 H. RESIDENTIAL TREATMENT AUTHORIZATION

11 1. Clients will be authorized and referred to CONTRACTOR by the ART Team. Clients who
12 contact CONTRACTOR directly to request services shall be referred by CONTRACTOR to the ART
13 Team. If Client is pregnant, an intravenous drug user, has a recent history of fentanyl use disorder, or is
14 transferring from a withdrawal management program and meets medical necessity for Residential
15 Treatment, CONTRACTOR may admit to treatment, bypassing the ART Team, if provider has available
16 bed slot. In this instance, CONTRACTOR will complete a SUD assessment and establish medical
17 necessity for residential level of care. Assessment and authorization request must be submitted to the
18 ART team for authorization within 72 hours of Client admission. CONTRACTOR shall enter data
19 regarding request for service into IRIS access log established by ADMINISTRATOR for these
20 beneficiaries who access provider directly and bypass the ART team.

21 2. If it is determined after assessing the Client that medical necessity and/or access criteria has
22 not been met, then a written Notice of Adverse Benefit Determination shall be issued to Beneficiary in
23 accordance with 42 CFR 438.404 and 42 CFR Part 431, subpart E.

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

28 J. INTERIM SERVICES – All persons who are not admitted into RTS shall be referred to Interim
29 Services by CONTRACTOR. Interim Services shall be provided until an individual is admitted to
30 residential treatment program. The purposes of the services are to reduce the adverse health effects of
31 such abuse, promote the health of the individual, and reduce the risk of transmission of disease. At a
32 minimum, Interim Services include counseling and education about HIV and TB, about the risks of
33 needle-sharing, the risks of transmission to sexual partners and infants, and about steps that can be taken
34 to ensure that HIV and TB transmission does not occur, as well as referral for HIV or TB treatment
35 services if necessary. CONTRACTOR shall provide Clients, especially opiate users, with drug overdose
36 education/information. For pregnant women, Interim Services include counseling on the effects of alcohol
37 //

1 and drug use on the fetus, as well as referrals for prenatal care. Provision of Interim Services shall be
2 documented on the DATAR and reported monthly to the State.

3 K. SERVICES – CONTRACTOR shall provide a non-institutional, twenty-four (24) hour non-
4 medical, short-term residential program that provides rehabilitation services to Clients in accordance with
5 an individualized problem list. These services are intended to be individualized to treat the functional
6 deficits identified in the ASAM Criteria. Each Client shall live on the premises and shall be supported in
7 their efforts to restore, maintain and apply interpersonal and independent living skills and access
8 community support systems. CONTRACTOR and residents work collaboratively to plan treatment,
9 define barriers, set priorities, establish goals, and solve problems. Goals include sustaining abstinence,
10 preparing for relapse triggers, improving personal health and social functioning, and engaging in
11 continuing care. Perinatal services shall address treatment and recovery issues specific to pregnant and
12 postpartum women, such as relationships, sexual and physical abuse, and development of parenting skills.
13 CONTRACTOR shall adhere to the requirements listed in the most recent edition of
14 the Perinatal Practice Guidelines established and adopted by the DHCS. Residential Treatment program
15 shall consist of the following:

16 1. Activities to evaluate or monitor the status of a member's behavioral health and determine
17 the appropriate level of care and course of treatment for that member. Assessments shall be conducted in
18 accordance with applicable State and Federal laws, and regulations, and standards. Assessment may be
19 initial and periodic, and may include contact with family members or other collaterals if the purpose of
20 the collateral's participation is to focus on the treatment needs of the member. Assessment services may
21 include one or more of the following components:

22 a. Collection of information for assessment used in the evaluation and analysis of the cause
23 or nature of the substance use disorder.

24 b. Diagnosis of substance use disorders utilizing the current DSM and assessment of
25 treatment needs for medically necessary treatment services. This may include a physical examination
26 necessary for treatment and evaluation.

27 c. Treatment planning, a service activity that consists of development and updates to
28 documentation needed to plan and address the member's needs, planned interventions, and to address and
29 monitor a member's progress and restoration of the member to their best possible functional level.

30 Intake may include a physical examination and laboratory testing necessary for substance use disorder
31 treatment.

32 2. Individual Counseling: Contacts between a Client and a therapist or counselor. It consists of
33 contacts with a member. Individual counseling can include contact with family members or other
34 collaterals if the purpose of the collateral's participation is to focus on the member's treatment needs by
35 supporting the achievement of the member's treatment goals. Individual counseling also includes
36 preparing the beneficiary to live in the community and providing Linkages to treatment and services
37 available in the community.

1 3. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat
2 two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the needs
3 of the individuals served. A member that is 17 years of age or younger shall not participate in group
4 counseling with any participants who are 18 years of age or older, except as provided in this Contract.

5 4. Service access (i.e., provision of or arrangement for transportation to and from medically
6 necessary treatment).

7 5. Education to reduce harmful effects of alcohol and drugs on the mother and fetus or the
8 mother and infant.

9 6. Medication Services: Facilities will store all resident medication and facility staff members
10 will oversee resident's self-administration of medication.

11 7. Structured Therapeutic Activities: Residential Treatment Services shall consist of a minimum
12 of twenty (20) hours of structured activity per week.

13 8. EBPs: CONTRACTORS will implement at least two of the following EBPs. The two EBPs
14 are per CONTRACTOR per service modality. The required EBP include:

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

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

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

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

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

33 9. Care Coordination: Care coordination consists of activities to provide coordination of SUD
34 care, mental health care, and medical care, and to support the member with Linkages to services and
35 supports designed to restore the member to their best possible functional level. Care Coordination can be
36 provided in clinical or non-clinical settings and can be provided in person, by telehealth, or by telephone.
37 Care coordination shall be provided to a member in conjunction with all levels of treatment. Care

1 coordination may also be delivered and claimed as a standalone service. Through executed memoranda of
 2 understanding, CONTRACTOR shall implement care coordination services with other SUD, physical,
 3 and/or mental health services in order to ensure a member-centered and whole-person approach to
 4 wellness.

5 a. Care coordination services shall be provided by an AOD Counselor, Clinical Trainee,
 6 LPHA, or Medical Assistant.

7 b. Care coordination services shall include one or more of the following components:

8 1) Coordinating with medical and mental health care providers to monitor and support
 9 comorbid health conditions.

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

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

17 10. Medication Assisted Treatment: “Medications for Addiction Treatment (also known as
 18 medication assisted treatment (MAT)) for Alcohol Use Disorders (AUD) and Non-Opioid Substance Use
 19 Disorders” includes all FDA-approved drugs and services to treat AUD and other non-opioid SUDs
 20 involving FDA-approved medications to treat AUD and non-opioid SUDs MAT.

21 a. When MAT is being provided as a standalone service, MAT includes the following
 22 components: assessment; care coordination; counseling (individual and group counseling); family therapy;
 23 medication services; patient education; prescribing and monitoring for MAT for OUD and AUD and non-
 24 opioid SUDs which is prescribing, administering, dispensing, ordering, monitoring, and/or managing the
 25 medications used for MAT for OUD, AUD and non-opioid SUDs; recovery services; SUD crisis
 26 intervention services; and withdrawal management services.

27 b. CONTRACTOR shall demonstrate it offers or has an effective referral
 28 mechanisms/process to MAT to members with SUD diagnoses that are treatable with Food and Drug
 29 administration (FDA)-approved medications and biological products. An effective referral
 30 mechanism/process is defined as facilitating access to MAT off-site for members while they are receiving
 31 treatment services if not provided on-site. Providing a member the contact information for a treatment
 32 program is insufficient. A facilitated referral to any Medi-Cal provider rendering MAT to the member is
 33 compliant whether or not they seek reimbursement through DMC-ODS. Members needing or utilizing
 34 MAT shall be served and cannot be denied treatment services or be required to be tapered off medications
 35 as a condition of entering or remaining in the program. CONTRACTOR shall monitor the referral process
 36 or provision of MAT services.

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1 c. All medications and biological products utilized to treat SUDs, including long- acting
2 injectables, continue to be available through the Medi-Cal pharmacy benefit without prior authorization,
3 and can be delivered to provider offices by pharmacies.

4 d. Members needing or utilizing MAT shall be served and cannot be denied treatment
5 services or be required to decrease dosage or be tapered off medications as a condition of entering or
6 remaining in the program. DMC-ODS providers offering MAT shall not deny access to medication or
7 administratively discharge a member who declines counseling services. For patients with lack of
8 connection to psychosocial services, more rigorous attempts at engagement in care may be indicated, such
9 as using different evidence-based practices, different modalities (e.g., telehealth), different staff, and/or
10 different services (e.g., Medi-Cal Peer Support Services). If the DMC-ODS provider is not capable of
11 continuing to treat the member, the DMC-ODS provider shall assist the member in choosing another MAT
12 provider, ensure continuity of care, and facilitate a warm hand-off to ensure engagement.

13 11. Health, Medical, Psychiatric and Emergency Services

14 a. CONTRACTOR shall ensure that all persons admitted for Residential Treatment services
15 have a health questionnaire completed using DHCS 5103 form, or may develop their own form provided
16 it contains, at a minimum, the information requested in the DHCS 5103 form. The health questionnaire
17 is a Client's self-assessment of his/her current health status and shall be completed by Client.

18 1) CONTRACTOR shall review and approve the health questionnaire form prior to
19 Client's admission to the program. The completed health questionnaire shall be signed and dated by
20 CONTRACTOR and Client, prior to admission.

21 2) A copy of the questionnaire shall be filed in the Client's record.

22 b. CONTRACTOR shall, based on information provided by Client on the health
23 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
24 examinations as appropriate.

25 1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to
26 Client's admission to the program when applicable.

27 2) A copy of the referral and clearance shall be filed in the Client's file.

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

30 d. The programs shall have written procedures for obtaining medical or psychiatric
31 evaluation and emergency and non-emergency services.

32 e. The programs shall post the name, address, and telephone number for the fire department,
33 a crisis program, local law enforcement, and ambulance service.

34 f. CONTRACTOR shall provide TB services to the Clients by referral to COUNTY or
35 another appropriate provider. TB services shall be provided within thirty (30) calendar days of admission.
36 These TB services shall consist of the following:

37 //

- 1 1) Counseling with respect to TB;
2 2) Testing to determine whether the individual has been infected and to determine the
3 appropriate form of treatment;
4 3) Provision for, or referral of, infected Clients for medical evaluation, treatment and
5 clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to
6 commencing treatment.

7 12. Clinician Consultation Services consist of LPHAs, such as addiction medicine physicians,
8 licensed clinicians, addiction psychiatrists, or clinical pharmacists, to support the provision of care.
9 Clinician Consultation is not a direct service provided to members. Clinician Consultation is designed to
10 support DMC-ODS licensed clinicians with complex cases and may address medication selection, dosing,
11 side effect management, adherence, drug-drug interactions, or level of care considerations. It includes
12 consultations between clinicians designed to assist DMC clinicians with seeking expert advice on
13 treatment needs for specific DMC-ODS members. CONTRACTOR may contract with one or more
14 physicians, clinicians, or pharmacists specializing in addiction in order to provide consultation services.
15 These consultations can occur in person, by telehealth, by telephone, or by asynchronous
16 telecommunication systems. CONTRACTOR shall only allow DMC-certified providers to bill for
17 clinician consultation services.

18 13. Discharge Services: The process to prepare the Client for referral into another level of care,
19 post treatment return or reentry into the community, and/or the linkage of the individual to essential
20 community treatment, housing and human services. CONTRACTOR shall provide or arrange for
21 transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
22 immediately after enrollment.

23 a. Discharge Plan – CONTRACTOR shall develop a formal discharge plan within thirty
24 (30) calendar days prior to Client’s planned discharge from the program. A discharge plan is to be
25 completed for each Client, except a Client with whom the provider loses contact. The discharge plan shall
26 be completed and signed by the LPHA or counselor and the Client. A copy of the discharge plan shall be
27 provided to the Client and retained in the Client’s record.

28 b. Discharge Summary – The discharge summary is to be completed by the LPHA or
29 counselor within thirty (30) calendar days of the date of the last face-to-face treatment contact with the
30 Client.

31 14. Family Support: Linkages to childcare, parent education, child development support services,
32 family/marriage education.

33 15. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries,
34 clean linen, and food service.

35 16. Support Services: CONTRACTOR shall provide housekeeping, which may be done by
36 Clients; laundry access; and maintenance.

37 //

17. Perinatal Residential Treatment Service requirements:

- a. Primary medical care for women, including referral for prenatal care and, while the women are receiving such services, child care;
- b. Primary pediatric care, including immunization, for their children;
- c. Gender specific substance abuse treatment and other therapeutic interventions for women which may address issues of relationships, sexual and physical abuse and parenting, and childcare while the women are receiving these services;
- d. Therapeutic interventions for children in custody of women in treatment which may, among other things, address their developmental needs, their issues of sexual and physical abuse, and neglect; and
- e. Sufficient case management and transportation to ensure that women and their children have access to services.

18. Transportation Services

a. COUNTY shall only pay for medical ambulance or medical van transportation to and from designated residential substance use disorder treatment programs or health facilities through COUNTY's Medical Transportation Agreement under the following conditions:

1) Ambulance transportation shall be used for services requiring immediate attention for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where delay in providing such services may aggravate the medical condition or cause the loss of life.

2) When any Client needs non-emergency transportation as identified in Subparagraph 24.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client's physical condition and/or limitations.

3) CONTRACTOR shall utilize COUNTY's Ambulance Monthly Rotation Call Log to request transportation services from Ambulance Providers designated for transportation within the city of CONTRACTOR's facility for each said month as identified on the log.

4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified on the Monthly Rotation Call Log as those providers who offer van transportation services if and when an ambulance is not required.

5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service under this section by COUNTY.

b. Non-Emergency Transportation – CONTRACTOR shall transport Client to locations that are considered necessary and/or important to the Client's recovery plan including, but not limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-emergency medical or mental health services not identified in Subparagraph 24.a. above, that require treatment at a

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1 physician office, urgent care, or emergency room when an ambulance provider is not necessary or required
 2 for transportation based on the level of severity and/or services required by the Client.

3 L. RESIDENTIAL LEVELS OF CARE – CONTRACTOR shall provide services in accordance
 4 with one of the following DHCS Levels of Care:

5 1. 3.1 – Clinically Managed Low-Intensity Residential Services: Services provided under a
 6 level 3.1 designation includes the following:

7 a. Clinical Component:

8 1) A minimum of 5 hours per week of individual counseling, group, and education
 9 sessions and/or structured therapeutic activities

10 2) Clinically-managed treatment to facilitate recovery skills, relapse prevention and
 11 emotional coping strategies

12 3) Arrangements for addiction pharmacotherapy and drug screening

13 4) Motivational enhancement and engagement strategies

14 5) Daily monitoring of residents’ medication adherence

15 6) Recovery services

16 7) Arrangements of services for resident’s family and significant others, as appropriate
 17 to advance treatment goals and objectives

18 8) Education on benefits of medication assisted treatment (MAT) and arrange for
 19 referral to treatment as necessary.

20 b. Residential Component:

21 1) Structured recovery environment with twenty-four (24) hour staffing;

22 2) Community house meetings and responsibilities to promote community recovery
 23 concepts and norms; and

24 3) Introduction of Client to local recovery community and resources

25 c. Support Systems:

26 1) Telephone or in-person consultation with a physician and emergency services
 27 available twenty-four (24) hours/day, seven (7) days/week;

28 2) Direct affiliations with other levels of care with close coordination of transfer to more
 29 intensive levels of care, medication management, and housing services; and

30 3) Ability to arrange for needed procedures as appropriate to the severity and urgency
 31 of the Client’s condition—to include obtaining pharmacotherapy for psychiatric and anti-addiction
 32 medications.

33 2. 3.5 – Clinically Managed High-Intensity Residential Services: Services provided under a
 34 Level 3.5 designation includes above services and the following:

35 a. A minimum of 5 hours clinical services per week of specific for individuals with co-
 36 occurring mental health disorders.

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1 b. Daily scheduled professional services and interdisciplinary assessments and treatment
2 designed to develop and apply recovery skills.

3 3. 3.2 – Withdrawal Management Services: CONTRACTOR shall provide medically necessary
4 habilitative and rehabilitative services in accordance with an individualized treatment plan prescribed by
5 a licensed physician or licensed prescriber. Withdrawal Management program shall consist of the
6 following:

7 a. Assessment: A compilation of information gathered from the Client and if applicable
8 significant others, to determine a diagnosis, that Client meets access criteria, and level of care placement
9 needs.

10 b. Assessment is to be completed and signed within 24 hours of admission. A full ASAM
11 Criteria assessment is not required for admission. The assessment tool utilized should be robust enough
12 to identify the need for the stabilization and management of symptoms associated with withdrawal and
13 coordination of care for effectively transitioning to a level of care for additional treatment services.

14 c. Observation:

15 1) At least one staff member shall be assigned to the observation of Withdrawal
16 Management Clients at all times and be certified in cardiopulmonary resuscitation, first aid, and Naloxone
17 administration. In facilities with sixteen (16) or more clients, two (2) staff or volunteers shall be present
18 at all times.

19 2) Staff shall physically check each Client for breathing by a face-to-face physical
20 observation at least every thirty (30) minutes and monitor vital signs at least once every six (6) hours at a
21 minimum during the first seventy-two (72) hours following admission. The close observation and physical
22 checks shall continue beyond the initial seventy-two (72) hour period for as long as the withdrawal signs
23 and symptoms warrant. After twenty-four (24) hours, close observations and physical checks may be
24 discontinued or reduced based upon a determination by a staff member trained in providing Withdrawal
25 Management Services. Documentation of the information that supports a decrease in close observation
26 and physical checks shall be recorded in the Client's file.

27 3) Documentation of observations and physical checks shall be recorded in a systematic
28 manner in the Client file including information supporting a decrease in observation and physical checks
29 and signature of staff.

30 4) Only program staff that have been trained in the provisions of
31 Withdrawal Management Services may conduct observations and physical checks of Clients receiving
32 Withdrawal Management Services. Training shall include information on detoxification medications, and
33 signs and symptoms that require referral to a higher level of care. Training shall also include first aid
34 cardiopulmonary resuscitation, and Naloxone administration. Copies of detoxification training records
35 shall be kept in personnel files.

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1 M. PERFORMANCE OUTCOMES

2 1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance
 3 Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR
 4 recognizes that alterations may be necessary to the above services to meet the objectives, and, therefore,
 5 revisions to objectives and services may be implemented by mutual agreement between CONTRACTOR
 6 and ADMINISTRATOR.

7 2. Performance Outcome Objectives

8 a. Objective 1: CONTRACTOR shall provide effective residential substance abuse
 9 assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as measured
 10 by Completion Rate. At least 70% of all enrolled clients will complete residential treatment making
 11 satisfactory progress at the time of discharge.

12 b. Objective 2: At least 50% of clients who have been discharged will be linked to an appropriate
 13 level of care within 10 business days of discharge.

14 N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Services
 15 paragraph of this Exhibit A to the Contract.

16
 17 **VIII. STAFFING**

18 A. CONTRACTOR shall provide twenty-four (24) hour supervision with at least one (1) staff
 19 member on-site at all times. Residential programs shall require twenty-four (24) hour awake supervision.

20 B. Professional staff shall complete the HCA credentialing process by the Managed Care Support
 21 Team (MCST) prior to rendering any Medi-Cal covered services.

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

25 2. CONTRACTOR shall follow COUNTY’s process for credentialing and re-credentialing of
 26 network providers and shall ensure that all registered, licensed or certified staff who deliver Medi-Cal
 27 covered services are properly credentialed by COUNTY before delivering any Medi-Cal covered services.

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

31 D. Non-professional staff shall receive appropriate onsite orientation and training by
 32 CONTRACTOR prior to performing assigned duties. Non-professional staff shall be supervised by
 33 CONTRACTOR by professional and/or administrative staff.

34 E. Professional and Non-professional staff are required to have appropriate experience and any
 35 necessary training at the time of hiring and prior to providing services under this Contract.

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

1 G. Pursuant to the CCR, Title 9, Division 4, Chapter 8, Subchapter 2, at least thirty percent (30%)
2 of CONTRACTOR staff providing counseling services shall be licensed or certified. All other counseling
3 staff shall be registered.

4 H. CONTRACTOR must have a SUD Medical Director who, prior to the delivery of services under
5 this Contract, has enrolled with DHCS under applicable state regulations, has been screened in accordance
6 with 42 CFR 455.450(a) as a "limited" categorical risk within a year prior to serving as a Medical Director
7 under this Contract, and has signed a Medicaid provider agreement with DHCS as required by 42 CFR
8 431.107.

9 1. The SUD Medical Director's responsibilities shall, at a minimum include all of the following:
10 a. Ensure that medical care provided by physicians, registered nurse practitioners, and
11 physician assistants meets the applicable standard of care;

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

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

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

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

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

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

22 2. The Substance Use Disorder Medical Director may delegate his/her responsibilities to a
23 physician consistent with the provider's medical policies and standards; however, the Substance Use
24 Medical Director shall remain responsible for ensuring all delegated duties are properly performed.

25 3. Written roles and responsibilities for the Medical Director shall be clearly documented,
26 signed and dated by a provider representative and the physician.

27 4. A code of conduct for the Medical Director shall be clearly documented, signed and dated by
28 a provider representative and the physician.

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

33 J. VOLUNTEERS/INTERNS – CONTRACTOR may augment the above paid staff with volunteers
34 or part-time student interns. Unless waived by ADMINISTRATOR, prior to providing services pursuant
35 to this Contract, interns shall be Master's Candidates in Counseling or Social Work or have a Bachelor's
36 Degree in a related field or be participating in any state recognized counselor certification program.
37 CONTRACTOR shall provide supervision of work by interns or consistent with school or licensing Board

1 requirements. CONTRACTOR shall provide supervision to volunteers as specified in the respective job
2 descriptions or work contracts. Volunteer or student intern services may not comprise more than twenty
3 percent (20%) of the services provided, unless approved in advance by ADMINISTRATOR.

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

13 L. STAFF/VOLUNTEER/INTERN SCREENING – CONTRACTOR shall provide pre-
14 employment “live scan” screening of any staff person providing services pursuant to this Contract. All
15 new staff, volunteers, and interns shall pass a one-time “live scan” finger printing background check prior
16 to employment. All staff shall be subject to sanction screening as referenced in the Compliance paragraph.
17 All staff shall also be screened by Megan’s Law, . The results of the fingerprint checks will be sent
18 directly from the Department of Justice to CONTRACTOR. Results must remain in staff file.

19 1. All staff/volunteers/interns, prior to starting services, shall meet the following requirements:
20 a. No person shall have been convicted of a sex offense for which the person is required to
21 register as a sex offender under PC section 290;

22 b. No person shall have been convicted of an arson offense – Violation of PC sections 451,
23 451.1, 451.5, 452, 45231, 453, 454, or 455;

24 c. No person shall have been convicted of any violent felony as defined in PC section 667.5,
25 which involves doing bodily harm to another person, for which the staff member was convicted within
26 five (5) years prior to employment;

27 d. No person shall be on parole or probation.

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

31 M. STAFF TRAINING – CONTRACTOR shall develop an annual written plan for staff training.
32 All Staff training shall be documented and maintained as part of the training plan. Training may be
33 conducted in person or web-based.

34 1. CONTRACTOR shall ensure that PRIOR to providing services all professional staff
35 complete the following:

36 a. ASAM Training (2 modules):

37 1)ASAM A (or 1) Multidimensional Assessment.

- 1 2) ASAM B (or II) Assessment to Service Planning and Level of Care.
- 2 3) This requirement may only be waived for physicians/Medical Directors who are
- 3 Board Certified with an Addiction sub-specialty.
- 4 b. Annual Provider Training (APT) – Professional staff and administrators must receive
- 5 training on DMC-ODS requirements prior to providing services and annually thereafter. These
- 6 requirements will be contained in COUNTY-developed Annual Provider Training.
- 7 c. Cultural Competency Training as approved by ADMINISTRATOR
- 8 2. In addition to the above, CONTRACTOR shall ensure that staff complete training as follows:
- 9 a. LPHAs, including Medical Directors, shall receive a minimum of five (5) hours of
- 10 continuing education related to addiction medicine annually.
- 11 b. SUD documentation training within ninety (90) calendar days of hire is mandatory for
- 12 all professional staff, Quality Management staff, and supervisors; however, compliant documentation is
- 13 required from the onset of services;
- 14 c. Annual training in the two minimum evidence-based practices (EBP) utilized at the
- 15 program. Motivational Interviewing must be taken at least once and will count as one EBP for the year;
- 16 CONTRACTOR may choose other EBP courses after.
- 17 3. All personnel shall be trained or shall have experience which provides knowledge of the skills
- 18 required in the following areas, as appropriate to the job assigned, and as evidenced by safe and effective
- 19 job performance:
- 20 a. Naloxone Administration Training;
- 21 b. CPR / first aid Training;
- 22 c. Training in facility MAT policy;
- 23 d. Training in risks and benefits of MAT;
- 24 e. General knowledge of alcohol and/or drug abuse and alcoholism and the principles of
- 25 recovery;
- 26 f. Housekeeping and sanitation principles;
- 27 g. Principles of communicable disease prevention and control;
- 28 h. Recognition of early signs of illness and the need for professional assistance;
- 29 i. Availability of community services and resources;
- 30 j. Recognition of individuals under the influence of alcohol and/or drugs;
- 31 k. Principles of nutrition, food preparation and storage, and menu planning.
- 32 4. Facility personnel who provide withdrawal management services or who monitor or
- 33 supervise the provision of such services must:
- 34 a. Complete six (6) hours of orientation training that covers the needs of the Clients;
- 35 b. Repeat the orientation training within fourteen (14) calendar days of return after not
- 36 working for one hundred and eighty (180) or more consecutive calendar days; and
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1 c. Complete eight (8) hours of training on an annual basis covering the needs of residents
2 receiving withdrawal management services.

3 N. PERSONNEL FILES – CONTRACTOR shall maintain personnel files and ensure continued
4 compliance with required credentials and trainings for each staff persons, including management
5 and other administrative positions, subcontractors, and volunteers/interns, both direct and indirect to
6 the Contract, which shall include, but not be limited to:

- 7 1. Application for employment and/or resume;
- 8 2. Signed employment confirmation statement/duty statement;
- 9 3. Job description;
- 10 4. Salary schedule and salary adjustment information;
- 11 5. Performance evaluations;
- 12 6. Health records/status as required by the provider, AOD Certification or Title 9;
- 13 7. Other personnel actions (e.g. commendations, discipline, status change, employment
14 incidents and/or injuries);
- 15 8. Training documentation relevant to substance use disorders and treatment to include:
 - 16 a. Training identified above
 - 17 b. Training in program’s MAT policy (assigned staff per policy)
 - 18 c. Training in risks and benefits of MAT (assigned staff per policy)
- 19 9. Current registration, certification, intern status, or licensure;
- 20 10. Proof of continuing education required by licensing or certifying agency and program; and
- 21 11. CONTRACTOR’s Code of Conduct and for registered, certified, and licensed staff, a copy
22 of the certifying/licensing body’s code of conduct.
- 23 12. All personnel files shall be complete and made readily accessible to ADMINISTRATOR for
24 purposes of audits and investigations or any other reason deemed necessary by ADMINISTRATOR.

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

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EXHIBIT B
 TO CONTRACT FOR PROVISION OF
 SUBSTANCE USE DISORDER
 BETWEEN
 COUNTY OF ORANGE
 AND
 CLEAN PATH RECOVERY LLC
 JULY 1, 2026 THROUGH JUNE 30, 2029

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.

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

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

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

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

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

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

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

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

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

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

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

29 18. "Use" shall have the meaning given to such term under the HIPAA regulations in 45 CFR §
 30 160.103.

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

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

35 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business
 36 Associate Contract and the Contract, to prevent use or disclosure of PHI COUNTY discloses to
 37 //

1 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
2 other than as provided for by this Business Associate Contract.

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

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

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

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

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

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

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

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

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

1 Contract, in order to permit COUNTY to respond to a request by an Individual for an accounting of
2 Disclosures of PHI in accordance with 45 CFR § 164.528.

3 12. CONTRACTOR agrees that to the extent CONTRACTOR carries out COUNTY's obligation
4 under the HIPAA Privacy and/or Security rules CONTRACTOR will comply with the requirements of 45
5 CFR Part 164 that apply to COUNTY in the performance of such obligation.

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

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

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

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

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

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

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

4 D. SECURITY RULE

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

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

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

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

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

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

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

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

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

1 E. DATA SECURITY REQUIREMENTS

2 1. Personal Controls

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

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

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

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

28 2. Technical Security Controls

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

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

37 //

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

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

11 e. Antivirus software. 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 installed and actively use comprehensive anti–virus software solution
14 with automatic updates scheduled at least daily.

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

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

- 31 1) Upper case letters (A–Z)
- 32 2) Lower case letters (a–z)
- 33 3) Arabic numerals (0–9)
- 34 4) Non–alphanumeric characters (punctuation symbols)

35 h. Data Destruction. When no longer needed, all PHI COUNTY discloses to
36 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
37 must be wiped using the Gutmann or US DoD 5220.22–M (7 Pass) standard, or by degaussing. Media

1 may also be physically destroyed in accordance with NIST Special Publication 800–88. Other methods
2 require prior written permission by COUNTY.

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

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

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

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

22 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
23 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
24 outside the secure internal network must be encrypted using a FIPS 140–2 certified algorithm which is
25 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
26 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website
27 access, file transfer, and E–Mail.

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

32 3. Audit Controls

33 a. System Security Review. CONTRACTOR must ensure audit control mechanisms that
34 record and examine system activity are in place. All systems processing and/or storing PHI COUNTY
35 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
36 COUNTY must have at least an annual system risk assessment/security review which provides assurance
37 //

1 that administrative, physical, and technical controls are functioning effectively and providing adequate
 2 levels of protection. Reviews should include vulnerability scanning tools.

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

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

10 4. Business Continuity/Disaster Recovery Control

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

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

23 5. Paper Document Controls

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

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

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

36 //

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

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

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

16 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

33 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

6 1) The Disclosure is required by law; or

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

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

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

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

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

20 H. PROHIBITED USES AND DISCLOSURES

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

26 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
 27 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
 28 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
 29 42 USC § 17935(d)(2).

30 I. OBLIGATIONS OF COUNTY

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

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

37 //

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

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

6 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

26 3. The obligations of this Business Associate Contract shall survive the termination of the
27 Contract.

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1 EXHIBIT C
 2 TO CONTRACT FOR PROVISION OF
 3 SUBSTANCE USE DISORDER SERVICES
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 CLEAN PATH RECOVERY LLC
 8 JULY 1, 2026 THROUGH JUNE 30, 2029
 9

10 **I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT**

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

13 A. DEFINITIONS

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

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

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

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

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

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

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

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

31 9. "Required by law" means a mandate contained in law that compels an entity to make a use
 32 or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court
 33 orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental
 34 or tribal inspector general, or an administrative body authorized to require the production of information,
 35 and a civil or an authorized investigative demand. It also includes Medicare conditions of participation
 36 with respect to health care providers participating in the program, and statutes or regulations that require
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1 the production of information, including statutes or regulations that require such information if payment
2 is sought under a government program providing public benefits.

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

6 B. TERMS OF CONTRACT

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

11 2. Responsibilities of CONTRACTOR

12 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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

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

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1 EXHIBIT D
 2 TO CONTRACT FOR PROVISION OF
 3 SUBSTANCE USE DISORDER
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 CLEAN PATH RECOVERY LLC
 8 JULY 1, 2026 THROUGH JUNE 30, 2029

9
10 **EXHD I GOOD NEIGHBOR POLICY**

11 Preface

12 COUNTY as a political subdivision of the State of California, is mandated by state and federal law to
13 provide certain services to all County residents. In addition, COUNTY provides certain other non-
14 mandated services to enhance the well-being and quality of life for its residents. COUNTY is committed
15 to ensuring positive relations through this Good Neighbor Policy in the neighborhoods and communities
16 in which its Residential Program contractors provide services to its residents.
17

18
19 Following effective date of this Contract, but no later than thirty (30) calendar days after the start of
20 services, CONTRACTOR shall conduct reasonable outreach to cities, neighborhoods and communities
21 that could be affected by services provided by CONTRACTOR.
22

23 Good Neighbor Policy

24 This Policy applies only to the extent CONTRACTOR provides direct services to COUNTY clients
25 pursuant to this Contract. The intent of this Policy is to identify community impacts and measures to
26 mitigate those impacts to be an integral part of the neighborhood and community COUNTY serves.
27

28 CONTRACTOR shall establish a policy that includes all of the following elements:

- 29 • Ensure staff and clients conduct themselves in a manner that demonstrates respect for the
 30 community and consideration of neighbors when entering/exiting the facility or outdoors.
- 31 • Establish and maintain early communication with cities, neighborhoods and communities as a
 32 way to identify potential impacts to neighborhoods and mitigate as needed.
- 33 • Establish cooperative relationships with cities, neighborhoods and communities where services
 34 are being rendered and mitigate impact as needed.
- 35 • Collaborate with cities, neighborhoods and communities as a way to promote integration of
 36 facilities into the community and determine the effectiveness of established good neighbor practices.
- 37 • Develop written procedures to track, respond and mitigate neighborhood complaints. Procedures

1 should include identification of a contact person for complaint resolution and identification of COUNTY
2 contact if complaint is not adequately resolved. The procedures must also identify how these incidents
3 will be reported to the appropriate COUNTY contact in a timely manner.

- 4 • Establish generalized good neighbor practices for services and facility(ies) that include:
 - 5 - Adequate parking
 - 6 - Adequate waiting and visiting areas
 - 7 - Adequate restroom facilities
 - 8 - Property maintenance and appearance
 - 9 - Community safety
 - 10 - Congregation guidelines
 - 11 - Security provisions

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13 CONTRACTOR shall submit its policy to COUNTY for review and approval prior to the commencing of
14 services.

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EXHIBIT D
SUBSTANCE USE DISORDER
BETWEEN
COUNTY OF ORANGE
AND
CLEAN PATH RECOVERY LLC
JULY 1, 2026 THROUGH JUNE 30, 2029

SEE ATTACHMENT

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Background:

The Commission to End Homelessness developed the Homeless Service System Pillars Report, which includes four pillars – Prevention, Outreach & Supportive Services, Shelter, and Housing – that provide key interventions to assist individuals and families at risk of homelessness or experiencing homelessness. The Homeless Service System Pillars Report provides a definition and goal for each pillar thus establishing a collective understanding of the interventions, programming and outcomes expected for each pillar. Additionally, the Homeless Service System Pillars Report identifies the best practices, principles, and commitments to be followed by each Pillar.



On October 18, 2022, the Orange County Board of Supervisors received the Commission to End Homelessness' Homeless Service System Pillars Report and also directed the Homeless Service System Pillars Report be utilized as a framework in the design and development of programs that address the needs of individuals and families at risk of homelessness or experiencing homelessness across the County of Orange.

The Homeless Service System Pillars Report can be found here:

- Full Report - <https://ceo.ocgov.com/sites/ceo/files/2022-11/CEO-DCEO22-000856%20Attachment%20A.pdf>
- Summary Document - <https://ceo.ocgov.com/sites/ceo/files/2023-02/Pillars.pdf>

Providers shall Complete, Sign, and Submit with Contract Renewal:

Please select which of the Homeless Service System Pillar(s) that applies to the services being renewed:

- PREVENTION**
- OUTREACH & SUPPORTIVE SERVICES**
- SHELTER**
- HOUSING**

Please provide a brief description to outline how your contract renewal meets the best practices and guiding principles of the selected Homeless Service System Pillar(s). If additional space is needed, please attach separate pages to this form.

The renewal of Clean Path Recovery's contract aligns seamlessly with the Housing pillar by creating a comfortable, home-like environment that is both safe and supportive for all participants. Clean Path promotes equality through inclusive services, fair policies, and equal access to resources, underpinned by a zero-tolerance policy for discrimination. This commitment fosters open communication throughout the organization, establishing a foundation for stability and sustainability, ultimately leading to an improved quality of life for clients.

A key focus of Clean Path is client-centered care, which empowers participants to take charge of their health and well-being while supporting self-management. Staff undergo on-going training and Clean Path's Code of Ethics sets the expectation that staff respect clients and treat them with dignity.

Additionally, Clean Path connects clients with essential resources, including employment, educational or volunteer opportunities, and necessary social services. By building strong relationships with other providers, Clean Path can enhance support by linking clients to other services, as necessary. These efforts contribute to meaningful community integration and long-term housing stability, enabling participants to transition successfully into independent living while maintaining strong connections within their communities.

1. Provider recognizes the Commission to End Homelessness as an advisory body to the Orange County Board of Supervisors, was created to advise on policy and direction related to addressing homelessness in Orange County.

Initial LH

2. Provider acknowledges that the Commission to End Homelessness created the Homeless Service System Pillars Report with the assistance of local and national industry experts and people with lived experience to establish a collective understanding of the interventions, programming and outcomes expected for each pillar. Additionally, the Homeless Service System Pillars Report also identifies the best practices, principles, and commitments to be followed by each Pillar.

Initial LH

3. Provider acknowledges that the Homeless Service System Pillar Report was received and filed by the Orange County Board of Supervisors during the October 16, 2022, meeting. The Orange County Board of Supervisors directed the use of the Homeless Service System Pillars Report be utilized as a framework in the design and development of programs that address the needs of individuals and families at risk of homelessness or experiencing homelessness across the County of Orange.

Initial LH

4. Provider recognizes that through the solicitation process for the proposed project, services must clearly demonstrate and meet the definition, goal, best practices, and guiding principles of the above checked Homeless Service System Pillar(s), based on the Commission to End Homelessness' Homeless Service System Pillars Report.

Initial LH

5. Provider attests the contract renewal submitted meets the standards of identified best practices and guiding principles defined in the Commission to End Homelessness' Homeless Service System Pillar Report. Provider also acknowledges that they may be asked to report and/or demonstrate their adherence to the above stated at any point during the duration of the Contract.

 Lee Heiligman
(Signature Required)

 3/17/2026
(Date)