

1 CONTRACT FOR PROVISION OF
 2 ADULT CRISIS RESIDENTIAL SERVICES SOUTH REGION
 3 BETWEEN
 4 COUNTY OF ORANGE
 5 AND
 6 TELECARE CORPORATION
 7 JULY 1, 2026 THROUGH JUNE 30, 2029

8
 9 THIS CONTRACT entered into this 1st day of July 2026, (effective date), is by and between the
 10 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY) and
 11 Telecare Corporation, a California for-profit corporation, (CONTRACTOR). COUNTY and
 12 CONTRACTOR may sometimes be referred to herein as “Party” or collectively as “Parties”. This Contract
 13 shall be administered by the Director of the COUNTY’s Health Care Agency or an authorized designee
 14 (“ADMINISTRATOR”).

15
 16 **W I T N E S S E T H:**

17
 18 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Adult Crisis
 19 Residential Services South Region described herein to the residents of Orange County; and

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

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

Period One Amount Not to Exceed: \$1,590,407

Period Two Amount Not to Exceed: \$1,590,407

Period Three Amount Not to Exceed: \$1,590,407

TOTAL AMOUNT NOT TO EXCEED: \$4,771,221

Basis for Reimbursement: Fee for Service

Payment Method: Monthly in Arrears

CONTRACTOR UEI Number: SY9HN84HH213

CONTRACTOR TAX ID Number: 94-1735271

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: Telecare Corporation
1080 Marina Village Parkway, Suite 100
Alameda, CA 94501
Dawan Utecht, SVP/Chief Development Officer
dutecht@telecarecorp.com

I. ACRONYMS

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

- 1 A. AB 109 Assembly Bill 109, 2011 Public Safety Realignment
- 2 B. ARRA American Recovery and Reinvestment Act of 2009
- 3 C. ASAM PPC American Society of Addiction Medicine Patient Placement Criteria
- 4 D. ASI Addiction Severity Index
- 5 E. BHIP Behavioral Health Integrated Plan
- 6 F. CCC California Civil Code
- 7 G. CCR California Code of Regulations
- 8 H. CEO County Executive Office
- 9 I. CFR Code of Federal Regulations
- 10 J. CHPP COUNTY HIPAA Policies and Procedures
- 11 K. COI Certificate of Insurance
- 12 L. CSW Clinical Social Worker
- 13 M. D/MC Drug/Medi-Cal
- 14 N. DHCS California Department of Health Care Services
- 15 O. DRS Designated Record Set
- 16 P. ePHI Electronic Protected Health Information
- 17 Q. FTE Full Time Equivalent
- 18 R. GAAP Generally Accepted Accounting Principles
- 19 S. HCA County of Orange Health Care Agency
- 20 T. HHS Federal Health and Human Services Agency
- 21 U. HIPAA Health Insurance Portability and Accountability Act of 1996, Public
- 22 Law 104-191
- 23 V. HSC California Health and Safety Code
- 24 W. IRIS Integrated Records and Information System
- 25 X. ISO Insurance Services Office
- 26 Y. LCSW Licensed Clinical Social Worker
- 27 Z. LPT Licensed Psychiatric Technician
- 28 AA. LVN Licensed Vocational Nurse
- 29 AB. MFT Marriage and Family Therapist
- 30 AC. MHP Mental Health Plan
- 31 AD. MHSA Mental Health Services Act
- 32 AE. MIHS Medical and Institutional Health Services
- 33 AF. NOA Notice of Action
- 34 AG. NPI National Provider Identifier

| | | |
|----|---------|---------------------------------------------------|
| 1 | AH. NPP | Notice of Privacy Practices |
| 2 | AI. OIG | Federal Office of Inspector General |
| 3 | AJ. OMB | Federal Office of Management and Budget |
| 4 | AK. OPM | Federal Office of Personnel Management |
| 5 | AL. PC | California Penal Code |
| 6 | AM. PHI | Protected Health Information |
| 7 | AN. PII | Personally Identifiable Information |
| 8 | AO. PRA | California Public Records Act |
| 9 | AP. QIC | Quality Improvement Committee |
| 10 | AQ. SIR | Self-Insured Retention |
| 11 | AR. SSA | Social Services Agency |
| 12 | AS. TAY | Transitional Age Youth |
| 13 | AT. TBS | Therapeutic Behavioral Services |
| 14 | AU. USC | United States Code |
| 15 | AV. WIC | State of California Welfare and Institutions Code |

16
17 **II. ALTERATION OF TERMS**

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

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

25
26 **III. AMOUNT NOT TO EXCEED**

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

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

32
33 **IV. ASSIGNMENT OF DEBTS**

34 Unless this Contract is followed without interruption by another contract between the Parties hereto
35 for the same services and substantially the same scope, at the termination of this Contract, CONTRACTOR
36 shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of persons receiving services
37 pursuant to this Contract. CONTRACTOR shall immediately notify by mail each of the respective Parties,

1 specifying the date of assignment, the County of Orange as assignee, and the address to which payments
 2 are to be sent. Payments received by CONTRACTOR from or on behalf of said persons, shall be
 3 immediately given to COUNTY.

4
 5 **V. COMPLIANCE**

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

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

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

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

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

32 4. If CONTRACTOR elects to have its own compliance program, code of conduct and any
 33 Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR shall
 34 submit a copy of its compliance program, code of conduct and all relevant policies and procedures to
 35 ADMINISTRATOR within thirty (30) calendar days of execution of this Contract. ADMINISTRATOR’s
 36 Compliance Officer, or designee, shall review said documents within a reasonable time, which shall not
 37 exceed forty-five (45) calendar days, and determine if CONTRACTOR’s proposed compliance program

1 and code of conduct contain all required elements to ADMINISTRATOR’s satisfaction as consistent with
 2 the HCA’s Compliance Program and Code of Conduct. ADMINISTRATOR shall inform
 3 CONTRACTOR of any missing required elements and CONTRACTOR shall revise its compliance
 4 program and code of conduct to meet ADMINISTRATOR’s required elements within thirty (30) calendar
 5 days after ADMINISTRATOR’s Compliance Officer’s determination and resubmit the same for review
 6 by ADMINISTRATOR.

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

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

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

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

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

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

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

34 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors monthly to
 35 ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that its
 36 subcontractors use their best efforts to verify that they are eligible to participate in all federal and State of
 37 California health programs and have not been excluded or debarred from participation in any federal or

1 state health care programs, and to further represent to CONTRACTOR that they do not have any Ineligible
2 Person in their employ or under contract.

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

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

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

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

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

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

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

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

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

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

37 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered

1 Individuals relative to this Contract. This includes compliance with federal and state healthcare program
 2 regulations and procedures or instructions otherwise communicated by regulatory agencies; including the
 3 Centers for Medicare and Medicaid Services or their agents.

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

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

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

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

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

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

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

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

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

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

29 6. CONTRACTOR shall meet the HCA MHP Quality Management Program Standards and
 30 participate in the quality improvement activities developed in the implementation of the Quality
 31 Management Program.

32 7. CONTRACTOR shall comply with the provisions of ADMINISTRATOR's Cultural
 33 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
 34 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
 35 §1810.410.subds.(c)-(d).

36 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a
 37 breach of the Contract on the part of CONTRACTOR and grounds for COUNTY to terminate the Contract.

1 Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty (30) calendar
2 days from the date of the written notice of default to cure any defaults grounded on this Compliance
3 Paragraph prior to ADMINISTRATOR's right to terminate this Contract on the basis of such default.

4 5 **VI. CONFIDENTIALITY**

6 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any audio
7 and/or video recordings, in accordance with all applicable federal, state and county codes and regulations,
8 as they now exist or may hereafter be amended or changed.

9 1. CONTRACTOR acknowledges and agrees that all persons served pursuant to this Contract
10 are Clients of the Orange County Mental Health services system, and therefore it may be necessary for
11 authorized staff of ADMINISTRATOR to audit Client files, or to exchange information regarding specific
12 Clients with COUNTY or other providers of related services contracting with COUNTY.

13 2. CONTRACTOR acknowledges and agrees that it shall be responsible for obtaining written
14 consents for the release of information from all persons served by CONTRACTOR pursuant to this
15 Contract. Such consents shall be obtained by CONTRACTOR in accordance with CCC, Division 1, Part
16 2.6, relating to confidentiality of medical information.

17 3. In the event of a collaborative service agreement between Mental Health services providers,
18 CONTRACTOR acknowledges and agrees that it is responsible for obtaining releases of information, from
19 the collaborative agency, for Clients receiving services through the collaborative agreement.

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

27 28 **VII. CONFLICT OF INTEREST**

29 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions that
30 could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation shall
31 apply to CONTRACTOR's officers, directors, employees, agents, and subcontractors associated with the
32 provision of goods and services provided under this Contract. CONTRACTOR's efforts shall include, but
33 not be limited to, establishing rules and procedures preventing its employees, agents, and subcontractors
34 from providing or offering gifts, entertainment, payments, loans or other considerations which could be
35 deemed to influence or appear to influence COUNTY staff or elected officers in the performance of their
36 duties. CONTRACTOR shall notify COUNTY, in writing, of any potential or actual conflicts of interest
37 between CONTRACTOR and COUNTY that may arise prior to, or during the period of, Contract

1 performance, including, but not limited to, whether any known county public officer’s child is an officer
 2 or director, or has an ownership interest of ten (10) percent or more in, CONTRACTOR. While
 3 CONTRACTOR must provide this information without prompting from COUNTY any time there is a
 4 change regarding conflict of interest, CONTRACTOR must also provide an update to COUNTY upon
 5 request by COUNTY. County of Orange Board of Supervisors policy prohibits its employees from
 6 engaging in activities involving a conflict of interest. CONTRACTOR shall not, during the period of this
 7 Contract, employ any County employee for any purpose.

8
 9 **VIII. COST RECONCILIATION REPORT**

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

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

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

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

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

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

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

36 B. The Cost Reconciliation Report shall be the final financial and statistical report submitted
 37 by CONTRACTOR to COUNTY and shall serve as the basis for final settlement to CONTRACTOR. The

1 Cost Reconciliation Report shall be the final financial record for subsequent audits, if any.

2 C. Final settlement shall be based upon the approved claims, as detailed in Exhibit A, Paragraph
3 III. Payments, less applicable revenues and any late penalty, not to exceed COUNTY's Total Amount Not
4 to Exceed as set forth in the Referenced Contract Provisions of this Contract. CONTRACTOR shall not
5 claim claims to COUNTY which are not reimbursable pursuant to applicable federal, state and COUNTY
6 laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR, which is
7 subsequently determined to have been for unreimbursable claims, shall be repaid by CONTRACTOR to
8 COUNTY in cash, or other authorized form of payment, within thirty (30) calendar days of submission of
9 the Cost Reconciliation Report or COUNTY may elect to reduce any amount owed CONTRACTOR by
10 an amount not to exceed the reimbursement due COUNTY.

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

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

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

25
26 "I HEREBY CERTIFY that I have executed the accompanying Cost
27 Reconciliation Report and supporting documentation prepared for the cost
28 reconciliation report period beginning _____ and ending _____ and that, to the
29 best of my knowledge and belief, costs reimbursed through this Contract are
30 reasonable and allowable and directly or indirectly related to the services provided
31 and that this Cost Reconciliation Report is a true, correct, and complete statement
32 from the books and records of (provider name) in accordance with applicable
33 instructions, except as noted. I also hereby certify that I have the authority to execute
34 the accompanying Cost Reconciliation Report.

35
36 Signed _____
37 Name _____

1 Title _____
 2 Date _____ "

3
4 **IX. DEBARMENT AND SUSPENSION CERTIFICATION**

5 A. CONTRACTOR certifies that it and its principals:

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

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

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

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

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

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

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

28
29 **X. DELEGATION, ASSIGNMENT AND SUBCONTRACTS**

30 A. No performance of this Contract or any portion thereof may be subcontracted or otherwise delegated
31 by CONTRACTOR, in whole or in part, without first obtaining the prior express written consent of
32 COUNTY. Any attempt by CONTRACTOR to subcontract or delegate any performance of this Contract
33 without the prior express written consent of COUNTY shall be invalid and shall constitute a material
34 breach of this Contract, and any attempted assignment or delegation in derogation of this paragraph shall
35 be void. In the event that CONTRACTOR is authorized by COUNTY to subcontract, this Contract shall
36 take precedence over the terms of the agreement between CONTRACTOR and subcontractor, and any
37 agreement between CONTRACTOR and a subcontractor shall incorporate by reference the terms of this

1 Contract. CONTRACTOR shall remain responsible for the performance of this Contract and
2 indemnification of COUNTY notwithstanding COUNTY's consent to CONTRACTOR's request for
3 approval of a subcontractor. Under no circumstances shall COUNTY be required to directly monitor the
4 performance of any subcontractor. All work performed by a subcontractor must be monitored by
5 CONTRACTOR and must meet the approval of COUNTY pursuant to the terms of this Contract B.

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

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

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

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

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

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

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

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

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

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

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

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

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

19 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status with
20 respect to name changes that do not require an assignment of the Contract.

21 E. Notification of Litigation, Incidents, Claims or Suits: CONTRACTOR shall report to COUNTY,
22 in writing within twenty-four (24) hours of occurrence, the following:

23 1. Any instance in which CONTRACTOR becomes a party to any litigation against COUNTY,
24 or a party to litigation that may reasonably affect CONTRACTOR's performance under this Contract.
25 While CONTRACTOR is required to provide this information without prompting from COUNTY, any
26 time there is a change to CONTRACTOR's litigation status, CONTRACTOR must also provide an update
27 to COUNTY whenever requested by COUNTY.

28 2. Any accident or incident relating to services performed under this Contract that involves
29 injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR
30 and/or COUNTY.

31 3. Any third party claim or lawsuit filed against CONTRACTOR arising from or relating to
32 services performed by CONTRACTOR under this Contract.

33 4. Any injury to an employee of CONTRACTOR that occurs on COUNTY property.

34 5. Any loss, disappearance, destruction, misuse or theft of any kind whatsoever of COUNTY
35 property, monies or securities entrusted to CONTRACTOR under the term of this Contract.

36 6. Any Notice of Contract Breach, or equivalent, received from any entity for whom
37 CONTRACTOR is providing the same or similar services, under a written contract, regardless of service

1 location or jurisdiction.

2 F. CONTRACTOR must notify COUNTY in writing: (1) within thirty (30) calendar days of
3 CONTRACTOR being placed on a corrective action plan by COUNTY or any other government entity or
4 private organization; (2) within ninety (90) calendar days of a lien attaching to real property and/or personal
5 property related to the Contract or CONTRACTOR's performance under the Contract. While
6 CONTRACTOR must provide the required notice without prompting from COUNTY, CONTRACTOR
7 must provide an update of this information to COUNTY upon COUNTY's request.

8 9 **XI. DISPUTE RESOLUTION**

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

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

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

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

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

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

36 37 **XII. EMPLOYEE ELIGIBILITY VERIFICATION**

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

10
 11 **XIII. EQUIPMENT**

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

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

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

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

36 E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical
 37 inventories of all Equipment. Upon demand by ADMINISTRATOR, CONTRACTOR shall return any or

1 all Equipment to COUNTY.

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

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

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

12
13 **XIV. FACILITIES, PAYMENTS AND SERVICES**

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

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

25
26 **XV. INDEMNIFICATION AND INSURANCE**

27 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY, and
28 hold COUNTY, its elected and appointed officials, officers, employees, agents and those special districts
29 and agencies for which COUNTY’s Board of Supervisors acts as the governing Board (“COUNTY
30 INDEMNITEES”) harmless from any claims, demands or liability of any kind or nature, including but not
31 limited to personal injury or property damage, arising from or related to the services, products or other
32 performance provided by CONTRACTOR pursuant to this Contract. If judgment is entered against
33 CONTRACTOR and COUNTY by a court of competent jurisdiction because of the concurrent active
34 negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and COUNTY agree that
35 liability will be apportioned as determined by the court. Neither Party shall request a jury apportionment.

36 B. Prior to the provision of services under this Contract, CONTRACTOR agrees to purchase all
37 required insurance at CONTRACTOR’s expense, including all endorsements required herein, necessary

1 to satisfy COUNTY that the insurance provisions of this Contract have been complied with.
2 CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on
3 deposit with COUNTY during the entire term of this Contract. In addition, all subcontractors performing
4 work on behalf of CONTRACTOR pursuant to this Contract shall obtain insurance subject to the same
5 terms and conditions as set forth herein for CONTRACTOR.

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

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

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

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

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

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

31 F. QUALIFIED INSURER

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

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

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

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

| <u>Coverage</u> | <u>Minimum Limits</u> |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Commercial General Liability | \$1,000,000 per occurrence \$2,000,000 aggregate |
| Automobile Liability including coverage for owned, non-owned, and hired vehicles (4 passengers or less) | \$1,000,000 per occurrence |
| Workers' Compensation | Statutory |
| Employers' Liability Insurance | \$1,000,000 per occurrence |
| Network Security & Privacy Liability | \$1,000,000 per claims made |
| Professional Liability Insurance | \$1,000,000 per claims made \$1,000,000 aggregate |
| Sexual Misconduct Liability | \$1,000,000 per occurrence |

25 H. REQUIRED COVERAGE FORMS

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

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

30 I. REQUIRED ENDORSEMENTS

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

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

37 b. A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at

1 least as broad evidencing that CONTRACTOR's insurance is primary and any insurance or self-insurance
2 maintained by the County of Orange shall be excess and non-contributing.

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

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

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

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

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

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

21 M. If CONTRACTOR's Professional Liability, and/or Network Security & Privacy Liability are
22 "Claims -Made" policies, CONTRACTOR shall agree to maintain coverage for two (2) years following
23 the completion of the Contract.

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

26 O. Insurance certificates should be forwarded to the agency/department address listed in the
27 Referenced Contract Provisions of this Contract.

28 P. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7)
29 calendar days of notification by CEO/Purchasing or the agency/department purchasing division, the
30 Contract may be terminated by COUNTY without penalty.

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

35 R. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
36 CONTRACTOR does not deposit copies of acceptable Certificate of Insurance and endorsements with
37 COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice,

1 this Contract may be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled
 2 to all legal remedies.

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

6 T. SUBMISSION OF INSURANCE DOCUMENTS

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

- 8 a. Prior to the start date of this Contract.
- 9 b. No later than the expiration date for each policy.
- 10 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
 11 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

12 2. The COI and endorsements shall be provided to COUNTY at the address as specified in the
 13 Referenced Contract Provisions of this Contract.

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

17 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
 18 pursuant to any and all contracts between COUNTY and CONTRACTOR until such time that the required
 19 COI and endorsements that meet the insurance provisions stipulated in this Contract are submitted to
 20 ADMINISTRATOR.

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

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

27 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
 28 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
 29 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.
 30

31 **XVI. INSPECTIONS AND AUDITS**

32 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
 33 of the State of California, the Secretary of the United States Department of Health and Human Services,
 34 the Comptroller General of the United States, or any other of their authorized representatives, shall to the
 35 extent permissible under applicable law have access to any books, documents, and records, including but
 36 not limited to, financial statements, general ledgers, relevant accounting systems, medical and Client
 37 records, of CONTRACTOR that are directly pertinent to this Contract, for the purpose of responding to a

1 beneficiary complaint or conducting an audit, review, evaluation, or examination, or making transcripts
 2 during the periods of retention set forth in the Records Management and Maintenance Paragraph of this
 3 Contract. Such persons may at all reasonable times inspect or otherwise evaluate the services provided
 4 pursuant to this Contract, and the premises in which they are provided.

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

9 C. AUDIT RESPONSE

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

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

22 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare and file with
 23 ADMINISTRATOR, an annual, independent, organization-wide audit of related expenditures as may be
 24 required during the term of this Contract.

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

30 **XVII. LICENSES AND LAWS**

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

1 cause for termination of this Contract.

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

- 5 1. ARRA of 2009.
- 6 2. Trafficking Victims Protection Act of 2000.
- 7 3. WIC, Division 5, Community Mental Health Services.
- 8 4. WIC, Division 6, Admissions and Judicial Commitments.
- 9 5. WIC, Division 7, Mental Institutions.
- 10 6. HSC, §§1250 et seq., Health Facilities.
- 11 7. PC, §§11164-11174.3, Child Abuse and Neglect Reporting Act.
- 12 8. CCR, Title 9, Rehabilitative and Developmental Services.
- 13 9. CCR, Title 17, Public Health.
- 14 10. CCR, Title 22, Social Security.
- 15 11. CFR, Title 42, Public Health.
- 16 12. CFR, Title 45, Public Welfare.
- 17 13. USC Title 42. Public Health and Welfare.
- 18 14. Federal Social Security Act, Title XVIII and Title XIX Medicare and Medicaid.
- 19 15. 42 USC §12101 et seq., Americans with Disabilities Act of 1990.
- 20 16. 42 USC §1857, et seq., Clean Air Act.
- 21 17. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.
- 22 18. 31 USC 7501.70, Federal Single Audit Act of 1984.
- 23 19. Policies and procedures set forth in Mental Health Services Act.
- 24 20. Policies and procedures set forth in DHCS Letters.
- 25 21. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.
- 26 22. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
 27 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- 28 23. 42 CFR, Section 438, Managed Care Regulations.
- 29 24. Title 22, CCR, §51009, Confidentiality of Records.
- 30 25. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
- 31 26. D/MC Certification Standards for Substance Abuse Clinics, July 2004.
- 32 27. D/MC Billing Manual (March 23, 2010).
- 33 28. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 34 29. State of California-Health and Human Services Agency, Department of Health Care Services,
 35 MHSD, Medi-Cal Billing Manual, October 2013.
- 36 30. Orange County Medi-Cal Mental Health Managed Care Plan.
- 37 31. 42 CFR, Section 438, Managed Care Regulations

1 32. Short-Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management.
 2 33. Short-Doyle/Medi-Cal Modifications/Revisions for the Rehabilitation Option and Targeted
 3 Case Management Manual, including DMH Letter 94-14, dated July 7, 1994, DMH Letter No. 95-04, dated
 4 July 27, 1995, DMH Letter 96-03, dated August 13, 1996.

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

8 D. CONTRACTOR shall make every reasonable effort to obtain appropriate licenses and/or waivers
 9 to provide Medi-Cal billable treatment services at school or other sites requested by ADMINISTRATOR.

10 F. CONTRACTOR shall remain in compliance and in good standing, maintaining current and active
 11 business entity and/or nonprofit registration status, with all applicable federal, state and local registration
 12 requirements at the time of execution of the Contract through the duration of the term of the Contract, and
 13 shall provide annual confirmation of current and active status to COUNTY through the term of the
 14 Contract.

15
 16 **XVIII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

34 D. CONTRACTOR agrees that it will not issue any news releases or make any contact with the media
 35 in connection with either the award of this Contract or any subsequent amendment of, or effort under this
 36 Contract. CONTRACTOR must first obtain review and approval of said news media contact from
 37 COUNTY through the County DPA. Any requests for interviews or information received by the media

1 should be referred directly to COUNTY. Contractors are not authorized to serve as a media spokespersons
2 for COUNTY projects without first obtaining permission from COUNTY.

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

5
6 **XIX. MINIMUM WAGE LAWS**

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

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

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

20
21 **XX. NONDISCRIMINATION**

22 **A. EMPLOYMENT**

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

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

37 3. CONTRACTOR shall not discriminate between employees with spouses and employees with

1 domestic partners, or discriminate between domestic partners and spouses of those employees, in the
2 provision of benefits.

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

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

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

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

- 29 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 30 2. Providing any service or benefit to a Client which is different or is provided in a different
31 manner or at a different time from that provided to other Clients.
- 32 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by
33 others receiving any service and/or benefit.
- 34 4. Treating a Client differently from others in satisfying any admission requirement or condition,
35 or eligibility requirement or condition, which individuals must meet in order to be provided any service
36 and/or benefit.
- 37 5. Assignment of times or places for the provision of services.

1 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all Clients
 2 through a written statement that CONTRACTOR’s and/or subcontractor’s Clients may file all complaints
 3 alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and
 4 ADMINISTRATOR.

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

9 a. COUNTY shall establish a formal resolution and grievance process in the event informal
 10 processes do not yield a resolution.

11 b. Throughout the problem resolution and grievance process, Client rights shall be
 12 maintained, including access to the COUNTY’s Patients’ Rights Office at any point in the process. Clients
 13 shall be informed of their right to access the COUNTY’s Patients’ Rights Office at any time.

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

17 D. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply with
 18 the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as implemented
 19 in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 as amended (42 USC 12101 et
 20 seq.; as implemented in 29 CFR 1630), as applicable, pertaining to the prohibition of discrimination against
 21 qualified persons with disabilities in all programs or activities, and if applicable, as implemented in Title
 22 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended together with succeeding legislation.

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

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

32
 33 **XXI. NOTICES**

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

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

1 ADMINISTRATOR;

2 2. When faxed, transmission confirmed;

3 3. When sent by Email; or

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

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

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

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

16
17 **XXII. NOTIFICATION OF DEATH**

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

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

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

26 2. WRITTEN NOTIFICATION

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

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

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

35 C. If there are any questions regarding the cause of death of any person served pursuant to this
36 Contract who was diagnosed with a terminal illness, or if there are any unusual circumstances related to
37 the death, CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with this

1 Notification of Death Paragraph.

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

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

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

12 **XXIV. PATIENT’S RIGHTS**

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

17 B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have an
18 internal grievance processes approved by ADMINISTRATOR, to which the beneficiary shall have access.

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

22 2. Title IX Rights Advocacy. This process may be initiated by a Client who registers a statutory
23 rights violation or a denial or abuse complaint with the County Patients’ Rights Office. The Patients’
24 Rights office shall investigate the complaint, and Title IX grievance procedures shall apply, which involve
25 ADMINISTRATOR’S Director of Behavioral Health Care and the State Patients’ Rights Office.

26 C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to
27 CONTRACTOR, appeal to the County Patients’ Rights Office, file a grievance, and file a Title IX
28 complaint. The Patients’ Advocate shall advise and assist the Client, investigate the cause of the grievance,
29 and attempt to resolve the matter.

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

33 **XXV. RECORDS MANAGEMENT AND MAINTENANCE**

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

37 1. CONTRACTOR shall maintain records that are adequate to substantiate the services for which

1 claims are submitted for reimbursement under this Contract and the charges thereto. Such records shall
2 include, but not be limited to, individual patient charts and utilization review records.

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

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

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

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

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

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

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

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

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

35 H. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that clients,
36 participants and/or patients be provided the right to access or receive a copy of their DRS and/or request
37 addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records maintained by or

1 for a covered entity that is:

- 2 1. The medical records and billing records about individuals maintained by or for a covered
- 3 health care provider;
- 4 2. The enrollment, payment, claims adjudication, and case or medical management record
- 5 systems maintained by or for a health plan; or
- 6 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.

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

- 10 1. Have documents readily available within twenty-four (24) hour notice of a scheduled audit or
- 11 site visit.
- 12 2. Provide auditor or other authorized individuals access to documents via a computer terminal.
- 13 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if requested.

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

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

21
 22 **XXVI. RESEARCH AND PUBLICATION**

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

26
 27 **XXVII. REVENUE**

28 A. CLIENT FEES – CONTRACTOR shall charge, unless waived by ADMINISTRATOR, a fee to
 29 Clients to whom billable services, other than those amounts reimbursed by Medicare, Medi-Cal or other
 30 third party health plans, are provided pursuant to this Contract, their estates and responsible relatives,
 31 according to their ability to pay as determined by the State Department of Health Care Services’ “Uniform
 32 Method of Determining Ability to Pay” procedure or by any other payment procedure as approved in
 33 advance, and in writing by ADMINISTRATOR; and in accordance with Title 9 of the CCR. Such fee
 34 shall not exceed the actual cost of services provided. No Client shall be denied services because of an
 35 inability to pay.

36 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all
 37 available third-party reimbursement for which persons served pursuant to this Contract may be eligible.

1 Charges to insurance carriers shall be on the basis of CONTRACTOR’s usual and customary charges.

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

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

9
 10 **XXVIII. SEVERABILITY**

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

16
 17 **XXIX. SPECIAL PROVISIONS**

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

- 20 1. Making cash payments to intended recipients of services through this Contract.
- 21 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
 22 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use
 23 of appropriated funds to influence certain federal contracting and financial transactions).
- 24 3. Fundraising.
- 25 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
 26 CONTRACTOR’s staff, volunteers, interns, consultants, subcontractors, and members of the Board of
 27 Directors or governing body.
- 28 5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing body
 29 for expenses or services.
- 30 6. Making personal loans to CONTRACTOR’s staff, volunteers, interns, consultants,
 31 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
 32 agent, or making salary advances or giving bonuses to CONTRACTOR’s staff.
- 33 7. Paying an individual salary or compensation for services at a rate in excess of the current
 34 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule
 35 may be found at www.opm.gov.
- 36 8. Severance pay for separating employees.
- 37 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building

1 codes and obtaining all necessary building permits for any associated construction.

2 10. Supplanting current funding for existing services.

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

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

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

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

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

11 5. Purchasing or improving land, including constructing or permanently improving any building
12 or facility, except for tenant improvements.

13 6. Providing inpatient hospital services or purchasing major medical equipment.

14 7. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds
15 (matching).

16 8. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
17 CONTRACTOR's Clients.

18
19 **XXX. STATUS OF CONTRACTOR**

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

31
32 **XXXI. TERM**

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

1 and accounting.

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

4
5 **XXXII. TERMINATION**

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

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

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

28 **C. CONTINGENT FUNDING**

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

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

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

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

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

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

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

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

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

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

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

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

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

34 **XXXIII. THIRD PARTY BENEFICIARY**

35
36 Neither Party hereto intends that this Contract shall create rights hereunder in third parties including,
37 but not limited to, any subcontractors or any Clients provided services pursuant to this Contract.

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XXXIV. WAIVER OF DEFAULT OR BREACH

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

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

3
4 TELECARE CORPORATION

5
6 Signed by:
7 BY: Dawan Utecht DATED: 3/12/2026
8 65C9AC71C82541F...

9
10 TITLE: SVP/Chief Development Officer

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14
15 COUNTY OF ORANGE

16
17
18 BY: _____ DATED: _____
19 HEALTH CARE AGENCY

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22
23
24 APPROVED AS TO FORM
25 OFFICE OF THE COUNTY COUNSEL
26 ORANGE COUNTY, CALIFORNIA

27
28 Signed by:
29 BY: Brittany Mclean DATED: 3/12/2026
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31 DEPUTY

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34 If CONTRACTOR is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
35 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or
36 any Assistant Treasurer. If the Contract is signed by one (1) authorized individual only, a copy of the corporate resolution or
37 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
 ADULT CRISIS RESIDENTIAL SERVICES SOUTH REGION
 BETWEEN
 COUNTY OF ORANGE
 AND
 TELECARE CORPORATION
 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 the Contract.

1. Active and Ongoing Case Load means documentation, by CONTRACTOR, of completion of the entry and evaluation documents into IRIS and documentation that the Clients are receiving services at a level and frequency and duration that is consistent with each Client's level of impairment and treatment goals and consistent with individualized, solution-focused, evidenced-based practices.

2. ADL means Activities of Daily Living and refers to diet, personal hygiene, clothing care, grooming, money and household management, personal safety, symptom monitoring, etc.

3. Admission means documentation, by CONTRACTOR, of completion of the entry and evaluation documents into IRIS.

4. Benefits Specialist means a specialized position that would primarily be responsible for coordinating Client applications and appeals for State and Federal benefits.

5. Best Practices means a term that is often used inter-changeably with "evidence-based practice" and is best defined as an "umbrella" term for three levels of practice, measured in relation to Recovery-consistent mental health practices where the Recovery process is supported with scientific intervention that best meets the needs of the Client at this time.

a. EBP means Evidence-Based Practices and refers to the interventions utilized for which there is consistent scientific evidence showing they improved Client outcomes and meets the following criteria: it has been replicated in more than one geographic or practice setting with consistent results; it is recognized in scientific journals by one or more published articles; it has been documented and put into manual forms; it produces specific outcomes when adhering to the fidelity of the model.

b. Promising Practices means that experts believe the practice is likely to be raised to the next level when scientific studies can be conducted and is supported by some body of evidence, (evaluation studies or expert consensus in reviewing outcome data); it has been endorsed by recognized bodies of advocacy organizations and, finally, produces specific outcomes.

c. Emerging Practices means that the practice seems like a logical approach to addressing

1 a specific behavior which is becoming distinct, recognizable among Clients and clinicians in practice, or
 2 innovators in academia or policy makers; and at least one recognized expert, group of researchers or other
 3 credible individuals have endorsed the practice as worthy of attention based on outcomes; and finally, it
 4 produces specific outcomes.

5 6. BHSA means Behavioral Health Services Act. BHSA is a 2024 California law (formerly the
 6 Mental Health Services Act) that reforms how the state funds mental health and substance use disorder
 7 (SUD) treatment.

8 7. Care Coordinator is a MHS, CSW, or MFT that provides mental health, crisis intervention
 9 and case management services to those Clients who seek services in COUNTY operated outpatient
 10 programs.

11 8. Case Management Linkage Brokerage means a process of identification, assessment of need,
 12 planning, coordination and linking, monitoring and continuous evaluation of Clients and of available
 13 resources and advocacy through a process of casework activities in order to achieve the best possible
 14 resolution to individual needs in the most effective way possible. This includes supportive assistance to
 15 the Client in the assessment, determination of need and securing of adequate and appropriate living
 16 arrangements.

17 9. CAT means Crisis Assessment Team and provides twenty-four (24) hour mobile response
 18 services to any adult who has a behavioral health emergency. This program assists law enforcement,
 19 social service agencies, and families in providing crisis intervention services for individuals who are in
 20 behavioral health crises. CAT is a multi-disciplinary program that conducts risk assessments, initiates
 21 involuntary hospitalizations as necessary, and provides case management, linkage and follow up services
 22 for individuals evaluated.

23 10. Certified Reviewer means an individual that obtains certification by completing all
 24 requirements set forth in the Quality Improvement and Program Compliance Reviewer Training
 25 Verification Sheet.

26 11. Chorus is a HIPAA-compliant digital platform that delivers solutions for behavioral health
 27 and care coordination, integrating with EHR systems to streamline workflows and linkage to community
 28 resources.

29 12. Client or Individual means an individual, referred by COUNTY or enrolled in
 30 CONTRACTOR's program for services under the Contract, who is living with a serious and persistent
 31 mental illness.

32 13. Clinical Director means an individual who meets the minimum requirements set forth in Title
 33 9, CCR, and has at least two (2) years of full-time professional experience working in a mental health
 34 setting.

35 14. Crisis Stabilization Unit (CSU) means a behavioral health crisis stabilization program that
 36 operates twenty-four (24) hours a day that serves Orange County Clients, aged eighteen (18) and older,
 37 who are experiencing a behavioral health crisis that cannot wait until a regularly scheduled appointment.
 Crisis Stabilization services include psychiatric evaluations, nursing assessments, consultations with

1 significant others and outpatient providers, individual and family education, crisis intervention services,
2 counseling/therapy services provided by a Licensed Clinical Social Worker or Marriage Family Therapist,
3 basic medical services, medication services, and referrals and linkages to the appropriate level of
4 continuing care and community services, including Peer Mentoring services. As a designated outpatient
5 facility, the CSU may evaluate and treat individuals for no longer than twenty-three (23) hours and fifty-
6 nine (59) minutes. The primary goal of the CSU is to help stabilize the crises and begin treating individuals
7 in order to refer them to the most appropriate, least restrictive non-hospital setting when indicated or to
8 facilitate admission to psychiatric inpatient units when the need for this level of care is present.

9 15. CSW means Clinical Social Worker and refers to an individual who meets the minimum
10 professional and licensure requirements set forth in Title 9, CCR, Section 625, and has two (2) years of
11 post-master's clinical experience in a mental health setting.

12 16. Data Collection System means software designed for collection, tracking and reporting
13 outcomes data for Clients enrolled in the FSP Programs.

14 a. 3 M's means the Quarterly Assessment Form that is completed for each Client every
15 three months in the approved data collection system.

16 b. Data Mining and Analysis Specialist means a person who is responsible for ensuring the
17 program maintains a focus on outcomes, by reviewing outcomes, and analyzing data as well as working
18 on strategies for gathering new data from the Clients' perspective, which will improve understanding of
19 Clients' needs and desires towards furthering their Recovery. This individual provides feedback to the
20 program and works collaboratively with the employment specialist, education specialist, benefits
21 specialist, and other staff in the program in strategizing improved outcomes in these areas. This person is
22 responsible for attending all data and outcome related meetings and ensuring that the program is being
23 proactive in all data collection requirements and changes at the local and state level.

24 c. Data Certification means the process of reviewing State and COUNTY mandated
25 outcome data for accuracy and signing the Certification of Accuracy of Data form indicating that the data
26 is accurate.

27 d. KET means Key Event Tracking and refers to the tracking of a Client's movement or
28 changes in the approved data collection system. A KET must be completed and entered accurately each
29 time CONTRACTOR is reporting a change from previous Client status in certain categories. These
30 categories include residential status, employment status, education and benefits establishment.

31 e. PAF means Partnership Assessment Form and refers to the baseline assessment for each
32 Client that must be completed and entered into the data collection system within thirty (30) calendar days
33 of the Partnership date.

34 17. Diagnosis means the definition of the nature of the Client's disorder. When formulating the
35 Diagnosis of Client, CONTRACTOR shall use the diagnostic codes and axes as specified in the most
36 current edition of the DSM published by the American Psychiatric Association. DSM diagnoses will be
37 recorded on all IRIS documents, as appropriate.

18. DSH means Direct Service Hours and refers to a measure in minutes that a clinician spends

1 providing Client services. DSH credit is obtained for providing mental health, case management,
 2 medication support and a crisis intervention service to any Client open in IRIS, which includes both
 3 billable and non-billable services.

4 19. Engagement means the process by which a trusting relationship between worker and Client(s)
 5 is established with the goal to link the individual(s) to the appropriate services. Engagement of Client(s)
 6 is the objective of a successful Outreach.

7 20. Face-to-Face means an encounter between Client and provider where they are both physically
 8 present.

9 21. FSP

10 a. FSP means Full Service Partnership and refers to a type of program described by the
 11 State in the requirements for COUNTY plan for use of BHSA funds and which includes Clients being a
 12 full partner in the development and implementation of their treatment plan. A FSP is an evidence-based
 13 and strength-based model, with the focus on the individual rather than the disease. Multi-disciplinary
 14 teams are established including the Client, Psychiatrist, and PSC. Whenever possible, these multi-
 15 disciplinary teams include a mental health nurse, marriage and family therapist, clinical social worker,
 16 peer specialist, and family members. The ideal Client to staff ratio will be in the range of fifteen to twenty
 17 (15 – 20) to one (1), ensuring relationship building and intense service delivery. Services include, but are
 18 not limited to, the following:

- 19 1) Crisis management;
- 20 2) Housing Services;
- 21 3) Twenty-four (24) hours per day, seven (7) days per week intensive case
 22 management;
- 23 4) Community-based Wraparound Recovery Services;
- 24 5) Vocational and Educational services;
- 25 6) Job Coaching/Developing;
- 26 7) Client employment;
- 27 8) Money management/Representative Payee support;
- 28 9) Flexible Fund account for immediate needs;
- 29 10) Transportation;
- 30 11) Illness education and self-management;
- 31 12) Medication Support;
- 32 13) Co-occurring Services;
- 33 14) Linkage to financial benefits/entitlements;
- 34 15) Family and Peer Support; and
- 35 16) Supportive socialization and meaningful community roles.

36 b. Client services are focused on Recovery and harm reduction to encourage the highest
 37 level of Client empowerment and independence achievable. PSC’s will meet with the Client in their

1 current community setting and will develop a supportive relationship with the individual served.
2 Substance abuse treatment will be integrated into services and provided by the Client's team to individuals
3 with a co-occurring disorder.

4 c. The FSP shall offer "whatever it takes" to engage seriously mentally ill adults, including
5 those who are dually diagnosed, in a partnership to achieve the individual's wellness and Recovery goals.
6 Services shall be non-coercive and focused on engaging people in the field. The goal of FSP Programs is
7 to assist the Client's progress through pre-determined quality of life outcome domains (housing, decreased
8 jail, decreased hospitalization, increased education involvement, increased employment opportunities and
9 retention, linkage to medical providers, etc.) and become more independent and self-sufficient as Clients
10 move through the continuum of Recovery and evidence by progressing to lower level of care or out of the
11 "intensive case management need" category.

12 22. Housing Specialist means a specialized position dedicated to developing the full array of
13 housing options for their program and monitoring their suitability for the population served in accordance
14 with the minimal housing standards policy set by COUNTY for their program. This individual is also
15 responsible for assisting Clients with applications to low income housing, housing subsidies, senior
16 housing, etc.

17 23. Individual Services and Support Funds – Flexible Funds means funds intended for use to
18 provide individuals and/or their families with immediate assistance, as deemed necessary, for the
19 treatment of their behavioral health disorder and their overall quality of life. Flexible Funds are generally
20 categorized as housing, Client transportation, food, clothing, medical and miscellaneous expenditures that
21 are individualized and appropriate to support Client's mental health treatment activities.

22 24. Intake means the initial meeting between a Client and CONTRACTOR's staff and includes
23 an evaluation to determine if the Client meets program criteria and is willing to seek services.

24 25. Intern means an individual enrolled in an accredited graduate program accumulating
25 clinically supervised work experience hours as part of fieldwork, internship, or practicum requirements.
26 Acceptable graduate programs include all programs that assist the student in meeting the educational
27 requirements in becoming a MFT, a licensed CSW, or a licensed Clinical Psychologist.

28 26. IRIS means Integrated Records Information System and refers to a collection of applications
29 and databases that serve the needs of programs within COUNTY and includes functionality such as
30 registration and scheduling, laboratory information system, billing and reporting capabilities, compliance
31 with regulatory requirements, electronic medical records and other relevant applications.

32 27. Job Coach/Developer means a specialized position dedicated to cultivating and nurturing
33 employment opportunities for the Clients and matching the job to the Client's strengths, abilities, desires,
34 and goals. This position will also integrate knowledge about career development and job preparation to
35 ensure successful job retention and satisfaction of both employer and employee.

36 28. Medical Necessity means the requirements as defined in the COUNTY MHP Medical
37 Necessity for Medi-Cal reimbursed Specialty Mental Health Services that includes Diagnosis, Impairment

1 Criteria and Intervention Related Criteria.

2 29. Member Advisory Board means a member-driven board, which shall direct the activities,
3 provide recommendations for ongoing program development and create the rules of conduct for the
4 program.

5 30. Mental Health Specialist means an individual who has a Bachelor's Degree and four years of
6 experience in a mental health setting and who performs individual and group case management studies.

7 31. MFT means Marriage and Family Therapist and refers to an individual who meets the
8 minimum professional and licensure requirements set forth in CCR, Title 9, Section 626.

9 32. Mental Health Services means interventions designed to provide the maximum reduction of
10 mental disability and restoration or maintenance of functioning consistent with the requirements for
11 learning, development and enhanced self-sufficiency. Services shall include:

12 a. Assessment means a service activity, which may include a clinical analysis of the history
13 and current status of a beneficiary's mental, emotional, or behavioral disorder, relevant cultural issues and
14 history, Diagnosis and the use of testing procedures.

15 b. Collateral means a significant support person in a beneficiary's life and is used to define
16 services provided to them with the intent of improving or maintaining the mental health status of the
17 Client. The beneficiary may or may not be present for this service activity.

18 c. Co-Occurring Integrated Treatment Model. In evidence-based Integrated Treatment
19 programs, Clients receive combined treatment for behavioral health and substance use disorders from the
20 same practitioner or treatment team.

21 d. Crisis Intervention means a service, lasting less than twenty-four (24) hours, to or on
22 behalf of a Client for a condition that requires more timely response than a regularly scheduled visit.
23 Service activities may include, but are not limited to, assessment, collateral and therapy.

24 e. Medication Support Services means those services provided by a licensed physician,
25 registered nurse, or other qualified medical staff, which includes prescribing, administering, dispensing
26 and monitoring of psychiatric medications or biologicals and which are necessary to alleviate the
27 symptoms of behavioral health disorders. These services also include evaluation and documentation of
28 the clinical justification and effectiveness for use of the medication, dosage, side effects, compliance and
29 response to medication, as well as obtaining informed consent, providing medication education and plan
30 development related to the delivery of the service and/or assessment of the beneficiary.

31 f. Rehabilitation Service means an activity which includes assistance in improving,
32 maintaining, or restoring a Client's or group of Clients' functional skills, daily living skills, social and
33 leisure skill, grooming and personal hygiene skills, meal preparation skills, support resources and/or
34 medication education.

35 g. Targeted Case Management means services that assist a beneficiary to access needed
36 medical, educational, social, prevocational, vocational, rehabilitative, or other community services. The
37 service activities may include, but are not limited to, communication, coordination and referral;

1 monitoring service delivery to ensure beneficiary access to service and the service delivery system;
2 monitoring of the beneficiary's progress; and plan development.

3 h. Therapy means a service activity which is a therapeutic intervention that focuses
4 primarily on symptom reduction as a means to improve functional impairments. Therapy may be
5 delivered to an individual or group of beneficiaries which may include family therapy in which the
6 beneficiary is present.

7 33. Mental Health Worker means an individual that assists in planning, developing and
8 evaluating mental health services for Clients; provides liaison between Clients and service providers; and
9 has obtained a Bachelor's degree in a behavioral science field such as psychology, counseling, or social
10 work, or has two years of experience providing Client-related services to Clients experiencing mental
11 health, drug abuse or alcohol disorders. Education in a behavioral science field such as psychology,
12 counseling, or social work may be substituted for up to one year of the experience requirement.

13 34. MORS means Milestones of Recovery Scale and refers to a Recovery scale that COUNTY
14 will be using for the Adult mental health programs in COUNTY. The scale will provide the means of
15 assigning individuals to their appropriate level of care and replace the diagnostic and acuity of illness-
16 based tools being used today. MORS is ideally suited to serve as a Recovery-based tool for identifying
17 the level of service needed by participating members. The scale will be used to create a map of the system
18 by determining which milestone(s) or level of Recovery (based on the MORS) are the target groups for
19 different programs across the continuum of programs and services offered by COUNTY.

20 35. NPI means National Provider Identifier and refers to the standard unique health identifier that
21 was adopted by the Secretary of HHS under HIPAA for health care providers. All HIPAA covered
22 healthcare providers, individuals and organizations must obtain an NPI for use to identify themselves in
23 HIPAA standard transactions. The NPI is assigned for life.

24 36. NOABD means Notice of Adverse Beneficiary Determination and refers to a Medi-Cal
25 requirement that informs the beneficiary that he/she is not entitled to any specialty mental health service.
26 COUNTY has expanded the requirement for an NOABD to all individuals requesting an assessment for
27 services and found not to meet the Medical Necessity criteria for specialty Mental Health Services.

28 37. NPP means Notice of Privacy Practices and refers to a document that notifies individuals of
29 uses and disclosures of Protected Health Information (PHI) that may be made by or on behalf of the health
30 plan or health care provider as set forth in HIPAA.

31 38. Outreach means the Outreach to potential Clients to link them to appropriate Mental Health
32 Services and may include activities that involve educating the community about the services offered and
33 requirements for participation in the programs. Such activities should result in CONTRACTOR
34 developing its own Client referral sources for the programs it offers.

35 39. Peer Recovery Specialist/Counselor means an individual who has been through the same or
36 similar Recovery process as those he/she is now assisting to attain their Recovery goals while being paid
37 for this function by the program. A Peer Recovery Specialist practice is informed by his/her own

1 | experience.

2 | 40. PERT means Psychiatric Emergency Response Team and is a specialized unit designed to
3 | create a behavioral health and law enforcement response team. While the primary purpose of the
4 | partnership is to assist individuals in behavioral health crisis in accessing behavioral health services, the
5 | PERT team also educates police on behavioral health issues and provides them with the tools necessary
6 | to more effectively assist individuals in behavioral health crises. PERT provides a behavioral health
7 | trained clinician to ride along with a police officer in order to provide a prompt response and assessment
8 | to individuals in behavioral health crises and provide them with the appropriate care and linkages to other
9 | resources as required in a dignified manner.

10 | 41. PC means Plan Coordinator and refers to an individual who will be part of a multi-
11 | disciplinary team that will provide community based Mental Health Services to adults that are struggling
12 | with persistent and severe mental illness as well as homelessness, rehabilitation and Recovery principles.
13 | The PC is responsible for clinical care and case management of assigned Client and families in a
14 | community, home, or program setting. This includes assisting Clients with mental health, housing,
15 | vocational and educational needs. The position is also responsible for administrative and clinical
16 | documentation as well as participating in trainings and team meetings. The PC shall be active in
17 | supporting and implementing the program's philosophy and its individualized, strength-based,
18 | culturally/linguistically competent and Client-centered approach.

19 | 42. Pharmacy Benefits Manager means the organization that manages the medication benefits
20 | that are given to Clients that qualify for medication benefits.

21 | 43. Pre-Licensed Psychologist means an individual who has obtained a Ph.D. or Psy.D. in
22 | Clinical Psychology and is registered with the Board of Psychology as a registered Psychology Intern or
23 | Psychological Assistant, acquiring hours for licensing and waived in accordance with Welfare and
24 | Institutions Code section 575.2. The waiver may not exceed five (5) years.

25 | 44. Pre-Licensed Therapist means an individual who has obtained a Master's Degree in Social
26 | Work or Marriage and Family Therapy and is registered with the Board of Behavioral Sciences (BBS) as
27 | an Associate CSW or MFT Intern acquiring hours for licensing. An individual's registration is subject to
28 | regulations adopted by the BBS.

29 | 45. Program Director means an individual who has complete responsibility for the day-to-day
30 | function of the program. The Program Director is the highest level of decision-making at a local, program
31 | level.

32 | 46. Promotores de Salud Model means a model where trained individuals, Promotores, work
33 | towards improving the health of their communities by linking their neighbors to health care and social
34 | services, educating their peers about behavioral health disorders, disease and injury prevention.

35 | 47. Promotores means individuals who are members of the community who function as natural
36 | helpers to address some of their communities' unmet mental health, health and human service needs.
37 | They are individuals who represent the ethnic, socio-economic and educational traits of the population

1 he/she serves. Promotores are respected and recognized by their peers and have the pulse of the
2 community's needs.

3 48. PHI means individually identifiable Protected Health Information usually transmitted by
4 electronic media, maintained in any medium as defined in the regulations, or for an entity such as a health
5 plan, transmitted or maintained in any other medium. It is created or received by a covered entity and
6 relates to the past, present, or future physical or mental health or condition of an individual, provision of
7 health care to an individual, or the past, present, or future payment for health care provided to an
8 individual.

9 49. Psychiatrist means an individual who meets the minimum professional and licensure
10 requirements set forth in Title 9, CCR, Section 623.

11 50. Psychologist means an individual who meets the minimum professional and licensure
12 requirements set forth in Title 9, CCR, Section 624.

13 51. QIC means Quality Improvement Committee and refers to a committee that meets quarterly
14 to review one percent (1%) of all "high-risk" Medi-Cal Clients to monitor and evaluate the quality and
15 appropriateness of services provided. At a minimum, the committee is comprised of one (1)
16 CONTRACTOR administrator, one (1) Clinician and one (1) Physician who are not involved in the
17 clinical care of the cases.

18 52. Recovery means a process of change through which individuals improve their health and
19 wellness, live a self-directed life, and strive to reach their full potential, and identifies four major
20 dimensions to support Recovery in life:

21 a. Health: Overcoming or managing one's disease(s) as well as living in a physically and
22 emotionally healthy way;

23 b. Home: A stable and safe place to live;

24 c. Purpose: Meaningful daily activities, such as a job, school, volunteerism, family
25 caretaking, or creative endeavors, and the independence, income, and resources to participate in society;
26 and

27 d. Community: Relationships and social networks that provide support, friendship, love,
28 and hope.

29 53. Referral means providing the effective linkage of a Client to another service, when indicated;
30 with follow-up to be provided within five (5) working days to assure that the Client has made contact with
31 the referred service.

32 54. Supportive Housing PC means a person who provides services in a supportive housing
33 structure. This person will coordinate activities that will include, but not be limited to: independent living
34 skills, social activities, supporting communal living, assisting Clients with conflict resolution, advocacy,
35 and linking Clients with the assigned PC for clinical issues. Supportive Housing PC will consult with the
36 multidisciplinary team of Clients assigned by the program. The PC's will be active in supporting and
37 implementing a full-service partnership philosophy and its individualized, strengths-based, culturally

appropriate, and Client-centered approach.

55. Supervisory Review means ongoing clinical case reviews in accordance with procedures developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards. Supervisory review is conducted by the program/clinic director or designee.

56. Soft Token means the security access process which allows an individual user to access COUNTY’s computer-based IRIS.

57. UMDAP means the Uniform Method of Determining Ability to Pay and refers to the method used for determining the annual Client liability for Mental Health Services received from COUNTY mental health system and is set by the State of California.

58. Vocational/Educational Specialist means a person who provides services that range from pre-vocational groups, trainings and supports to obtain employment out in the community based on the Clients’ level of need and desired support. The Vocational/Educational Specialist provides “one on one” vocational counseling and support to Clients to ensure that their needs and goals are being met. The overall focus of Vocational/Educational Specialist is to empower Clients and provide them with the knowledge and resources to achieve the highest level of vocational functioning possible.

59. WRAP means Wellness Recovery Action Plan and refers to a Client self-help technique for monitoring and responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of life.

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

II. BUDGET

A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph in this Exhibit A to the Contract and the following budgets, which are set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

| | PERIOD | PERIOD | PERIOD |
|--------------------|---------------------|---------------------|---------------------|
| | ONE | TWO | THREE |
| TOTAL PROGRAM COST | \$1,590,407 | \$1,590,407 | \$1,590,407 |
| REVENUE | | | |
| FFP Medi-Cal | \$795,203.50 | \$795,203.50 | \$795,203.50 |
| BHSA | <u>\$795,203.50</u> | <u>\$795,203.50</u> | <u>\$795,203.50</u> |
| TOTAL REVENUE | \$1,590,407 | \$1,590,407 | \$1,590,407 |

| | PERIOD ONE | PERIOD TWO | PERIOD THREE |
|--------------------------------|---------------|---------------|-----------------|
| TOTAL AMOUNT NOT TO EXCEED* | \$1,590,407 | \$1,590,407 | \$1,590,407 |

*Period One through Three is paid through a Fee For Service Structure, as outlined in the Payments Paragraph of this Exhibit A to the Contract. The Total Not to Exceed Amount is listed for reference purposes only.

B. In the event CONTRACTOR collects fees and insurance, including Medicare, for services provided pursuant to the Contract, CONTRACTOR may make written application to ADMINISTRATOR to retain such revenues; provided, however, the application must specify that the fees and insurance will be utilized exclusively to provide mental health services. ADMINISTRATOR may, at its sole discretion, approve any such retention of revenues. Approval by ADMINISTRATOR shall be in writing to CONTRACTOR and will specify the amount of said revenues to be retained and the quantity of services to be provided by CONTRACTOR. Fees received from private resources on behalf of Medi-Cal Clients shall not be eligible for retention by CONTRACTOR.

C. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds between programs, or between budgeted line items within a program, for the purpose of meeting specific program needs or for providing continuity of care to its members, by utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance, which will include a justification narrative specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining annual impact of the shift as may be applicable to the current contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.

D. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete financial records of its cost and operating expenses. Such records will reflect the actual cost of the type of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will be made in accordance with GAAP, and Medicare regulations. The Client eligibility determination and fee charged to and collected from Clients, together with a record of all billings rendered and revenues received from any source, on behalf of Clients treated pursuant to the Contract, must be reflected in CONTRACTOR’s financial records.

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

III. PAYMENTS

A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided pursuant to the Contract, COUNTY shall pay CONTRACTOR at the following rates of reimbursement; provided, however, the total of all payments to CONTRACTOR under this Contract shall not exceed COUNTY’s Total Amount Not to Exceed as set forth in the Referenced Contract Provisions of the Contract; and provided further, that CONTRACTOR’s costs are allowable pursuant to applicable COUNTY, federal, and state regulations. Furthermore, if CONTRACTOR is ineligible to provide services due to non-compliance with licensure and/or certification standards of the state or COUNTY, ADMINISTRATOR may elect to reduce COUNTY’s Total Amount Not to Exceed proportionate to the length of time that CONTRACTOR is ineligible to provide services. CONTRACTOR shall ensure compliance with all Medi-Cal billing and documentation requirements when entering Claims into COUNTY IRIS system. ADMINISTRATOR may reduce, withhold or delay any payment associated with non-compliant billing practices or non-compliant licensure and/or certification. If Corrective Action Plans (CAP) are not completed within timeframes as determined by ADMINISTRATOR, payments may be reduced accordingly.

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

2. CONTRACTOR shall submit appropriate Medi-Cal billing invoices to ADMINISTRATOR on a monthly basis. The monthly invoice(s) shall match what CONTRACTOR has entered into IRIS as billable services and have been adjudicated for payment (i.e., converted to claims that are not denied or rejected) at the time of invoice submission. Supplemental invoice(s) can be submitted if CONTRACTOR has billable services not yet entered into IRIS at time of original invoice submission. It is CONTRACTOR’s responsibility to ensure the monthly Medi-Cal billing invoice reflects all billable services that CONTRACTOR entered into COUNTY IRIS system and were adjudicated for payment (i.e., converted to claims that are not denied or rejected). If, at any time, CONTRACTOR’s IRIS billable services adjudicated for payment (i.e., converted to claims that are not denied or rejected) do not match the monthly invoice of Medi-Cal billable services ADMINISTRATOR, will review with CONTRACTOR, and may hold the Medi-Cal billing invoice for processing until a corrected invoice is received with matching billable services adjudicated for payment (i.e., converted to claims that are not denied or rejected).

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

MEDI-CAL REIMBURSEMENT RATES

| Provider Type | Contractor Baseline Rate per Billable Unit |
|---------------------------------|-----------------------------------------------------------|
| Licensed Physician | \$124.95 |
| Registered Nurse | \$83.70 |
| Licensed Vocational Nurse | \$57.45 |
| Peer Support Specialists | \$55.05 |
| Licensed Psychiatric Technician | \$49.95 |
| Other | |
| Bed Day Rate | \$830.00 per day |

B. PAYMENT METHOD

1. Reimbursement Rates: 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 III.B.

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

b. At least quarterly, ADMINISTRATOR will review the BHS 837 P/835 Report.

1. If total count of claims paid by the state indicates that fewer claims were paid than were adjudicated for payment (i.e., not denied or rejected), COUNTY shall reduce the monthly invoice amount for the month immediately following ADMINISTRATOR’s completion of the quarterly review.

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

2. Invoices are due by the twentieth (20th) calendar day of each month, and payments to

1 CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of
 2 the correctly completed invoice form. For each Period, invoices received after the due date may not be
 3 paid in accordance with this Subparagraph III.B.

4 a. In support of the monthly invoice, CONTRACTOR shall submit an Expenditure and
 5 Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Contract.
 6 ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to
 7 CONTRACTOR.

8 b. Monthly payments are interim payments only, and subject to Final Settlement in
 9 accordance with the Expenditure and Revenue Report.

10 C. All invoices to COUNTY shall be supported, at CONTRACTOR’s facility or designated facility,
 11 by source data and/or documentation.

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

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

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

21
 22 **IV. REPORTS**

23 A. CONTRACTOR shall maintain records and make statistical reports available as required by
 24 ADMINISTRATOR and the DHCS on forms provided by either agency.

25 **B. FISCAL**

26 1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to
 27 ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR
 28 and shall report all billable services entered into IRIS at the time of invoice submission for services
 29 described in the Services Paragraph of this Exhibit A to the Contract. Any changes, modifications, or
 30 deviations to any approved budget line item must be approved in advance and in writing by
 31 ADMINISTRATOR and annotated on the monthly Expenditure and Revenue Report or said cost
 32 deviations may be subject to disallowance. Such reports shall be received by ADMINISTRATOR no later
 33 than twenty (20) calendar days following the end of the month being reported.

34 C. ADDITIONAL REPORTS – Upon ADMINISTRATOR’s request, CONTRACTOR shall make
 35 such additional reports available as required by ADMINISTRATOR concerning CONTRACTOR's
 36 activities as they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of
 37 information requested and allow up to thirty (30) calendar days for CONTRACTOR to respond.

1 D. CONTRACTOR must request in writing any extensions to the due date of the monthly required
2 report. If an extension is approved by ADMINISTRATOR, the total extension will not exceed more than
3 five (5) calendar days.

4 E. CONTRACTOR agrees to enter psychometrics into COUNTY’s EHR system as requested by
5 ADMINISTRATOR. Said psychometrics are for COUNTY’s analytical uses only and shall not be relied
6 upon by CONTRACTOR to make clinical decisions. CONTRACTOR agrees to hold COUNTY harmless,
7 and indemnify pursuant to Paragraph XV, from any claims that arise from non-COUNTY use of said
8 psychometrics.

9 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports
10 Paragraph of this Exhibit A to the Contract.

11
12 **V. SERVICES**

13 **A. FACILITIES**

14 1. CONTRACTOR shall maintain a facility(ies) for the provision of Adult Crisis Residential
15 services described herein at the following location(s), or any other location approved, in advance, in
16 writing, by ADMINISTRATOR. The facility(ies) shall include space to support the services identified
17 within the Contract.

18
19 25402 Pacifica Avenue
20 Mission Viejo, CA, 92691
21

- 22 2. CONTRACTOR shall meet the standards of the applicable sections of:
23 a. HSC Code 1520 et.seq;
24 b. CCR, Title 22. Division 6, Chapter 2, Social Rehabilitation Facilities;
25 Subchapter 1, Article 7;
26 c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social
27 Rehabilitation Programs;
28 d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670.5;
29 e. Section 504 of the Rehabilitation Act of 1973 -- (29 U.S.C. 794 et seq., as implemented
30 in 45 CFR 84.1 et seq.);
31 f. Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101, et seq.) pertaining to
32 the prohibition of discrimination against qualified persons with disabilities in all programs or activities,
33 as they exist now or may be hereafter amended together with succeeding legislation.

34 3. The facility shall have a capacity of six (6) beds and include adequate physical space to
35 support the services identified within the Contract.

36 4. The facility shall be open for admissions between the hours of 8:00 a.m. and 11:00 p.m.
37 Monday through Sunday and also shall maintain the ability to accept an admission outside of these hours

1 as needed. Services to Clients in this program will be provided on a twenty-four (24) hour, seven (7) day
2 per week, three hundred sixty-five (365) day per year basis.

3 5. The facility shall be maintained by CONTRACTOR and CONTRACTOR shall perform
4 regular maintenance and upkeep of the facility to ensure the safety and well-being of the
5 Clients. CONTRACTOR shall be responsible for:

6 a. Regular maintenance and upkeep of facility;
7 b. Capital projects;
8 c. Repairs due to negligence; and
9 d. For all other facility repairs, CONTRACTOR shall submit a request to utilize contract
10 funds to ADMINISTRATOR for review. Submission of a request does not guarantee approval to utilize
11 contract funds.

12 6. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday schedule
13 unless otherwise approved, in advance and in writing, by ADMINISTRATOR.

14 B. INDIVIDUALS TO BE SERVED – CONTRACTOR shall provide short term crisis residential
15 services to individuals evaluated by and referred by COUNTY and COUNTY contractors as appropriate.
16 CONTRACTOR shall not provide walk-in evaluation and admission services unless mutually agreed
17 upon, in writing, between CONTRACTOR and ADMINISTRATOR. ADMINISTRATOR will serve as
18 the principal source to authorize admissions of individuals who meet the following criteria:

19 1. Adults over the age of eighteen (18) years of age whose needs are compatible with those of
20 other Clients if they require the same level of care and supervision and all Community Care Licensing
21 requirements can be met;

22 2. COUNTY Client;

23 3. Diagnosed with a behavioral health disorder and who may have a co-occurring disorder;

24 4. In crisis and at the risk of hospitalization and could safely benefit from this level of care; and

25 5. Willing to participate fully and voluntarily in services.

26 C. ADULT CRISIS RESIDENTIAL PROGRAM – This program operates twenty-four (24) hours a
27 day, seven (7) days a week, emulates a home-like environment and supports a social rehabilitation model,
28 which is designed to enhance individuals' social connections with family or community so that they can
29 move back into the community and prevent inpatient stays. Short-term Crisis Residential Services will be
30 provided to adults who are in mental health crises and may be at risk of psychiatric hospitalization and
31 will involve families and significant others throughout the treatment episodes so that the dynamics of the
32 Clients' circumstances are improved prior to discharge. Individuals are referred from Adult and Older
33 Adult Behavioral Health Services County or County-contracted mental health providers and services will
34 be rich in collaborating with these existing providers to arrange for discharge planning, appropriate
35 housing placements, as needed, in addition to securing linkages to ongoing treatment providers prior to
36 discharge. Crisis Residential services provide positive, temporary alternatives for people experiencing
37 acute psychiatric episodes or intense emotional distress who might otherwise face voluntary or involuntary

1 inpatient treatment. Programs will provide crisis intervention, therapy, medication monitoring and
2 evaluation to determine the need for the type and intensity of additional services within a framework of
3 evidence based and trauma-informed approaches to recovery planning, including a rich peer support
4 component. Program will include treatment for co-occurring disorders based on either harm-reduction or
5 abstinence-based approaches to wellness and recovery, including providing a safe, smoke free, drug free,
6 accepting environment that nurtures individuals' processes of personal growth and overall wellness. The
7 programs must emphasize mastery of daily living skills and social development using strength-based
8 approaches that support recovery and wellness. The residential settings will create solid links to the
9 continuum of care with heavy emphasis on housing supports and linkages that will ease the transitions
10 into independent living and prevent recidivism. Intensive psychosocial services are provided on an
11 individual and group basis by licensed and licensed waived mental health professionals, including
12 therapy, crisis intervention, group education, assistance with self-administration of medications and case
13 management. The focus is on recovery and intensive mental health treatment, management and discharge
14 planning, linkage and reintegration into the community. The program will offer an environment where
15 Clients are supported as they look at their own life experiences, set their own paths toward recovery, and
16 work towards the fulfillment of their hopes and dreams. The Clients are expected to participate fully in
17 all program activities, including all individual sessions, groups, and recovery oriented outings.

18 1. CONTRACTOR shall operate the program in such a manner that meets or exceeds the
19 following regulations:

- 20 a. HSC 1520 et. seq;
- 21 b. CCR, Title 22, Division 6, Chapter 2 Social Rehabilitation Facilities;
- 22 c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social
23 Rehabilitation Programs, Section 531-535; and
- 24 d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670, 5670.5 and 5671.

25 2. CONTRACTOR shall provide short term crisis residential program services as follows:

26 a. Admission Services:
27 1) CONTRACTOR shall admit individuals who have been determined to meet
28 admission criteria and shall have the Client sign an admission agreement describing the services to be
29 provided, Client rights, and the expectations of the Client regarding house rules and involvement in all
30 aspects of the program, including individual and group therapy sessions.

31 2) CONTRACTOR shall complete a thorough mental health assessment and psychiatric
32 evaluation within twenty-four (24) hours of admission. The psychiatrist, Nurse Practitioner or Physician's
33 Assistant will complete the Physician's Report for Community Care Licensing in the first seventy-two
34 (72) hours of admission unless this form was completed by a referring physician.

35 3) During the initial seventy-two (72) hours subsequent to admission, Clients are
36 expected to remain on site at all times to ensure integration into the program. After this initial period,
37 Client may be eligible for a day pass to an approved, critical activity, usually an MD appointment or an

1 appointment for housing, etc. Prior to the approved activity pass, the Client must be clinically evaluated
2 an hour prior to departure and immediately upon returning to the facility. The Client must be clinically
3 approved prior to leaving the facility and must be accompanied by program staff at all times. These clinical
4 evaluations will be clearly documented in the individual's chart.

5 4) CONTRACTOR shall be responsible for Client's TB testing upon admission if
6 Client has not completed the test prior to admission to the program.

7 5) CONTRACTOR shall not deny referrals if CONTRACTOR has available space and
8 appropriate staffing, unless mutually agreed upon by CONTRACTOR and ADMINISTRATOR.

9 6) CONTRACTOR and Client shall together develop a written treatment/service plan
10 specifying goals and objectives, involving Client's family and support persons as appropriate, and as
11 aligned with a recovery focused, person-centered and directed approach within seventy-two (72) hours of
12 admission. CONTRACTOR shall involve the Client's family and support persons or document attempts
13 to obtain consent until consent is obtained or the Client is discharged.

14 7) Within seventy-two (72) hours of admission, CONTRACTOR shall establish a
15 discharge date in concert with the Client and their family/support system. The targeted discharge date
16 will be within twenty-one (21) calendar days after admission.

17 8) CONTRACTOR shall administer COVID testing on site and quarantine as needed
18 in order to quickly admit Clients into services, remove barriers, and make Crisis Residential treatment
19 available.

20 b. Therapeutic Services:

21 1) CONTRACTOR shall provide structured day and evening services seven (7) days a
22 week which will include individual, group therapy, and community meetings amongst the Clients and
23 crisis residential staff.

24 2) CONTRACTOR shall provide group counseling sessions at least four (4) times daily
25 to assist Clients in developing skills that enable them to progress towards self-sufficiency and to reside in
26 less intensive levels of care. Topics may include, but not be limited to: self-advocacy, personal identity,
27 goal setting, developing hope, coping alternatives, processing feelings, conflict resolution, relationship
28 management, proper nutrition, personal hygiene and grooming, household management, personal safety,
29 symptom monitoring, etc. These groups will be clearly documented in the individual's chart. All
30 therapeutic process groups will be facilitated by a licensed clinician.

31 3) CONTRACTOR shall provide individual therapeutic sessions provided by a licensed
32 clinician at least one time a day to each Client and these sessions will be clearly documented in the chart.

33 4) CONTRACTOR shall support a culture of "recovery" which focuses on personal
34 responsibility for a Client's mental health management and independence, and fosters Client
35 empowerment, hope, and an expectation of recovery from mental illness. Activities and chores shall be
36 encouraged and assigned to each Client on a daily basis to foster responsibility and learning of independent
37 living skills. These chores will be followed up on by residential staff, in the spirit of learning, who will

1 also assist the Client in learning the new skills and completing the chores as needed.

2 5) CONTRACTOR’s program will be designed to enhance Client motivation to
 3 actively participate in the program, provide Clients with intensive assistance in accessing community
 4 resources, and assist Clients developing strategies to maintain independent living in the community and
 5 improve their overall quality of life. Therapeutic outings (to local museums, art galleries, nature centers,
 6 parks, coffee shops) will be provided for all Clients in support of these goals.

7 6) CONTRACTOR shall assist the Client in developing and working on a WRAP
 8 throughout their stay at the program and will promote Client recovery on a daily basis via individual
 9 and/or group sessions. This will assist Clients in monitoring and responding to their symptoms in order
 10 to achieve the highest possible level of wellness, stability and quality of life. Topics may include but not
 11 be limited to: building a wellness toolbox or resource list, symptom monitoring, triggers and early warning
 12 signs of symptoms, identifying a crisis plan, etc.

13 7) CONTRACTOR shall engage both the Client and family/support persons in the
 14 program whenever possible. CONTRACTOR shall document contact with family/support persons or
 15 document why such contact is not possible or not advisable.

16 8) CONTRACTOR shall support a Dual Disorders Integrated Treatment Model that is
 17 non-confrontational, follows mental health principles, considers interactions between mental health
 18 disorders and substance abuse and has gradual expectations of abstinence. CONTRACTOR shall provide,
 19 on a regularly scheduled basis, education via individual and/or group sessions to Clients on the effects of
 20 alcohol and other drug abuse, triggers, relapse prevention, and community recovery resources. Twelve
 21 (12) step groups and Smart Recovery groups will be encouraged at the facility on a regular basis.

22 9) CONTRACTOR shall support a culture that supports a smoke free environment in
 23 the facility and on the campus. CONTRACTOR shall provide educational groups regarding tobacco
 24 cessation and provide viable alternatives such as tobacco patches and other approved methods that support
 25 tobacco use reduction and cessation.

26 10) CONTRACTOR shall assist Clients in developing prevocational and vocational
 27 plans to achieve gainful employment and/or perform volunteer work if identified as a goal in the service
 28 plan.

29 11) CONTRACTOR shall provide crisis intervention and crisis management services
 30 designed to enable the Client to cope with the crisis at hand while maintaining his/her functioning status
 31 within the community and to prevent further decompensation or hospitalization.

32 12) CONTRACTOR shall have individuals who are clinicians and mental health
 33 specialists designated by COUNTY to provide assessments for involuntary hospitalization when
 34 necessary. This service must be available twenty-four (24) hours per day, seven (7) days per week.

35 13) CONTRACTOR shall provide information, support, advocacy education, and
 36 assistance with including the Client’s natural support system in treatment and services.

37 14) CONTRACTOR shall sustain a culture that supports Peer Recovery

1 Specialist/Counselors in providing supportive socialization for Clients that will assist Clients in their
2 recovery, self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be
3 encouraged to share their stories of recovery as much as possible to infuse the milieu with the notion that
4 recovery is possible.

5 15) CONTRACTOR shall provide close supervision and be aware of Clients'
6 whereabouts at all times to ensure the safety of all Clients. Every clinician and residential counselor shall
7 have an assigned caseload and be responsible for the monitoring of the assigned individuals.
8 CONTRACTOR shall provide routine room checks in the evening and document observations. Rounds
9 are completed by staff on regular intervals.

10 16) CONTRACTOR shall actively explore, research and present ideas for additional
11 evidence-based practices in order to continually improve and refine aspects of the program.

12 c. Case Management/Discharge Services:

13 1) CONTRACTOR shall actively engage in discharge planning from the day of
14 admission, instructing and assisting Clients with successful linkage to community resources such as
15 outpatient mental health clinics, substance abuse treatment programs, housing, including providing
16 supportive assistance to the individual in identifying and securing adequate and appropriate follow up
17 living arrangements, FSP, physical health care, and government entitlement programs.

18 2) CONTRACTOR shall collaborate proactively with Client's Mental Health Plan
19 Provider when such is required to link Clients to county or contracted housing services which may include
20 continued temporary housing, permanent supported housing, interim placement, or other community
21 housing options.

22 3) CONTRACTOR shall assist Clients in scheduling timely follow-up appointment(s)
23 between Client and their mental health service provider while still a Client or within twenty-four (24)
24 hours following discharge to ensure that appropriate linkage has been successful and if not, relinkage
25 services will be provided. Provide telephone follow up within five (5) calendar days to ensure linkage
26 was successful. Services shall be documented in the Client record. Peer Recovery Specialists and
27 Residential Counselors will be expected to accompany Clients to their follow up linkage appointments as
28 part of their case management duties.

29 4) CONTRACTOR shall coordinate treatment with physical health providers as
30 appropriate, assist Clients with accessing medical and dental services, and provide transportation and
31 accompaniment to those services as needed.

32 5) CONTRACTOR shall obtain prior approval from ADMINISTRATOR for Clients
33 who are deemed necessary to stay in the program for more than twenty-one (21) calendar days.

34 6) Unplanned discharges will be avoided at all costs and only after all other
35 interventions have failed. If, at any time, a Client presents as a serious danger to themselves or others,
36 CONTRACTOR shall assess the safety needs of all concerned and may have the Client assessed for
37 voluntary or involuntary hospitalization utilizing ADMINISTRATOR protocols. If a Client is seriously

1 or repetitively non-compliant with the program, CONTRACTOR may discharge the Client if deemed
2 necessary and only following a multi-disciplinary case conference which will include
3 ADMINISTRATOR. CONTRACTOR shall be in compliance with eviction procedures following the
4 CCR, Title 22, Section 81068.5, and Title 9, Section 532.3, and shall provide an unusual occurrence report
5 to ADMINISTRATOR no later than the following business day.

6 7) In the event a Client leaves the program without permission and/or against clinical
7 advice, CONTRACTOR shall hold Client's bed open for twenty-four (24) hours unless otherwise
8 mutually agreed upon by ADMINISTRATOR and CONTRACTOR.

9 8) In the event a Client is transferred for crisis stabilization to the COUNTY CSU or to
10 the Emergency Department (ED), CONTRACTOR shall provide a warm hand-off to the CSU or ED
11 receiving staff member and hold a Client's bed open for twenty-four (24) hours unless otherwise mutually
12 agreed upon by ADMINISTRATOR and CONTRACTOR.

13 d. Medication Support Services:

14 1) CONTRACTOR shall provide medications for self-administration, as clinically
15 appropriate, to all Clients regardless of funding with the goal of teaching Clients to be self sufficient with
16 medication administration upon discharge.

17 2) CONTRACTOR shall educate Clients on the role of medication in their recovery
18 plan, and how the Client can take an active role in their own recovery process. CONTRACTOR shall
19 provide education to Clients on medication choices, risks, benefits, alternatives, side effects and how these
20 can be managed. Client education will be provided on a regularly scheduled basis via individual and
21 group sessions.

22 3) CONTRACTOR shall obtain signed medication consent forms for each psychotropic
23 medication prescribed.

24 4) Medications will be dispensed by a physician's order by licensed and qualified staff
25 in accordance with CCR, Title 9, Div. 1, Chapter 3, Article 3.5, Section 532.1, as well as CCL
26 Requirements.

27 5) Licensed staff authorized to dispense medication for self-administration will
28 document the Client's response to their medication, as well as any side effects to that medication, in the
29 Client's record.

30 6) CONTRACTOR shall insure all medications are securely locked in a designated
31 storage area with access limited to only those personnel authorized to prescribe, dispense, or administer
32 medication.

33 7) CONTRACTOR shall establish written policies and procedures that govern the
34 receipt, storage and dispensing of medication in accordance with state regulations.

35 8) CONTRACTOR shall not utilize sample medications in the program without first
36 establishing policies and procedures for the use of sample medications consistent with State regulatory
37 requirements.

1 9) CONTRACTOR shall provide a medication follow-up visit by a psychiatrist at a
2 frequency necessary to manage the acute symptoms to allow the Client to safely stay at the Crisis
3 Residential Program and to prepare the Client to transition to outpatient level of care upon discharge. At
4 a minimum, CONTRACTOR shall provide an initial psychiatric evaluation by a psychiatrist within twelve
5 (12) hours after admission and will have a psychiatrist available as needed for medication follow-up as
6 needed or at a minimum twice per week thereafter.

7 10) Upon discharge, CONTRACTOR shall make available a sufficient supply of current
8 psychiatric medications to which the Client has responded, to meet the Client's needs until they can be
9 seen in an outpatient clinic. This may be a combination of new prescriptions, the Client's specific
10 medications remaining at the Crisis Residential Program, and/or additional sample medications with
11 patient labels.

12 11) CONTRACTOR shall utilize the COUNTY PBM to supply medications for
13 unfunded Clients.

14 e. Transportation Services:

15 1) CONTRACTOR shall provide transportation services for program related activities
16 which may include, but not be limited to, transportation to appointments deemed necessary for medical
17 or dental care or activities related to and in support of preparation for discharge and/or community
18 integration.

19 2) Transportation services shall be provided to all Clients that are referred and accepted
20 to the program by CONTRACTOR, whether the transportation is provided by CONTRACTOR vehicle,
21 ride shares or taxi cab.

22 3) All other non-crucial appointments will be delayed until after the individual is
23 discharged.

24 4) CONTRACTOR staff shall accompany individuals on these necessary appointments.
25 Clients shall not be left unattended or unsupervised for the duration of their stay in the program, including
26 during these crucial appointments.

27 f. Food Services:

28 1) CONTRACTOR shall meet meal service and food supply requirements per
29 Community Care Licensing regulations which shall include, but not be limited to:

30 2) Meals shall be served in the dining room and tray service provided on emergency
31 need only so as to encourage community food preparation, eating and clean-up activities.

32 3) CONTRACTOR shall create opportunities for Clients to participate in the planning,
33 preparation and clean-up of food preparation activities.

34 4) CONTRACTOR shall have menu items approved by a dietary specialist or
35 nutritionist, as appropriate.

36 5) Food Services shall meet meal and food supply requirements, including an abundant
37 supply of healthy and fresh food options, including fruits, vegetables and other items that promote healthy

1 choices and wellness.

2 D. PROGRAM ADMINISTRATOR Responsibilities – The Program Administrator will have
3 ultimate responsibility for the program and will ensure the following:

4 1. Maintenance of adequate records on each Client which shall include all required forms and
5 evaluations, a written treatment/rehabilitation plan specifying goals, objectives, and responsibilities, on-
6 going progress notes, and records of service provided by various personnel in sufficient detail to permit
7 an evaluation of services.

8 2. There is a supervisory and administrative structure in place that will ensure high quality,
9 consistent staff are providing high quality and consistent trauma informed services at all hours of
10 operation, including the evenings and nocturnal shifts.

11 3. COUNTY certified reviewers, who will be the Clinical Director and the Program
12 Administrator/Manager, shall complete one hundred percent (100%) audit of Client charts regarding
13 clinical documentation, ensuring all charts are in compliance with medical necessity and Medi-Cal and
14 Medicare chart compliance. Charts will be reviewed within one day of admission to ensure that all initial
15 charting requirements are met and at the time of discharge. CONTRACTOR shall ensure that all chart
16 documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall
17 ensure that all chart documentation is completed within the appropriate timelines.

18 4. Provide clinical direction and training to staff on all clinical documentation and treatment
19 plans;

20 5. Retain on staff, at all times, a certified reviewer trained by ADMINISTRATOR’s Authority
21 and Quality Improvement unit who will conduct 100% chart reviews to ensure compliance;
22 ADMINISTRATOR is requesting that Clinical Supervisor and Program Administrator/Manager positions
23 carry out these duties;

24 6. Oversee all aspects of the clinical services of the recovery program, know each Client by
25 name and be familiar with details of each of the Clients’ cases/situations that brought them to the program;

26 7. Coordinate with in-house clinicians, psychiatrist and/or nurse regarding Client treatment
27 issues, professional consultations, or medication evaluations;

28 8. Review and approve all quarterly logs submitted to ADMINISTRATOR, (e.g. medication
29 monitoring and utilization review); and

30 9. Facilitate on-going program development and provide or ensure appropriate and timely
31 supervision and guidance to staff regarding difficult cases and mental health emergencies..

32 E. QUALITY IMPROVEMENT

33 1. CONTRACTOR shall participate in any clinical case review and implement any
34 recommendations made by COUNTY to improve the care provided to the individuals seen.

35 2. CONTRACTOR shall conduct Supervisory Review in accordance with procedures
36 developed by ADMINISTRATOR. CONTRACTOR shall ensure that all chart documentation complies
37 with all federal, state, and local guidelines and standards.

1 3. CONTRACTOR shall ensure that all clinical documentation is completed promptly and is
2 reflected in the individual's chart within seventy-two (72) hours after the completion of services.

3 4. CONTRACTOR shall ensure that all individuals receiving services at Crisis Stabilization
4 Units (CSUs) and Crisis Residential Programs (CRPs) shall be documented in the Chorus Bed Board
5 System at the time of intake and discharge.

6 a. All referrals for CRP services are required to be initiated and processed exclusively
7 through the Chorus Bed Board System.

8 b. The expectation will remain that the Chorus Bed Board is monitored and updated in real
9 time, to accurately reflect current census in real time.

10 c. Any issues with the Chorus Bed Board System shall be reported to the Contract Monitor
11 immediately.

12 5. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR
13 Documentation Manual or its equivalent, and any State requirements, as provided by ADMINISTRATOR,
14 which describes, but is not limited to, the requirements for Medi-Cal and ADMINISTRATOR charting
15 standards. CONTRACTOR shall have a utilization management process in place to internally monitor
16 documentation and billing standards on a routine basis.

17 6. CONTRACTOR shall complete the steps required for Clinical management/supervisory staff
18 to become Certified Chart Reviewers per COUNTY's Quality Assurance & Quality Improvement
19 (QA/QI) Division.

20 7. CONTRACTOR shall demonstrate the capability to maintain a medical records system,
21 including the capability to utilize COUNTY's IRIS system, to enter appropriate data. CONTRACTOR
22 shall regularly review one hundred percent (100%) of its charting for accuracy and clinical appropriateness
23 and IRIS data input and billing systems to ensure compliance with COUNTY and state P&Ps and shall
24 establish mechanisms to prevent inaccurate claim submissions and follow up on corrections in a timely
25 manner.

26 8. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality
27 improvement meetings and processes. Such records and minutes will also be subject to regular review by
28 ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and
29 ADMINISTRATOR's P&P.

30 9. CONTRACTOR shall allow ADMINISTRATOR to attend, and if necessary conduct, QIC
31 and medication monitoring meetings and complete all Medication Monitoring reports per COUNTY.

32 10. CONTRACTOR shall allow COUNTY to periodically review the quantity and quality of
33 services provided pursuant to this Contract. This review will be conducted at CONTRACTOR's facility
34 (ties) and will consist of a review of medical and other records of Clients provided services pursuant to
35 the Contract.

36 11. At all times during the term of this Contact, CONTRACTOR shall maintain a compliance
37 program in accordance with COUNTY.

1 12. CONTRACTOR shall attend meetings as requested by COUNTY including, but not limited
 2 to:

3 a. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical
 4 care and implement any recommendations made by COUNTY to improve individual care;

5 b. Monthly COUNTY management meetings with ADMINISTRATOR to discuss
 6 contractual and other issues related to, but not limited to, whether it is or is not progressing satisfactorily
 7 in achieving all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory
 8 progress, compliance with P&Ps, review of statistics and clinical services; and

9 c. Clinical staff, Chorus staff, and IRIS staff training for individuals conducted by
 10 CONTRACTOR and/or ADMINISTRATOR.

11 F. CONTRACTOR shall attend meetings as requested by COUNTY including but not limited to:

12 1. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical care
 13 and implement any recommendations made by COUNTY to improve Client care.

14 2. Monthly COUNTY management meetings with ADMINISTRATOR to discuss contractual
 15 and other issues related to, but not limited to whether it is or is not progressing satisfactorily in achieving
 16 all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory progress,
 17 compliance with P&Ps, review of statistics and clinical services.

18 3. Clinical staff and IRIS staff training for individuals conducted by CONTRACTOR and/or
 19 ADMINISTRATOR.

20 G. CONTRACTOR shall obtain a NPI – The standard unique health identifier adopted by the
 21 Secretary of HHS under HIPAA of 1996 for health care providers.

22 1. All HIPAA covered healthcare providers, individuals and organizations must obtain a NPI
 23 for use to identify themselves in HIPAA standard transactions.

24 2. CONTRACTOR, including each employee that provides services under the Contract, shall
 25 obtain a NPI upon commencement of the Contract or prior to providing services under the Contract.
 26 CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by
 27 ADMINISTRATOR, all NPI as soon as they are available.

28 H. CONTRACTOR shall provide the NPP for COUNTY, as the MHP, at the time of the first service
 29 provided under the Contract to individuals who are covered by Medi-Cal and have not previously received
 30 services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon request, the NPP for
 31 COUNTY, as the MHP, to any individual who received services under the Contract.

32 I. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to conduct
 33 research activity on COUNTY Clients without obtaining prior written authorization from
 34 ADMINISTRATOR.

35 J. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,
 36 with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the terms
 37 of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will not be used to

1 promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution,
 2 or religious belief.

3 K. CONTRACTOR shall maintain all requested and required written policies, and provide to
 4 ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps and
 5 program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include but not
 6 limited to the following:

- 7 1. Admission Criteria and Admission Procedure;
- 8 2. Assessments;
- 9 3. Individual and Group Counseling Sessions;
- 10 4. Crisis Intervention/Evaluation for Involuntary Holds;
- 11 5. Treatment of Non-Compliant Individuals/Unplanned Discharges;
- 12 6. Medication Management and Medication Monitoring;
- 13 7. Recovery Program Policies and Practices;
- 14 8. Community Integration/Case Management/Discharge Planning;
- 15 9. Documentation Standards;
- 16 10. Quality Management/Performance Outcomes;
- 17 11. Individual Rights;
- 18 12. Personnel/In service Training;
- 19 13. Ensuring Proper Staffing;
- 20 14. Unusual Occurrence Reporting;
- 21 15. Code of Conduct/Compliance;
- 22 16. Mandated Reporting;
- 23 17. Seclusion and Restraints;
- 24 18. De-escalation Techniques, including use of voluntary and/or emergency medications;
- 25 19. Nutritious Snack Services; (if clients remain in CSU over 24 hours the availability of light
 26 meals are addressed above);
- 27 20. Transportation Services;
- 28 21. Peer Support Services;
- 29 22. Chart Review Protocol; and
- 30 23. Any/all required LPS Designation Protocols.

31 L. CONTRACTOR shall provide initial and on-going training and staff development that includes
 32 but is not limited to the following:

- 33 1. Orientation to the program’s goals, and P&Ps;
- 34 2. Training on subjects as required by state regulations;
- 35 3. Orientation to the services section, as outlined in the Services Section of this Exhibit A to the
 36 Contract;
- 37 4. Recovery philosophy and individual empowerment;

- 5. Crisis intervention and de-escalation;
- 6. Substance abuse and dependence; and
- 7. Motivational interviewing.
- 8. Seclusion and Restraints;
- 9. Crisis Prevention and Crisis Intervention Training;
- 10. Documentation Training;
- 11. Assessment and Diagnosis;
- 12. LPS Involuntary Detention Policies; and
- 13. Community and Ancillary Resources.

M. PERFORMANCE OUTCOMES

1. CONTRACTOR shall be required to achieve, track and report Performance Outcome Objectives, on a quarterly basis as outlined below:

- a. Link a minimum of seventy percent (70%) of clients to a continuing care provider.
- b. Discharge at least seventy-five percent (75%) of clients to a lower level of care.
- c. Ensure at least ninety-five percent (95%) of clients do not require hospitalization within forty-eight (48) hours of discharge.
- d. Ensure at least seventy-five percent (75%) of clients will not be readmitted to the same level of care within fourteen (14) calendar days of discharge.

2. Develop an evidenced based performance metric of Client improvement measured upon admission and upon linkage and discharge.

3. Research, propose and develop additional evidenced based metrics/performance objectives that are relevant to described services and desired outcomes.

N. PROGRAM DIRECTOR – The Program Director will have ultimate responsibility for the program (s) and will ensure the following:

1. CONTRACTOR shall maintain adequate records on each individual seen in services, which shall include all required forms and evaluations, on-going progress notes, and records of service provided by various personnel in sufficient detail to permit an evaluation of services;

2. CONTRACTOR shall retain on staff, a Certified reviewer trained by ADMINISTRATOR’s AQIS Unit. This reviewer shall complete one hundred percent (100%) audit of individual charts regarding clinical documentation, ensuring all charts are in compliance with medical necessity and Medi-Cal/Medicare chart compliance. CONTRACTOR shall ensure that all chart documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall ensure that all chart documentation is completed within the appropriate timelines.

- 3. Provide clinical direction and training to staff on all clinical documentation;
- 4. Oversee all aspects of the clinical services of the Crisis Stabilization program(s);
- 5. Coordinate with clinicians, psychiatrists and/or nurses regarding individual treatment issues, professional consultations, or medication evaluations; and

6. Facilitate on-going program development and provide or ensure appropriate and timely supervision and guidance to staff regarding difficult cases and mental health emergencies.

O. DATA CERTIFICATION

1. CONTRACTOR shall certify the accuracy of their data and maintain an accurate and complete database for all individuals served under this Contract. The Client database shall be certified upon monthly submission and uploaded to an approved File Transfer Protocol by the tenth (10th) of every month. If CONTRACTOR’s current database copy cannot be submitted via Microsoft Access file format, the data must be made available in an HCA approved database file type. If CONTRACTOR’s system is web-based, CONTRACTOR shall allow ADMINISTRATOR accessibility for monitoring, reporting, and allowing accessibility to view, run, print, and export Client records/reports.

2. CONTRACTOR shall, within two (2) weeks of notice by COUNTY, correct Database errors.

3. CONTRACTOR shall, on a monthly basis, provide a separate file comprised of required data elements provided by COUNTY as outlined in Subparagraph IV.D of this Exhibit A with verification that outcome data is correct.

4. CONTRACTOR shall, on a quarterly basis, report the Performance Outcome Objectives as outlined in Subparagraph V.M. of this Exhibit A to the Contract with verification that outcome data is correct.

O. CHORUS SYSTEM

1. All individuals receiving services at Crisis Stabilization Units (CSUs) and Crisis Residential Programs (CRPs) must be documented in the Chorus Bed Board system at the time of intake and discharge. All referrals for CRP services are required to be initiated and processed exclusively through the Chorus Bed Board System. The expectation will remain that the Chorus Bed Board is monitored and updated in real time, to accurately reflect current census in real time. Any issues with the Chorus Bed Board System should be reported to Contract Monitor immediately.

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

VI. STAFFING

A. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold languages as determined by COUNTY. Whenever possible, bilingual/bicultural staff should be retained. Any clinical vacancies occurring at a time when bilingual and bicultural composition of the clinical staffing does not meet the above requirement must be filled with bilingual and bicultural staff unless minimum qualifications are not met. Salary savings resulting from such vacant positions may not be used to cover costs other than salaries and employees benefits unless otherwise authorized, in writing and in advance, by ADMINISTRATOR.

B. CONTRACTOR shall make its best effort to provide services pursuant to the Contract in a manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR shall

1 maintain documents of such efforts which may include, but not be limited to: records of participation in
2 COUNTY-sponsored or other applicable training; recruitment and hiring policies and procedures; copies
3 of literature in multiple languages and formats, as appropriate; and descriptions of measures taken to
4 enhance accessibility for, and sensitivity to, individuals who are physically challenged.

5 C. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all P&Ps.
6 CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and
7 placed in their personnel files.

8 D. CONTRACTOR shall ensure that all new clinical and supervisory staff complete COUNTY's
9 New Provider Training.

10 E. CONTRACTOR shall ensure that all staff complete COUNTY's Annual Provider Training and
11 Annual Compliance Training.

12 F. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all
13 Personnel Requirements as stated in CCR Title 22, standards for a Social Rehabilitation Facility as for a
14 Short Term Crisis Residential Division 6, 81065 and that continuing education is provided. The
15 continuing education may include such topics as the following:

- 16 1. Basic knowledge of mental disorders;
- 17 2. Counseling skills, including individual, group, vocational and job counseling skills;
- 18 3. Crisis management;
- 19 4. Development and updating of needs and services plan;
- 20 5. Discharge planning;
- 21 6. Medications, including possible side effects and signs of overmedicating;
- 22 7. Knowledge of community services and resources;
- 23 8. Principles of good nutrition, proper food preparation and storage, and menu planning;
- 24 9. Requirements of Care and Supervision for all Clients;
- 25 10. Cultural sensitivity;
- 26 11. Working with Transgender Clients, and;
- 27 12. Working with Clients with physical disabilities.

28 The licensee shall document the number of hours of continuing education completed each year by direct
29 care staff.

30 G. ADMINISTRATOR shall provide, or cause to be provided, training and ongoing consultation to
31 CONTRACTOR's staff to assist CONTRACTOR in ensuring compliance with ADMINISTRATOR
32 Standards of Care practices, P&Ps, documentation standards and any state regulatory requirements.

33 H. CONTRACTOR needs to have a supervisory and administrative structure that will ensure high
34 quality, cost effective service provision including initial and on-going staff training.

35 I. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours, of
36 any staffing vacancies that occur during the term of the Contract.

37 J. A limited number of clinical staff shall be qualified and designated by COUNTY to perform

1 evaluations pursuant to Section 5150, WIC.

2 K. The staffing pattern below indicates the approved provider types associated with this Contract.
 3 CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in FTEs
 4 continuously throughout the term of the Contract. One (1) FTE shall be equal to an average of forty (40)
 5 hours of work per week.

| DIRECT PROGRAM | FTEs | PROVIDER TYPE |
|---------------------------|--------------|--------------------------------------------------------------|
| Administrator-Inpatient | 0.50 | MFT/LPCC LCSW (Licensed, Waivered or Registered) |
| Clinical Dir-Inpatient | 0.50 | MFT/LPCC LCSW (Licensed, Waivered or Registered) |
| LVN | 1.40 | Licensed Vocational Nurse Licensed Psychiatric Technician |
| Residential Counselor | 1.40 | Other Qualified Practitioner |
| Peer Recovery Coach (PM) | 1.40 | Peer Support Specialists |
| Clinician-Unlicensed (PM) | 1.40 | MFT/LPCC LCSW (Licensed, Waivered or Registered) |
| LVN (NOC) | 1.40 | Licensed Vocational Nurse Licensed Psychiatric Technician |
| Residential Counselor | 1.40 | Other Qualified Practitioner |
| TOTAL | 10.40 | |

20 L. WORKLOAD STANDARDS – CONTRACTOR understands and agrees that at any given time
 21 the standards referenced below are minimum standards and shall make every effort to exceed these
 22 minimums.

- 23 1. CONTRACTOR shall maintain an occupancy rate of at least 95%.
- 24 2. CONTRACTOR shall ensure physician services are available a minimum of three (3) hours
 25 per day, seven (7) days a week and see each Client at least twice per week or more often if needed.
- 26 3. CONTRACTOR shall, during the term of the Contract, provide Client related services,
 27 tracking the number of individual counseling sessions and number of therapeutic and educational didactic
 28 groups provided with a minimum of four (4) groups, including two therapeutic groups facilitated by
 29 licensed clinicians and two didactic groups and one (1) individual session provided by a licensed clinician
 30 per day.

31 M. Staffing levels and qualifications will meet the requirements as stated in CCR Title 22,
 32 Division 6, Chapters 1 and 2; Title 9, Division 1, Chapter 3, Article 3.5; as well as the WIC Division 5,
 33 Part 2, Chapter 2.5, Article 1; and the HSC Division 2, Chapter 3, Article 2, and/or other certification
 34 standards for a Social Rehabilitation Facility as well as for a Short Term Crisis Residential, as appropriate
 35 to the services being provided. A sufficient number of clinical staff will be licensed in order to meet all
 36 State requirements. COUNTY shall not reimburse CONTRACTOR for services provided by clinical staff
 37 who do not meet these requirements.

1 N. A limited number of clinical staff will be qualified and designated by COUNTY to perform
2 evaluations pursuant to Section 5150, WIC.

3 O. CONTRACTOR may augment the above paid staff with volunteers or interns upon written
4 approval of ADMINISTRATOR.

5 1. CONTRACTOR shall provide a minimum of two (2) hours per week supervision to each
6 student intern providing mental health services and one (1) hour of supervision for each ten (10) hours of
7 treatment for student interns providing substance abuse services. Supervision will be in accordance to
8 that set by the BBS. CONTRACTOR shall provide supervision to volunteers as specified in the respective
9 job descriptions or work contracts.

10 2. An intern is an individual enrolled in an accredited graduate program accumulating clinically
11 supervised work experience hours as part of field work, internship, or practicum requirements. Acceptable
12 graduate programs include all programs that assist the student in meeting the educational requirements in
13 becoming a MFT, or a LCSW.

14 3. Student intern services shall not comprise more than twenty percent (20%) of total services
15 provided.

16 P. CONTRACTOR shall maintain personnel files for each staff member, including the Executive
17 Director and other administrative positions, which will include, but not be limited to, an application for
18 employment, qualifications for the position, documentation of bicultural/bilingual capabilities (if
19 applicable), pay rate and evaluations justifying pay increases.

20 Q. CONTRACTOR shall follow the following guidelines for County tokens:

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

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

25 c. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the
26 Token for each staff member assigned a Token.

27 d. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following
28 conditions:

- 29 1) Token of each staff member who no longer supports this Contract;
- 30 2) Token of each staff member who no longer requires access to the HCA IRIS;
- 31 3) Token of each staff member who leaves employment of CONTRACTOR;
- 32 4) Token is malfunctioning; or
- 33 5) Termination of Contract.

34 e. CONTRACTOR shall reimburse COUNTY for Tokens lost, stolen, or damaged through
35 acts of negligence.

36 f. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice.

37 All statistical data used to monitor CONTRACTOR shall be compiled using only IRIS reports, if

1 available, and if applicable.

2 R. CONTRACTOR will follow the following guidelines for County tokens:

3 a. CONTRACTOR recognizes access to Soft Tokens are granted to specific staff members with
4 a unique password. Passwords are not to be shared with anyone.

5 b. CONTRACTOR shall maintain an inventory of staff members granted access to Soft Tokens.

6 c. CONTRACTOR shall indicate in the monthly staffing report, each staff member granted
7 access to a Soft Token.

8 d. CONTRACTOR shall notify ADMINISTRATOR when changes have occurred under the
9 following conditions:

10 1) Each staff member who no longer supports this Contract;

11 2) Each staff member who no longer requires access to the HCA IRIS;

12 3) Each staff member who leaves employment of CONTRACTOR;

13 4) If Soft Token technology is malfunctioning;

14 5) Termination of Contract.

15 e. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice. All
16 statistical data used to monitor CONTRACTOR shall be compiled using only IRIS reports, if available,
17 and if applicable.

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

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1 EXHIBIT B
 2 TO CONTRACT FOR PROVISION OF
 3 ADULT CRISIS RESIDENTIAL SERVICES SOUTH REGION
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 TELECARE CORPORATION
 8 JULY 1, 2026 THROUGH JUNE 30, 2029
 9

10 **I. BUSINESS ASSOCIATE CONTRACT**

11 A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

1 B. DEFINITIONS

2 1. "Administrative Safeguards" are administrative actions, and P&Ps, to manage the selection,
3 development, implementation, and maintenance of security measures to protect ePHI and to manage the
4 conduct of CONTRACTOR's workforce in relation to the protection of that information.

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

7 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

36 7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in 45
37 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with

1 45 CFR § 164.502(g).

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

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

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

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

11 12. “Secretary” shall mean the Secretary of the Department of HHS or his or her designee.

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

17 14. “The HIPAA Security Rule” shall mean the Security Standards for the Protection of ePHI at
18 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

19 15. “Subcontractor” shall have the meaning given to such term under the HIPAA regulations in
20 45 CFR § 160.103.

21 16. “Technical safeguards” means the technology and the P&Ps for its use that protect ePHI and
22 control access to it.

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

26 18. “Use” shall have the meaning given to such term under the HIPAA regulations in
27 45 CFR § 160.103.

28 C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE

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

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

36 3. CONTRACTOR agrees to comply with the HIPAA Security Rule at Subpart C of
37 45 CFR Part 164 with respect to ePHI COUNTY discloses to CONTRACTOR or CONTRACTOR

1 creates, receives, maintains, or transmits on behalf of COUNTY.

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

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

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

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

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

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

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

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

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

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

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

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

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

28 a. CONTRACTOR does not promptly enter into negotiations to amend this Business
29 Associate Contract when requested by COUNTY pursuant to this Subparagraph C; or

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

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

36 D. SECURITY RULE

37 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish and

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

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

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

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

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

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

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

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

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

33 E. DATA SECURITY REQUIREMENTS

34 1. Personal Controls

35 a. Employee Training. All workforce members who assist in the performance of functions
36 or activities on behalf of COUNTY in connection with Contract, or access or disclose PHI COUNTY
37 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of

1 COUNTY, must complete information privacy and security training, at least annually, at
2 CONTRACTOR's expense. Each workforce member who receives information privacy and security
3 training must sign a certification, indicating the member's name and the date on which the training was
4 completed. These certifications must be retained for a period of six (6) years following the termination
5 of Contract.

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

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

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

23 2. Technical Security Controls

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

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

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

35 d. Removable media devices. All electronic files that contain PHI COUNTY discloses to
36 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
37 must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives,

1 floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm
2 which is 128bit or higher, such as AES. Such PHI shall not be considered “removed from the premises”
3 if it is only being transported from one of CONTRACTOR’s locations to another of CONTRACTOR’s
4 locations.

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

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

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

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

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

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

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

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

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

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

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

26 3. Audit Controls

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

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

36 c. Change Control. All systems processing and/or storing PHI COUNTY discloses to
 37 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY

1 must have a documented change control procedure that ensures separation of duties and protects the
2 confidentiality, integrity and availability of data.

3 4. Business Continuity/Disaster Recovery Control

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

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

16 5. Paper Document Controls

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

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

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

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

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

37 f. Mailing. Mailings containing PHI COUNTY discloses to CONTRACTOR or

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

7 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

36 5) Contact procedures for Individuals to ask questions or learn additional information,
37 which shall include a toll-free telephone number, an E-Mail address, Web site, or postal address.

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

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

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

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

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

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

24 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

- 34 1) The Disclosure is required by law; or
- 35 2) CONTRACTOR obtains reasonable assurances from the person to whom the PHI is
36 disclosed that it will be held confidentially and used or further disclosed only as required by law or for
37 the purposes for which it was disclosed to the person and the person immediately notifies CONTRACTOR

1 of any instance of which it is aware in which the confidentiality of the information has been breached.

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

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

7 3. CONTRACTOR may use and disclose PHI COUNTY discloses to CONTRACTOR
8 consistent with the minimum necessary P&Ps of COUNTY.

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

11 H. PROHIBITED USES AND DISCLOSURES

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

17 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
18 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
19 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by 42 USC §
20 17935(d)(2).

21 I. OBLIGATIONS OF COUNTY

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

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

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

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

33 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

16 3. The obligations of this Business Associate Contract shall survive the termination of the
17 Contract.

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EXHIBIT C
 TO CONTRACT FOR PROVISION OF
 ADULT CRISIS RESIDENTIAL SERVICES SOUTH REGION
 BETWEEN
 COUNTY OF ORANGE
 AND
 PROVIDER
 JULY 1, 2026 THROUGH JUNE 30, 2029

I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT

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

A. DEFINITIONS

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

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

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

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

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

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

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

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

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

1 is sought under a government program providing public benefits.

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

5 B. TERMS OF CONTRACT

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

10 2. Responsibilities of CONTRACTOR

11 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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

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

1 EXHIBIT D
 2 TO CONTRACT FOR PROVISION OF
 3 ADULT CRISIS RESIDENTIAL SERVICES SOUTH REGION
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 TELECARE CORPORATION
 8 JULY 1, 2026 THROUGH JUNE 30, 2029

9
10 **I. PREFACE**

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

16 Following effective date of this Contract, but no later than August 1, 2026, CONTRACTOR shall
17 conduct reasonable outreach to cities, neighborhoods and communities that could be affected by services
18 provided by CONTRACTOR.

19
20 **II. GOOD NEIGHBOR POLICY**

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

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

- 25 1. Ensure staff and clients conduct themselves in a manner that demonstrates respect for the
26 community and consideration of neighbors when entering/exiting the facility or outdoors.
- 27 2. Establish and maintain early communication with cities, neighborhoods and communities as a way
28 to identify potential impacts to neighborhoods and mitigate as needed.
- 29 3. Establish cooperative relationships with cities, neighborhoods and communities where services
30 are being rendered and mitigate impact as needed.
- 31 4. Collaborate with cities, neighborhoods and communities as a way to promote integration of
32 facilities into the community and determine the effectiveness of established good neighbor
33 practices
- 34 5. Develop written procedures to track, respond and mitigate neighborhood complaints. Procedures
35 should include identification of a contact person for complaint resolution and identification of
36 COUNTY contact if complaint is not adequately resolved. The procedures must also identify how
37 these incidents will be reported to the appropriate COUNTY contact in a timely manner.

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- 6. Establish generalized good neighbor practices for services and facility(ies) that include:
 - a. Adequate parking
 - b. Adequate waiting and visiting areas
 - c. Adequate restroom facilities
 - d. Property maintenance and appearance
 - e. Community safety
 - f. Congregation guidelines
 - g. Security provisions

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