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REFERENCED CONTRACT PROVISIONS

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Term: July 1, 2024 through June 30, 2026

Period One means the period from July 1, 2024 through June 30, 2025

Period Two means the period from July 1, 2025 through June 30, 2026

Aggregate Amount Not To Exceed:

Period One Aggregate Amount Not To Exceed	\$ 18,443,085
Period Two Aggregate Amount Not To Exceed	<u>19,154,105</u>
TOTAL AGGREGATE AMOUNT NOT TO EXCEED:	\$ 37,597,190

Basis for Reimbursement: Negotiated Amount

Payment Method: Monthly, in Arrears

CONTRACTOR UEI Number: PXQBJWPKJXN1

CONTRACTOR TAX ID Number: 51-0477414

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: Riverside Sanitarium, LLC
4580 Palm Avenue
Riverside, CA 92501
Attention: Jesse Mandujano, Executive Director
Jesse.Mandujano@riversidehcc.com

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I. ACRONYMS

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

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4	A.	AB 109 Assembly Bill 109, 2011 Public Safety Realignment
5	B.	AES Advanced Encryption Standard
6	C.	AIDS Acquired Immune Deficiency Syndrome
7	D.	ARRA American Recovery and Reinvestment Act of 2009
8	E.	ASAM PPC American Society of Addiction Medicine Patient Placement Criteria
9	F.	ASI Addiction Severity Index
10	G.	ASRS Alcohol and Drug Programs Reporting System
11	H.	BCP Business Continuity Plan
12	I.	BHS Behavioral Health Services
13	J.	CalOMS California Outcomes Measurement System
14	K.	CalWORKs California Work Opportunity and Responsibility for Kids
15	L.	CAP Corrective Action Plan
16	M.	CCC California Civil Code
17	N.	CCR California Code of Regulations
18	O.	CD/DVD Compact Disc/Digital Video or Versatile Disc
19	P.	CEO County Executive Office
20	Q.	CESI Client Evaluation of Self at Intake
21	R.	CEST Client Evaluation of Self and Treatment
22	S.	CFDA Catalog of Federal Domestic Assistance
23	T.	CFR Code of Federal Regulations
24	U.	CHPP COUNTY HIPAA Policies and Procedures
25	V.	CHS Correctional Health Services
26	W.	CIPA California Information Practices Act
27	X.	CMPPA Computer Matching and Privacy Protection Act
28	Y.	COI Certificate of Insurance
29	Z.	CPA Certified Public Accountant
30	AA.	CSW Clinical Social Worker
31	AB.	DHCS California Department of Health Care Services
32	AC.	D/MC Drug/Medi-Cal
33	AD.	DoD US Department of Defense
34	AE.	DPFS Drug Program Fiscal Systems
35	AF.	DRP Disaster Recovery Plan
36	AG.	DRS Designated Record Set
37	AH.	DSM Diagnostic and Statistical Manual of Mental Disorders

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

1	BR.	NPP	Notice of Privacy Practices
2	BS.	NPPES	National Plan and Provider Enumeration System
3	BT.	OCJS	Orange County Jail System
4	BU.	OCPD	Orange County Probation Department
5	BV.	OCR	Federal Office for Civil Rights
6	BW.	OCSD	Orange County Sheriff's Department
7	BX.	OIG	Federal Office of Inspector General
8	BY.	OMB	Federal Office of Management and Budget
9	BZ.	OPM	Federal Office of Personnel Management
10	CA.	P&P	Policy and Procedure
11	CB.	PA DSS	Payment Application Data Security Standard
12	CC.	PATH	Projects for Assistance in Transition from Homelessness
13	CD.	PC	California Penal Code
14	CE.	PCI DSS	Payment Card Industry Data Security Standards
15	CF.	PCS	Post-Release Community Supervision
16	CG.	PHI	Protected Health Information
17	CH.	PI	Personal Information
18	CI.	PII	Personally Identifiable Information
19	CJ.	P&P	Policy and Procedure
20	CK.	PRA	California Public Records Act
21	CL.	PSC	Professional Services Contract System
22	CM.	SAPTBG	Substance Abuse Prevention and Treatment Block Grant
23	CN.	SIR	Self-Insured Retention
24	CO.	SMA	Statewide Maximum Allowable (rate)
25	CP.	SOW	Scope of Work
26	CQ.	SUD	Substance Use Disorder
27	CR.	UMDAP	Uniform Method of Determining Ability to Pay
28	CS.	UOS	Units of Service
29	CT.	USC	United States Code
30	CU.	WIC	Women, Infants and Children

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II. ALTERATION OF TERMS

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

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B. Unless otherwise expressly stated in this Contract, no addition to, or alteration of the terms of this Contract or any Exhibits, whether written or verbal, made by the parties, their officers, employees or

1 agents shall be valid unless made in the form of a written amendment to this Contract, which has been
2 formally approved and executed by both parties.

3 4 **III. AMOUNT NOT TO EXCEED**

5 A. The Aggregate Amount Not To Exceed for services provided in accordance with all contracts for
6 Adult Long Term Care Institutions for Mental Disease Services during Period One and Period Two are as
7 specified in the Referenced Contract Provisions of this Contract. This specific Contract with
8 CONTRACTOR is only one of several contracts to which this Aggregate Amount Not To Exceed applies.
9 It therefore is understood by the Parties that reimbursement to CONTRACTOR will be only a fraction of
10 these Aggregate Amounts Not To Exceed.

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

13 14 **IV. ASSIGNMENT OF DEBTS**

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

22 23 **V. COMPLIANCE**

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

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

30 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own
31 Compliance Program, Code of Conduct and any Compliance related policies and procedures.
32 CONTRACTOR's Compliance Program, Code of Conduct and any related policies and procedures shall
33 be verified by ADMINISTRATOR's Compliance Department to ensure they include all required elements
34 by ADMINISTRATOR's Compliance Officer as described in this Paragraph V (COMPLIANCE). These
35 elements include:

- 36 a. Designation of a Compliance Officer and/or compliance staff.
37 b. Written standards, policies and/or procedures.

- c. Compliance related training and/or education program and proof of completion.
- d. Communication methods for reporting concerns to the Compliance Officer.
- e. Methodology for conducting internal monitoring and auditing.
- f. Methodology for detecting and correcting offenses.
- g. Methodology/Procedure for enforcing disciplinary standards.

3. If CONTRACTOR does not provide proof of its own Compliance program to ADMINISTRATOR, CONTRACTOR shall comply with ADMINISTRATOR's Compliance Program and Code of Conduct. CONTRACTOR shall submit to ADMINISTRATOR within thirty (30) calendar days of execution of this Contract a signed acknowledgement that CONTRACTOR shall comply with ADMINISTRATOR's Compliance Program and Code of Conduct.

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

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

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

1. For purposes of this Paragraph V (COMPLIANCE), Covered Individuals includes all employees, interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items or services or who perform billing or coding functions on behalf of ADMINISTRATOR.

1 Notwithstanding the above, this term does not include part-time or per-diem employees, contractors,
2 subcontractors, agents, and other persons who are not reasonably expected to work more than one hundred
3 sixty (160) hours per year; except that any such individuals shall become Covered Individuals at the point
4 when they work more than one hundred sixty (160) hours during the calendar year. CONTRACTOR shall
5 ensure that all Covered Individuals relative to this Contract are made aware of ADMINISTRATOR's
6 Compliance Program, Code of Conduct and related policies and procedures (or CONTRACTOR's own
7 compliance program, code of conduct and related policies and procedures if CONTRACTOR has elected
8 to use its own).

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

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

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

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

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

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

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

34 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or
35 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.
36 Such individual or entity shall be immediately removed from participating in any activity associated with
37 this Contract. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to

1 CONTRACTOR for services provided by ineligible person or individual. CONTRACTOR shall promptly
2 return any overpayments within forty-five (45) business days after the overpayment is verified by
3 ADMINISTRATOR.

4 C. GENERAL COMPLIANCE TRAINING – ADMINISTRATOR shall make General Compliance
5 Training available to Covered Individuals.

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

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

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

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

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

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

21 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered
22 Individuals relative to this Contract.

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

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

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

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

32 E. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

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

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

17 **VI. CONFIDENTIALITY**

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

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

25 2. CONTRACTOR acknowledges and agrees that it shall be responsible for obtaining written
26 consents for the release of information from all persons served by CONTRACTOR pursuant to this
27 Contract. Such consents shall be obtained by CONTRACTOR in accordance with CCC, Division 1, Part
28 2.6, relating to confidentiality of medical information.

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

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

1 CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,
2 consultants, subcontractors, volunteers and interns.

4 **VII. CONFLICT OF INTEREST**

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

13 **VIII. COST REPORT**

14 A. CONTRACTOR shall submit separate Cost Reports for each Period, or for a portion thereof, to
15 COUNTY no later than sixty (60) calendar days following the period for which they are prepared or
16 termination of this Contract. CONTRACTOR shall prepare the Cost Report in accordance with all
17 applicable federal, state and COUNTY requirements, GAAP and the Special Provisions Paragraph of this
18 Contract. CONTRACTOR shall allocate direct and indirect costs to and between programs, cost centers,
19 services, and funding sources in accordance with such requirements and consistent with prudent business
20 practice, which costs and allocations shall be supported by source documentation maintained by
21 CONTRACTOR, and available at any time to ADMINISTRATOR upon reasonable notice. In the event
22 CONTRACTOR has multiple contracts for mental health services that are administered by HCA,
23 consolidation of the individual Cost Reports into a single consolidated Cost Report may be required, as
24 stipulated by ADMINISTRATOR. CONTRACTOR shall submit a consolidated Cost Report to COUNTY
25 no later than five (5) business days following approval by ADMINISTRATOR of all individual Cost
26 Reports to be incorporated into a consolidated Cost Report.

27 1. If CONTRACTOR fails to submit an accurate and complete individual and/or consolidated
28 Cost Report within the time period specified above, ADMINISTRATOR has sole discretion to impose
29 one or both of the following:

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

35 b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
36 pursuant to any or all contracts between COUNTY and CONTRACTOR until such time that the individual
37 and/or consolidated Cost Report is delivered to ADMINISTRATOR.

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

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

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

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

24 D. Unless approved by ADMINISTRATOR, costs that exceed the County Contract Rates (CCR)
25 Statewide per Medi-Cal Unit of Service, as determined by the DHCS, shall be non-reimbursable to
26 CONTRACTOR.

27 E. In the event that CONTRACTOR is authorized to retain unanticipated revenues as described in
28 the Budget Paragraph of Exhibit A to this Contract, CONTRACTOR shall specify in the Cost Report the
29 services rendered with such revenues.

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

32
33 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and supporting
34 documentation prepared by _____ for the cost report period beginning _____ and
35 ending _____ and that, to the best of my knowledge and belief, costs reimbursed through
36 this Contract are reasonable and allowable and directly or indirectly related to the services
37 provided and that this Cost Report is a true, correct, and complete statement from the books and

records of (provider name) in accordance with applicable instructions, except as noted. I also hereby certify that I have the authority to execute the accompanying Cost Report.

Signed _____
Name _____
Title _____
Date _____"

IX. DEBARMENT AND SUSPENSION CERTIFICATION

A. CONTRACTOR certifies that it and its principals:

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

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

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

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

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

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

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

X. DELEGATION, ASSIGNMENT AND SUBCONTRACTS

A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without prior written consent of COUNTY. CONTRACTOR shall provide written notification of

1 CONTRACTOR's intent to delegate the obligations hereunder, either in whole or part, to
2 ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the delegation.
3 Any attempted assignment or delegation in derogation of this paragraph shall be void.

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

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

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

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

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

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

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

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

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

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

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

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

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

26 27 **XI. DISPUTE RESOLUTION**

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

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

35 2. CONTRACTOR's written demand shall be fully supported by factual information, and, if
36 such demand involves a cost adjustment to the Contract, CONTRACTOR shall include with the demand
37 a written statement signed by an authorized representative indicating that the demand is made in good

1 faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects
2 the Contract adjustment for which CONTRACTOR believes COUNTY is liable.

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

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

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

17 18 **XII. EMPLOYEE ELIGIBILITY VERIFICATION**

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

28 29 **XIII. EQUIPMENT**

30 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
31 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
32 ADMINISTRATOR to assist in performing the services described in this Contract. "Relatively
33 Permanent" is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000 or
34 over, including freight charges, sales taxes, and other taxes, and installation costs are defined as Capital
35 Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and other
36 taxes, and installation costs, or electronic equipment that costs less than \$600 but may contain PHI or PII,
37 are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to phones, tablets,

1 audio/visual equipment, computer equipment, and lab equipment. The cost of Equipment purchased, in
2 whole or in part, with funds paid pursuant to this Contract shall be depreciated according to GAAP.

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

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

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

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

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

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

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

30
31 **XIV. FACILITIES, PAYMENTS AND SERVICES**

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

37 //

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

7
8 **XV. INDEMNIFICATION AND INSURANCE**

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

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

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

35 D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand
36 dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of
37 CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved,

1 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this
2 Contract, agrees to all of the following:

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

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

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

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

14 F. QUALIFIED INSURER

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

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

23 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
24 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
Passenger vehicles (8 passengers or more)	\$5,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence

1 Network Security & Privacy Liability \$1,000,000 per claims made

2
3 Professional Liability Insurance \$1,000,000 per claims made

4 \$1,000,000 aggregate

5
6 Sexual Misconduct Liability \$1,000,000 per occurrence

7
8 H. REQUIRED COVERAGE FORMS

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

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

13 I. REQUIRED ENDORSEMENTS

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

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

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

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

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

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

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

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

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

6 M. If CONTRACTOR’s Professional Liability, and/or Network Security & Privacy Liability are
7 “Claims-Made” policies, CONTRACTOR shall agree to maintain coverage for two (2) years following
8 the completion of the Contract.

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

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

13 P. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7)
14 calendar days of notification by COUNTY, it shall constitute a breach of CONTRACTOR’s obligation
15 hereunder and grounds for COUNTY to suspend or terminate this Contract.

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

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

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

28 T. SUBMISSION OF INSURANCE DOCUMENTS

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

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

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

36 //
37 //

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

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

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

12 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from
13 CONTRACTOR’s monthly invoice.

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

17
18 **XVI. INSPECTIONS AND AUDITS**

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

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

33 **C. AUDIT RESPONSE**

34 1. Following an audit report, in the event of non-compliance with applicable laws and
35 regulations governing funds provided through this Contract, COUNTY may terminate this Contract as
36 provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement

37 //

1 appropriate corrective action. A CAP shall be submitted to ADMINISTRATOR in writing within thirty
2 (30) calendar days after receiving notice from ADMINISTRATOR.

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

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

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

19
20 **XVII. LICENSES AND LAWS**

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

29 **B. CHILD SUPPORT OBLIGATIONS**

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

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

- 4 1. ARRA of 2009.
- 5 2. Title 22, CCR, §51009, Confidentiality of Records.
- 6 3. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
- 7 4. D/MC Certification Standards for Substance Abuse Clinics, July 2004.
- 8 5. D/MC Billing Manual (March 23, 2010).
- 9 6. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 10 7. State of California-Health and Human Services Agency, Department of Health Care Services,
11 Mental Health Services Division (MHSD), Medi-Cal Billing Manual, October 2013 Orange
12 County Medi-Cal Mental Health Managed Care Plan.
- 13 8. Short Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management.
- 14 9. Short-Doyle/Medi-Cal Modifications/Revisions for the Rehabilitation Option and Targeted
15 Case Management Manual, including DMH Letter 94-14, dated July 7, 1994, DMH Letter
16 No. 95-04, dated July 27, 1995, DMH Letter 96-03, dated August 13, 1996.
- 17 10. WIC, Division 5, Community Mental Health Services.
- 18 11. WIC, Division 6, Admissions and Judicial Commitments.
- 19 12. WIC, Division 7, Mental Institutions.
- 20 13. HSC, §§1250 et seq., Health Facilities.
- 21 14. PC, §§11164-11174.3, Child Abuse and Neglect Reporting Act.
- 22 15. CCR, Title 9, Rehabilitative and Developmental Services.
- 23 16. CCR, Title 17, Public Health.
- 24 17. CCR, Title 22, Social Security.
- 25 18. CFR, Title 42, Public Health.
- 26 19. CFR, Title 45, Public Welfare.
- 27 20. USC Title 42. Public Health and Welfare.
- 28 21. Federal Social Security Act, Title XVIII and Title XIX Medicare and Medicaid.
- 29 22. 42 USC §12101 et seq., Americans with Disabilities Act of 1990.
- 30 23. 42 USC §1857, et seq., Clean Air Act.
- 31 24. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.
- 32 25. 31 USC 7501.70, Federal Single Audit Act of 1984.
- 33 26. Policies and procedures set forth in Mental Health Services Act.
- 34 27. Policies and procedures set forth in DHCS Letters.
- 35 28. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.
- 36 29. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,
37 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

30. Trafficking Victims Protection Act of 2000.

31. 42 CFR, Section 438, Managed Care Regulations.

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

XVIII. LITERATURE, ADVERTISEMENTS AND SOCIAL MEDIA

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

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

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

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

XIX. MINIMUM WAGE LAWS

A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the federal or California Minimum Wage to all its employees that directly or indirectly provide services pursuant to this Contract, in any manner whatsoever. CONTRACTOR shall require and verify that all its contractors or other persons providing services pursuant to this Contract on behalf of CONTRACTOR also pay their employees no less than the greater of the federal or California Minimum Wage.

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

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

8
9 **XX. NONDISCRIMINATION**

10 **A. EMPLOYMENT**

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

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

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

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

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

37 //

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

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

- 18 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 19 2. Providing any service or benefit to a Client which is different or is provided in a different
20 manner or at a different time from that provided to other Clients.
- 21 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by
22 others receiving any service and/or benefit.
- 23 4. Treating a Client differently from others in satisfying any admission requirement or
24 condition, or eligibility requirement or condition, which individuals must meet in order to be provided
25 any service and/or benefit.
- 26 5. Assignment of times or places for the provision of services.

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

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

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

37 //

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

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

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

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

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

22 **XXI. NOTICES**

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

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

29 2. When faxed, transmission confirmed;

30 3. When sent by Email; or

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

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

37 //

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

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

7
8 **XXII. NOTIFICATION OF DEATH**

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

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

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

17 2. WRITTEN NOTIFICATION

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

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

24 c. When notification via encrypted email is not possible or practical, CONTRACTOR must
25 hand deliver or must fax said notification to a number approved by COUNTY in writing.

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

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

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

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

1 and purpose of the public event or meeting. Any promotional materials or event related flyers must be
2 approved by ADMINISTRATOR prior to distribution.

4 **XXIV. PATIENT'S RIGHTS**

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

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

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

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

18 C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to
19 CONTRACTOR, appeal to COUNTY Patients' Rights Office, file a grievance, and file a Title IX
20 complaint. The Patients' Advocate shall advise and assist the Client, investigate the cause of the grievance,
21 and attempt to resolve the matter.

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

24 **XXV. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

34 3. CONTRACTOR shall maintain books, records, documents, accounting procedures and
35 practices, and other evidence sufficient to reflect properly all direct and indirect cost of whatever nature
36

37 //

1 | claimed to have been incurred in the performance of this Contract and in accordance with Medicare
2 | principles of reimbursement and GAAP.

3 | 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
4 | through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
5 | necessity of the service, and the quality of care provided. Records shall be maintained in accordance with
6 | §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

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

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

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

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

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

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

28 | H. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that
29 | participant Client and/or patient be provided the right to access or receive a copy of their DRS and/or
30 | request addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records maintained
31 | by or for a covered entity that is:

32 | 1. The medical records and billing records about individuals maintained by or for a covered
33 | health care provider;

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

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

37 | //

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

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

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

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

16 L. CONTRACTOR shall make records pertaining to the costs of services, patient fees, charges,
17 billings, and revenues available at one (1) location within the limits of Orange County.

18 **XXVI. RESEARCH AND PUBLICATION**

19 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out of,
20 or developed, as a result of this Contract for the purpose of personal or professional research, or for
21 publication.
22

23 **XXVII. REVENUE**

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

33 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all
34 available third-party reimbursement for which persons served pursuant to this Contract may be eligible.
35 Charges to insurance carriers shall be on the basis of CONTRACTOR’s usual and customary charges.

36 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately
37 ensure proper billing and collection procedures. CONTRACTOR’s procedures shall specifically provide

1 for the identification of delinquent accounts and methods for pursuing such accounts. CONTRACTOR
2 shall provide ADMINISTRATOR, monthly, a written report specifying the current status of fees which
3 are billed, collected, transferred to a collection agency, or deemed by CONTRACTOR to be uncollectible.

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

6 7 **XXVIII. SEVERABILITY**

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

13 14 **XXIX. SPECIAL PROVISIONS**

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

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

37 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR

1 shall not use the funds provided by means of this Contract for the following purposes:

- 2 1. Funding travel or training (excluding mileage or parking).
- 3 2. Making phone calls outside of the local area unless documented to be directly for the purpose
- 4 of Client care.
- 5 3. Payment for grant writing, consultants, certified public accounting, or legal services.
- 6 4. Purchase of artwork or other items that are for decorative purposes and do not directly
- 7 contribute to the quality of services to be provided pursuant to this Contract.
- 8 5. Purchasing or improving land, including constructing or permanently improving any building
- 9 or facility, except for tenant improvements.
- 10 6. Providing inpatient hospital services or purchasing major medical equipment.
- 11 7. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds
- 12 (matching).
- 13 8. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
- 14 CONTRACTOR's Clients.

15 **XXX. STATUS OF CONTRACTOR**

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

28 **XXXI. TERM**

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

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

XXXII. TERMINATION

1
2 A. CONTRACTOR is responsible for meeting all programmatic and administrative contracted
3 objectives and requirements as indicated in this Contract. CONTRACTOR shall be subject to the issuance
4 of a CAP for the failure to perform to the level of contracted objectives, continuing to not meet goals and
5 expectations, and/or for non-compliance. If CAPs are not completed within timeframe as determined by
6 ADMINISTRATOR notice, payments may be reduced or withheld until CAP is resolved and/or the
7 Contract could be terminated.

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

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

C. CONTINGENT FUNDING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

XXXIII. THIRD PARTY BENEFICIARY

Neither party hereto intends that this Contract shall create rights hereunder in third parties including, 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.

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

3 **SIGRIVERSIDE SANITARIUM, LLC**

4
5 DocuSigned by:
6 BY: Jesse Manduyano
FC76F4554B3846D...

DATED: 4/25/2024

7
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9 TITLE: Administrator

10
11
12 COUNTY OF ORANGE

13
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15 BY: _____

DATED: _____

16 HEALTH CARE AGENCY
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33 If CONTRACTOR is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
34 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or
35 any Assistant Treasurer. If the Contract is signed by one (1) authorized individual only, a copy of the corporate resolution or
36 by-laws whereby the board of directors has empowered said authorized individual to act on its behalf by his or her signature
37 alone is required by ADMINISTRATOR.

EXHIBIT A
 CONTRACT FOR PROVISION OF
 ADULT LONG TERM CARE INSTITUTIONS FOR MENTAL DISEASE SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 RIVERSIDE SANITARIUM, LLC
 JULY 1, 2024 THROUGH JUNE 30, 2026

I. COMMON TERMS & 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. ADL means Activities of Daily Living such as but not limited to diet, personal hygiene, clothing care, grooming, money and household management, personal safety, symptom monitoring, etc.

2. Additional Income Source means all income other than SSI and includes such sources of income as retirement income, disability income, trust fund income, Social Security income, Veteran’s Affairs disability income, etc.

3. Admission means documentation, by CONTRACTOR, for completion of entry of evaluation services provided to Clients seen in COUNTY and COUNTY-contracted services into IRIS.

4. Crisis Assessment Team (CAT) means a twenty-four (24) hour mobile response team that provides services to anyone who has a psychiatric emergency. This program assists law enforcement, social service agencies, and families in providing crisis intervention services for the mentally ill. CAT is a multi-disciplinary program that conducts risk assessments, initiates involuntary hospitalizations, and provides linkage and follow ups for Clients evaluated. There are separate adult and youth CATs.

5. Client Day means one (1) calendar day during which CONTRACTOR provides all of the services described hereunder, including the day of admission and excluding the day of discharge. If admission and discharge occur on the same day, one (1) Client Day shall be charged.

6. Client or Consumer means an individual, referred by COUNTY or enrolled in CONTRACTOR’s program for services under this Contract, who is dealing with a chronic mental illness.

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

8. Crisis Stabilization Unit (CSU) means a psychiatric crisis stabilization program that operates twenty-four (24) hours a day and serves Orange County residents aged thirteen (13) and older who are experiencing a psychiatric crisis and need immediate evaluation. Individuals receive a thorough psychiatric evaluation, crisis stabilization treatment, and referral to the appropriate level of continuing

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1 care. As a designated outpatient facility, the CSU may evaluate and treat individuals for no longer than
2 twenty-three (23) hours and fifty-nine (59) minutes.

3 9. Diagnosis means identifying the nature of a disorder. When formulating a Diagnosis(es),
4 CONTRACTOR shall use the diagnostic codes as specified in the most current edition of the Diagnostic
5 and Statistical Manual of Mental Disorders (DSM) published by the American Psychiatric Association
6 and/or International Classification of Diseases (ICD) 10. ICD10 diagnoses will be recorded on all IRIS
7 documents, as appropriate.

8 10. Engagement means the process where a trusting relationship is developed over a short period
9 of time with the goal to link the Client(s) to appropriate services within the community. Engagement is
10 the objective of a successful outreach.

11 11. Face-to-Face means an encounter between the Client/parent/guardian and CONTRACTOR
12 where they are both physically present. This does not include contact by phone, email, etc., except for
13 telepsychiatry provided in a manner that meets COUNTY protocols.

14 12. HIPAA means Health Insurance Portability and Accountability Act and refers to the federal
15 law that establishes standards for the privacy and security of health information, as well as standards for
16 electronic data interchange of health information. HIPAA has two main goals, as its name implies: making
17 health insurance more portable when persons change employers, and making the health care system more
18 accountable for costs-trying especially to reduce waste and fraud.

19 13. Integrated Records Information System (IRIS) means COUNTY's database system and refers
20 to a collection of applications and databases that serve the needs of programs within COUNTY and
21 includes functionality such as registration and scheduling, laboratory information system, billing and
22 reporting capabilities, compliance with regulatory requirements, electronic medical records, and other
23 relevant applications.

24 14. ITP means Individualized Treatment Plan for each Client. All psychiatric, psychological, and
25 social services must be compatible with the ITP.

26 15. Lanterman-Petris-Short (LPS) Act (Cal. Welf & Inst. Code, sec. 5000 et seq.) means
27 guidelines for handling involuntary civil commitment to a mental health institution in the State of
28 California.

29 16. Licensed Clinical Social Worker (LCSW) means a licensed individual, pursuant to the
30 provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical
31 services to individuals they serve. The license must be current and in force, and has not been suspended
32 or revoked.

33 17. Licensed Marriage Family Therapist (MFT) means a licensed individual, pursuant to the
34 provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions of
35 Chapter 14 of the California Business and Professions Code, who can provide clinical services to
36 individuals they serve. The license must be current and in force, and has not been suspended or revoked.

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1 18. Licensed Professional Clinical Counselor (LPCC) means a licensed individual, pursuant to
2 the provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions
3 of Chapter 16 of the California Business and Professions Code, who can provide clinical service to
4 individuals they serve. The license must be current and in force, and has not been suspended or revoked.

5 19. Licensed Psychiatric Technician (LPT) means a licensed individual, pursuant to the
6 provisions of Chapter 10 of the California Business and Professions Code, who can provide clinical
7 services to individuals they serve. The license must be current and in force, and has not been suspended
8 or revoked.

9 20. Licensed Psychologist means an individual who meets the minimum professional and
10 licensure requirements set forth in CCR, Title 9, Section 624; they are a licensed individual, pursuant to
11 the provisions of Chapter 6.6 of the California Business and Professions Code, who can provide clinical
12 services to individuals they serve. The license must be current and in force and has not been suspended or
13 revoked.

14 21. Licensed Vocational Nurse (LVN) means a licensed individual, pursuant to the provisions of
15 Chapter 6.5 of the California Business and Professions Code, who can provide clinical services to
16 individuals they serve. The license must be current and in force, and has not been suspended or revoked.

17 22. Linkage means when a Client has attended at least one appointment or made one visit to the
18 identified program or service for which the Client has received a referral or to which they have self-
19 referred.

20 23. Long Term Care (LTC) means COUNTY department that reviews referrals for placement in
21 COUNTY-contracted long term care facilities.

22 24. Medi-Cal means the State of California's implementation of the federal Medicaid health care
23 program which pays for a variety of medical services for children and adults who meet eligibility criteria.

24 25. Medical Necessity means the requirements as defined in the MHP Medical Necessity for
25 Medi-Cal reimbursed Specialty Mental Health Services that includes diagnosis, impairment criteria and
26 intervention related criteria. Meeting medical necessity for acute psychiatric inpatient hospital services
27 includes having an included DSM/ICD diagnosis; the Client cannot be safely treated at a lower level of
28 care; and the Client requires psychiatric inpatient hospital services, as a result of a mental disorder, due to
29 symptoms or behaviors that represent a current danger to self or others, or significant property destruction;
30 and/or prevent the Client from providing for, or utilizing, food, clothing, shelter; and/or present a severe
31 risk to the Client's physical health; and/or represent a recent, significant deterioration in ability to function.

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

35 a. Assessment means a service activity, which may include a clinical analysis of the history
36 and current status of a Client's mental, emotional, or behavioral disorder, relevant cultural issues and
37 history, diagnosis and the use of testing procedures.

1 b. Medication Support Services means those services provided by a licensed physician,
2 registered nurse, or other qualified medical staff, which includes prescribing, administering, dispensing
3 and monitoring of psychiatric medications or biologicals and which are necessary to alleviate the
4 symptoms of mental illness. These services also include evaluation and documentation of the clinical
5 justification and effectiveness for use of the medication, dosage, side effects, compliance and response to
6 medication, as well as obtaining informed consent, providing medication education and plan development
7 related to the delivery of the service and/or assessment of the Client.

8 c. Rehabilitation Services means an activity which includes assistance in improving,
9 maintaining, or restoring a Client's or group of Clients' functional skills, daily living skills, social and
10 leisure skill, grooming and personal hygiene skills, meal preparation skills, support resources and/or
11 medication education.

12 d. Therapy means a service activity which is a therapeutic intervention that focuses
13 primarily on symptom reduction as a means to improve functional impairments. Therapy may be delivered
14 to an individual or group of Clients which may include family therapy in which the Client is present.

15 27. Mental Health Services Act (MHSA) means a voter-approved initiative to develop a
16 comprehensive approach to providing community-based mental health services and supports for
17 California residents. It is also known as "Proposition 63".

18 28. Milestones of Recovery Scale (MORS) refers to a Recovery scale that COUNTY uses in
19 outpatient Adult Mental Health programs. The scale assigns Clients to their appropriate level of care.

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

24 30. NOABD means Notice of Adverse Beneficiary Determination and refers to a Medi-Cal
25 requirement that informs the Client 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 31. Notice of Privacy Practices (NPP) means a document that notifies individuals of uses and
29 disclosures of PHI that may be made by or on behalf of the health plan or health care provider as set forth
30 in the HIPAA.

31 32. Outreach means linking individuals to appropriate Mental Health Services within the
32 community. Outreach activities will include educating the community about the services offered and
33 requirements for participation in the various mental health programs within the community. Such
34 activities will result in CONTRACTOR developing its own Referral sources for programs being offered
35 within the community.

36 33. Protected Health Information (PHI) means individually identifiable health information
37 usually transmitted through electronic media. PHI can be maintained in any medium as defined in the

1 regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is
2 created or received by a covered entity and is related to the past, present, or future physical or mental
3 health or condition of an individual, provision of health care to an individual, or the past, present, or future
4 payment for health care provided to an individual.

5 34. Peer Support/Recovery Specialist/Counselor means an individual in a paid position who has
6 been through the same or similar recovery process as those being assisted to attain their recovery goals in
7 the CSU. A Medi-Cal Certified Peer Support Specialist practice is informed by personal experience.

8 35. Psychiatric Inpatient Hospital Services means services, including ancillary services, provided
9 either in an acute care hospital or a free-standing psychiatric hospital for the care and treatment of an acute
10 episode of mental illness.

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

13 37. Psychologist means an individual who meets the minimum professional and licensure
14 requirements set forth in Title 9, CCR, Section 624.

15 38. Quality Improvement Committee (QIC) means a committee that meets quarterly to review
16 one percent (1%) of all “high-risk” Medi-Cal Clients in order to monitor and evaluate the quality and
17 appropriateness of services provided. At a minimum, the committee is comprised of one (1)
18 ADMINISTRATOR, one (1) clinician, and one (1) physician who are not involved in the clinical care of
19 the cases.

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

23 a. Health: Overcoming or managing one’s disease(s) as well as living in a physically and
24 emotionally healthy way;

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

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

28 and

29 d. Community: Relationships and social networks that provide support, friendship, love,
30 and hope.

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

34 41. Registered Nurse (RN) means a licensed individual, pursuant to the provisions of Chapter 6
35 of the California Business and Professions Code, who can provide clinical services to the individuals
36 served. The license must be current and in force and has not been suspended or revoked.

37 //

1 42. Resource Recommendation means the process of providing a Client with one or more
2 suggested resources, without plans and/or an ability to follow up on Linkage status.

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

5 44. Seriously Emotionally Disturbed (SED) means children or adolescent minors under the age
6 of eighteen (18) years who have a mental health disorder, as identified in the most recent edition of the
7 DSM and/or the ICD 10, other than a primary substance use disorder or developmental disorder, which
8 results in behavior inappropriate to the child’s age according to expected developmental norms. W&I
9 5600.3.

10 45. Serious Persistent Mental Impairment (SPMI) means an adult with a behavioral health
11 disorder that is severe in degree and persistent in duration, which may cause behavioral functioning which
12 interferes substantially with the primary activities of daily living, and which may result in an inability to
13 maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for
14 a long or indefinite period of time. W&I 5600.3.

15 46. SNF/STP means Skilled Nursing Facility with Special Treatment Program and refers to a
16 facility certified by the Department of Health Care Services (DHCS) to provide 24-hour/day skilled
17 nursing care and supervision and at least 27 hours of programming to Clients with a primary psychiatric
18 diagnosis, who may also have co-existing medical conditions. In most cases, Clients are conserved under
19 LPS.

20 47. SSI/SSP means Social Security Income/Supplemental Security Payment and refers to
21 revenue resources from the federal Social Security Administration paid to an eligible Client, or the Client’s
22 payee, who are of low income and typically either aged (65 and older), blind, or disabled.

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

25 49. Uniform Method of Determining Ability to Pay (UMDAP) means the method used for
26 determining an individual’s annual liability for Mental Health Services received from COUNTY mental
27 health system and is set by the State of California.

28 50. Unit of Service means one (1) calendar day during which CONTRACTOR provides all of
29 the Adult Long Term Care Institutions for Mental Disease Services described hereunder, which day shall
30 begin at twelve o’clock midnight. The number of billable Units of Service shall include the day of
31 admission and exclude the day of discharge unless admission and discharge occur on the same day.

32 51. Wellness Action & Recovery Plan (WRAP) means a self-help technique for monitoring and
33 responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of life.

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

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II. ISSUE RESOLUTION

1
2 A. CONTRACTOR agrees that for resolution of issues between COUNTY and CONTRACTOR,
3 with respect to the implementation and operation of the Contract or COUNTY's P&P regarding services
4 described herein, the following sequential steps will be followed:

5 1. CONTRACTOR shall routinely utilize all communication processes and methods with
6 ADMINISTRATOR including, but not limited to, telephone, email, and fax communication, written
7 correspondence and meetings, to resolve any issues or problems regarding the implementation and
8 operation of the Contract or COUNTY's P&P regarding services described herein.

9 2. CONTRACTOR agrees that if the parties are unable to resolve the issue, CONTRACTOR
10 shall give written notice to ADMINISTRATOR setting forth, in specific terms, the existence and nature
11 of any unresolved matter or concern related to the purposes and obligations of the Contract.
12 ADMINISTRATOR shall be given fifteen (15) calendar days following such notice to obtain resolution
13 of any issue(s) identified in this manner. CONTRACTOR agrees that by mutual consent this period of
14 time may be extended to thirty (30) calendar days.

15 3. CONTRACTOR agrees that if the parties are still unable to obtain resolution of the issue,
16 they shall submit a joint written Statement describing the facts of the issue, within thirty (30) calendar
17 days after the written notice described above to COUNTY's Director of Behavioral Health, or designee,
18 for final resolution.

19 B. The rights and remedies provided by this Paragraph are in addition to those provided by law to
20 either party.

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

III. PAYMENTS

23
24 A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the bed day rate of \$332 for Period
25 One and \$345 for Period Two, for the actual number of Client bed days provided during any given month
26 per Period, in accordance with the defined UOS as referenced in Subparagraph I.A.50 of this Exhibit A,
27 and not exceeding the total number of contracted bed days per Period as referenced in Subparagraphs
28 VI.A.2. and VI.C.1. of this Exhibit A. All payments are interim payments only, and subject to Final
29 Settlement in accordance with the Cost Report Paragraph of the Contract for which CONTRACTOR shall
30 be reimbursed for the total actual UOS provided, utilizing third party revenues or a portion thereof, to
31 cover any remaining balance of contracted bed days that were not provided to specified Clients under this
32 Contract, with the remaining balance of third-party revenues, if any; being utilized, with
33 ADMINISTRATOR's approval, by CONTRACTOR for the continued provision of services under this
34 Contract. The total of such payments to CONTRACTOR shall not exceed the Total Aggregate Amount
35 Not To Exceed for each Period by all providers, as stated in the Referenced Contract Provisions and
36 Amount Not To Exceed Paragraphs of the Contract and, provided further, CONTRACTOR's UOS are
37

1 reimbursable pursuant to COUNTY, State, and Federal regulations. ADMINISTRATOR may, at its
2 discretion, pay supplemental invoices for any month for which the actual amount for UOS provided, as
3 specified above, have not been fully paid.

4 1. COUNTY will reimburse CONTRACTOR only for services provided to Clients who are
5 certified by COUNTY as eligible to receive services and for whom there is a current COUNTY treatment
6 assessment/certification in place.

7 B. REVENUE

8 1. Third-Party - CONTRACTOR and ADMINISTRATOR mutually agree that third-party
9 revenue of all allowable types pursuant to COUNTY, State, and Federal regulations are a material
10 consideration of the negotiated bed day rate referenced in Subparagraph III.A. of this Exhibit A to the
11 Contract; and further, that CONTRACTOR, is responsible to pursue and collect, to the maximum
12 allowable, all third-party revenue on behalf of each Client, and report said third-party revenue to
13 ADMINISTRATOR.

14 a. Third-party revenue may include but is not limited to Medi-Cal, Medicare, SSI/SSP,
15 additional insurance, etc.

16 b. Third-party revenue collected by CONTRACTOR on behalf of COUNTY Clients,
17 including associated efforts to collect said revenue, shall be supported by reasonable and appropriate
18 documentation, to include but not be limited to Explanation of Benefits, Remittance Advices, the
19 Department of Health Care Access and Information (HCAI) data and reports, health plan claiming reports,
20 etc., and provided to ADMINISTRATOR, at a minimum on the quarterly basis as follows: July 1 –
21 September 30 on or before October 10; October 1 – December 31 on or before January 10; January 1 –
22 March 31 on or before April 10; and April 1 – June 30 on or before July 10; for reconciliation with the
23 expenditure and revenue report, as referenced in Subparagraph V.D. of this Exhibit A to the Contract.

24 2. Excess Revenue –is the amount of Revenue collected by CONTRACTOR, less any amounts
25 needed by ADMINISTRATOR to cover underutilized contracted bed days as referenced in Subparagraph
26 VI.C.1. of this Exhibit A to the Contract.

27 a. ADMINISTRATOR may authorize CONTRACTOR to use a portion of the revenue for
28 non-covered costs such as, but not limited to personal and/or incidental costs for Client care or personal
29 needs, and other CONTRACTOR program costs. Use of Excess Revenue is at the sole discretion of
30 ADMINISTRATOR, and use of any Excess Revenue shall require ADMINISTRATOR approval.

31 b. CONTRACTOR shall submit in writing to ADMINISTRATOR, prior to utilizing Excess
32 Revenue, a request to utilize funds for Client and/or program costs. The request shall be submitted on a
33 report that will include a complete breakdown of funds that will be utilized. Prior to any requests,
34 ADMINISTRATOR will approve the template form to be utilized for this purpose as developed by
35 CONTRACTOR.

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1 c. ADMINISTRATOR shall review the request and respond to CONTRACTOR within
2 thirty (30) calendar days after receiving the request, or within five (5) calendar days if deemed an
3 emergency.

4 C. ADDITIONAL INCOME SOURCES

5 1. CONTRACTOR shall collect additional income sources and all other revenues due the Client,
6 conservator/guardian, or legally responsible person to determine a Client share of cost. CONTRACTOR
7 shall ensure that the Client share of cost is clearly stated on CONTRACTOR's expenditure and revenue
8 report.

9 D. ADMINISTRATOR shall review, monitor, and reconcile all revenue and share of costs reported
10 by CONTRACTOR. ADMINISTRATOR may adjust CONTRACTOR's monthly invoice if the
11 appropriate revenue is not stated and/or the share of cost has not been appropriately reported.

12 E. CONTRACTOR, if applicable, shall notify ADMINISTRATOR to include appropriate
13 supporting documentation, within seven (7) business days of all revisions to CONTRACTOR's State
14 Medi-Cal and Medicare rates for the provision of these services.

15 F. In support of the monthly invoice, CONTRACTOR shall submit an Expenditure and Revenue
16 Report as specified in the Reports Paragraph of this Exhibit A to the Contract. ADMINISTRATOR shall
17 use the Expenditure and Revenue Report and monthly CONTRACTOR invoice to determine payment to
18 CONTRACTOR as specified in Subparagraphs III.A. - III.C.1. and V.D. of this Exhibit A to the Contract.

19 G. CONTRACTOR's invoice shall be on a form approved or supplied by ADMINISTRATOR and
20 provide such information as is required by ADMINISTRATOR. Invoices are due the tenth (10th) day of
21 the month. Invoices received after the due date may not be paid within the same month. Payments to
22 CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of
23 the correctly completed invoice.

24 H. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source
25 documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements,
26 canceled checks, receipts, receiving records, and records of services provided.

27 I. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with
28 any provision of the Contract.

29 J. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
30 and/or termination of the Contract, except as may otherwise be provided under the Contract, or specifically
31 agreed upon in a subsequent contract.

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

34
35 **IV. QUALITY IMPROVEMENT**

36 A. CONTRACTOR shall maintain a written Quality Improvement Plan, which shall comply with all
37 State and Federal guidelines for inpatient services. These shall include the definition of specific levels of

1 care for Institutions for Mental Disease (IMD) and SNF/STP utilization review and monitoring processes
2 to evaluate the appropriateness of Client admission, treatment, and the length of stay based on specified
3 behavioral criteria. The plan will also include procedures addressing the quality of clinical records, peer
4 review, medication monitoring, and medical care evaluation studies.

5 B. CONTRACTOR shall maintain on file at its facility documentation of minutes and the
6 implementation of the Quality Improvement Plan in the form of minutes and records of all quality
7 improvement, utilization review, and medication monitoring processes. Such records and minutes will be
8 subject to review by ADMINISTRATOR.

9 C. CONTRACTOR shall allow ADMINISTRATOR to participate in utilization review and quality
10 improvement activities.

11 D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Quality
12 Improvement Paragraph of this Exhibit A to the Contract.

13 **V. REPORTS**

14 **A. UNUSUAL or ADVERSE INCIDENT REPORTING**

15 1. CONTRACTOR shall report all special incidents to ADMINISTRATOR and shall submit a
16 written special incident report referred to as a "Notable Incident Form". Special incidents shall include,
17 but are not limited to, a Client's suicide or attempted suicide, elopement or absence without leave, serious
18 injury, death, criminal behavior including arrests with or without conviction, positive test results for
19 substance use from urine screenings, or any other incidents which may expose COUNTY or
20 CONTRACTOR to liability.
21

22 2. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or
23 issue that materially or adversely affect the quality or accessibility of services provided by, or under
24 contract with, COUNTY.

25 3. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional
26 welfare of the individuals seen, including, but not limited to, serious physical harm to self or others,
27 serious destruction of property, developments, etc., and which may raise liability issues with COUNTY.

28 4. CONTRACTOR shall notify ADMINISTRATOR, in accordance with the Notices,
29 Notification of Death, and Notification of Public Events and Meetings Paragraphs of this Contract, of any
30 such incident.

31 B. CONTRACTOR shall provide COUNTY copies of all DHCS surveys, including any plans of
32 correction.

33 **C. PROGRAMMATIC**

34 1. CONTRACTOR shall submit monthly programmatic reports to ADMINISTRATOR
35 containing various program objectives and data regarding COUNTY Clients, on a form acceptable to
36 ADMINISTRATOR.

37 //

1 2. CONTRACTOR shall submit to COUNTY's Patients' Rights Advocacy, monthly reports of
2 Clients' Rights Denials, and separate quarterly reports of Involuntary Detentions for the quarters ending
3 September 30, December 31, March 31, and June 30, of each fiscal year. Quarterly reports are due on the
4 20th of the month following the period reported.

5 3. CONTRACTOR shall submit to ADMINISTRATOR written quarterly reports on staff
6 vacancies, recruitments, and nursing staff-per-patient ratio. These reports must be on a form acceptable to
7 ADMINISTRATOR and shall be submitted to ADMINISTRATOR by the 20th day of the month
8 following the end of the quarter and should include the following information for each vacant position:

- 9 a. Date the position became vacant;
- 10 b. Total number of consecutive scheduled working days the position was vacant;
- 11 c. Number of consecutive scheduled working days the position was vacant during the
12 monthly billing period;
- 13 d. Monthly position salary plus benefits.

14 4. CONTRACTOR shall submit on a quarterly basis the following reports for the analyzing of
15 reported revenue and contracted budgeted costs. Quarterly reports are due on the tenth (10th) of the month
16 following the quarter being reported:

- 17 a. Client's revenue
- 18 b. Medi-Cal Revenue
- 19 c. Other Revenue
- 20 d. Contract Budgeted Costs compared to Actual Expenditures
- 21 e. Summary variance of budgeted and approved staffing compared to Actual FTEs, salary
22 and benefit costs by position title.

23 f. These reports shall be on a form acceptable to ADMINISTRATOR and submitted to
24 ADMINISTRATOR as indicated below:

- 25 1) Quarter 1: ending September 30
- 26 2) Quarter 2: ending December 31
- 27 3) Quarter 3: ending March 31
- 28 4) Quarter 4: ending June 30

29 5. CONTRACTOR shall, for Clients served pursuant to the Contract, complete such forms and
30 input data as specified by ADMINISTRATOR for input to COUNTY's IRIS System. Such forms shall be
31 provided by COUNTY, together with training in their completion.

32 D. FINANCIAL - CONTRACTOR shall submit monthly expenditure and revenue reports on or
33 before the 20th day of the month following the end of the month being reported. CONTRACTOR must
34 request in writing any extensions to the due date of the monthly required report. If an extension is approved
35 by ADMINISTRATOR, the total extension will not exceed more than five (5) calendar days.

36 E. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports as required by
37 ADMINISTRATOR concerning CONTRACTOR's activities as they affect the Contract duties and

1 | purposes contained herein. In no event, however, may ADMINISTRATOR require such reports without
2 | at least thirty (30) calendar days prior notification thereof. ADMINISTRATOR shall explain procedures
3 | for reporting the required information.

4 | F. CONTRACTOR shall submit monthly staffing reports to ADMINISTRATOR outlining the
5 | current staffing vacancies, as well as the following information per staff member: name, license, license
6 | expiration date, FT/PT status, position, and NPI.

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

9 |

10 | **VI. SERVICES**

11 | A. FACILITY

12 | 1. CONTRACTOR shall provide Adult Long Term Care Institutions for Mental Disease
13 | Services at an IMD facility licensed as either a Mental Health Rehabilitation Center (MHRC) by DHCS
14 | per CCR Title 9; or a SNF/STP by the California Department of Public Health as set forth in CCR Title
15 | 22 whose SNF/STP beds exceed fifty percent (50%) of the total beds licensed within CONTRACTOR's
16 | facility.

17 | 2. CONTRACTOR shall provide, at a minimum, seventy (70) licensed beds for the provision
18 | of Adult Long Term Care Institutions for Mental Disease Services at any point in time during the term of
19 | this Contract at the identified licensed facility(/ies) as referenced in Subparagraph VI.A.3. below, for
20 | access by COUNTY Clients.

21 | 3. CONTRACTOR shall maintain, at a minimum during the term of this Contract, at least one
22 | facility, licensed as referenced above, for the provision of Adult Long Term Care Institutions for Mental
23 | Disease Services, located at the following:

24 | Riverside Sanitarium, LLC
25 | 4580 Palm Avenue
26 | Riverside, CA 92501

27 | 4. CONTRACTOR shall adhere to the minimum facility and physical plant requirements, per
28 | licensing as outlined by CCR Title 9 and Title 22, and include, but are not limited to the following:

- 29 | a. Rooms for group and activities therapies, visiting, and Client recreation.
30 | b. Office space for confidential medical examinations, and Client interviews.
31 | c. A secure outside Client recreational area / patio.
32 | d. Access to public transportation.
33 | e. Office space for nursing, psychiatric, and social service staff.
34 | f. A shared dining area for ambulatory mental health Clients.
35 | g. Storage areas.

36 | 5. CONTRACTOR shall provide a facility(/ies) that maintains a safe and secure treatment
37 | setting appropriate for the level of care needed by the Client.

- 6. CONTRACTOR’s facility shall include the following:
 - a. Private or semi-private rooms for each Client;
 - b. Group room(s) with an appropriate capacity for group meetings, occupational and vocational therapy, activities, or visitors;
 - c. Office space for confidential medical examinations and Client interviews;
 - d. A supervised outside Client recreational area;
 - e. Office space for CONTRACTOR’s nursing, psychiatric, and social services staff; and
 - f. Dining area.

B. PERSONS TO BE SERVED

1. CONTRACTOR shall serve seriously mentally ill adults, ages eighteen (18) and older, as defined by WIC Section 5903, who are COUNTY residents that are referred by COUNTY and authorized for services under the Contract. Clients to be served by CONTRACTOR shall be adults living with a serious mental illness, who may also be experiencing co-occurring medical and/or substance use conditions. In most cases, CONTRACTOR’s Clients shall be LPS conserved, and placement at lower levels of care in the community or within SNF/STP programs have been unsuccessful in addressing their high acuity of mental health symptoms. CONTRACTOR’s Clients may also be placed on Murphy conservatorships, and may have a history of involvement with the justice system, or are awaiting State Hospital placement.

a. CONTRACTOR shall admit Clients with a diagnosis that meets the diagnostic criteria identified in the current Diagnostic and Statistical Manual of Mental Disorders in need of twenty-four (24) hour skilled nursing services and who are appropriate for IMD, SNF/STP, or SNF with Psychiatric Services levels of care. These Clients may include persons who have histories of, or are at risk for, the following symptoms:

1) Displaying assaultive or combative behaviors, elopement, risk of suicidality, management problems and excessive verbal abusiveness which preclude them from being admitted into a lower level of care and require intensive treatment in a secured setting, most of whom may be LPS conservatees.

2) Being gravely disabled and potentially dangerous, and may be recently discharged or diverted from State Hospitals.

3) Requiring twenty-four (24) hour nursing or medical care due to medical conditions that include, but are not limited to, colostomies, open or healing wounds, ileostomies, indwelling or intermittent catheterization, tube feedings, and dialysis.

b. CONTRACTOR shall accept all Clients referred by COUNTY when the number of COUNTY Clients receiving services pursuant to the Contract in CONTRACTOR’s facility is less than the number of beds and bed days contracted, pursuant to Subparagraphs VI.A.2. and VI.C.1. of this Exhibit A to the Contract.

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1 c. CONTRACTOR may request to deny admission of a Client within three (3) calendar
2 days of COUNTY's notification of the proposed admission. Such request for denial shall be in writing
3 and shall specify the reason(s) for the request and the specific behaviors which must change in order for
4 the Client to be admitted. Such requests are subject to approval by ADMINISTRATOR.

5 d. If the number of COUNTY Clients receiving services pursuant to the Contract in
6 CONTRACTOR's facility exceeds the number of bed days specified in Subparagraphs VI.A.2 and
7 VI.C.1.; of this Exhibit A to the Contract, CONTRACTOR may deny admission of a Client based upon
8 availability of beds.

9 e. CONTRACTOR agrees to the same terms and conditions specified in the Contract for
10 any number of Clients receiving services pursuant to the Contract.

11 2. CONTRACTOR shall admit and treat only those persons referred and/or approved by
12 COUNTY. CONTRACTOR shall not refuse admission of Clients referred by COUNTY, provided,
13 however, such Clients meet COUNTY's medical criteria for admission to the COUNTY CSU.

14 3. CONTRACTOR shall provide services to persons eighteen (18) years of age or older and
15 emancipated minors as defined in Section 62 of the California Civil Code, with a psychiatric diagnosis as
16 defined in the current ICD-10, and who are admitted pursuant to WIC §6000, §5350, §5353, and §5358.

17 4. Referrals are centralized through the Orange County LTC Team, who work with the referring
18 facilities and CONTRACTOR to determine the mental health needs necessitating this level of care.

19 a. COUNTY program monitor or designee will authorize all admissions of Clients admitted
20 to the facility under the terms of this Contract.

21 b. COUNTY will designate the responsible individual(s) who will coordinate and be
22 responsible for screening, referrals, and monitoring of this Contract.

23 c. Clients with complicated medical problems or conditions shall be carefully and
24 individually screened with consultation from CONTRACTOR's program and medical staff prior to
25 acceptance and admission.

26 d. Any denials for Client admission will be discussed and reviewed with COUNTY to
27 collaboratively address concerns and reduce barriers to admission.

28 5. CONTRACTOR shall accept for re-admission those Clients transferred from their facility for
29 acute medical or psychiatric stabilization unless an alternative placement plan is indicated and agreed
30 upon by ADMINISTRATOR.

31 6. CONTRACTOR shall provide services in a non-discriminatory manner and ensure that equal
32 access is provided to all Clients representative of the Orange County population.

33 7. CONTRACTOR shall make no distinction as to voluntary or involuntary status of Clients for
34 the provision of these services. Characteristics of this target population shall include, but may not be
35 limited to:

36 a. History of problem behaviors that currently exclude Clients from acceptance and/or
37 manageability at a less restrictive level of care such as board and care facilities, including individuals with

1 dual diagnosis of substance abuse and mental illness which may complicate Client compliance with
2 psychiatric treatment.

3 b. Resistance to medication treatment, non-compliance with medications, and resistance to
4 treatment programming.

5 c. Poor self-care and social skills to a degree which currently precludes their functioning in
6 more independent settings. Most Clients will be considered gravely disabled, and on involuntary status as
7 a Lanterman Petris Short (LPS) conservatee.

8 d. Special cultural and language needs that prevent adequate treatment in traditional
9 treatment settings.

10 C. SERVICES TO BE PROVIDED - IMDs are the highest level of care within the LTC continuum
11 of treatment. These programs are utilized when lower levels of care and placement have been unsuccessful
12 in engaging Clients and providing supportive treatment to improve functioning. The goal of IMDs is to
13 treat serious mental health symptoms that impact Client behaviors to increase Client daily functioning
14 skills and prepare Clients for transition to less restrictive levels of care and support, such as SNF/STPs or
15 Intensive Residential Services. IMDs may be licensed as either Mental Health Rehabilitation Centers
16 (MHRCs) by the Department of Health Care Services (DHCS), or SNF/STPs licensed by the California
17 Department of Public Health (CDPH) whose STP beds exceed 50% of total beds licensed within the
18 facility.

19 1. CONTRACTOR shall provide a minimum of seventy (70) beds and twenty-five thousand
20 five hundred and fifty (25,550) bed days within a licensed IMD per Period.

21 2. CONTRACTOR shall provide those services required by CCRs Title 9 and Title 22 for IMDs
22 which shall include, but not be limited to the following categories:

23 a. Direct Services - Room and dietetic services, nursing services including drug
24 administration and Client care, Client activities will include occupational/recreational/vocational services,
25 and provision of a therapeutic milieu, as well as individual and group programming based upon evidence-
26 based practices.

27 b. Support Services - Housekeeping, laundry, maintenance, medical records, drug order
28 processing, written procedures for obtaining emergency and non emergency medical services and
29 ambulance services.

30 3. CONTRACTOR's IMD Services are to be provided in locked facilities that operate 24 hours
31 per day, seven days per week, and provide recovery-based mental health services including medication
32 management and a minimum of 27 hours per week of structured therapeutic group activities.
33 CONTRACTOR shall be IMD licensed as a SNF/STP or MHRC, and CONTRACTORs services shall be
34 trauma-informed and individualized to meet the specific needs of each Client based upon individual
35 assessments. SNF/STP IMD services shall comply with CCR Title 22, and MHRC IMD services shall
36 comply with CCR Title 9. The major components of CONTRACTOR's treatment program shall follow
37 four, defined segments of clinical recovery as follows:

1 a. Patient Orientation – CONTRACTOR’s central focus of initial treatment shall be to
2 provide the Client with a safe, predictable, reality oriented physical and psychological environment but
3 from the start will begin to consider possible outcomes and placement options. CONTRACTOR’s Patient
4 orientation shall include: providing a welcome letter or packet outlining services, activities, and phases of
5 treatment, providing information about patient’s rights, and structure, such as scheduled orientation
6 meetings and/or tours, to introduce the Client to the milieu and Client activities.

7 b. Assessment and Treatment Planning – CONTRACTOR’s process shall include the
8 interdisciplinary assessment of the Client and the development of an integrated treatment plan by the
9 treatment team.

10 1) CONTRACTOR shall have a written Recovery based IMD plan, approved by
11 ADMINISTRATOR, which focuses on the improved social functioning for the treatment resistant Client.

12 2) CONTRACTOR shall make an initial individual assessment/certification of each
13 Client to identify the current level of functioning and program needs of the Client. The
14 assessment/certification shall be standardized and recorded on forms approved or provided by
15 ADMINISTRATOR, and must be signed by COUNTY’s Mental Health Director, or designee, within
16 thirty (30) calendar days of admission.

17 3) CONTRACTOR’s initial treatment assessment/certification of Client shall be for a
18 period of one hundred twenty (120) calendar days and may be extended in increments of one hundred
19 twenty (120) calendar days at the sole discretion of ADMINISTRATOR.

20 4) At least every four (4) months, in conjunction with ADMINISTRATOR,
21 CONTRACTOR shall reassess each Client to certify the need for continued placement. This
22 assessment/certification must be signed by COUNTY’s Mental Health Director or designee. Approval of
23 continued Client treatment is at the sole discretion of ADMINISTRATOR.

24 c. Rehabilitation and Treatment Milieu – CONTRACTOR shall provide and ensure during
25 each Client’s stay, that Clients participate in group and individual activities directed towards restoring
26 and/or achieving increased levels of function and independence in order to promote rapid return to the
27 community.

28 d. Discharge Preparation – During the final clinical segment, CONTRACTOR shall focus
29 on finalizing preparation of the Client to return to community life in the least restrictive environment.
30 Linkages will be established with community care providers and other support resources, and treatment
31 will be scaled down with increasing privileges. Whenever possible and appropriate, coordination will be
32 established with Clients’ families.

33 4. CONTRACTOR’s IMD services shall include, but not be limited to:

34 a. Physician, psychiatric, medication, and nursing services;

35 1) CONTRACTOR shall provide psychiatric and psychological treatment and other
36 services consistent with the treatment plans and in accordance with CCR, Title 22 and the Clients’
37 physicians' orders.

1 a) Psychiatric Services – CONTRACTOR shall provide or cause to provide
2 psychiatric treatment and support services under subcontracted services, including:

3 i) Each Client shall be assigned a primary Psychiatrist for ongoing medication
4 evaluation and treatment; and appropriate program staff for on-going therapy and case management.

5 ii) Seven (7) days per week evaluation and treatment services to include a
6 psychiatric and medical history, psychiatric diagnosis including a secondary substance abuse disorder as
7 defined in the most current version of the ICD-10, and a physical examination of each newly admitted
8 Client within twenty-four (24) hours of admission.

9 iii) CONTRACTOR shall also provide on a seven (7) day per week basis,
10 initiation of certification and conservatorship as well as reappointment of conservatorship processes
11 including declarations in support of reappointment of conservatorship as well as including declarations in
12 support of termination of conservatorship as clinically indicated, discharge planning, continuing care
13 planning and referral services for each Client.

14 iv) Access to twenty-four (24)-hour psychiatric services for IMD and on-site
15 coverage to comply with applicable regulatory minimum requirements.

16 v) The names of the Attending Psychiatrist(s) and Medical Director will be
17 posted within each Nursing Unit.

18 vi) Expert Witness testimony by appropriate mental health professionals in all
19 legal proceedings required for the hospitalization, admission, or treatment of Clients provided services
20 herein. These services shall include, but are not limited to, Writs of Habeas Corpus, conservatorship,
21 court-ordered evaluation, and appeal and post certification proceedings.

22 vii) Medical Director, or appropriate psychiatric designee, attendance at all
23 treatment service team meetings held for all programs.

24 viii) Availability of Medical Director, Program Director, or appropriate
25 psychiatric designee, either directly or by pager or cell phone, twenty-four (24)-hours per day, every day
26 for unresolved emergencies in all programs.

27 b) Additional Ancillary Treatment Services

28 i) Laboratory services limited to an initial Complete Blood Count (CBC),
29 Urinalysis (UA), Rapid Plasma Reagin (RPR), comprehensive metabolic panel, thyroid panel, urine
30 pregnancy as indicated, and if needed, a drug or alcohol screen.

31 ii) Appropriate laboratory services for any psychiatric medication which
32 requires additional pre screening or regular tests.

33 iii) Radiology services, primarily for the evaluation and treatment of psychiatric
34 disorders.

35 iv) Pharmaceutical services primarily for the evaluation and treatment of
36 psychiatric disorders including medications provided to Clients.

37 //

1 v) Daily Utilization Review of psychiatric inpatient services to assure that the
2 medical necessity is clearly documented.

3 vi) CONTRACTOR shall interface with the Client's health plan, Primary Care
4 Physician, and/or CalOptima if Client is a COUNTY Medi-Cal Beneficiary, to obtain authorization for
5 medical services and to exchange relevant clinical information for continuity of care.

6 vii) CONTRACTOR shall link with the Client's outpatient behavioral health
7 services team if the Client has been receiving services from COUNTY or outpatient COUNTY contractor,
8 and involve the behavioral health clinical and/or outpatient clinical team in treatment service planning
9 and discharge planning.

10 viii) CONTRACTOR shall develop specialized treatment service modules
11 focusing on the needs of the dually diagnosed (i.e. psychiatric and substance use disorders), and on the
12 needs of multicultural populations served by the program. This can include providing specific evidence-
13 based substance use treatment modalities as part of daily and/or weekly programming, as well as
14 consultation or hiring of staff with additional substance use training or treatment certification to address
15 these issues and promote recovery.

16 ix) CONTRACTOR shall develop specialized treatment service modules
17 focusing on the needs of multicultural populations served by the program. This includes providing
18 culturally competent services, hiring bilingual and/or bicultural staff, and providing services in all
19 threshold languages through use of the language line to meet the needs of the Client and/or their support
20 network or family.

21 x) CONTRACTOR shall develop a tobacco use prevention and cessation
22 program based on "best practices" for those Clients who use tobacco and are served by the program.
23 CONTRACTOR shall serve Clients in a smoke free environment.

24 2) Nursing services including medication administration and Client care;

25 3) CONTRACTOR shall provide dual diagnosis services for Clients with both chemical
26 dependency and serious mental disorders which shall include programming to assist Clients in coping
27 with their symptoms of mental illness without depending on mood altering substances.

28 4) CONTRACTOR shall provide support services to include the following:

29 a) Housekeeping;

30 b) Laundry;

31 c) Maintenance;

32 d) Medical records;

33 e) Medication order processing;

34 f) Access to required medical treatment;

35 g) Up-to-date psychopharmacology;

36 h) Emergency and non-emergency medical and ambulance services; and

37 //

1 i) Transportation for supervised transfer of COUNTY Clients from
2 CONTRACTOR's facility to alternative treatment facilities, non-emergency medical treatment, medical
3 appointments, and supervised therapeutic outings.

4 5) CONTRACTOR shall provide, or cause to be provided, transportation to an
5 appropriate medical facility for Clients who are provided services hereunder and who require emergency
6 or non-emergency medical care for illness or accident. The cost of such transportation as well as the cost
7 of any medical care not covered by Client insurance or share of cost, may be a consideration for usage of
8 Excess Revenue, subject to CONTRACTOR request and ADMINISTRATOR approval, as referenced in
9 Subparagraphs III.B.2.a. – III.B.2.c. of this Exhibit A to the Contract.

10 b. Dietary Services

11 c. An individualized treatment plan for each Client, which includes goals developed in
12 collaboration with the Client and steps the Client needs to take in conjunction with the treatment team to
13 reach these goals;

14 1) Client activities including occupational, recreational, and vocational services,
15 prevocational preparation services, and pre-discharge planning in a therapeutic behavioral modification
16 treatment milieu with training in the following areas:

17 a) Life skills

18 b) Self-help skills

19 c) Strategies for coping with the symptoms of the Client's mental illness

20 d) Money management

21 e) Behavioral intervention

22 f) Interpersonal relationships

23 g) Accessing community services

24 2) CONTRACTOR shall provide service plans that are based upon an individualized
25 assessment of Client needs and preferences and include, but not be limited to, the following:

26 a) Housing;

27 b) Income support;

28 c) Vocational and educational goals;

29 d) Self-management of symptoms including the roles of medication;

30 e) Substance abuse;

31 f) Enhancement of interpersonal skills;

32 g) Relationship to significant others;

33 h) Linkages to the community; and

34 i) Survival skills

35 3) CONTRACTOR shall also provide an individual treatment service plan, developed
36 in collaboration with the Client and interdisciplinary treatment team.

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1 4) CONTRACTOR shall provide psychological, recreational, occupational and
2 vocational therapy services consistent with the individualized treatment service plan.

3 5) The Client's family and outpatient behavioral health team shall be actively involved
4 in the treatment process in order to facilitate support of the Client after discharge.

5 d. A minimum of 27 hours per week of direct group and/or individual therapeutic sessions
6 by the appropriately licensed/credentialed staff, which include – but are not limited to - the following,
7 with the goal to promote healthy coping strategies and empower Clients to participate in community-
8 based services:

9 1) Self-care training, such as managing personal care/hygiene, use of community
10 resources, sexual health and well-being, mindfulness, behavioral and impulse control, frustration
11 tolerance, physical fitness, and psychoeducation regarding mental health diagnoses, symptoms, and
12 medications;

13 2) Individual and/or group structured substance use treatment programming utilizing
14 evidence-based practices effective at addressing motivation for change, insight building, and building
15 healthy coping skills;

16 3) Individual and/or group behavioral interventions utilizing evidenced-based
17 practices, such as behavioral modification modalities, cognitive behavioral therapy, motivational
18 interviewing, insight-oriented treatment to increase coping skills and symptom management, and
19 dialectical behavioral therapy;

20 a) CONTRACTOR shall provide IMD Services that include medication
21 management, therapy groups, activities therapy, and other Recovery focused adjunctive therapy.

22 4) Interpersonal relationship counseling, including providing staff facilitated social
23 outings and activities encouraging socialization within the program and community at large, social skills
24 groups, education and recreational therapy, and family counseling as indicated;

25 5) Prevocational preparation services, including job training activities, education
26 regarding available vocational resources, money-management, and vocational counseling;

27 e. Peer Mentor Services provided by individuals with lived experience of mental health
28 issues to engage Clients in treatment services, share their story of hope and recovery, and provide Client
29 advocacy and empowerment.

30 f. Crisis Intervention Services, 1:1 staff to Client ratios as clinically indicated, and use of
31 restraint and/or seclusion as a means of last resort in an emergency to protect the Client from immediate
32 injury to self or others, and in compliance with all regulations outlined in Title 22 for SNF/STP services,
33 and Title 9 for MHRC services.

34 g. Client and family member involvement in program planning and Client government
35 activities;

36 //

37 //

1 1) CONTRACTOR shall ensure that Clients are full participants in any meetings
2 governing decisions about treatment or services and should be encouraged to involve family members or
3 friends.

4 h. Coordination of care with current behavioral health providers, as well as with COUNTY
5 team for ongoing consultation and determination of clinical care needs for each Client.

6 1) CONTRACTOR shall coordinate the application process and prepare medical
7 records for current Clients and any forthcoming Clients as are necessary for making application to the
8 Disability Evaluation Division, Department of Social Services and the Social Security Administration for
9 SSI/SSP benefits.

10 2) CONTRACTOR shall provide psychiatrist time and services regarding
11 conservatorship issues. This includes the annual filing of Court documents to renew conservatorship, as
12 well as LPS Conservatorship Court appearances/testimony as requested by COUNTY. CONTRACTOR
13 shall provide medical and psychiatric records as needed for all Court appearances.

14 3) CONTRACTOR shall obtain all applicable current legal and conservatorship
15 documents, and authorization for the release of information signed, with original signature, by the Client,
16 conservator/guardian, or legally responsible person. Such documentation shall be maintained by
17 CONTRACTOR in Client's chart.

18 4) CONTRACTOR shall track the legal status of Clients and notify COUNTY within
19 three (3) business days when conservatorship terminates.

20 5) CONTRACTOR shall complete COUNTY's LTC Discharge Form and fax it to
21 ADMINISTRATOR within one (1) business day of Client discharge. CONTRACTOR shall also notify
22 ADMINISTRATOR of the discharge by telephone call.

23 6) CONTRACTOR shall provide census data on a monthly basis or more frequently as
24 requested by ADMINISTRATOR.

25 7) CONTRACTOR shall notify ADMINISTRATOR by telephone whenever a Client
26 is sent out for acute psychiatric or general medical hospital care. CONTRACTOR will notify
27 ADMINISTRATOR in writing whether the Client will be accepted back as soon as the Client is stabilized
28 and ready for return.

29 8) For each full-scope Medi-Cal Client under twenty-one (21) years of age admitted,
30 CONTRACTOR shall give the Client/guardian/conservator the DHCS notification materials entitled,
31 "EPSDT and Therapeutic Behavioral Services (TBS)". CONTRACTOR shall document in the Client's
32 medical record that these materials were provided.

33 i. Substance Use Treatment Services in the form of community-based support groups,
34 evidence-based substance use assessment and treatment, including individual therapy, and coordination
35 with ongoing substance use treatment providers for all Clients linking back into the community.

36 j. Discharge and continuity of care planning, including referral and linkage to ongoing
37 behavioral health services; the selected proposer(s) shall ensure 100% of Clients discharged back to the

1 community are scheduled a behavioral health aftercare appointment with outpatient behavioral health
2 services to occur within three (3) calendar days of discharge.

3 1) CONTRACTOR shall coordinate Client discharge planning with
4 ADMINISTRATOR to insure orderly discharge to appropriate levels of care for Clients whom COUNTY
5 determines are no longer eligible for services. CONTRACTOR shall begin discharge planning on the day
6 of admission and include Client self-help groups and contact with community service providers when
7 appropriate.

8 5. CONTRACTOR, as part of COUNTY’s MHP, shall provide the NPP to Client,
9 conservator/guardian, or legally responsible person at the time of the first service provided under the
10 Contract to individuals who are covered by Medi-Cal and have not previously received services at a
11 COUNTY operated clinic. COUNTY shall also provide, upon request from Client, conservator/guardian,
12 or legally responsible person, the NPP for COUNTY, as the MHP, to any individual who received services
13 under the Contract.

14 6. CONTRACTOR shall notify ADMINISTRATOR of all admissions who qualify for COUNTY
15 services. CONTRACTOR shall coordinate all discharges that are referred to COUNTY, including
16 COUNTY contractors, and ensure linkage with outpatient providers for continuity of care.

17 7. CONTRACTOR shall notify ADMINISTRATOR and Public Guardian in live time by phone
18 or email if applicable by telephone whenever a Client is sent out for acute psychiatric or general medical
19 hospital care. CONTRACTOR will notify ADMINISTRATOR and Public Guardian if applicable in
20 writing whether the Client will be accepted back as soon as the Client is stabilized and ready for return.

21 D. STAFF

22 1. CONTRACTOR shall provide staffing patterns and policies that meet the following
23 requirements:

24 a. Provision of shelter, food services, and supportive services provided directly by the
25 program in accordance with the guidelines outlined in the Services Paragraph of this Exhibit A to the
26 Contract.

27 b. Provision for twenty-four (24)-hour on-site management of the facility, including night
28 supervision in accordance with CCR, Title 22, Division 6;

29 c. Provision of licensed staff responsible for the planning, implementation, and day-to-day
30 supervision of all treatment services. All therapeutic treatment activities shall be carried out by personnel
31 with appropriate specialized mental health training;

32 d. Provision of Case Managers/Case Manager Supervisors to implement structured
33 individual and group psycho-social rehabilitative services;

34 e. Documentation of employee qualifications and job descriptions for each position which
35 include duties and responsibilities, bilingual/bicultural requirements, and proof of licensure, where
36 applicable.

37 //

1 2. CONTRACTOR shall maintain personnel files for each staff person, including management
2 and other administrative positions, both direct and indirect to the Contract, which shall include, but not be
3 limited to, an application for employment, qualifications for the position, applicable licenses, Live Scan
4 results, waivers, registrations, documentation of bicultural/bilingual capabilities (if applicable), pay rate
5 and evaluations justifying pay increases.

6 3. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, paid or
7 unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness.
8 Supervision methods should include debriefings and consultation as needed, individual supervision or
9 one-on-one support, and team meetings. Supervision should be provided by a supervisor who has
10 extensive knowledge regarding mental health issues.

11 4. CONTRACTOR shall provide a written policy for the use of volunteers and part-time student
12 interns which may augment paid staff.

13 5. CONTRACTOR shall obtain a NPI.

14 a. All HIPAA covered healthcare providers, individuals and organizations must obtain a
15 NPI for use to identify themselves in HIPAA standard transactions. The NPI is assigned for life.

16 b. CONTRACTOR shall ensure that each employee who is required to obtain a NPI to
17 provide services under the Contract, will obtain a NPI upon commencement of the Contract or prior to
18 providing services under the Contract. CONTRACTOR shall report to ADMINISTRATOR, on a form
19 approved or supplied by ADMINISTRATOR, all NPIs as soon as they are available.

20 E. RECORDKEEPING

21 1. Client Records - CONTRACTOR shall maintain adequate medical records on each individual
22 Client which shall include legal status; diagnosis; psychiatric evaluation; medical history; individual
23 treatment plan; records of Client interviews; progress notes; recommended continuing care plan; discharge
24 summary and records of service provided by various professional and paraprofessional personnel in
25 sufficient detail to permit an evaluation of services.

26 2. Financial Records - CONTRACTOR shall prepare and maintain accurate and complete
27 financial records of its cost and operating expenses. Such records shall reflect the actual cost of the type
28 of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect
29 costs, to or between programs or cost centers of CONTRACTOR shall be documented, and shall be made
30 in accordance with generally accepted principles of accounting, the CRDC Manual, and Medicare
31 regulations. The Client eligibility determination and fee charged to and collected from Clients, together
32 with a record of all billings rendered and revenues received from any source, on behalf of Clients treated
33 pursuant to the Contract, must be reflected in CONTRACTOR's financial records.

34 3. Location of Records - All CONTRACTOR's books of accounts and records related to the
35 costs of services, Client fees, charges, billings, and revenues received shall be made available at one (1)
36 location within the limits of Orange County or other local location approved, in writing, by
37 ADMINISTRATOR.

1 F. QUALITY IMPROVEMENT AND PERFORMANCE

2 1. The overall goal of the Adult Intensive Treatment Services continuum of care is to increase
3 the functional levels of Clients, enabling them to transition to less restrictive levels of intervention,
4 including independent living.

5 2. CONTRACTOR shall develop and maintain a plan for quality improvement, the overall goal
6 of which is the maintenance of high-quality care and effective utilization of services offered. This plan
7 shall include utilization review, peer review, and medication monitoring as mandated by the DHCS. This
8 plan will contain measurable outcomes and focus on personal growth and Recovery for Clients who are
9 functionally impaired by psychiatric symptoms with a path to treatment in less restrictive levels of care
10 and a return to community living.

11 3. CONTRACTOR shall facilitate physician to physician consultation between
12 CONTRACTOR physician and ADMINISTRATOR physician to review the Client's clinical course
13 following any adverse outcome.

14 4. CONTRACTOR shall provide assistance to COUNTY in conducting its utilization and
15 reporting functions, and medical necessity determination.

16 5. CONTRACTOR shall make its best effort to provide services pursuant to the Contract in a
17 manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR shall
18 maintain documentation of such efforts which may include, but not be limited to: records of participation
19 in COUNTY sponsored or other applicable training, recruitment and hiring Policies and Procedures,
20 copies of literature in multiple languages and formats, as appropriate, and descriptions of measures taken
21 to enhance accessibility for, and sensitivity to, individuals who are physically challenged.

22 6. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,
23 with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the terms
24 of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will not be used to
25 promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution,
26 or religious belief.

27 7. PERFORMANCE OBJECTIVES

28 a. CONTRACTOR shall submit track, trend, and report to ADMINISTRATOR various
29 program objectives and activities related to COUNTY Clients, to include but not be limited to at a
30 minimum the following:

- 31 1) Average Length of Stay of all current residents
32 2) Number of Admits per Month
33 3). Number of Assaults, Restraint and Seclusion Episodes, AWOL/Elopements
34 4) Client Reintegration into the community, such as outings and walks
35 5) Client Participation in Therapeutic Residential Center (TRC) Programming,
36 including number of individuals participating in Helping Hands, Referred to Peer Navigators, and
37 participating in Specialized Recovery Plans

6) Number of Discharged per Month

a) Of those discharged, percentage linking to a lower level of care

b) Of those discharged, average length of stay

8. PERFORMANCE OUTCOMES

a. CONTRACTOR shall meet by the end of each Period, and track, trend, and report to ADMINISTRATOR various program outcomes related to COUNTY Clients, to include but not be limited to at a minimum the following:

1) CONTRACTOR shall ensure ninety percent (90%) of Clients discharge to a lower level of care.

2) CONTRACTOR shall ensure ninety percent (90%) of Clients are provided an assessment and individualized treatment plan - that includes individual therapeutic intervention, as well as substance use counseling as indicated, socialization groups and support, and a pre-vocational or educational training program – within thirty (30) calendar days of admission.

3) CONTRACTOR shall ensure that there is ninety percent (90%) Client participation in groups, individual therapy, and social activities.

b. CONTRACTOR shall, in conjunction with COUNTY, develop an evidenced based performance metric of Client improvement measured upon admission and upon linkage and discharge.

c. CONTRACTOR shall research, propose and develop additional evidenced based metrics/performance outcome measures that are relevant to described services and desired outcomes.

d. CONTRACTOR shall cooperate with ADMINISTRATOR in meeting quality improvement and utilization review standards.

e. CONTRACTOR and ADMINISITRATOR may adjust the Performance Outcome Measures in subsequent years through mutual agreement of the Parties.

G. SOFT TOKEN ACCESS – ADMINISTRATOR shall provide CONTRACTOR the necessary for soft token access for appropriate individual staff to access COUNTY’s designated electronic health record and billing system at no cost to CONTRACTOR.

1. CONTRACTOR recognizes Soft Token access is specific to each individual staff member with a corresponding unique password, and shall not be shared with anyone.

2. CONTRACTOR shall ensure information obtained by the use of Soft Token access is used for the sole purpose of this Contract and shall not be shared with any other lines of business without the expressed written consent of the Client, unless otherwise allowed for by law.

3. CONTRACTOR shall inform ADMINISTRATOR of the need to remove Soft Token access pursuant to COUNTY Standard Operating Procedure (SOP) for Processing Soft Token Access Requests for Adult Long Term Care Institutions for Mental Disease Services.

4. CONTRACTOR shall indicate in the monthly staffing report, the status of Soft Token access for all CONTRACTOR staff members granted Soft Token access.

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1 5. CONTRACTOR shall request Soft Token access modification to ADMINISTRATOR, in
2 writing, under, but not limited to, the following conditions:

- 3 a. Soft Token access of any staff member who no longer supports the Contract;
- 4 b. Soft Token access of any staff member who no longer requires access to COUNTY's
5 designated electronic health record and billing system;
- 6 c. Soft Token access of any staff member who leaves employment of CONTRACTOR;
- 7 d. Termination of Contract.

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

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1 EXHIBIT B
 2 CONTRACT FOR PROVISION OF
 3 ADULT LONG TERM CARE INSTITUTIONS FOR MENTAL DISEASE SERVICES
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 RIVERSIDE SANITARIUM, LLC
 8 JULY 1, 2024 THROUGH JUNE 30, 2026
 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 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 and the applicable standards, implementation specifications, and
 35 requirements of the Privacy and the Security rules, as they may exist now or be hereafter amended, with
 36 respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant
 37 to the Contract.

1 B. DEFINITIONS

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

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

8 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 a. CONTRACTOR does not promptly enter into negotiations to amend this Business
33 Associate Contract when requested by COUNTY pursuant to this subparagraph C; or

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

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

4 D. SECURITY RULE

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

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

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

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

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

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

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

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

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

1 E. DATA SECURITY REQUIREMENTS

2 1. Personal Controls

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

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

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

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

28 2. Technical Security Controls

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

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

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

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

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

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

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

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

36 h. Data Destruction. When no longer needed, all PHI COUNTY discloses to
37 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY

1 must be wiped using the Gutmann or DoD 5220.22-M (7 Pass) standard, or by degaussing. Media may
2 also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods require
3 prior written permission by COUNTY.

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

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

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

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

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

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

32 3. Audit Controls

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

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

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

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

10 4. Business Continuity/Disaster Recovery Control

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

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

23 5. Paper Document Controls

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

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

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

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

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

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

16 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

33 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

6 1) The Disclosure is required by law; or

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

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

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

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

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

20 H. PROHIBITED USES AND DISCLOSURES

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

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

30 I. OBLIGATIONS OF COUNTY

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

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

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

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

6 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

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1 EXHIBIT C
 2 CONTRACT FOR PROVISION OF
 3 ADULT LONG TERM CARE INSTITUTIONS FOR MENTAL DISEASE SERVICES
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 RIVERSIDE SANITARIUM, LLC
 8 JULY 1, 2024 THROUGH JUNE 30, 2026
 9

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

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

13 A. DEFINITIONS

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

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

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

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

23 5. "IEA" shall mean the Information Exchange Contract currently in effect between the SSA
 24 and DHCS.

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

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

32 8. "PI" shall have the meaning given to such term in California Civil Code § 1798.3(a).

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

1 with respect to health care providers participating in the program, and statutes or regulations that require
2 the production of information, including statutes or regulations that require such information if payment
3 is sought under a government program providing public benefits.

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

7 B. TERMS OF CONTRACT

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

12 2. Responsibilities of CONTRACTOR

13 CONTRACTOR agrees:

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

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

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

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

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

35 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
36 CONTRACTOR shall also comply with the substantive privacy and security requirements in the CMPPA
37 Contract between the SSA and the CHHS and in the Contract between the SSA and DHCS, known as the

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

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

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

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

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

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

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

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