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REFERENCED CONTRACT PROVISIONS

~~Term: July 1, 2019 through June 30, 2022~~

~~Period One means the period from July 1, 2019 through June 30, 2020~~

~~Period Two means the period from July 1, 2020 through June 30, 2021~~

~~Period Three means the period from July 1, 2021 through June 30, 2022~~

~~**Aggregate Maximum Obligation:**~~

~~Period One Aggregate Maximum Obligation: \$2,508,930~~

~~Period Two Aggregate Maximum Obligation: 2,508,930~~

~~Period Three Aggregate Maximum Obligation: 2,508,930~~

~~TOTAL AGGREGATE MAXIMUM OBLIGATION: \$7,526,790~~

Term: July 1, 2019 through June 30, 2024

Period One means the period from July 1, 2019 through June 30, 2020

Period Two means the period from July 1, 2020 through June 30, 2021

Period Three means the period from July 1, 2021 through June 30, 2022

Period Four means the period from July 1, 2022 through June 30, 2023

Period Five means the period from July 1, 2023 through June 30, 2024

Aggregate Maximum Obligation:

Period One Aggregate Maximum Obligation: \$ 2,508,930

Period Two Aggregate Maximum Obligation: 2,508,930

Period Three Aggregate Maximum Obligation: 2,508,930

Period Four Aggregate Maximum Obligation: 2,508,930

Period Five Aggregate Maximum Obligation: 2,508,930

TOTAL AGGREGATE MAXIMUM OBLIGATION: \$12,544,650

Basis for Reimbursement: Negotiated Rate and Actual Cost

Payment Method: Monthly in Arrears

CONTRACTOR DUNS Number: 62-720-6899

CONTRACTOR TAX ID Number: 33-0400816

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Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: Deanna Sinclair
 Woodglen Recovery Junction, Inc.
 771 W. Orangethorpe Ave.
 Fullerton, CA 92832
 deanna@woodglenrecovery.org

CFDA#	FAIN#	Program/ Service Title	Federal Funding Agency	Federal Award Date	Amount	R&D Award (Y/N)
93.959	T10062-20	SAPT-BG	HHS	FFY 20 (7/1/20-6/30/21)	19,276,499	No

<u>CFDA#</u>	<u>FAIN#</u>	<u>Program/ Service Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Amount</u>	<u>R&D Award (Y/N)</u>
<u>93.959</u>	<u>T110062-20</u>	<u>SABG</u>	<u>Substance Abuse and Mental Health Services Administration (SAMHSA)</u>	<u>7/1/2021 TO 6/30/2024</u>	<u>\$19,276,499 annually</u>	<u>N</u>

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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 Agreement:

1		
2		
3		
4	A. AES	Advanced Encryption Standard
5	B. AOD	Alcohol and Other Drug
6	C. ARRA	American Recovery and Reinvestment Act
7	D. ASAM	American Society of Addiction Medicine
8	E. ASRS	Alcohol and Drug Programs Reporting System
9	F. BCP	Business Continuity Plan
10	G. CalOMS	California Outcomes Measurement System
11	H. CAP	Corrective Action Plan
12	I. CCC	California Civil Code
13	J. CCR	California Code of Regulations
14	K. CD/DVD	Compact Disc/Digital Video or Versatile Disc
15	L. CEO	County Executive Office
16	M. CESI	Client Evaluation of Self at Intake
17	N. CEST	Client Evaluation of Self and Treatment
18	O. CHHS	California Health and Human Services Agency
19	P. CFR	Code of Federal Regulations
20	Q. CHPP	COUNTY HIPAA Policies and Procedures
21	R. CHS	Correctional Health Services
22	S. CIPA	California Information Practices Act
23	T. CMPPA	Computer Matching and Privacy Protection Act
24	U. COI	Certificate of Insurance
25	V. CSU	Crisis Stabilization Unit
26	W. DATAR	Drug Abuse Treatment Access Report
27	X. DHCS	Department of Health Care Services
28	Y. D/MC	Drug/Medi-Cal
29	Z. DMC ODS	Drug Medi-Cal Organized Delivery System
30	AA. DoD	US Department of Defense
31	AB. DPFS	Drug Program Fiscal Systems
32	AC. DRP	Disaster Recovery Plan
33	AD. DRS	Designated Record Set
34	AE. DSM-5	Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition
35	AF. DSS	Department of Social Services
36	AG. EBPs	Evidenced Based Treatment Practices
37	AH. EHR	Electronic Health Records

1	AI. ePHI	Electronic Protected Health Information
2	AJ. EPSDT	Early Periodic Screening, Diagnostic and Treatment
3	AK. FIPS	Federal Information Processing Standards
4	AL. FTE	Full Time Equivalent
5	AM. GAAP	Generally Accepted Accounting Principles
6	AN. HCA	Health Care Agency
7	AO. HHS	Health and Human Services
8	AP. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
9		Law 104–191
10	AQ. HITECH Act	The Health Information Technology for Economic and Clinical Health
11		Act, Public Law 111–005
12	AR. HSC	California Health and Safety Code
13	AS. ID	Identification
14	AT. IEA	Information Exchange Agreement
15	AU. IRIS	Integrated Records and Information System
16	AV. ISO	Insurance Services Office
17	AW. LPHA	Licensed Practitioner of the Healing Arts
18	AX. MAT	Medication Assisted Treatment
19	AY. NIST	National Institute of Standards and Technology
20	AZ. NPI	National Provider Identifier
21	BA. NPPES	National Plan and Provider Enumeration System
22	BB. OCPD	Orange County Probation Department
23	BC. OCR	Office for Civil Rights
24	BD. OIG	Office of Inspector General
25	BE. OMB	Office of Management and Budget
26	BF. OPM	Federal Office of Personnel Management
27	BG. P&P	Policy and Procedure
28	BH. PA DSS	Payment Application Data Security Standard
29	BI. PC	State of California Penal Code
30	BJ. PCI DSS	Payment Card Industry Data Security Standard
31	BK. PHI	Protected Health Information
32	BL. PII	Personally Identifiable Information
33	BM. PI	Personal Information
34	BN. RPC	Residential Placement Coordinator
35	BO. RTS	Residential Treatment Services
36	BP. SIR	Self-Insured Retention
37	BQ. SMA	Statewide Maximum Allowance

1	BR. STC	Special Terms and Conditions
2	BS. SUD	Substance Use Disorder
3	BT. TB	Tuberculosis
4	BU. UMDAP	Uniform method of Determining Ability to Pay
5	BV. USC	United States Code

7 **II. ALTERATION OF TERMS**

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

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

16 **III. ASSIGNMENT OF DEBTS**

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

25 **IV. COMPLIANCE**

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

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

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

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

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

4. If CONTRACTOR elects to have its own compliance program, code of conduct and any Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR shall submit a copy of its compliance program, code of conduct and all relevant policies and procedures to ADMINISTRATOR within thirty (30) calendar days of execution of this Agreement. 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 the 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 the ADMINISTRATOR.

5. Upon written confirmation from ADMINISTRATOR's compliance officer that the 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 Agreement are made aware of CONTRACTOR's compliance program, code of conduct, related policies and procedures and contact information for the ADMINISTRATOR's Compliance Program.

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

1 ~~at date of employment, and/or any other list or system as identified by ADMINISTRATOR.~~

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

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

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

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

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

23 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
24 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
25 Agreement.

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

32 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
33 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
34 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing services
35 directly relative to this Agreement becomes debarred, excluded or otherwise becomes an Ineligible
36 Person.

37 //

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 ~~6. CONTRACTOR shall meet the HCA MHP Quality Management Program Standards and
24 participate in the quality improvement activities developed in the implementation of the Quality
25 Management Program.~~

26 6. CONTRACTOR shall meet the HCA Quality Assessment and Performance Improvement
27 Standards established by Authority and Quality Improvement Services (AQIS) and participate in the
28 quality improvement activities developed in the implementation of the DMC-ODS Quality Management
29 Program. CONTRACTOR shall establish an internal Quality Management program and appoint
30 designated Quality Improvement (QI) staff consisting of at least one dedicated QI
31 coordinator/professional to participate in QI activities with ADMINISTRATOR and to ensure service
32 delivery and support program staff implement QI initiatives and requirements appropriately at the program
33 site.

34 7. CONTRACTOR shall comply with the provisions of the ADMINISTRATOR's Cultural
35 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
36 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
37 §1810.410.subds.(c)-(d).

1 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a
2 breach of the Agreement on the part of CONTRACTOR and grounds for COUNTY to terminate the
3 Agreement. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty
4 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this
5 Compliance Paragraph prior to ADMINISTRATOR's right to terminate this Agreement on the basis of
6 such default.

7 8 **V. CONFIDENTIALITY**

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

13 B. Prior to providing any services pursuant to this Agreement, all members of the Board of Directors
14 or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns of the
15 CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the confidentiality of any and
16 all information and records which may be obtained in the course of providing such services. This
17 Agreement shall specify that it is effective irrespective of all subsequent resignations or terminations of
18 CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,
19 consultants, subcontractors, volunteers and interns.

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

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

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

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

34 35 **VI. CONFLICT OF INTEREST**

36 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions that
37 could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation shall

1 apply to CONTRACTOR's employees, agents, and subcontractors associated with the provision of goods
2 and services provided under this Agreement. CONTRACTOR's efforts shall include, but not be limited
3 to establishing rules and procedures preventing its employees, agents, and subcontractors from providing
4 or offering gifts, entertainment, payments, loans or other considerations which could be deemed to
5 influence or appear to influence COUNTY staff or elected officers in the performance of their duties.

7 **VII. COST REPORT**

8 A. CONTRACTOR shall submit an individual and/or consolidated Cost Report for each period, or
9 for a portion thereof to COUNTY no later than forty-five (45) calendar days following the period for
10 which they are prepared or termination of this Agreement. CONTRACTOR shall prepare the individual
11 and/or consolidated Cost Report in accordance with all applicable federal, state and COUNTY
12 requirements, GAAP and the Special Provisions Paragraph of this Agreement. CONTRACTOR shall
13 allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in
14 accordance with such requirements and consistent with prudent business practice, which costs and
15 allocations shall be supported by source documentation maintained by CONTRACTOR, and available at
16 any time to ADMINISTRATOR upon reasonable notice. In the event CONTRACTOR has multiple
17 Agreements for mental health services that are administered by HCA, consolidation of the individual Cost
18 Reports into a single consolidated Cost Report may be required, as stipulated by ADMINISTRATOR.
19 CONTRACTOR shall submit the consolidated Cost Report to COUNTY no later than five (5) business
20 days following approval by ADMINISTRATOR of all individual Cost Reports to be incorporated into a
21 consolidated Cost Report.

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

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

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

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

36 3. In the event that CONTRACTOR does not submit an accurate and complete Cost Report
37 within one hundred and eighty (180) calendar days following the termination of this Agreement, and

1 CONTRACTOR has not entered into a subsequent or new agreement for any other services with
2 COUNTY, then all amounts paid to CONTRACTOR by COUNTY during the term of the Agreement
3 shall be immediately reimbursed to COUNTY.

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

9 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder, less
10 applicable revenues and any late penalty, not to exceed the negotiated rate as specified in the Agreement.
11 CONTRACTOR shall not claim expenditures to COUNTY which are not reimbursable pursuant to
12 applicable federal, state and COUNTY laws, regulations and requirements. Any payment made by
13 COUNTY to CONTRACTOR, which is subsequently determined to have been for an unreimbursable
14 expenditure or service, shall be repaid by CONTRACTOR to COUNTY in cash, or other authorized form
15 of payment, within thirty (30) calendar days of submission of the Cost Report or COUNTY may elect to
16 reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

17 D. Costs of Medi-Cal services shall not exceed the negotiated rate as specified in this Agreement.

18 E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
19 this Agreement, less applicable revenues and any late penalty, are higher than the aggregate of interim
20 monthly payments to CONTRACTOR, then COUNTY shall pay CONTRACTOR the difference,
21 provided such payment does not exceed the COUNTY's Total Maximum Obligation and separate non-
22 Medi-Cal Maximum Obligation and Medi-Cal Maximum Obligation.

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

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

34
35 Signed _____
36 Name _____
37 Title _____

Date _____"

VIII. 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 Agreement 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 Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.

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

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

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

IX. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS

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

B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR's business prior to completion of this Agreement, and COUNTY agrees to an assignment of the Agreement, the new owners shall be required under the terms of sale or other instruments of transfer to assume

1 CONTRACTOR's duties and obligations contained in this Agreement and complete them to the
2 satisfaction of COUNTY. CONTRACTOR may not assign the rights hereunder, either in whole or in
3 part, without the prior written consent of COUNTY.

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

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

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

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

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

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

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

37 1. After approval of the subcontractor, ADMNISTRATOR may revoke the approval of the

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

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

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

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

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

20 21 **X. DISPUTE RESOLUTION**

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

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

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

35 B. Pending the final resolution of any dispute arising under, related to, or involving this Agreement,
36 CONTRACTOR agrees to proceed diligently with the performance of services secured via this
37 Agreement, including the delivery of goods and/or provision of services. CONTRACTOR's failure to

1 proceed diligently shall be considered a material breach of this Agreement.

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

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

12
13 **XI. EMPLOYEE ELIGIBILITY VERIFICATION**

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

23
24 **XII. EQUIPMENT**

25 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
26 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
27 ADMINISTRATOR to assist in performing the services described in this Agreement. "Relatively
28 Permanent" is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000 or
29 over, including freight charges, sales taxes, and other taxes, and installation costs are defined as Capital
30 Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and other
31 taxes, and installation costs, or electronic equipment that costs less than \$600 but may contained PHI or
32 PII, are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to phones,
33 tablets, audio/visual equipment, computer equipment, and lab equipment. The cost of Equipment
34 purchased, in whole or in part, with funds paid pursuant to this Agreement shall be depreciated according
35 to GAAP.

36 //
37 //

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

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

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

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

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

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

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

29
 30 **XIII. FACILITIES, PAYMENTS AND SERVICES**

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

36 //
 37 //

XIV. INDEMNIFICATION AND INSURANCE

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

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

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

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

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

37 2. CONTRACTOR's duty to defend, as stated above, shall be absolute and irrespective of any

1 duty to indemnify or hold harmless; and

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

5 E. If CONTRACTOR fails to maintain insurance acceptable to the COUNTY for the full term of
6 this Agreement, the COUNTY may terminate this Agreement.

7 F. QUALIFIED INSURER

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

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

16 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
17 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 (7 passengers or less)	\$2,000,000 per occurrence
Passenger vehicles (8 passengers or more)	\$5,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims -made

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

4	Sexual Misconduct Liability	\$1,000,000 per occurrence
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6 H. REQUIRED COVERAGE FORMS

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

9 2. The Business Automobile Liability coverage shall be written on ISO form CA 00 01, CA 00
10 05, CA 00 12, CA 00 20, or a substitute form providing coverage at least as broad.

11 I. REQUIRED ENDORSEMENTS

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

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

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

21 2. The Network Security and Privacy Liability policy shall contain the following endorsements,
22 which shall accompany the COI:

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

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

28 J. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving
29 all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents
30 and employees, or provide blanket coverage, which will state AS REQUIRED BY WRITTEN
31 AGREEMENT.

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

35 L. CONTRACTOR shall notify COUNTY in writing within thirty (30) days of any policy
36 cancellation and within ten (10) days for non-payment of premium and provide a copy of the cancellation
37 notice to COUNTY. Failure to provide written notice of cancellation shall constitute a breach of

1 CONTRACTOR's obligation hereunder and ground for COUNTY to suspend or terminate this
2 Agreement.

3 M. If CONTRACTOR's Professional Liability, Technology Errors & Omissions and/or Network
4 Security & Privacy Liability are "Claims -Made" policies, CONTRACTOR shall agree to maintain
5 coverage for two (2) years following the completion of the Agreement.

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

8 O. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease insurance
9 of any of the above insurance types throughout the term of this Agreement. Any increase or decrease in
10 insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect
11 COUNTY.

12 P. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
13 CONTRACTOR does not deposit copies of acceptable COI and endorsements with COUNTY
14 incorporating such changes within thirty (30) calendar days of receipt of such notice, this Agreement may
15 be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal
16 remedies.

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

20 R. SUBMISSION OF INSURANCE DOCUMENTS

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

22 a. Prior to the start date of this Agreement.

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

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

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

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

31 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
32 pursuant to any and all Agreements between COUNTY and CONTRACTOR until such time that the
33 required COI and endorsements that meet the insurance provisions stipulated in this Agreement are
34 submitted to ADMINISTRATOR.

35 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late
36 COI or endorsement for each business day, pursuant to any and all Agreements between COUNTY and
37 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance

1 provisions stipulated in this Agreement are submitted to ADMINISTRATOR.

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

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

7 8 **XV. INSPECTIONS AND AUDITS**

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

19 B. CONTRACTOR shall actively participate and cooperate with any person specified in
20 Subparagraph A. above in any evaluation or monitoring of the services provided pursuant to this
21 Agreement, and shall provide the above-mentioned persons adequate office space to conduct such
22 evaluation or monitoring.

23 C. AUDIT RESPONSE

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

29 2. If the audit reveals that money is payable from one Party to the other, that is, reimbursement
30 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said
31 funds shall be due and payable from one Party to the other within sixty (60) calendar days of receipt of
32 the audit results. If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement
33 is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies
34 provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the
35 reimbursement due COUNTY.

36 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare an
37 annual Single Audit as required by 31 USC 7501 – 7507, as well as its implementing regulations under 2

1 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
2 Federal Awards. CONTRACTOR shall forward the Single Audit to ADMINISTRATOR within fourteen
3 (14) calendar days of receipt.

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

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

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

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

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

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

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

27 28 **XVI. LICENSES AND LAWS**

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

1 requirements established by COUNTY as part of this certification

2 ~~B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS~~

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

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

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

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

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

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

22 ~~1. ARRA of 2009.~~

23 ~~2. Trafficking Victims Protection Act of 2000.~~

24 ~~3. CCC §§56 through 56.37, Confidentiality of Medical Information.~~

25 ~~4. CCC §§1798.80 through 1798.84, Customer Records.~~

26 ~~5. CCC §1798.85, Confidentiality of Social Security Numbers.~~

27 ~~6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social~~
 28 ~~Security.~~

29 ~~7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse Master~~
 30 ~~Plans.~~

31 ~~8. HSC, §§11839 through 11839.22, Narcotic Treatment Programs.~~

32 ~~9. HSC, §11876, Narcotic Treatment Programs.~~

33 ~~10. HSC, §§123110 through 123149.5, Patient Access to Health Records.~~

34 ~~11. Code of Federal Regulations, Title 42, Public Health.~~

35 ~~12. 2 CFR 230, Cost Principles for Nonprofit Organizations.~~

36 ~~13. 2 CFR 376, Nonprocurement, Debarment and Suspension.~~

37 ~~14. 41 CFR 50, Public Contracts and Property Management.~~

- 1 ~~15. 42 CFR 2, Confidentiality of Alcohol and Drug Abuse Patient Records.~~
- 2 ~~16. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse~~
- 3 ~~prevention and treatment block grants and/or projects for assistance in transition from homelessness~~
- 4 ~~grants.~~
- 5 ~~17. 45 CFR 93, New Restrictions on Lobbying.~~
- 6 ~~18. 45 CFR 96.127, Requirements regarding Tuberculosis.~~
- 7 ~~19. 45 CFR 96.132, Additional Agreements.~~
- 8 ~~20. 45 CFR 96.135, Restrictions on Expenditure of Grant.~~
- 9 ~~21. 45 CFR 160, General Administrative Requirements.~~
- 10 ~~22. 45 CFR 162, Administrative Requirements.~~
- 11 ~~23. 45 CFR 164, Security and Privacy.~~
- 12 ~~24. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.~~
- 13 ~~25. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.~~
- 14 ~~26. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal~~
- 15 ~~Contracting and Financial Transactions.~~
- 16 ~~27. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism; National~~
- 17 ~~Institute on Drug Abuse.~~
- 18 ~~28. 42 USC §§290aa through 290kk 3, Substance Abuse and Mental Health Services~~
- 19 ~~Administration.~~
- 20 ~~29. 42 USC §290dd 2, Confidentiality of Records.~~
- 21 ~~30. 42 USC §1320(a), Uniform reporting systems for health services facilities and organizations.~~
- 22 ~~31. 42 USC §§1320d through 1320d-9, Administrative Simplification.~~
- 23 ~~32. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.~~
- 24 ~~33. 42 USC §6101 et seq., Age Discrimination Act of 1975.~~
- 25 ~~34. 42 USC §2000d, Civil Rights Act of 1964.~~
- 26 ~~35. 31 USC 7501-7507, as well as its implementing regulations under 2 CFR Part 200, Uniform~~
- 27 ~~Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards~~
- 28 ~~36. U.S. Department of Health and Human Services, National Institutes of Health (NIH), Grants~~
- 29 ~~Policy Statement (10/13).~~
- 30 ~~37. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-~~
- 31 ~~Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.~~
- 32 ~~38. State of California, Department of Alcohol and Drug Programs Audit Assistance Guide~~
- 33 ~~Manual.~~
- 34 ~~39. State of California, Department of Alcohol and Drug Programs, Alcohol and/or Other Drug~~
- 35 ~~Program Certification Standards, March 2004.~~
- 36 ~~40. CCR Title 22, §§70751(e), 71551(e), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).~~
- 37 ~~41. State of California, Department of Health Care Services ASRS Manual.~~

- 1 ~~42. State of California, Department of Health Care Services DPFS Manual.~~
 2 ~~43. HSC §123145.~~
 3 ~~44. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(e) and (j).~~
 4 ~~45. D/MC Certification Standards for Substance Abuse Clinics, July 2004.~~
 5 ~~46. D/MC Billing Manual (March 23, 2010).~~
 6 ~~47. Federal Medicare Cost reimbursement principles and cost reporting standards.~~
 7 ~~48. State of California Health and Human Services Agency, Department of Health Care Services,~~
 8 ~~MHSD, Medi-Cal Billing Manual, October 2013.~~
 9 ~~49. Orange County Medi-Cal Mental Health Managed Care Plan.~~
 10 ~~50. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,~~
 11 ~~August 2015~~
 12 ~~51. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.~~
 13 ~~52. Drug Medi-Cal Certification Standards for Substance Abuse Clinics (Document 2E).~~
 14 ~~53. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1, (Document 2C).~~
 15 ~~54. Standards for Drug Treatment Programs (October 21, 1981) (Document 2F);~~
 16 ~~55. Title 9, CCR, Division 4, Chapter 4, Subchapter 1, Sections 10000, et seq.;~~
 17 ~~56. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.~~
 18 ~~57. Title 9, CCR, Section 1810.435.~~
 19 ~~58. Title 9, CCR, Section 1840.105.~~

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

- 23 1. ARRA of 2009.
 24 2. Trafficking Victims Protection Act of 2000.
 25 3. CCC §§56 through 56.37, Confidentiality of Medical Information.
 26 4. CCC §§1798.80 through 1798.84, Customer Records.
 27 5. CCC §1798.85, Confidentiality of Social Security Numbers.
 28 6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social
 29 Security.
 30 7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse Master
 31 Plans.
 32 8. HSC, §§123110 through 123149.5, Patient Access to Health Records.
 33 9. Code of Federal Regulations, Title 42, Public Health.
 34 10. 2 CFR 230, Cost Principles for Nonprofit Organizations.
 35 11. 2 CFR 376, Nonprocurement, Debarment and Suspension.
 36 12. 41 CFR 50, Public Contracts and Property Management.
 37 13. 42 CFR Part 2, Confidentiality of Alcohol and Drug Abuse Patient Records.

- 1 14. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse
- 2 prevention and treatment block grants and/or projects for assistance in transition from homelessness
- 3 grants.
- 4 15. 45 CFR 93, New Restrictions on Lobbying.
- 5 16. 45 CFR 96.127, Requirements regarding Tuberculosis.
- 6 17. 45 CFR 96.132, Additional Agreements.
- 7 18. 45 CFR 96.135, Restrictions on Expenditure of Grant.
- 8 19. 45 CFR 160, General Administrative Requirements.
- 9 20. 45 CFR 162, Administrative Requirements.
- 10 21. 45 CFR 164, Security and Privacy.
- 11 22. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
- 12 23. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.
- 13 24. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
- 14 Contracting and Financial Transactions.
- 15 25. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism.
- 16 26. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
- 17 Administration.
- 18 27. 42 USC §290dd-2, Confidentiality of Records.
- 19 28. 42 USC §1320(a), Uniform reporting systems for health services facilities and organizations.
- 20 29. 42 USC §§1320d through 1320d-9, Administrative Simplification.
- 21 30. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
- 22 31. 42 USC §6101 et seq., Age Discrimination Act of 1975.
- 23 32. 42 USC §2000d, Civil Rights Act of 1964.
- 24 33. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
- 25 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 26 34. U.S. Department of Health and Human Services, National Institutes of Health (NIH), Grants
- 27 Policy Statement (10/13).
- 28 35. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-
- 29 Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.
- 30 36. State of California, Department of Health Care Services (DHCS), Alcohol and/or Other Drug
- 31 Program Certification Standards, December 2020.
- 32 37. CCR Title 22, §§70751(c), 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).
- 33 38. State of California, Department of Health Care Services ASRS Manual.
- 34 39. State of California, Department of Health Care Services DPFS Manual.
- 35 40. HSC §123145.
- 36 41. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).
- 37 42. 5 USC §7321 – §7326, Political Activities (Hatch Act)

- 1 43. DMC Certification Title 22, California Code of Regulations (CCR).
- 2 44. DMC Billing Manual April 2019.
- 3 45. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 4 46. Orange County Drug Medi-Cal Organized Delivery System Managed Care Plan
- 5 47. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,
- 6 August 2015, and subsequent versions.
- 7 48. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
- 8 49. California Code of Regulations (CCR), Title 22, Section 51341.1; 51490.1; 51516.1 and the
- 9 Drug Medi-Cal Certification Standards for Substance Abuse Clinics.
- 10 50. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1.
- 11 51. Standards for Drug Treatment Programs (October 21, 1981).
- 12 52. Title 9, CCR, Division 4, Chapter 5, Subchapter 1, Sections 10000, et seq.
- 13 53. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.
- 14 54. Title 9, CCR, Section 1810.435.
- 15 55. Title 9, CCR, Section 1840.105.
- 16 56. Title 22, CCR, §51009, Confidentiality of Records.
- 17 57. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.

XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA

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

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

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

37 D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by

COUNTY, unless ADMINISTRATOR consents thereto in writing.

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

XVIII. MAXIMUM OBLIGATION

A. The Total Maximum Obligation of COUNTY for services provided in accordance with this Agreement, and the separate Maximum Obligations for each period under this Agreement, are as specified in the Referenced Contract Provisions of this Agreement, except as allowed for in Subparagraph B. below.

B. ADMINISTRATOR may amend the Maximum Obligation by an amount not to exceed ten percent (10%) of Period One funding for this Agreement.

XIX. MINIMUM WAGE LAWS

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

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

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

XX. NONDISCRIMINATION

A. EMPLOYMENT

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

1 employment because of his/her race, religious creed, color, national origin, ancestry, physical disability,
2 mental disability, medical condition, genetic information, marital status, sex, gender, gender identity,
3 gender expression, age, sexual orientation, or military and veteran status.

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

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

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

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

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

25 B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not
26 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities
27 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability,
28 medical condition, genetic information, marital status, sex, gender, gender identity, gender expression,
29 age, sexual orientation, or military and veteran status in accordance with Title IX of the Education
30 Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights Act of 1964
31 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division 4, Chapter 6,
32 Article 1 (§10800, et seq.) of the CCR; and Title II of the Genetic Information Nondiscrimination Act of
33 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent rules and regulations promulgated
34 pursuant thereto, and as otherwise provided by state law and regulations, as all may now exist or be
35 hereafter amended or changed. For the purpose of this Nondiscrimination paragraph, discrimination
36 includes, but is not limited to the following based on one or more of the factors identified above:

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

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

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

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

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

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

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

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

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

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

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

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

XXI. NOTICES

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

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

2. When faxed, transmission confirmed;

3. When sent by Email; or

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

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

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

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

XXII. NOTIFICATION OF DEATH

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

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

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

2. WRITTEN NOTIFICATION

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

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

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

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

7 D. All death reports must be verified by the coroner’s office. The information should include date
8 of the death as well as the cause of death.

9
10 **XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

18
19 **XXIV. RECORDS MANAGEMENT AND MAINTENANCE**

20 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term of
21 this Agreement, prepare, maintain and manage records appropriate to the services provided and in
22 accordance with this Agreement and all applicable requirements.

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

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

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

33 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
34 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
35 necessity of the service, and the quality of care provided. Records shall be maintained in accordance with
36 §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

37 //

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

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

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

10 L. CONTRACTOR shall obtain an NPI for each site identified as a location for providing contractual
11 services. Provider's site NPIs must be submitted to the ADMINISTRATOR prior to rendering services to
12 Clients. Contractors providing direct or indirect services for State reporting must also submit rendering
13 (individual) provider NPIs to ADMINISTRATOR for each staff member providing Medi-Cal billable
14 services. Contractor reimbursement will not be processed unless NPIs are on file with
15 ADMINISTRATOR in advance of providing services to Clients. It is the responsibility of each contract
16 provider site and individual staff member that bills Medi-Cal to obtain an NPI from the NPPES. Each
17 contract site, as well as every staff member that provides billable services, is responsible for notifying the
18 NPPES within 30 calendar days of any updates to personal information, which may include, but is not
19 limited to, worksite address, name changes, taxonomy code changes, etc.

20 21 **XXV. RESEARCH AND PUBLICATION**

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

25 26 **XXVI. REVENUE**

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

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

34 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately
35 ensure proper billing and collection procedures. CONTRACTOR's procedures shall specifically provide
36 for the identification of delinquent accounts and methods for pursuing such accounts. CONTRACTOR
37 shall provide ADMINISTRATOR, monthly, a written report specifying the current status of fees which

1 are billed, collected, transferred to a collection agency, or deemed by CONTRACTOR to be uncollectible.

3 **XXVII. SEVERABILITY**

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

10 **XXVIII. SPECIAL PROVISIONS**

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

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

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

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

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

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

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

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

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

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

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

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

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

21
22 **XXIX. STATUS OF CONTRACTOR**

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

33
34 **XXX. TERM**

35 A. This specific Agreement with CONTRACTOR is only one of several agreements to which the
36 term of this Agreement applies. This specific Agreement shall commence as specified in the Reference
37 Contract Provisions of this Agreement or the execution date, whichever is later. This specific Agreement

1 shall terminate as specified in the Referenced Contract Provisions of this Agreement, unless otherwise
2 sooner terminated as provided in this Agreement; provided, however, CONTRACTOR shall be obligated
3 to perform such duties as would normally extend beyond this term, including but not limited to, obligations
4 with respect to confidentiality, indemnification, audits, reporting and accounting.

5 B. Any administrative duty or obligation to be performed pursuant to this Agreement on a weekend
6 or holiday may be performed on the next regular business day.

7 8 **XXXI. TERMINATION**

9 A. Either Party may terminate this Agreement, without cause, upon ninety (90) calendar days'
10 written notice given the other Party.

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

17 C. Unless otherwise specified in this Agreement, COUNTY may terminate this Agreement upon
18 five (5) calendar days' written notice if CONTRACTOR fails to perform any of the terms of this
19 Agreement. At ADMINISTRATOR's sole discretion, CONTRACTOR may be allowed up to thirty (30)
20 calendar days for corrective action.

21 D. COUNTY may terminate this Agreement immediately, upon written notice, on the occurrence of
22 any of the following events:

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

37 //

1 E. CONTINGENT FUNDING

2 1. Any obligation of COUNTY under this Agreement is contingent upon the following:

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

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

7 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
8 terminate or renegotiate this Agreement upon thirty (30) calendar days' written notice given
9 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated funding,
10 CONTRACTOR shall not be obligated to accept the renegotiated terms.

11 F. In the event this Agreement is suspended or terminated prior to the completion of the term as
12 specified in the Referenced Contract Provisions of this Agreement, ADMINISTRATOR may, at its
13 sole discretion, reduce the Maximum Obligation of this Agreement in an amount consistent with the
14 reduced term of the Agreement.

15 G. In the event this Agreement is terminated by either Party pursuant to Subparagraphs B., C., or D.
16 above, CONTRACTOR shall do the following:

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

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

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

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

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

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

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

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

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

5 H. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be
6 exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.
7

8 **XXXII. THIRD-PARTY BENEFICIARY**

9 Neither Party hereto intends that this Agreement shall create rights hereunder in third-parties
10 including, but not limited to, any subcontractors or any clients provided services pursuant to this
11 Agreement.
12

13 **XXXIII. WAIVER OF DEFAULT OR BREACH**

14 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any
15 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this
16 Agreement shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any
17 default or any breach by CONTRACTOR shall not be considered a modification of the terms of this
18 Agreement.
19

20 **XXXIV. BENEFICIARIES' RIGHTS**

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

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

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

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

32 //
33 //
34 //
35 //
36 //
37 //

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

3 **SIGNATURE PAGE**

4
5 WOODGLEN RECOVERY JUNCTION, INC.

6
7
8 BY: _____ DATED: _____

9
10 TITLE: _____

11
12
13 BY: _____ DATED: _____

14
15 TITLE: _____

16
17
18
19 COUNTY OF ORANGE

20
21
22 BY: _____ DATED: _____

23 HEALTH CARE AGENCY

24
25
26
27 APPROVED AS TO FORM
28 OFFICE OF THE COUNTY COUNSEL
29 ORANGE COUNTY, CALIFORNIA

30
31 BY: _____ DATED: _____

32 DEPUTY

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

1 EXHIBIT A
 2 TO AGREEMENT FOR PROVISION OF
 3 ADULT RESIDENTIAL DRUG MEDI-CAL
 4 WITHDRAWAL MANAGEMENT SERVICES
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 WOODGLEN RECOVERY JUNCTION, INC.
 9 JULY 1, 2019 THROUGH JUNE 30, ~~2022~~ 2024

10
11 **I. COMMON TERMS AND DEFINITIONS**

12 ~~A. The Parties agree to the following terms and definitions, and to those terms and definitions which,~~
13 ~~for convenience, are set forth elsewhere in this Agreement.~~

14 ~~1. ASAM Criteria is a comprehensive set of guidelines for placement, continued stay and~~
15 ~~transfer/discharge of patients with addiction and co-occurring conditions.~~

16 ~~2. Bed Day means one (1) calendar day during which CONTRACTOR provides services as~~
17 ~~described in this Exhibit A of the Agreement. A Bed Day will include the day of admission; but, not the~~
18 ~~day of discharge. If admission and discharge occur on the same day, one (1) Bed Day will be charged.~~

19 ~~3. CalOMS is a statewide Client based data collection and outcomes measurement system~~
20 ~~required by the State to effectively manage and improve the provision of alcohol and drug treatment~~
21 ~~services at the state, county, and provider levels.~~

22 ~~4. Case Management means services that assist a Client to access needed medical, educational,~~
23 ~~social, prevocational, vocational, rehabilitative, or other community services.~~

24 ~~5. Client means adult males and females eighteen (18) years of age and older, with a substance~~
25 ~~use disorder, for whom a COUNTY approved intake and admission for Withdrawal Management services,~~
26 ~~as appropriate, have been completed pursuant to the Agreement.~~

27 ~~6. Co-Occurring means when a person has at least one substance use disorder and one mental~~
28 ~~health disorder that can be diagnosed independently of the other.~~

29 ~~7. DATAR is the DHCS system used to collect data on SUD treatment capacity and waiting~~
30 ~~lists.~~

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

34 ~~9. Intake means the initial face to face meeting between a Client and CONTRACTOR staff in~~
35 ~~which specific information about the Client is gathered including the ability to pay and standard admission~~
36 ~~forms pursuant to this Agreement.~~

37 #

1 ~~10. IRIS means a collection of applications and databases that serve the needs of programs within~~
2 ~~HCA and includes functionality such as registration and scheduling, laboratory information system,~~
3 ~~invoices and reporting capabilities, compliance with regulatory requirements, electronic medical records~~
4 ~~and other relevant applications.~~

5 ~~11. Linkage means connecting Client to ancillary services such as outpatient and/or Residential~~
6 ~~Treatment and supportive services which may include self help groups, social services, rehabilitation~~
7 ~~services, vocational services, job training services, or other appropriate services.~~

8 ~~12. LPHA means any Physician, Nurse Practitioners, Physician Assistants, Registered Nurses,~~
9 ~~Registered Pharmacists, Licensed Clinical Psychologists, Licensed Clinical Social Worker, Licensed~~
10 ~~Professional Clinical Counselor, Licensed Marriage and Family Therapists, or Licensed Eligible~~
11 ~~Practitioners working under the supervision of Licensed Clinicians.~~

12 ~~13. MAT Services means the use of Federal Drug Administration approved medications in~~
13 ~~combination with behavioral therapies to provide a whole Client approach to treating substance use~~
14 ~~disorders~~

15 ~~14. Medication means those medications that are needed to maintain Client's health, and without~~
16 ~~which there could be medical or mental health consequences to the Client.~~

17 ~~15. Residential Treatment Services means alcohol and other drug treatment services that are~~
18 ~~provided to Clients at a twenty-four (24) hour residential program. Services are provided in an alcohol~~
19 ~~and drug free environment and support recovery from alcohol and/or other drug related problems. These~~
20 ~~services are provided in a non-medical, residential setting that has been licensed and certified by DHCS.~~

21 ~~16. Self Help Meetings means a non-professional, peer participatory meeting formed by people~~
22 ~~with a common problem or situation offering mutual support to each other towards a goal or healing or~~
23 ~~recovery.~~

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

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

27 ~~19. Unit of Service means one (1) calendar day during which services are provided to a Client~~
28 ~~pursuant to the Agreement. The day of admission shall be included; the day of discharge shall be~~
29 ~~excluded. If both admission and discharge occur on the same day, the day shall be considered a day of~~
30 ~~admission and counts as a full day.~~

31 ~~20. Unfunded: A person that legally qualifies for benefits but has not yet applied to become a~~
32 ~~beneficiary of Medi-Cal or any other insurance.~~

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

35 1. DHCS-Designated Levels of Care means a designation that is issued by State Department of
36 Health Care Services (DHCS) to a residential program based on the services provided at the facility. For
37 the purposes of this Contract, CONTRACTOR shall provide services in accordance with the following

1 DHCS-Designated Level of Care:

2 a. 3.2 - Clinically Managed Residential Withdrawal Management means twenty-four (24)
3 hour support to complete withdrawal management and increase likelihood of continuing treatment and
4 recovery.

5 2. ART Team means the Assessment for Residential Treatment team. The ART team will assist
6 in referrals to residential treatment upon completion of the withdrawal management stay.

7 3. Bed Day means one (1) calendar day during which CONTRACTOR provides services as
8 described in this Exhibit A of the Agreement. If admission and discharge occur on the same day, one (1)
9 Bed Day will be charged.

10 4. CalOMS means a statewide Client-based data collection and outcomes measurement system
11 required by the State to effectively manage and improve the provision of alcohol and drug treatment
12 services at the state, county, and provider levels.

13 5. Case Management or Care Coordination means services that assist a Client to access needed
14 medical, educational, social, prevocational, vocational, rehabilitative, or other community services.

15 6. Client means adult males and females eighteen (18) years of age and older, with a substance
16 use disorder, for whom a COUNTY approved intake and admission for Withdrawal Management services,
17 as appropriate, have been completed pursuant to the Agreement.

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

20 8. DATAR means the DHCS system used to collect data on SUD treatment capacity and waiting
21 lists.

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

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

29 11. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in
30 which specific information about the Client is gathered, including the ability to pay, and standard
31 admission forms are completed pursuant to this Agreement.

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

36 13. Linkage means connecting Client to ancillary services such as outpatient and/or Residential
37 Treatment and supportive services which may include self-help groups, social services, rehabilitation

1 services, vocational services, job training services, or other appropriate services.

2 14. LPHA means any Physician, Nurse Practitioners, Physician Assistants, Registered Nurses,
3 Registered Pharmacists, Licensed Clinical Psychologists, Licensed Clinical Social Worker, Licensed
4 Professional Clinical Counselor, Licensed Marriage and Family Therapists, or Licensed Eligible
5 Practitioners working under the supervision of Licensed Clinicians working within their scope of practice.

6 15. MAT Services means the use of Federal Drug Administration-approved medications in
7 combination with behavioral therapies to provide a whole Client approach to treating substance use
8 disorders.

9 16. Medication means those medications that are needed to maintain Client’s health, and without
10 which there could be medical or mental health consequences to the Client.

11 17. Recovery Services means billable services available after the Client has completed a course
12 of treatment. Recovery services emphasize the Client’s central role in managing their health, the use of
13 effective self-management support strategies, and the organization of internal and community resources
14 to provide ongoing self-management support to Clients.

15 18. Residential Treatment Authorization means the approval that is provided by the HCA ART
16 Team for a Client to receive residential services to ensure that the Client meets the requirements for the
17 service. Decisions for service authorization are provided by the ART team for admission with exceptions
18 determined by CONTRACTOR.

19 19. Residential Treatment Services means alcohol and other drug treatment services that are
20 provided to Clients at a twenty-four (24)-hour residential program. Services are provided in an alcohol
21 and drug free environment and support recovery from alcohol and/or other drug related problems. These
22 services are provided in a non-medical, residential setting that has been licensed and certified by DHCS.

23 20. Self-Help Meetings means a non-professional, peer participatory meeting formed by people
24 with a common problem or situation offering mutual support to each other towards a goal or healing or
25 recovery.

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

28 22. Token means the security device which allows an individual user to access IRIS.

29 23. Unfunded means a person that legally qualifies for benefits but has not yet applied to become
30 a beneficiary of Medi-Cal or any other insurance.

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

34 **II. PAYMENTS**

35 A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided
36 pursuant to the Agreement, COUNTY shall pay CONTRACTOR monthly in arrears at the following rates
37 of reimbursement; provided, however, the total of all such payments to CONTRACTOR and all other

COUNTY CONTRACTORS for all substance use disorder treatment services for substance users shall not exceed COUNTY’s Maximum Obligation as set forth in the Referenced Contract Provisions of the Agreement; and provided further, that CONTRACTOR’s costs are allowable pursuant to applicable COUNTY, federal, and state regulations. Furthermore, if CONTRACTOR is ineligible to provide services due to non-compliance with licensure and/or certification standards of the state, COUNTY or OCPD, ADMINISTRATOR may elect to reduce COUNTY’S maximum obligation proportionate to the length of time that CONTRACTOR is ineligible to provide services. CONTRACTOR shall ensure compliance with all DMC billing and documentation requirements when entering Units of Service into COUNTY IRIS system. ADMINISTRATOR may reduce, withhold or delay any payment associated with non-compliant billing practices. If CAPs are not completed within timeframes as determined by ADMINISTRATOR, payments may be reduced accordingly.

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

2. CONTRACTOR shall submit appropriate Medi-Cal billing to ADMINISTRATOR on a monthly basis. ADMINISTRATOR shall review billing and remit to Accounting for submission to the State Medi-Cal unit.

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

4. For unfunded services provided pursuant to the Agreement, CONTRACTOR will work with ADMINISTRATOR to obtain proof of a Medi-Cal denial. Any payment made by COUNTY to CONTRACTOR, which is unsupported by proof of a denial by the end of the current contract period, shall be repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30) calendar days of submission of the Cost Report or ADMINISTRATOR may elect to reduce any amount owed to CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

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

<u>Modes of Service</u>	<u>Reimbursement Rate</u>		
	<u>Period One</u>	<u>Period Two</u>	<u>Period Three</u>
<u>Withdrawal Management 3.2 Treatment Services (per bed-day)</u>	<u>\$178.15</u>	<u>\$178.15</u>	<u>\$178.15</u>

<u>Room and Board</u> <u>(per bed day)</u>	<u>\$50.97</u>	<u>\$50.97</u>	<u>Actual Cost</u>
<u>Case Management</u> <u>(per 15 minute increment)</u>	<u>\$26.21</u>	<u>\$26.21</u>	<u>\$26.21</u>

<u>Modes of Service</u>	<u>Reimbursement Rate</u>				
	<u>Period One</u>	<u>Period Two</u>	<u>Period Three</u>	<u>Period Four</u>	<u>Period Five</u>
<u>Withdrawal Management</u> <u>3.2 Treatment Services</u> <u>(per bed day)</u>	<u>\$178.15</u>	<u>\$178.15</u>	<u>\$178.15</u>	<u>\$197.78</u>	<u>\$197.78</u>
<u>Room and Board</u> <u>(per bed day)</u>	<u>\$50.97</u>	<u>\$50.97</u>	<u>Actual Cost</u>	<u>Actual Cost</u>	<u>Actual Cost</u>
<u>Case Management</u> <u>(per 15 minute increment)</u>	<u>\$26.21</u>	<u>\$26.21</u>	<u>\$26.21</u>	<u>\$34.30</u>	<u>\$34.30</u>
<u>Medication Assisted</u> <u>Treatment</u> <u>(per 15 minute increment)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

B. PAYMENT METHOD - COUNTY shall pay CONTRACTOR monthly in arrears provided, however, that the total of such payments shall not exceed the COUNTY’s Maximum Obligation. CONTRACTOR’s invoices shall be on a form approved or provided by ADMINISTRATOR and shall provide such information as is required by ADMINISTRATOR. Invoices are due by the twentieth (20th) calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice form.

C. Monthly payments are interim payments only, and subject to Final Settlement in accordance with the Cost Report Paragraph of this Agreement. Invoices received after the due date may not be paid in accordance with Subparagraph II.B of this Exhibit A to the Agreement.

D. All invoices to COUNTY shall be supported, at CONTRACTOR’s facility, by source documentation including, but not limited to, ledgers, books, vouchers, journals, time sheets, payrolls, appointment schedules, schedules for allocating costs, invoices, bank statements, canceled checks, receipts, receiving records, and records of services provided.

E. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with any provision of this Agreement.

1 F. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
2 and/or termination of this Agreement.

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

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

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

17 J. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
18 Payments Paragraph of this Exhibit B to the Agreement.

19 20 **III. RECORDS**

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

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

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

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

34 B. CLIENT RECORDS - CONTRACTOR shall maintain adequate records in accordance with the
35 licensing authority, DHCS, the COUNTY Guidelines, CCR, and the Intergovernmental Agreement related
36 to DMC on each individual Client in sufficient detail to permit an evaluation of services, which shall
37 include, but not limited to:

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

3 2. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR. These
4 reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report anticipated
5 year-end actual costs and revenues for CONTRACTOR’s program(s) or cost center(s) described in the
6 Services Paragraph of Exhibit A to the Agreement. Such reports shall include actual monthly costs and
7 revenue to date and anticipated monthly costs and revenue to the end of the fiscal year. Year-End
8 Projection Reports shall be submitted at the same time as the monthly Expenditure and Revenue Reports

9 C. MONTHLY IRIS - CONTRACTOR shall input all Units of Service provided in COUNTY’s
10 IRIS database for the preceding month no later than the fifth (5th) calendar day of the month following
11 the report month.

12 D. CalOMS - CONTRACTOR shall complete a CalOMS encounter and a CalOMS admission record
13 in IRIS within seven (7) calendar days of Client admission. CONTRACTOR shall complete a CalOMS
14 discharge record in IRIS within seven (7) calendar days of Client discharge. CONTRACTOR shall run
15 a CalOMS error report and correct any errors within two (2) business days of submitting the CalOMS
16 admission or discharge, and continue to recheck until error free.

17 E. MONTHLY DATAR - CONTRACTOR shall provide reports under the DATAR, and/or any
18 other State reporting system in a manner prescribed by ADMINISTRATOR, no later than the fifth (5th)
19 calendar day of the month following the report month.

20 F. ACCESS LOG – contractor shall track and enter information on requests for services into IRIS.

21 G. Level of Care Summaries – contractor shall enter ASAM level of care information into IRIS on
22 each ASAM level of care assessment completed.

23 H. ADDITIONAL REPORTS - CONTRACTOR shall make additional reports as required by
24 ADMINISTRATOR concerning CONTRACTOR’s activities as they affect the services hereunder.
25 ADMINISTRATOR will be specific as to the nature of the information requested and the timeframe the
26 information is needed.

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

32 J. CONTRACTOR agrees to submit reports as required by the ADMINISTRATOR and/or the State.

33 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports
34 Paragraph of this Exhibit A to the Agreement.

35
36 **V. GENERAL REQUIREMENTS**

37 ~~A. MEETINGS – CONTRACTOR’s Executive Director or designee shall participate, when~~

1 ~~requested, in meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to~~
2 ~~this Agreement.~~

3 ~~— B. ALCOHOL AND/OR DRUG SCREENING — Contractor may perform Alcohol and/or Drug~~
4 ~~Screening. CONTRACTOR shall:~~

5 ~~— 1. Establish procedures that protect against the falsification and/or contamination of any body~~
6 ~~specimen sample collected for drug screening; and,~~

7 ~~— 2. Assure that all urine specimen collections shall be observed by same sex staff.~~

8 ~~— 3. Document results of the drug screening in the Client's record.~~

9 A. MEETINGS - CONTRACTOR's Executive Director or designee shall participate, when
10 requested, in meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to
11 this Agreement.

12 1. Active participation in regular SUD Quality Improvement (QI) Coordinators' meetings
13 organized by the Authority and Quality Improvement Services (AQIS) Quality Management program is
14 required for at least one dedicated program QI coordinator/professional.

15 B. ALCOHOL AND/OR DRUG SCREENING – CONTRACTOR may perform Alcohol and/or
16 Drug Screening.

17 1. If CONTRACTOR decides to perform Alcohol and/or Drug Screening, CONTRACTOR
18 must:

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

21 b. Assure that all urine specimen collections are observed by sex congruent or same-sex
22 staff; and,

23 c. Document results of the drug screening in the Client's record.

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

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

37 D. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold

1 languages as determined by COUNTY. Whenever possible, bilingual/bicultural staff should be retained.
2 Any clinical vacancies occurring at a time when bilingual and bicultural composition of the clinical
3 staffing does not meet the above requirement must be filled with bilingual and bicultural staff unless
4 ADMINISTRATOR consents, in writing, to the filling of those positions with non-bilingual staff. Salary
5 savings resulting from such vacant positions may not be used to cover costs other than salaries and
6 employees benefits unless otherwise authorized in writing, in advance, by ADMINISTRATOR.

7 E. POSTINGS - CONTRACTOR shall post the following in a prominent place within the facility:

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

23 F. Program shall utilize protocols developed and supported by the Medical Director. These
24 protocols shall provide procedures should a client's condition deteriorate and appear to need medical
25 intervention.

26 G. NO PROSELYTIZING POLICY - CONTRACTOR shall not conduct any proselytizing
27 activities, regardless of funding sources, with respect to any person who has been referred to
28 CONTRACTOR by COUNTY under the terms of this Agreement. Further, CONTRACTOR agrees that
29 the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious
30 creed or cult, denomination or sectarian institution, or religious belief.

31 H. AUTHORITY - CONTRACTOR shall recognize the authority of OCPD as officers of the court,
32 and shall extend cooperation to OCPD within the constraints of CONTRACTOR's program of substance
33 use disorder residential services.

34 I. NON-SMOKING POLICY - CONTRACTOR shall establish a written non-smoking policy
35 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy
36 shall specify that the facility is "smoke free" and that designated smoking areas are outside the visiting
37 areas at the facility.

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

8 a. ADMINISTRATOR shall provide CONTRACTOR with a copy of the Good Neighbor Policy,
9 attached hereto as Exhibit D.

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

14 c. Non-compliance with this Paragraph and Exhibit D shall constitute a material breach of this
15 Agreement and constitute cause for immediate termination of this Agreement.

16 K. VISITATION POLICY - CONTRACTOR shall establish a written Visitation Policy, which shall
17 be reviewed and approved by ADMINISTRATOR, which shall include, but not be limited to, the
18 following:

- 19 1. Sign in logs;
- 20 2. Visitation hours; and
- 21 3. Designated visiting areas at the Facility.

22 L. TRANSGENDER POLICY - CONTRACTOR shall establish a written Transgender Policy,
23 which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not limited
24 to, the following:

- 25 1. Admission
- 26 2. Housing arrangement
- 27 3. Bathroom privacy
- 28 4. Drug testing

29 ~~M. MEDICATION POLICY – CONTRACTOR shall establish a written Medication Policy, which~~
30 ~~shall be reviewed and approved by ADMINISTRATOR. The policy shall include but not be limited to~~
31 ~~the securing, handling, and administration of medication(s) prescribed to the Client. The policy shall~~
32 ~~address Medications that are prescribed for substance and mental health disorders and medications~~
33 ~~disallowed by CONTRACTOR. Clients shall be allowed to have Medications during their stay with the~~
34 ~~program, and/or to have the ability to get refill(s).~~

35 ~~— N. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available at~~
36 ~~each program site at minimum one (1) Naloxone Nasal Spray for the treatment of known or suspected~~
37 ~~opioid overdose. At least one (1) staff per shift shall be trained in administering the Naloxone Nasal~~

~~Spray. Naloxone Nasal Spray is not a substitute for emergency medical care. CONTRACTOR shall always seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid emergency.~~

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

N. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available at each program site at minimum two (2) unexpired Naloxone doses for the treatment of known or suspected opioid overdose. At least one (1) staff per shift shall be trained in administering the Naloxone. Naloxone is not a substitute for emergency medical care. CONTRACTOR shall always seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid emergency.

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

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

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

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

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

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

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

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

VI. ADULT RESIDENTIAL WITHDRAWAL MANAGEMENT TREATMENT SERVICES

~~A. FACILITY – CONTRACTOR shall operate a DHCS licensed and drug Medi-Cal certified Adult Residential Withdrawal Management Treatment Services program in accordance with the standards established by COUNTY and the State within the specifications stated below, unless otherwise authorized~~

1 ~~by the ADMINISTRATOR. Unless otherwise authorized in writing by ADMINISTRATOR,~~
2 ~~CONTRACTOR shall maintain regularly scheduled service hours, seven (7) days a week, twenty-four~~
3 ~~(24) hours per day, 365 days a year. Services shall be provided at the following locations, or at any other~~
4 ~~location approved in advance, in writing, by ADMINISTRATOR:~~

5
6 ~~771 W. Orangethorpe Ave., Fullerton, CA 92832~~

7
8 ~~— B. PERSONS TO BE SERVED — In order to receive services through the DMC-ODS, Clients must~~
9 ~~be enrolled in Medi-Cal, reside in Orange County, and meet the medical necessity criteria outlined below.~~
10 ~~CONTRACTOR may serve Clients without insurance, as County resources allow. CONTRACTOR shall~~
11 ~~serve Clients who used substances within the past forty-eight (48) hours of admission and who seek to~~
12 ~~recover by entering into a program of substance use disorder Adult Residential Withdrawal Management~~
13 ~~Treatment Services. Services shall be provided when determined by a Medical Director or LPHA as~~
14 ~~medically necessary. Appropriateness for services must adhere to all DHCS requirements, meet ASAM~~
15 ~~Criteria and shall be documented in the Client's file.~~

16 ~~C. ADMISSIONS:~~

17 ~~—— 1. CONTRACTOR shall accept any person with Orange County Medi-Cal who is physically~~
18 ~~and mentally able to comply with the program's rules and regulations. Said persons shall include persons~~
19 ~~with a concurrent diagnosis of mental illness, i.e., those identified as having a co-occurring diagnosis.~~
20 ~~Persons with co-occurring disorders and others who require prescribed medication shall not be precluded~~
21 ~~from acceptance or admission solely based on their licit use of prescribed medications.~~

22 ~~—— 2. CONTRACTOR may accept unfunded Clients with proof of Medi-Cal application. Clients~~
23 ~~may be referred to an outpatient clinic or a Social Service office to complete an application if necessary.~~
24 ~~CONTRACTOR is responsible for verification of application and status.~~

25 ~~—— 3. Beneficiaries may contact CONTRACTOR directly to request services. Beneficiaries may~~
26 ~~also be referred to CONTRACTOR by the 24/7 Beneficiary Access Line, network providers, and other~~
27 ~~access points determined by ADMINISTRATOR. CONTRACTOR shall enter data regarding request for~~
28 ~~service into an access log established by ADMINISTRATOR.~~

29 ~~—— 4. CONTRACTOR shall have policies and procedures in place to screen for emergency medical~~
30 ~~conditions and immediately refer beneficiaries to emergency medical care.~~

31 ~~—— 5. CONTRACTOR shall have a policy that requires a Client who shows signs of any~~
32 ~~communicable disease or through medical disclosure during the intake process admits to a health related~~
33 ~~problem that would put others at risk, to be cleared medically before services are provided.~~

34 ~~—— 6. CONTRACTOR's Admission Policy shall reflect all applicable federal, state, and county~~
35 ~~regulations. CONTRACTOR shall have the right to refuse admission of a person only in accordance with~~
36 ~~its written Admission Policy; provided, however, CONTRACTOR complies with the Nondiscrimination~~
37 ~~provisions of this Agreement. CONTRACTOR shall not admit any Client with outstanding warrants.~~

~~CONTRACTOR shall review OC Sheriff Department website for any warrants in Orange County, prior to admission.~~

~~7. CONTRACTOR shall initiate services with reasonable promptness and shall have a documented system for monitoring and evaluating the quality, appropriateness, and accessibility of care, including a system for addressing problems that develop regarding admission wait times.~~

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

771 W. Orangethorpe Ave., Fullerton, CA 92832

B. PERSONS TO BE SERVED – In order to receive services through the DMC-ODS, Clients must be enrolled in Medi-Cal or reside in Orange County and meet the medical necessity criteria outlined below. CONTRACTOR may serve Clients without insurance, as County resources allow. Services shall be provided when determined by a Medical Director or LPHA as medically necessary. Appropriateness for services must adhere to all DHCS requirements, meet ASAM Criteria and be documented in the Client’s file.

C. ADMISSIONS:

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

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

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

4. CONTRACTOR shall have a policy that requires a Client who shows signs of any communicable disease or through medical disclosure during the intake process admits to a health related

1 problem that would put others at risk, to be cleared medically before services are provided.

2 5. CONTRACTOR’s Admission Policy must reflect all applicable federal, state, and county
3 regulations. CONTRACTOR has the right to refuse admission of a person only in accordance with its
4 written Admission Policy; provided, however, CONTRACTOR complies with the Nondiscrimination
5 provisions of this Agreement.

6 6. CONTRACTOR shall initiate services with reasonable promptness and shall have a
7 documented system for monitoring and evaluating the quality, appropriateness, and accessibility of care,
8 including a system for addressing problems that develop regarding admission wait times.

9 ~~D. MEDI-CAL ELIGIBILITY - MEDICAL NECESSITY:~~

10 ~~1. CONTRACTOR must verify the Medicaid eligibility determination of potential Clients. The~~
11 ~~verification shall be reviewed and approved by the ADMINISTRATOR prior to payment for services,~~
12 ~~unless the individual is eligible to receive services from tribal health programs operating under the Indian~~
13 ~~Self Determination and Education Assistance Act (ISDEAA – Pub. L 93-638, as amended) and urban~~
14 ~~Indian organizations operating under Title V of the IHCA. If the individual is eligible to receive services~~
15 ~~from tribal health programs operating under the ISDEAA, then the determination shall be conducted as~~
16 ~~set forth in the Tribal Delivery System – Attachment BB to the STCs.~~

17 ~~2. CONTRACTOR may accept unfunded persons with proof of Medi-Cal application.~~

18 D. MEDI-CAL ELIGIBILITY - MEDICAL NECESSITY

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

20 2. ADMINISTRATOR will reimburse treatment for unfunded clients and undocumented Clients
21 with realignment funding while CONTRACTOR assists Client in applying for benefits or transferring
22 Medi-Cal benefits to Orange County. The Health plan in IRIS will be assigned as “Self Pay”. When
23 applying for Medi-Cal, Client shall request that Medi-Cal coverage is retroactively applied to date of
24 admission. If current Medi-Cal is assigned to a different county (not Orange County), Client must initiate
25 transfer at admission. If county of responsibility is other than Orange County and county of residence in
26 Medical Eligibility Data System is Orange County and Medi-Cal transfer has been initiated,
27 CONTRACTOR shall enter Health plan as “Medi-Cal” in IRIS. These claims will be accepted by the
28 State. If both county of responsibility and county of residence are other than Orange County, or Client is
29 undocumented, Contractor shall assign the Health plan as “Self-Pay”.

30 3. The initial medical necessity determination for an individual to receive a DMC-ODS benefit
31 must be performed through a face-to-face review or telehealth by a LPHA. After establishing a diagnosis,
32 the ASAM Criteria shall be applied by the diagnosing individual to determine placement into the level of
33 assessed services.

34 4. Medical necessity for an adult (an individual age 21 and over) is determined using the
35 following criteria:

36 a. The individual must have received at least one diagnosis from the DSM for Substance-
37 Related and Addictive Disorders with the exception of Tobacco-Related Disorders and Non-Substance-

1 Related Disorders;

2 b. The individual must meet the ASAM Criteria definition of medical necessity for services
3 based on the ASAM Criteria.

4 ~~5. Individuals under age 21 are eligible to receive Medicaid services pursuant to the EPSDT
5 mandate. Under the EPSDT mandate, beneficiaries under the age 21 are eligible to receive all appropriate
6 and medically necessary services needed to correct and ameliorate health conditions that are coverable
7 under section 1905(a) Medicaid authority.~~

8 5. Individuals under age 21 are eligible to receive Medicaid services pursuant to the EPSDT
9 mandate. Under the EPSDT mandate, beneficiaries under the age 21 are eligible to receive all appropriate
10 and medically necessary services needed to correct and ameliorate health conditions that are coverable
11 under section 1905(a) Medicaid authority. Consistent with federal guidance, services need not be curative
12 or completely restorative to ameliorate a health condition, including substance misuse and SUDs.
13 Services that sustain, support, improve, or make more tolerable substance misuse or a SUD are considered
14 to ameliorate the condition and are thus covered as EPSDT services.

15 6. Medical necessity for an adolescent individual (an individual between the ages of 18 and 21)
16 is determined using the following criteria:

- 17 a. The adolescent individual must be assessed to be at risk for developing a SUD; and
18 b. The adolescent individual must meet the ASAM adolescent treatment criteria.

19 E. INFORMING MATERIALS - CONTRACTOR is responsible for distributing Informing
20 Materials and provider lists that meet the content requirements of 42 CRF 438.100 to beneficiaries when
21 they first access SUD services through the DMC-ODS and on request.

22 F. SERVICES - The Contractor shall provide medically necessary habilitative and rehabilitative
23 services in accordance with an individualized treatment plan prescribed by a licensed physician or licensed
24 prescriber. Withdrawal Management program shall consist of the following:

25 1. Intake: The process of determining that a Client meets the medical necessity criteria and is
26 admitted into a substance use disorder treatment program. Intake includes the evaluation or analysis of
27 substance use disorders; the diagnosis of substance use disorders; and the assessment of treatment needs
28 to provide medically necessary services. Intake may include a physical examination and laboratory testing
29 necessary for substance use disorder treatment.

30 2. Observation:

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

35 ~~b. Staff or volunteer shall physically check each Client for breathing by a face-to-face
36 physical observation at least every thirty (30) minutes at a minimum during the first 72 hours following
37 admission. The close observation and physical checks shall continue beyond the initial 72 hour period~~

~~for as long as the withdrawal signs and symptoms warrant. After 24 hours, close observations and physical checks may be discontinued or reduced based upon a determination by a staff member trained in providing Withdrawal Management Services. Documentation of the information that supports a decrease in close observation and physical checks shall be recorded in the client's file.~~

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

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

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

3. ~~Case Management~~ Case Management or Care Coordination - Case Management services may be provided by a LPHA or registered/certified counselor. Provider shall provide Case Management services for the Client during treatment, along with transition to other levels of care and follow ups, to encourage the Client to engage and participate in an appropriate level of care after discharge. Case Management becomes the responsibility of the next treating provider after successful transition to a different level of care. Contractor shall ensure that Case Management services focus on coordination of SUD care, and integration around primary care (especially for beneficiaries with a chronic SUD), and interaction with the criminal justice system, if needed. Case Management services may be provided face-to-face, by telephone, or by telehealth with the Client, and may be provided anywhere in the community.

4. EBPs - Providers will implement at least two (2) of the following EBPs based on the timeline established in the county implementation plan. The two EBPs are per provider per service modality. The required EBPs include:

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

b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral

1 reactions are learned and that new ways of reacting and behaving can be learned.

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

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

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

13 ~~5. MAT Providers will have procedures for linkage/integration for beneficiaries requiring
14 MAT. Provider staff will regularly communicate with physicians of Clients who are prescribed these
15 medications in compliance with 42 CFR part 2.~~

16 5. Medication Assisted Treatment - MAT services may be provided onsite with approval for
17 Incidental Medical Services from DHCS. Medically necessary MAT services must be provided in
18 accordance with an individualized treatment plan determined by a licensed physician or LPHA working
19 within their scope of practice.

20 a. MAT services must be provided in compliance with Policy and Procedures submitted to
21 DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
22 through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
23 ordering, prescribing, administering, and monitoring of all medications for SUDs.

24 b. CONTRACTOR shall provide administration of buprenorphine, naltrexone (oral and
25 injectable), acamprosate, disulfiram, and vivitrol. Other approved medications in the treatment of SUDs
26 may also be prescribed and administered, as medically necessary.

27 c. CONTRACTOR must provide care coordination with treatment and ancillary service
28 providers and facilitate transitions between levels of care. Beneficiaries may simultaneously participate
29 in MAT services and other ASAM LOCs.

30 d. CONTRACTOR must participate in the ADMINISTRATOR'S Medication Monitoring
31 practices process as a quality assurance measure. Medication Monitoring is to assure the appropriateness
32 of medication prescriptions for Mental Health and Recovery (MHRS) clients and to establish practices for
33 monitoring the safety and effectiveness of medication practices in MHRS.

34 6. Physician Consultation Services - Providers will have access to Physician Consultation
35 Services defined as DMC physicians' consulting with addiction medicine physicians, addiction
36 psychiatrists or clinical pharmacists. Physician consultation services are designed to assist DMC
37 physicians by allowing them to seek expert advice with regards to designing treatment plans for specific

1 DMC-ODS beneficiaries. Physician consultation services may address medication selection, dosing, side
2 effect management, adherence, drug interactions, or level of care considerations. ADMINISTRATOR will
3 provide one (1) or more physicians or pharmacists to provide consultation services.

4 7. Transportation Services

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

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

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

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

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

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

24 b. Non-Emergency Transportation - CONTRACTOR shall arrange or transport a Client to
25 locations that are considered necessary and/or important to the Client's recovery plan including, but not
26 limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-
27 emergency medical or mental health services not identified in Subparagraph 22.a. above, that require
28 treatment at a physician office, urgent care, or emergency room when an ambulance provider is not
29 necessary or required for transportation based on the level of severity and/or services required by the
30 Client.

31 8. Other Services. Services shall also include at a minimum:

32 a. Food and Other Services – CONTRACTOR shall provide a clean, safe environment,
33 toiletries, clean linen, and food service.

34 b. Support Services – CONTRACTOR shall provide housekeeping, laundry, maintenance
35 and arrangements for emergency and non-emergency medical services.

36 c. Discharge Planning – CONTRACTOR must begin Discharge Planning as soon as the
37 Client enters Adult Residential Withdrawal Management Treatment. CONTRACTOR shall develop an

1 | exit/transition plan with the Client. The exit/transition plan shall include:

2 | 1) A strategy or strategies to assist the Client in maintaining an alcohol and drug free
3 | lifestyle.

4 | ~~2) A continuing treatment plan that includes linkage and transition of the Client to
5 | appropriate services, including treatment services. When Residential Treatment Services are appropriate,
6 | CONTRACTOR shall complete and submit a Treatment Authorization Form to the County SUD
7 | Residential Treatment gatekeeper.~~

8 | 2) A continuing treatment plan that includes linkage and transition of the Client to
9 | appropriate services, including treatment services. When Residential Treatment Services are appropriate,
10 | CONTRACTOR must complete and submit a Treatment Authorization Form to the ART team.

11 | 3) Referrals to appropriate non-substance abuse resources such as healthcare, housing,
12 | continuing education, and vocational rehabilitation.

13 | 4) Health, Medical, Psychiatric and Emergency Services - CONTRACTOR shall
14 | ensure that all persons admitted for Residential Treatment Services have a health questionnaire completed
15 | using form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the
16 | information requested in the DHCS 5103 form.

17 | a) The health questionnaire is a Client's self-assessment of his/her current health
18 | status and shall be completed by Client.

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

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

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

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

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

29 | (3) CONTRACTOR shall provide directly or by referral: HIV education,
30 | voluntary, HIV antibody testing and risk assessment and disclosure counseling.

31 | (4) The programs shall have written procedures for obtaining medical or
32 | psychiatric evaluation and emergency and non-emergency services.

33 | (5) The programs shall post the name, address, and telephone number for the
34 | fire department, a crisis program, local law enforcement, and ambulance service.

35 | G. PERFORMANCE MEASURES AND OUTCOMES

36 | 1. CONTRACTOR shall provide effective Withdrawal Management Services to Clients who
37 | meet medical necessity, as measured by retention and completion rates.

1 a. Retention Rates shall be calculated by using the number of Clients currently enrolled in
2 or successfully completing their treatment program divided by the total number of Clients served during
3 the evaluation period.

4 b. Completion Rates shall be calculated by using the number of Clients successfully
5 completing the treatment program divided by the total number of Clients discharged during the evaluation
6 period.

7 ~~2. CONTRACTOR shall provide linkage to Clients with other support services at completion,
8 as measured by the number of Clients transitioned to outpatient or residential treatment, divided by the
9 number of Clients discharged.~~

10 ~~3. At least ninety percent (90%) of clients who complete satisfaction survey will agree or
11 strongly agree that they are "overall satisfied with the services received".~~

12 ~~4. At least ninety percent (90%) of clients surveyed will agree or strongly agree that they would
13 recommend the program to someone they know; and~~

14 ~~5. Upon successful completion of treatment, seventy five percent (75%) of clients will report at
15 30 days that their life is more manageable than it was when they entered treatment.~~

16 2. CONTRACTOR must provide linkage to the next level of care for Clients upon discharge.
17 Twenty percent (20%) of Clients who have discharged will be linked with a lower level of care within
18 seven (7) calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who
19 discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge
20 dispositions will be excluded.

21 H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Services
22 paragraph of this Exhibit A to the Agreement.

23
24 **VII. STAFFING**

25 A. CONTRACTOR shall provide twenty-four (24) hour awake supervision with at least one (1) staff
26 member on-site at all times. When sixteen (16) or more clients are present at least two (2) staff shall be
27 on-site at all times.

28 ~~B. Intentionally omitted.~~

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

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

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

37 1.CONTRACTOR must comply with the requirements of the state's established uniform

1 credentiaing and re-credentiaing policy that addresses behavioral and substance use disorders, outlined
2 in DHCS Information Notice 18-019.

3 2. CONTRACTOR must follow COUNTY'S process for credentiaing and re-credentiaing of
4 network providers and shall ensure that all registered, licensed or certified staff who deliver Medi-Cal
5 covered services are properly credentiaed by COUNTY before delivering any Medi-Cal covered services.

6 D. Non-professional staff shall receive appropriate onsite orientation and training prior to
7 performing assigned duties. Non-professional staff shall be supervised by professional and/or
8 administrative staff.

9 E. Professional and Non-professional staff are required to have appropriate experience and any
10 necessary training at the time of hiring.

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

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

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

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

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

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

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

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

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

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

32 g. Ensure the physical examination requirements are met for Clients as follows: if a Client
33 had a physical examination within the twelve month period prior to the Client's admission to treatment
34 date, the physician or registered nurse practitioner or physician's assistant (physician extenders) shall
35 review documentation of the Client's most recent physical examination within thirty (30) calendar days
36 of the Client's admission to treatment date. If the physician or a physician extender, has not reviewed the
37 documentation of the beneficiary's physical examination as provided for in paragraph (i), or the provider

1 does not perform a physical examination of the beneficiary as provided for in paragraph (ii), then the
2 LPHA or counselor shall include in the beneficiary's initial and updated treatment plans the goal of
3 obtaining a physical examination, until this goal has been met. Written roles and responsibilities and a
4 code of conduct for the medical director shall be clearly documented, signed and dated by a provider
5 representative and the physician by way of a subcontractor agreement; and

6 h. Ensure that provider's physicians are adequately trained to perform other physician
7 duties, as outlined in this section.

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

11 3. Written roles and responsibilities and a code of conduct for the Medical Director shall be
12 clearly documented, signed and dated by a provider representative and the physician.

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

17 J. VOLUNTEERS/INTERNS – CONTRACTOR may augment the above paid staff with volunteers
18 or part-time student interns. Unless waived by ADMINISTRATOR, prior to providing services pursuant
19 to this Agreement, interns shall be Master's Candidates in Counseling or Social Work or have a Bachelor's
20 Degree in a related field or be participating in any state recognized counselor certification program.
21 Additionally, volunteers or student interns must be AOD registered or certified. CONTRACTOR shall
22 provide supervision of work by interns or consistent with school or licensing Board requirements.
23 CONTRACTOR shall provide supervision to volunteers as specified in the respective job descriptions or
24 work contracts. Volunteer or student intern services may not comprise more than twenty percent (20%)
25 of the services provided, unless approved in advance by ADMINISTRATOR.

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

35 L. STAFF/VOLUNTEER/INTERNSCREENING – CONTRACTOR shall provide pre-
36 employment “live scan” screening of any staff person providing services pursuant to this Agreement. All
37 new staff, volunteers, and interns shall pass a one-time “live scan” finger printing background check prior

1 to employment. In addition, all staff shall be subject to sanction screening as referenced in the Compliance
2 paragraph on a bi-annual basis. All staff shall be screened via the following websites: Megan’s Law, OC
3 Courts and OC Sheriff’s Department on an annual basis. The results of the fingerprint checks will be sent
4 directly from DOJ to CONTRACTOR. DOJ results along with website reviews must be documented in
5 staff file. ADMINISTRATOR may change this approval mechanism at their discretion.

6 1. All staff, prior to hiring, must meet the following requirements:

7 a. No person shall have been convicted of a sex offense for which the person is required to
8 register as a sex offender under PC section 290;

9 b. No person shall have been convicted of an arson offense – violation of PC sections 451,
10 451.1, 451.5, 452, 45231, 453, 454, or 455;

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

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

15 e. No person shall participate in the criminal activities of a criminal street gang and/or
16 prison gang; and

17 f. No person shall have prior employment history of improper conduct, including but not
18 limited to, forging or falsifying documents or drug tests, sexual assault or sexual harassment, or
19 inappropriate behavior with staff or residents at another treatment facility.

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

23 ~~M. STAFF TRAINING – CONTRACTOR shall develop a written plan for staff training. All Staff~~
24 ~~training shall be documented and maintained as part of the training plan, and shall adhere to requirements~~
25 ~~set forth by HCA Authority and Quality Improvement Services Policies and Procedures.~~

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

29 ~~a. General knowledge of alcohol and/or drug abuse and alcoholism and the principles of~~
30 ~~recovery;~~

31 ~~b. Housekeeping and sanitation principles;~~

32 ~~c. Principles of communicable disease prevention and control;~~

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

34 ~~e. Availability of community services and resources;~~

35 ~~f. Recognition of individuals under the influence of alcohol and/or drugs;~~

36 ~~g. Principles of nutrition, food preparation and storage, and menu planning;~~

37 ~~2. At minimum CONTRACTOR shall ensure that all treatment staff complete:~~

- ~~a. Training in the ASAM criteria I and II prior to providing services;~~
- ~~b. Annual provider training;~~
- ~~c. SUD documentation training~~
- ~~d. Motivational Interviewing;~~
- ~~e. Training in the two minimum evidence based practices utilized at the program;~~
- ~~f. Naloxone Administration Training; and~~
- ~~g. CPR Training.~~
- ~~h. All LPHAs shall complete 5 CEU/CMEs in addiction medicine annually~~
- ~~N. All personnel files shall be complete and made readily accessible to ADMINISTRATOR for purposes of audits and investigations or any other reason deemed necessary by ADMINISTRATOR.~~

M. STAFF TRAINING - CONTRACTOR must develop a written plan for staff training. All Staff training must be documented and maintained as part of the training plan and must adhere to requirements set forth by HCA Authority and Quality Improvement Services Policies and Procedures.

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

- a. General knowledge of alcohol and/or drug abuse and alcoholism and the principles of recovery;
- b. Housekeeping and sanitation principles;
- c. Principles of communicable disease prevention and control;
- d. Recognition of early signs of illness and the need for professional assistance;
- e. Availability of community services and resources;
- f. Recognition of individuals under the influence of alcohol and/or drugs; and
- g. Principles of nutrition, food preparation and storage, and menu planning.

2. Facility personnel who provide withdrawal management services or who monitor or supervise the provision of such services must:

- a. Complete six (6) hours of orientation training that covers the needs of the Clients;
- b. Repeat the orientation training within fourteen (14) calendar days of return after not working for one hundred and eighty (180) or more consecutive calendar days; and
- c. Complete eight (8) hours of training on an annual basis covering the needs of residents receiving withdrawal management services.

3. CONTRACTOR must ensure that within thirty (30) calendar days of hire and on an annual basis, all program staff including administrator, volunteers and interns having direct contact with Clients must have completed:

- a. Annual County Compliance Training; and
- b. A minimum of one (1) hour training in cultural competence annually.

4. In addition to the above, CONTRACTOR must ensure that staff complete training as follows:

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

4 b. All providers, including volunteers and interns, providing DMC-ODS services are required
5 to be trained and complete at least once prior to providing services, the following two training modules:

6 i. American Society of Addiction Medicine (ASAM) Multidimensional Assessment
7 (sometimes referred to as ASAM-A or ASAM I).

8 ii. Assessment to Service Planning and Level of Care (sometimes referred to as ASAM-
9 B or ASAM II).

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

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

16 d. Annual training in the two minimum evidence-based practices (EBP) utilized at the
17 program;

18 e. Motivational Interviewing must be taken at least once and will count as one EBP for the
19 year. Contractor may choose other EBP courses after taking Motivational Interviewing;

20 f. Naloxone Administration Training; and

21 g. CPR / first aid Training.

22 N. PERSONNEL FILES – CONTRACTOR must maintain personnel files and ensure continued
23 compliance with required credentials and trainings for each staff persons, including management and other
24 administrative positions, subcontractors, and volunteers/interns, both direct and indirect to the Agreement,
25 which must include, but not be limited to, the following:

26 1. Application for employment and/or resume;

27 2. Signed employment confirmation statement/duty statement;

28 3. Job description;

29 4. Salary schedule and salary adjustment information;

30 5. Performance evaluations;

31 6. Health records/status as required by the provider, AOD Certification or Title 9;

32 7. Other personnel actions (e.g. commendations, discipline, status change, employment incidents
33 and/or injuries);

34 8. Training documentation relevant to substance use disorders and treatment;

35 9. Current registration, certification, intern status, or licensure;

36 10. Proof of continuing education required by licensing or certifying agency and program; and

37 11. CONTRACTOR’s Code of Conduct and for registered, certified, and licensed staff, a copy of

1 the certifying/licensing body's code of conduct.

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

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

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1 EXHIBIT B
 2 TO AGREEMENT FOR PROVISION OF
 3 ADULT RESIDENTIAL DRUG MEDI-CAL
 4 WITHDRAWAL MANAGEMENT SERVICES
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 WOODGLEN RECOVERY JUNCTION, INC.
 9 JULY 1, 2019 THROUGH JUNE 30, ~~2022~~ 2024

10
11 **I. BUSINESS ASSOCIATE CONTRACT**

12 A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

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

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

37 //

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

3 7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in 45
4 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with
5 45 CFR § 164.502(g).

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

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

11 10. "PHI" shall have the meaning given to such term under the HIPAA regulations in 45 CFR §
12 160.103.

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

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

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

22 14. "The HIPAA Security Rule" shall mean the Security Standards for the Protection of ePHI at
23 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

24 15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in
25 45 CFR § 160.103.

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

32 10. CONTRACTOR agrees to document any Disclosures of PHI COUNTY discloses to
33 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,
34 and to make information related to such Disclosures available as would be required for COUNTY to
35 respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR
36 § 164.528.

37 //

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

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

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

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

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

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

37 //

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

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

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

9 D. SECURITY RULE

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

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

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

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

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

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

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

37 //

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

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

7 E. DATA SECURITY REQUIREMENTS

8 1. Personal Controls

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

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

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

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

34 2. Technical Security Controls

35 a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY
36 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
37 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which

1 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the
2 COUNTY.

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

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

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

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

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

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

- 37 1) Upper case letters (A–Z)

- 1 2) Lower case letters (a-z)
- 2 3) Arabic numerals (0-9)
- 3 4) Non-alphanumeric characters (punctuation symbols)
- 4 h. Data Destruction. When no longer needed, all PHI COUNTY discloses to
- 5 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
- 6 must be wiped using the Gutmann or US DoD 5220.22-M (7 Pass) standard, or by degaussing. Media
- 7 may also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods
- 8 require prior written permission by COUNTY.
- 9 i. System Timeout. The system providing access to PHI COUNTY discloses to
- 10 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
- 11 must provide an automatic timeout, requiring re-authentication of the user session after no more than
- 12 twenty (20) minutes of inactivity.
- 13 j. Warning Banners. All systems providing access to PHI COUNTY discloses to
- 14 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
- 15 must display a warning banner stating that data is confidential, systems are logged, and system use is for
- 16 business purposes only by authorized users. User must be directed to log off the system if they do not
- 17 agree with these requirements.
- 18 k. System Logging. The system must maintain an automated audit trail which can identify
- 19 the user or system process which initiates a request for PHI COUNTY discloses to CONTRACTOR or
- 20 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY, or which alters such
- 21 PHI. The audit trail must be date and time stamped, must log both successful and failed accesses, must
- 22 be read only, and must be restricted to authorized users. If such PHI is stored in a database, database
- 23 logging functionality must be enabled. Audit trail data must be archived for at least three (3) years after
- 24 occurrence.
- 25 l. Access Controls. The system providing access to PHI COUNTY discloses to
- 26 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
- 27 must use role based access controls for all user authentications, enforcing the principle of least privilege.
- 28 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
- 29 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
- 30 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
- 31 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
- 32 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website
- 33 access, file transfer, and E-Mail.
- 34 n. Intrusion Detection. All systems involved in accessing, holding, transporting, and
- 35 protecting PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
- 36 //
- 37 or transmits on behalf of COUNTY that are accessible via the Internet must be protected by a

1 comprehensive intrusion detection and prevention solution.

2 3. Audit Controls

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

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

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

16 4. Business Continuity/Disaster Recovery Control

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

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

29 5. Paper Document Controls

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

36 b. Escorting Visitors. Visitors to areas where PHI COUNTY discloses to CONTRACTOR
37 or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY is contained shall be

1 escorted and such PHI shall be kept out of sight while visitors are in the area.

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

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

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

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

20 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

36 b. Any other information that COUNTY is required to include in the notification to
37 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or

1 promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period
2 set forth in 45 CFR § 164.410 (b) has elapsed, including:

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

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

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

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

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

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

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

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

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

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

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

37 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

10 1) The Disclosure is required by law; or

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

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

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

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

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

24 H. PROHIBITED USES AND DISCLOSURES

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

30 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
31 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
32 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
33 42 USC § 17935(d)(2).

34 I. OBLIGATIONS OF COUNTY

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

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

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

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

9 J. BUSINESS ASSOCIATE TERMINATION

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

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

14 b. Immediately terminate the Agreement, if CONTRACTOR is unwilling or unable to cure
15 the material Breach or end the violation within thirty (30) days, provided termination of the Agreement is
16 feasible.

17 2. Upon termination of the Agreement, CONTRACTOR shall either destroy or return to
18 COUNTY all PHI CONTRACTOR received from COUNTY or CONTRACTOR created, maintained, or
19 received on behalf of COUNTY in conformity with the HIPAA Privacy Rule.

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

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

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

29 3. The obligations of this Business Associate Contract shall survive the termination of the
30 Agreement.

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EXHIBIT C
 TO AGREEMENT FOR PROVISION OF
 ADULT RESIDENTIAL DRUG MEDI-CAL
 WITHDRAWAL MANAGEMENT SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 WOODGLEN RECOVERY JUNCTION, INC.
 JULY 1, 2019 THROUGH JUNE 30, ~~2022~~ 2024

I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT

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

A. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

6 B. TERMS OF AGREEMENT

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

11 2. Responsibilities of CONTRACTOR

12 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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

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

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EXHIBIT D
TO AGREEMENT FOR PROVISION OF
ADULT RESIDENTIAL DRUG MEDICAL
WITHDRAWAL MANAGEMENT SERVICES
BETWEEN
COUNTY OF ORANGE
AND
WOODGLEN RECOVERY JUNCTION, INC.

Preface

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

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

Good Neighbor Policy

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

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

- Ensure staff and clients conduct themselves in a manner that demonstrates respect for the community and consideration of neighbors when entering/exiting the facility or outdoors.
- Establish and maintain early communication with cities, neighborhoods and communities as a way to identify potential impacts to neighborhoods and mitigate as needed.
- Establish cooperative relationships with cities, neighborhoods and communities where services are being rendered and mitigate impact as needed.
- Collaborate with cities, neighborhoods and communities as a way to promote integration of facilities into the community and determine the effectiveness of established good neighbor practices.
- Develop written procedures to track, respond and mitigate neighborhood complaints. Procedures should include identification of a contact person for complaint resolution and identification of COUNTY contact if complaint is not adequately resolved. The procedures must also identify how these incidents

1 will be reported to the appropriate COUNTY contact in a timely manner.

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

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

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