

~~AGREEMENT~~ FIRST AMENDMENT FOR PROVISION OF  
GENERAL POPULATION FULL SERVICE PARTNERSHIP SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
TELECARE CORPORATION  
MARCH 1, 2018 THROUGH JUNE 30, 2020

THIS FIRST AMENDMENT TO AGREEMENT entered into this 1st day of March ~~2018~~2019 (effective date), is by and between the COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and ~~TELECARE CORPORATION, a California for-profit corporation~~ TELECARE CORPORATION, a for profit corporation (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be referred to herein individually as "Party" or collectively as "Parties". This Amendment, along with the original Agreement, shall continue to be administered by the County of Orange Health Care Agency (ADMINISTRATOR).

W I T N E S S E T H:

WHEREAS, on March 27, 2018, the COUNTY ~~wishes to contract~~ authorized an Agreement with CONTRACTOR for the provision of General Population Full Service Partnership Services ~~described herein to the residents of Orange County~~ for the period March 1, 2018 through June 30, 2020; and

WHEREAS, on March 27, 2018, the Board of Supervisors authorized ADMINISTRATOR to increase the Agreement amount by an amount not to exceed a total of ten percent of the Period One funding for the Agreement; and

WHEREAS, on March 1, 2019, ADMINISTRATOR authorized an increase of the Agreement amount in the amount of \$900,718 from \$6,481,772 to \$7,382,490 for Period Two and in the amount of \$1,233,666 from \$5,736,358 to \$6,970,024 for Period Three, for a revised total Maximum Obligation of \$17,838,898; and

WHEREAS, CONTRACTOR ~~is agreeable to the rendering of such~~ desires to accept the additional funding and agree to provide additional services ~~on~~ pursuant to the terms and conditions ~~hereinafter set forth;~~ of the original Agreement and scope of work;

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

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**REFERENCED CONTRACT PROVISIONS**

**Term:** March 1, 2018 through June 30, 2020

Period One means the period from March 1, 2018 through June 30, 2018

Period Two means the period from July 1, 2018 through June 30, 2019

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

**Maximum Obligation:**

~~Period One Maximum Obligation: \$ 3,486,484~~

~~Period Two Maximum Obligation: 6,481,772~~

~~Period Three Maximum Obligation: 5,736,358~~

~~TOTAL MAXIMUM OBLIGATION: \$15,704,614~~

Period One Maximum Obligation: \$ 3,486,484

Period Two Maximum Obligation: 7,382,490

Period Three Maximum Obligation: 6,970,024

TOTAL MAXIMUM OBLIGATION: \$17,838,998

**Basis for Reimbursement:** Actual Cost

**Payment Method:** Monthly in Arrears

**CONTRACTOR DUNS Number:** 07-654-7363

**CONTRACTOR TAX ID Number:** 94-1735271

**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

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1 **CONTRACTOR:** Leslie Davis

2 Senior Vice President, Chief Financial Officer

3 Telecare Corporation

4 1080 Marina Village Parkway, Suite 100

5 Alameda, CA 94501

6 ldavis@telecarecorp.com

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## I. ACRONYMS

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

A. ARRA	American Recovery and Reinvestment Act
B. ASRS	Alcohol and Drug Programs Reporting System
C. AES	Advanced Encryption Standard
D. BCP	Business Continuity Plan
E. CCC	California Civil Code
F. CCR	California Code of Regulations
G. CD/DVD	Compact Disc/Digital Video or Versatile Disc
H. CEO	County Executive Office
I. CFR	Code of Federal Regulations
J. CIPA	California Information Practices Act
K. CHPP	COUNTY HIPAA Policies and Procedures
L. CHHS	California Health and Human Services Agency
M. CHS	Correctional Health Services
N. CMPPA	Computer Matching and Privacy Protection Act
O. COI	Certificate of Insurance
P. D/MC	Drug/Medi-Cal
Q. DHCS	Department of Health Care Services
R. DoD	US Department of Defense
S. DPFS	Drug Program Fiscal Systems
T. DRP	Disaster Recovery Plan
U. DRS	Designated Record Set
V. DSM	Diagnostic and Statistical Manual of Mental Disorders
W. DSM-IV	Diagnostic and Statistical Manual of Mental Disorders. 4th Edition
X. DSM-V	Diagnostic and Statistical Manual of Mental Disorders. 5th Edition
Y. FTE	Full Time Equivalent
Z. E-Mail	Electronic Mail
AA. EHR	Electronic Health Records
AB. ePHI	Electronic Protected Health Information
AC. FIPS	Federal Information Processing Standards
AD. GAAP	Generally Accepted Accounting Principles
AE. HCA	Health Care Agency
AF. HHS	Health and Human Services
AG. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public Law 104-191

1	<del>AH.</del>	<u>HMIOT</u>	<u>Homeless Mentally Ill Outreach and Treatment</u>
2	<del>AI.</del>	<u>HSC</u>	<u>California Health and Safety Code</u>
3	<del>AI</del> <del>AJ.</del>	<u>ID</u>	<u>Identification</u>
4	<del>AI</del> <del>AK.</del>	<u>IEA</u>	<u>Information Exchange Agreement</u>
5	<del>AK</del> <del>AL.</del>	<u>IRIS</u>	<u>Integrated Records and Information System</u>
6	<del>AL</del> <del>AM.</del>	<u>ISO</u>	<u>Insurance Services Office</u>
7	<del>AM</del> <del>AN.</del>	<u>MHP</u>	<u>Mental Health Plan</u>
8	<del>AN</del> <del>AO.</del>	<u>NIST</u>	<u>National Institute of Standards and Technology</u>
9	<del>AO</del> <del>AP.</del>	<u>NPI</u>	<u>National Provider Identifier</u>
10	<del>AP</del> <del>AQ.</del>	<u>NPP</u>	<u>Notice of Privacy Practices</u>
11	<del>AQ</del> <del>AR.</del>	<u>OCJS</u>	<u>Orange County Jail System</u>
12	<del>AR</del> <del>AS.</del>	<u>OCPD</u>	<u>Orange County Probation Department</u>
13	<del>AS</del> <del>AT.</del>	<u>OCR</u>	<u>Office for Civil Rights</u>
14	<del>AT</del> <del>AU.</del>	<u>OCSD</u>	<u>Orange County Sheriff's Department</u>
15	<del>AU</del> <del>AV.</del>	<u>OIG</u>	<u>Office of Inspector General</u>
16	<del>AV</del> <del>AW.</del>	<u>OMB</u>	<u>Office of Management and Budget</u>
17	<del>AW</del> <del>AX.</del>	<u>OPM</u>	<u>Federal Office of Personnel Management</u>
18	<del>AX</del> <del>AY.</del>	<u>PA DSS</u>	<u>Payment Application Data Security Standard</u>
19	<del>AY</del> <del>AZ.</del>	<u>PC</u>	<u>State of California Penal Code</u>
20	<del>AZ</del> <del>BA.</del>	<u>PCI DSS</u>	<u>Payment Card Industry Data Security Standard</u>
21	<del>BA</del> <del>BB.</del>	<u>PHI</u>	<u>Protected Health Information</u>
22	<del>BB</del> <del>BC.</del>	<u>PI</u>	<u>Personal Information</u>
23	<del>BC</del> <del>BD.</del>	<u>PII</u>	<u>Personally Identifiable Information</u>
24	<del>BD</del> <del>BE.</del>	<u>P&amp;P</u>	<u>Policy and Procedure</u>
25	<del>BE</del> <del>BF.</del>	<u>PRA</u>	<u>Public Record Act</u>
26	<del>BF.</del>	<u>SIR</u>	<u>Self-Insured Retention</u>
27	<del>BG</del> <del>BH.</del>	<u>SSA</u>	<u>County of Orange Social Services Agency</u>
28	<del>BH</del> <del>BI.</del>	<u>HITECH Act</u>	<u>The Health Information Technology for Economic and Clinical Health</u>
29			<u>Act, Public Law 111-005</u>
30	<del>BI</del> <del>BJ.</del>	<u>USC</u>	<u>United States Code</u>
31	<del>BJ</del> <del>BK.</del>	<u>UOS</u>	<u>Units of Service</u>
32	<del>BK</del> <del>BL.</del>	<u>WIC</u>	<u>State of California Welfare and Institutions Code</u>

## II. ALTERATION OF TERMS

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

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

### **III. ASSIGNMENT OF DEBTS**

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

### **IV. COMPLIANCE**

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

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

2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own Compliance Program, Code of Conduct and any Compliance related policies and procedures. CONTRACTOR's Compliance Program, Code of Conduct and any related policies and procedures shall be verified by ADMINISTRATOR's Compliance Department to ensure they include all required elements by ADMINISTRATOR's Compliance Officer as described in this Paragraph IV (COMPLIANCE). 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 acknowledge to 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 shall comply with ADMINISTRATOR's Compliance Program and Code of Conduct.

4. If CONTRACTOR elects to have its own Compliance Program, Code of Conduct and any Compliance related policies and procedures review 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 semi-annually 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, the California Medi-Cal Suspended and Ineligible Provider List, and the Social Security Administration Death Master File and/or any other list or system as identified by the ADMINISTRATOR.

1. For purposes of this Paragraph IV (COMPLIANCE), Covered Individuals includes all employees, interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items or services or who perform billing or coding functions on behalf of ADMINISTRATOR. Notwithstanding the above, this term does not include part-time or per-diem employees, contractors, subcontractors, agents, and other persons who are not reasonably expected to work more than one hundred sixty (160) hours per year; except that any such individuals shall become Covered Individuals at the point when they work more than one hundred sixty (160) hours during the calendar year. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. CONTRACTOR shall bill only for those eligible services actually rendered which are also fully documented. When such services are coded, CONTRACTOR shall use proper billing codes which

1 accurately describes the services provided and must ensure compliance with all billing and  
2 documentation requirements.

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

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

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

### 13 14 **V. CONFIDENTIALITY**

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

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

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

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

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

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## **VI. COST REPORT**

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

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

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

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

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

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

B. The individual and/or consolidated Cost Report shall be the final financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis for final settlement to

CONTRACTOR. CONTRACTOR shall document that costs are reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The individual and/or consolidated Cost Report shall be the final financial record for subsequent audits, if any.

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

D. Unless approved by ADMINISTRATOR, costs that exceed the Statewide Maximum Allowance (SMA) rates per Medi-Cal Unit of Services, as determined by the DHCS, shall be unreimbursable to CONTRACTOR.

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

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

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

Signed \_\_\_\_\_  
 Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_"

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## **VII. 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.

## **VIII. 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 may not assign the rights hereunder, either in whole or in part, without the prior written consent of COUNTY.

1. If CONTRACTOR is a nonprofit organization, any change from a nonprofit corporation to any other corporate structure of CONTRACTOR, including a change in more than fifty percent (50%) of the composition of the Board of Directors within a two (2) month period of time, shall be deemed an

1 assignment for purposes of this paragraph, unless CONTRACTOR is transitioning from a community  
 2 clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal  
 3 Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.

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

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

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

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

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

27 1. After approval of a subcontract, ADMINISTRATOR may revoke the approval of a  
 28 subcontract upon five (5) calendar days' written notice to CONTRACTOR if the subcontract  
 29 subsequently fails to meet the requirements of this Agreement or any provisions that  
 30 ADMINISTRATOR has required.

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

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

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



## **IX. EMPLOYEE ELIGIBILITY VERIFICATION**

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

## **X. EQUIPMENT**

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

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

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

D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part with funds paid through this Agreement, including date of purchase, purchase price, serial number, model and type of Equipment. Such inventory shall be available for review by ADMINISTRATOR,

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1 and shall include the original purchase date and price, useful life, and balance of depreciated Equipment  
2 cost, if any.

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

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

10 G. Unless this Agreement is followed without interruption by another agreement between the  
11 parties for substantially the same type and scope of services, at the termination of this Agreement for  
12 any cause, CONTRACTOR shall return to COUNTY all Equipment purchased with funds paid through  
13 this Agreement.

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

## 16 17 **XI. FACILITIES, PAYMENTS AND SERVICES**

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

23 B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or  
24 supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Maximum Obligation  
25 for the appropriate Period as well as the Total Maximum Obligation. The reduction to the Maximum  
26 Obligation for the appropriate Period as well as the Total Maximum Obligation shall be in an amount  
27 proportionate to the number of days in which CONTRACTOR was determined to be unable to provide  
28 services, staffing, facilities or supplies.

## 29 30 **XII. INDEMNIFICATION AND INSURANCE**

31 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,  
32 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special  
33 districts and agencies for which COUNTY's Board of Supervisors acts as the governing Board  
34 ("COUNTY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature,  
35 including but not limited to personal injury or property damage, arising from or related to the services,  
36 products or other performance provided by CONTRACTOR pursuant to this Agreement. If judgment is  
37 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the

1 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and  
 2 COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall  
 3 request a jury apportionment.

4 B. Prior to the provision of services under this Agreement, CONTRACTOR agrees to purchase all  
 5 required insurance at CONTRACTOR's expense, including all endorsements required herein, necessary  
 6 to satisfy COUNTY that the insurance provisions of this Agreement have been complied with.  
 7 CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance, and endorsements  
 8 on deposit with COUNTY during the entire term of this Agreement. In addition, all subcontractors  
 9 performing work on behalf of CONTRACTOR pursuant to this Agreement shall obtain insurance  
 10 subject to the same terms and conditions as set forth herein for CONTRACTOR.

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

20 D. All SIRs and deductibles shall be clearly stated on the COI. If no SIRs or deductibles apply,  
 21 indicate this on the COI with a zero (0) by the appropriate line of coverage. Any SIR or deductible in an  
 22 amount in excess of \$50,000 (\$5,000 for automobile liability) shall specifically be approved by the  
 23 CEO/Office of Risk Management upon review of CONTRACTOR's current audited financial report. If  
 24 CONTRACTOR's SIR is approved, CONTRACTOR, in addition to, and without limitation of, any  
 25 other indemnity provision(s) in this Agreement, agrees to all of the following:

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

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

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

35 E. If CONTRACTOR fails to maintain insurance as required in this Paragraph XII  
 36 (INDEMNIFICATION AND INSURANCE) for the full term of this Agreement, such failure shall

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constitute a breach of CONTRACTOR's obligation hereunder and grounds for COUNTY to terminate this Agreement.

#### F. QUALIFIED INSURER

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

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

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

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

#### H. REQUIRED COVERAGE FORMS

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

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

#### I. REQUIRED ENDORSEMENTS

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

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

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

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

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

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

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

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

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

M. If CONTRACTOR's Professional Liability and/or Network Security & Privacy Liability are "Claims Made" policy(ies), CONTRACTOR shall agree to maintain coverage for two (2) years following the completion of the Agreement.

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

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

P. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If CONTRACTOR does not deposit copies of acceptable COIs and endorsements with COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice, such failure shall constitute a breach of CONTRACTOR's obligation hereunder and ground for termination of this Agreement by COUNTY.

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

#### R. SUBMISSION OF INSURANCE DOCUMENTS

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

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

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

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

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

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

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

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

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### **XIII. INSPECTIONS AND AUDITS**

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

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

#### **C. AUDIT RESPONSE**

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

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

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

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

#### **XIV. LICENSES AND LAWS**

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

#### **B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS**

1. CONTRACTOR agrees to furnish to ADMINISTRATOR within thirty (30) calendar days of the award of this Agreement:

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

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

c. A certification that CONTRACTOR has fully complied with all applicable federal and state reporting requirements regarding its employees;

d. A certification that CONTRACTOR has fully complied with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment, and will continue to so comply.

2. Failure of CONTRACTOR to timely submit the data and/or certifications required by Subparagraphs 1.a., 1.b., 1.c., or 1.d. above, or to comply with all federal and state employee reporting requirements for child support enforcement, or to comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment, shall constitute a material breach of this Agreement; and failure to cure such breach within sixty (60) calendar days of notice from COUNTY shall constitute grounds for termination of this Agreement.

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

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

1. ARRA of 2009.
2. WIC, Division 5, Community Mental Health Services.
3. WIC, Division 6, Admissions and Judicial Commitments.
4. WIC, Division 7, Mental Institutions.



5. HSC, §§1250 et seq., Health Facilities.
6. PC, §§11164-11174.3, Child Abuse and Neglect Reporting Act.
7. CCR, Title 9, Rehabilitative and Developmental Services.
8. CCR, Title 17, Public Health.
9. CCR, Title 22, Social Security.
10. CFR, Title 42, Public Health.
11. CFR, Title 45, Public Welfare.
12. USC Title 42. Public Health and Welfare.
13. Federal Social Security Act, Title XVIII and Title XIX Medicare and Medicaid.
14. 42 USC §12101 et seq., Americans with Disabilities Act of 1990.
15. 42 USC §1857, et seq., Clean Air Act.
16. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.
17. 31 USC 7501.70, Federal Single Audit Act of 1984.
18. Policies and procedures set forth in Mental Health Services Act.
19. Policies and procedures set forth in DHCS Letters.
20. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.
21. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

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

#### **XV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly available social media sites) in support of the services described within this Agreement, CONTRACTOR shall develop social media P&Ps and have them available to ADMINISTRATOR upon reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social media used

to either directly or indirectly support the services described within this Agreement. CONTRACTOR shall comply with COUNTY Social Media Use P&Ps as they pertain to any social media developed in support of the services described within this Agreement. CONTRACTOR shall also include any required funding statement information on social media when required by ADMINISTRATOR.

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

## **XVI. 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.

## **XVII. MINIMUM WAGE LAWS**

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

B. CONTRACTOR shall comply and verify that its contractors 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.

## **XVIII. NONDISCRIMINATION**

### **A. EMPLOYMENT**

1. During the term of this Agreement, CONTRACTOR and its Covered Individuals 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,

1 CONTRACTOR and its Covered Individuals shall require in its subcontracts that subcontractors shall  
 2 not unlawfully discriminate against any employee or applicant for employment because of his/her race,  
 3 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,  
 4 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual  
 5 orientation, or military and veteran status.

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

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

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

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

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

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

1 Nondiscrimination paragraph, Discrimination includes, but is not limited to the following based on one  
2 or more of the factors identified above:

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

12 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all clients  
13 through a written statement that CONTRACTOR's and/or subcontractor's clients may file all  
14 complaints alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and  
15 ADMINISTRATOR or COUNTY's Patients' Rights Office.

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

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

22 b. Throughout the problem resolution and grievance process, client rights shall be  
23 maintained, including access to the Patients' Rights Office at any point in the process. Clients shall be  
24 informed of their right to access the Patients' Rights Office at any time.

25 2. Within the time limits procedurally imposed, the complainant shall be notified in writing as  
26 to the findings regarding the alleged complaint and, if not satisfied with the decision, may file an appeal.

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

34 E. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents shall  
35 intimidate, coerce or take adverse action against any person for the purpose of interfering with rights  
36 secured by federal or state laws, or because such person has filed a complaint, certified, assisted or  
37 //

otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to enforce rights secured by federal or state law.

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

## **XIX. 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 E-Mail; 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.

## **XX. 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; provided, however, weekends and holidays shall not be included for

purposes of computing the time within which to give telephone notice and, notwithstanding the time limit herein specified, 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, and/or postmarked and sent via U.S. Mail within forty-eight (48) hours of becoming aware of the death due to terminal illness of any person served pursuant to this Agreement.

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

## **XXI. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

## **XXII. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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1 D. CONTRACTOR shall retain all financial records for a minimum of seven (7) years from the  
2 commencement of the contract, unless a longer period is required due to legal proceedings such as  
3 litigations and/or settlement of claims.

4 E. CONTRACTOR shall make records pertaining to the costs of services, participant fees, charges,  
5 billings, and revenues available at one (1) location within the limits of the County of Orange.

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

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

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

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

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

18 1. Have documents readily available within forty-eight (48) hour notice of a scheduled audit  
19 or site visit.

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

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

24 H. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and  
25 security of PII and/or PHI. CONTRACTOR shall notify COUNTY immediately by telephone call plus  
26 email or fax upon the discovery of a Breach of unsecured PHI and/or PII.

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

30 J. CONTRACTOR shall retain all client and/or patient medical records for seven (7) years  
31 following discharge of the client and/or patient, with the exception of non-emancipated minors for  
32 whom records must be kept for at least one (1) year after such minors have reached the age of eighteen  
33 (18) years, or for seven (7) years after the last date of service, whichever is longer.

34 K. If CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR  
35 may provide written approval to CONTRACTOR to maintain records in a single location, identified by  
36 CONTRACTOR.

37 //

L. CONTRACTOR may be required to retain all records involving litigation proceedings and settlement of claims for a longer term which will be directed by the ADMINISTRATOR.

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

### **XXIII. RESEARCH AND PUBLICATION**

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

### **XXIV. REVENUE**

A. CLIENT FEES – CONTRACTOR shall charge, unless waived by ADMINISTRATOR, a fee to clients to whom billable services, other than those amounts reimbursed by Medicare, Medi-Cal or other third party health plans, are provided pursuant to this Agreement, their estates and responsible relatives, according to their ability to pay as determined by the State Department of Health Care Services' "Uniform Method of Determining Ability to Pay" (UMDAP) procedure or by any other payment procedure as approved in advance, and in writing by ADMINISTRATOR; and in accordance with Title 9 of the California Code of Regulations. Such fee shall not exceed the actual cost of services provided. No client shall be denied services because of an inability to pay.

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

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

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

### **XXV. SEVERABILITY**

If a court of competent jurisdiction declares any provision of this Agreement or application thereof to any person or circumstances to be invalid or if any provision of this Agreement contravenes any federal, state or county statute, ordinance, or regulation, the remaining provisions of this Agreement or



the application thereof shall remain valid, and the remaining provisions of this Agreement shall remain in full force and effect, and to that extent the provisions of this Agreement are severable.

## **XXVI. SPECIAL PROVISIONS**

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

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

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

1. Funding travel or training (excluding mileage or parking).
2. Making phone calls outside of the local area unless documented to be directly for the purpose of client care.
3. Payment for grant writing, consultants, certified public accounting, or legal services.
4. Purchase of artwork or other items that are for decorative purposes and do not directly contribute to the quality of services to be provided pursuant to this Agreement.
5. Purchasing or improving land, including constructing or permanently improving any building or facility, except for tenant improvements.
6. Providing inpatient hospital services or purchasing major medical equipment.

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

## **XXVII. STATUS OF CONTRACTOR**

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

## **XXVIII. TERM**

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

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

## **XXIX. TERMINATION**

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

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

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

1. The loss by CONTRACTOR of legal capacity.
2. Cessation of services.

3. The delegation or assignment of CONTRACTOR's services, operation or administration to another entity without the prior written consent of COUNTY.

4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty required pursuant to this Agreement.

5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this Agreement.

6. The continued incapacity of any physician or licensed person to perform duties required pursuant to this Agreement.

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

#### D. CONTINGENT FUNDING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **XXX. THIRD PARTY BENEFICIARY**

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

### **XXXI. WAIVER OF DEFAULT OR BREACH**

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

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IN WITNESS WHEREOF, the Parties have executed this First Amendment to Agreement, in the  
County of Orange, State of California.

TELECARE CORPORATION

BY: \_\_\_\_\_ DATED: \_\_\_\_\_

TITLE: \_\_\_\_\_

COUNTY OF ORANGE

BY: \_\_\_\_\_ DATED: \_\_\_\_\_

HEALTH CARE AGENCY

APPROVED AS TO FORM

OFFICE OF THE COUNTY COUNSEL

ORANGE COUNTY, CALIFORNIA

BY: \_\_\_\_\_ DATED: \_\_\_\_\_

DEPUTY

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

EXHIBIT A  
TO THE AGREEMENT FOR PROVISION OF  
GENERAL POPULATION FULL SERVICE PARTNERSHIP SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
TELECARE CORPORATION  
MARCH 1, 2018 THROUGH JUNE 30, 2020

**I. COMMON TERMS AND DEFINITIONS**

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

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

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

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

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

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

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

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

c. Emerging Practices means that the practice(s) seems like a logical approach to addressing a specific behavior which is becoming distinct, recognizable among Clients and clinicians in

1 practice, or innovators in academia or policy makers; and at least one recognized expert, group of  
 2 researchers or other credible individuals have endorsed the practice as worthy of attention based on  
 3 outcomes; and finally, it produces specific outcomes.

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

10 7. CAT means Crisis Assessment Team and provides 24 hour mobile response services to any  
 11 adult who has a psychiatric emergency. This program assists law enforcement, social service agencies,  
 12 and families in providing crisis intervention services for the mentally ill. CAT is a multi-disciplinary  
 13 program that conducts risk assessments, initiates involuntary hospitalizations, and provides case  
 14 management, linkage, follow ups for individuals evaluated.

15 8. Certified Reviewer means an individual that obtains certification by completing all  
 16 requirements set forth in the Authority and Quality Improvement Services Reviewer Training  
 17 Verification Sheet.

18 9. Client or Member means an individual, referred by COUNTY or enrolled in  
 19 CONTRACTOR's program for services under the Agreement, who experiences severe mental illness.

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

23 11. Crisis Stabilization Unit (CSU) means a psychiatric crisis stabilization program that  
 24 operates 24 hours a day that services Orange County residents, aged 18 and older, who are experiencing  
 25 a psychiatric crisis and need immediate evaluation. Clients receive a thorough psychiatric evaluation,  
 26 crisis stabilization treatment, and referral to the appropriate level of continuing care. As a designated  
 27 outpatient facility, the CSU may evaluate and treat clients for no longer than 23 hours.

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

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

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

35 b. Data Analysis Specialist means a person who is responsible for ensuring the program  
 36 maintains a focus on outcomes, by reviewing outcomes, and analyzing data as well as working on  
 37 strategies for gathering new data from the Clients' perspective which will improve understanding of

1 Clients' needs and desires towards furthering their recovery. This individual will provide feedback to  
 2 the program and work collaboratively with the employment specialist, education specialist, benefits  
 3 specialist, and other staff in the program in strategizing improved outcomes in these areas. This position  
 4 will be responsible for attending all data and outcome related meetings and ensuring that program is  
 5 being proactive in all data collection requirements and changes at the local and state level.

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

9 d. KET means Key Event Tracking and refers to the tracking of a Client's movement or  
 10 changes in the approved data collection system. A KET must be completed and entered accurately each  
 11 time the CONTRACTOR is reporting a change from previous Client status in certain categories. These  
 12 categories include: residential status, employment status, education, legal status, emergency intervention  
 13 episodes, and benefits establishment.

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

17 14. DCR means Data Collection and Reporting and refers to the DHCS developed data  
 18 collection and reporting system that ensures adequate research and evaluation regarding the effectiveness  
 19 of services being provided and the achievement of outcome measures. COUNTY is required to report  
 20 Client information and outcomes of the FSP program directly to the FSP DCR system by XML file  
 21 submission of the three different type of Client assessments (PAF, KET, and 3M).

22 15. Diagnosis means the definition of the nature of the Client's disorder. When formulating the  
 23 Diagnosis of Client, CONTRACTOR shall use the diagnostic codes as specified in the most current  
 24 edition of the DSM published by the American Psychiatric Association. DSM diagnoses will be  
 25 recorded on all IRIS documents, as appropriate.

26 16. DSH means Direct Service Hours and refers to a measure in minutes that a clinician spends  
 27 providing Client services. DSH credit is obtained for providing mental health, case management,  
 28 medication support and a crisis intervention service to any Client open in IRIS which includes both  
 29 billable and non-billable services.

30 17. Engagement means the process by which a trusting relationship between worker and  
 31 Client(s) is established with the goal to link the individual(s) to the appropriate services. Engagement of  
 32 Client(s) is the objective of a successful outreach.

33 18. Face-to-Face means an encounter between Client and provider in which they are both  
 34 physically present.

35 19. FSP means Full Service Partnership and refers to a type of program described by the State  
 36 in the requirements for the COUNTY plan for use of MHSA funds and which includes Clients being a  
 37 full partner in the development and implementation of their treatment plan. A FSP is an evidence-based



and strength-based model, with the focus on the individual rather than the disease. Multi-disciplinary teams will be established including the Client, Psychiatrist, and PSC. Whenever possible, these multi-disciplinary teams will include a mental health nurse, marriage and family therapist, clinical social worker, peer specialist, and family members. The ideal Client-to-staff ratio for the General Population FSP will be in the range of fifteen to twenty (15 – 20) Clients to one (1) staff, ensuring relationship building and intensive service delivery. Services will include, but not be limited to, the following:

- 1) Crisis Management;
- 2) Housing Services;
- 3) Twenty-four (24)-hours per day, seven (7) days per week intensive case management;
- 4) Community-based Recovery Services;
- 5) Vocational and Educational services;
- 6) Job Coaching/Developing;
- 7) Client employment;
- 8) Money management/Representative Payee support;
- 9) Flexible Fund account for immediate needs;
- 10) Transportation;
- 11) Illness Education and Self-management;
- 12) Medication Support;
- 13) Co-occurring Services;
- 14) Linkage to Financial Benefits/Entitlements;
- 15) Family and Peer Support; and
- 16) Supportive Socialization and Meaningful Community Roles.

a. Client services are focused on recovery and harm reduction to encourage the highest level of Client empowerment and independence achievable. PSC's will meet with the Client in their current community setting and will develop a supportive relationship with the individual served. Substance use treatment will be integrated into services and provided by the Client's team to individuals with a co-occurring disorder.

b. The FSP shall offer "whatever it takes" to engage seriously mentally ill adults, including those who have co-occurring disorder, in a partnership to achieve the individual's wellness and recovery goals. Services shall be non-coercive and focused on engaging people in the field. The goal of FSP Programs is to assist Clients to progress through pre-determined quality of life outcome domains (housing, decreased incarcerations, decreased hospitalizations, increased education involvement, increased employment opportunities and retention, linkage to medical providers, etc.) and become more independent and self-sufficient as Clients move through the continuum of recovery as evidenced by progressing to a lower level of care or out of the "intensive case management" need category.

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

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

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

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

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

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

26. Linkage means to assist an individual to connect with a referred service.

27. Medical Necessity means the requirements as defined by CCR, Title 9 and as listed in the COUNTY MHP Medical Necessity for Medi-Cal Reimbursed Specialty Mental Health Services that includes Diagnosis, Impairment Criteria and Intervention Related Criteria.

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

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

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

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

c. Co-Occurring Integrated Treatment Model means, in evidence-based Integrated Treatment programs, Clients who receive a combined treatment for mental illness and substance use disorders from the same practitioner or treatment team.

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

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

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

g. Targeted Case Management means services that assist a beneficiary to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. The service activities may include, but are not limited to, communication, coordination and referral; monitoring service delivery to ensure beneficiary access to service and the service delivery system; monitoring of the beneficiary's progress; and plan development.

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

30. Mental Health Worker means an individual that assists in planning, developing and evaluating mental health services for Clients; provides liaison between Clients and service providers; and has obtained a Bachelor's degree in a behavioral science field such as psychology, counseling, or social work, or has two years of experience providing client related services to Clients experiencing mental health, and substance use disorders. Education in a behavioral science field such as psychology, counseling, or social work may be substituted for up to one year of the experience requirement.

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

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

33. MHSA means Mental Health Services Act and refers to the law that provides funding for expanded community Mental Health Services. It is also known as "Proposition 63."

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

35. NOA-A means Notice of Action and refers to a Medi-Cal requirement that informs the beneficiary that he/she is not entitled to any specialty mental health service. The COUNTY has expanded the requirement for an NOA-A to all individuals requesting an assessment for services and found not to meet the Medical Necessity criteria for Specialty Mental Health Services.

36. NPI means National Provider Identifier and refers to the standard unique health identifier that was adopted by the Secretary of HHS under HIPAA for health care providers.

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

38. Outreach means the Outreach to potential Clients to link them to appropriate Mental Health Services and may include activities that involve educating the community about the services offered and requirements for participation in the programs. Such activities should result in the CONTRACTOR developing their own Client referral sources for the programs they offer.

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

40. Pharmacy Benefits Manager means the organization that manages the medication benefits that are given to Clients that qualify for medication benefits.

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

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

43. Plan Coordinator means an MHS, CSW, or MFT that provides mental, crisis intervention and case management services to those Clients who seek services in the COUNTY operated outpatient programs.

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

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

46. Promotora de Salud Model means a model where trained individuals, Promotores, work towards improving the health of their communities by linking their neighbors to health care and social services, educating their peers about mental illness, disease and injury prevention.

47. Promotores means individuals who are members of the community who function as natural helpers to address some of their communities' unmet mental health, health and human service needs. They are individuals who represent the ethnic, socio-economic and educational traits of the population they serve. Promotores are respected and recognized by their peers and have the pulse of the community's needs.

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

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

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

51. QIC means Quality Improvement Committee and refers to a committee that meets quarterly to review one percent (1%) of all "high-risk" Medi-Cal Clients to monitor and evaluate the quality and

appropriateness of services provided. At a minimum, the committee is comprised of one (1) CONTRACTOR administrator, one (1) Clinician and one (1) Physician who are not involved in the clinical care of the cases.

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

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

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

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

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

53. Referral means the act of sending an individual to another person or place for services, help, advice, etc. When indicated, follow-up shall be provided within five (5) working days to assure that the Client has made contact with the referred service.

54. SUD means Substance Use Disorder and refers to a condition in which the use of one or more substances leads to a clinically significant impairment or distress per the latest DSM.

55. Supportive Housing PSC means a person who provides services in a supportive housing structure. This person will coordinate activities which will include, but not be limited to: independent living skills, social activities, supporting communal living, assisting residents with conflict resolution, advocacy, and linking Clients with the assigned PSC for clinical issues. The Supportive Housing PSC will assist with building and maintaining relationships with housing management and owner operators, and consult with the multidisciplinary team of staff assigned by the program.

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

57. Token means the security device which allows an individual user to access the COUNTY's computer based IRIS.

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

59. Vocational/Educational Specialist means a person who provides services that range from pre-vocational groups, trainings and supports to obtain employment out in the community based on the Clients' level of need and desired support. The Vocational/Educational Specialist will provide

“one on one” vocational counseling and support to Clients to ensure that their needs and goals are being met. The overall focus of the Vocational/Educational Specialist is to empower Clients and provide them with the knowledge and resources to achieve the highest level of vocational functioning possible.

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

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

## II. BUDGET

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

	PERIOD ONE	PERIOD TWO	PERIOD THREE	TOTAL
<del>ADMINISTRATIVE COST</del>				
<del>Indirect Costs</del>	<del>\$ 454,759</del>	<del>\$ 748,221</del>	<del>\$ 748,221</del>	<del>\$ 1,951,201</del>
<del>SUBTOTAL</del>	<del>\$ 454,759</del>	<del>\$ 748,221</del>	<del>\$ 748,221</del>	<del>\$ 1,951,201</del>
<del>ADMINISTRATIVE COST</del>				
<del>PROGRAM COST</del>				
<del>Salaries</del>	<del>\$ 642,834</del>	<del>\$ 1,928,502</del>	<del>\$ 1,928,502</del>	<del>\$ 4,499,838</del>
<del>Benefits</del>	<del>205,417</del>	<del>616,252</del>	<del>616,252</del>	<del>1,437,921</del>
<del>Services and Supplies</del>	<del>251,247</del>	<del>753,740</del>	<del>753,740</del>	<del>1,758,727</del>
<del>Flexible Funds</del>	<del>1,826,840</del>	<del>1,373,483</del>	<del>1,373,483</del>	<del>4,573,806</del>
<del>Subcontracts</del>	<del>105,387</del>	<del>316,160</del>	<del>316,160</del>	<del>737,707</del>
<del>Start-Up Costs</del>	<del>0</del>	<del>745,414</del>	<del>0</del>	<del>745,414</del>
<del>SUBTOTAL PROGRAM</del>	<del>\$ 3,031,725</del>	<del>\$ 5,733,551</del>	<del>\$ 4,988,137</del>	<del>\$13,753,413</del>
<del>COST</del>				
<del>GROSS COST</del>	<del>\$ 3,486,484</del>	<del>\$ 6,481,772</del>	<del>\$ 5,736,358</del>	<del>\$15,704,614</del>
<del>REVENUE</del>				
<del>FFP Medi-Cal</del>	<del>\$ 0</del>	<del>\$ 646,957</del>	<del>\$ 646,957</del>	<del>\$ 1,293,914</del>
<del>MHSA Medi-Cal</del>	<del>0</del>	<del>646,957</del>	<del>646,957</del>	<del>1,293,914</del>

1	<del>MHSA</del>	<del>3,486,484</del>	<del>5,187,858</del>	<del>4,442,444</del>	<del>13,116,786</del>
2	<del>TOTAL REVENUE</del>	<del>\$ 3,486,484</del>	<del>\$ 6,481,772</del>	<del>\$ 5,736,358</del>	<del>\$15,704,614</del>
3					
4	<del>MAXIMUM OBLIGATION</del>	<del>\$ 3,486,484</del>	<del>\$ 6,481,772</del>	<del>\$ 5,736,358</del>	<del>\$15,704,614</del>
5					
6		<u>PERIOD</u>	<u>PERIOD</u>	<u>PERIOD</u>	<u>TOTAL</u>
7		<u>ONE</u>	<u>TWO</u>	<u>THREE</u>	
8	<u>ADMINISTRATIVE COST</u>				
9	Indirect Costs	\$ 454,759	\$ 801,859	\$ 909,134	\$ 2,165,752
10	<u>SUBTOTAL</u>	<u>\$ 454,759</u>	<u>\$ 801,859</u>	<u>\$ 909,134</u>	<u>\$ 2,165,752</u>
11	<u>ADMINISTRATIVE COST</u>				
12					
13	<u>PROGRAM COST</u>				
14	Salaries	\$ 642,834	\$2,104,256	\$2,455,765	\$ 5,202,855
15	Benefits	205,417	671,600	782,298	1,659,315
16	Services and Supplies	251,247	818,555	948,184	2,017,986
17	Flexible Funds	1,826,840	1,373,483	1,373,483	4,573,806
18	Client Support	0	61,667	185,000	246,667
19	Subcontracts	105,387	316,160	316,160	737,707
20	Start-Up Costs	0	1,234,910	0	1,234,910
21	<u>SUBTOTAL</u>	<u>\$3,031,725</u>	<u>\$6,580,631</u>	<u>\$6,060,890</u>	<u>\$15,673,246</u>
22	<u>PROGRAM COST</u>				
23					
24	<u>GROSS COST</u>	<u>\$3,486,484</u>	<u>\$7,382,490</u>	<u>\$6,970,024</u>	<u>\$17,838,998</u>
25					
26					
27	<u>REVENUE</u>				
28	FFP Medi-Cal	\$ 0	\$ 646,957	\$ 646,957	\$ 1,293,914
29	MHSA Medi-Cal	0	646,957	646,957	1,293,914
30	MHSA	3,486,484	5,187,858	4,442,444	13,116,786
31	HMIOT	0	900,718	1,233,666	2,134,384
32	<u>TOTAL REVENUE</u>	<u>\$3,486,484</u>	<u>\$7,382,490</u>	<u>\$6,970,024</u>	<u>\$17,838,998</u>
33					
34	<u>TOTAL BUDGET</u>	<u>\$3,486,484</u>	<u>\$7,382,490</u>	<u>\$6,970,024</u>	<u>\$17,838,898"</u>

B. CONTRACTOR and ADMINISTRATOR mutually agree that the ~~Total Budget~~ Maximum Obligation identified in Subparagraph II.A. of this Exhibit A to the Agreement includes Indirect Costs



not to exceed fifteen percent (15%) of Direct Costs, and which may include operating income estimated at two percent (2%). Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may include operating income.

C. CONTRACTOR agrees that the amount of MHSA Medi-Cal Match is dependent upon, and shall at no time be greater than, the amount of Federal Medi-Cal actually generated by CONTRACTOR, unless authorized by ADMINISTRATOR.

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

E. The parties agree that the above budget reflects an average Medi-Cal Client caseload of approximately forty-five percent (45%) to be maintained by CONTRACTOR. CONTRACTOR agrees to accept COUNTY referrals that may result in an increase in this average.

#### F. FLEXIBLE FUNDS

1. CONTRACTOR shall develop a P&P, or revise the existing P&P regarding Flexible Funds and submit to ADMINISTRATOR no later than twenty (20) calendar days from the start of the Agreement. ADMINISTRATOR and CONTRACTOR shall finalize and approve the P&P, in writing, no later than thirty (30) days from the start of the Agreement. If the Flexible Funds P&P has not been approved after thirty (30) days from the start of the Agreement, any subsequent Flexible Funds expenditures may be disallowed by ADMINISTRATOR.

2. CONTRACTOR shall ensure that utilization of Flexible Funds is individualized and appropriate for the treatment of Client's mental illness and overall quality of life.

3. CONTRACTOR shall report the utilization of their Flexible Funds monthly on a form approved by ADMINISTRATOR. The Flexible Funds report shall be submitted with CONTRACTOR's monthly Expenditure and Revenue Report.

4. CONTRACTOR shall ensure that all staff is trained and has a clear understanding of the approved Flexible Funds P&P. CONTRACTOR will provide signature confirmation of the Flexible Funds P&P training for each staff member that utilizes these Flexible Funds for a Client.

5. CONTRACTOR shall ensure the Flexible Funds P&P will include, but not be limited to, the following:

a. Purpose for which Flexible Funds are to be utilized. This shall include a description of what type of expenditures are appropriate, reasonable, justified and that the expenditure of Flexible

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1 Funds shall be individualized according to Client's needs. Include a sample listing of certain  
2 expenditures that are allowable, unallowable, or require discussion with ADMINISTRATOR;

3 b. Identification of specific CONTRACTOR staff designated to authorize Flexible Funds  
4 expenditures and the mechanism used to ensure this staff has timely access to Flexible Funds. This may  
5 include procedures for check requests/petty cash, or other methods of access to these funds;

6 c. Identification of the process for documenting and accounting for all Flexible Funds  
7 expenditures, which shall include, but not be limited to, retention of comprehensible source  
8 documentation such as receipts, copy of Client's lease/rental agreements, general ledgers, and needs  
9 documented in Client's treatment plan;

10 d. Statement indicating that Flexible Funds may be utilized when other community  
11 resources such as family/friends, food banks, shelters, charitable organizations, etc. are not available in a  
12 timely manner, or are not appropriate for a Client's situation. PSCs will assist Clients in exploring other  
13 available resources, whenever possible, prior to utilizing Flexible Funds;

14 e. Statement indicating that no single Flexible Funds expenditure, in excess of \$1,000,  
15 shall be made without prior written approval of ADMINISTRATOR. In emergency situations,  
16 CONTRACTOR may exceed the \$1,000 limit, if appropriate and justified, and shall notify  
17 ADMINISTRATOR the next business day of such an expense. Said notification shall include total costs  
18 and a justification for the expense. Failure to notify ADMINISTRATOR within the specified timeframe  
19 may result in disallowance of the expenditure;

20 f. Statement that pre-purchases shall only be for food, transportation, clothing and motels,  
21 as required and appropriate;

22 g. Statement indicating that pre-purchases of food, transportation and clothing vouchers  
23 and/or gift cards shall be limited to a combined, \$5,000 supply on-hand at any given time and that all  
24 voucher and/or gift card purchases and disbursement shall be tracked and logged by designated  
25 CONTRACTOR staff. Vouchers and/or gift cards shall be limited in monetary value to less than  
26 twenty-five (\$25) each, unless otherwise approved in advance by ADMINISTRATOR in writing;

27 h. Statement indicating that pre-purchases for motels shall be on a case-by-case basis and  
28 time-limited in nature and only utilized while more appropriate housing is being located. Pre-purchase  
29 of motel rooms shall be tracked and logged upon purchase and disbursement;

30 i. Statement indicating that Flexible Funds are not to be used for housing for Clients that  
31 have not been enrolled in CONTRACTOR's program, unless approved, in advance and in writing, by  
32 ADMINISTRATOR;

33 j. Statement indicating that Flexible Funds shall not be given in the form of cash to any  
34 Clients either enrolled or in the outreach and engagement phase of the CONTRACTOR's program; and

35 k. Identification of procedure to ensure secured storage and documented disbursement of  
36 gift cards and vouchers for Clients, including end of year process accounting for gift cards still in staff  
37 possession.

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

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

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

### **III. PAYMENTS**

A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the provisional amount of \$871,621 per month for Period One, \$540,148 per month for Period Two from July 1, 2018 through February 28, 2019, \$765,327 per month for Period Two from March 1, 2019 through June 30, 2019, and \$478,030 ~~580,835~~ per month for Period Three. All payments are interim payments only, and subject to final settlement in accordance with the Cost Report Paragraph of the Agreement for which CONTRACTOR shall be reimbursed for the actual cost of providing the services, which may include Indirect Administrative Costs, as identified in Subparagraph II.A. of this Exhibit A to the Agreement; provided, however, the total of such payments does not exceed the Maximum Obligation for each period as stated in the Referenced Contract Provisions of the Agreement and provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY, state, and/or federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices for any month for which the provisional amount specified above has not been fully paid.

1. In support of the monthly invoice, CONTRACTOR shall submit an Expenditure and Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Agreement.

ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.

2. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR's and the year-to-date actual cost incurred by CONTRACTOR.

3. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR may authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred by CONTRACTOR.

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

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

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

E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration and/or termination of the Agreement, except as may otherwise be provided under the Agreement, or specifically agreed upon in a subsequent Agreement.

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

#### **IV. REPORTS**

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

##### **B. FISCAL**

1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to ADMINISTRATOR. These reports will be on a form acceptable to, or provided by, ADMINISTRATOR and will report actual costs and revenues for CONTRACTOR's program described in the Services Paragraph of this Exhibit A to the Agreement. Such reports will also include actual productivity as defined by ADMINISTRATOR. The reports will be received by ADMINISTRATOR no later than the

twentieth (20th) day following the end of the month being reported. CONTRACTOR must request in writing any extensions to the due date of the monthly required reports. If an extension is approved by ADMINISTRATOR, the total extension will not exceed more than five (5) calendar days.

2. CONTRACTOR shall submit monthly Year-End Projection Reports to ADMINISTRATOR. These reports will be on a form acceptable to, or provided by, ADMINISTRATOR and will report anticipated year-end actual costs and revenues for CONTRACTOR's program described in the Services Paragraph of this Exhibit A to the Agreement. Such reports will include actual monthly costs and revenue to date and anticipated monthly costs and revenue to the end of the fiscal year. Year-End Projection Reports will be submitted in conjunction with the Monthly Expenditure and Revenue Reports.

C. STAFFING - CONTRACTOR shall submit monthly Staffing Reports to ADMINISTRATOR. These reports will be on a form acceptable to, or provided by, ADMINISTRATOR and will, at a minimum, report the actual FTEs of the positions stipulated in the Staffing Paragraph of this Exhibit A to the Agreement and will include the employees' names, licensure status, monthly salary, hire and/or termination date and any other pertinent information as may be required by ADMINISTRATOR. The reports will be received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month being reported.

#### D. PROGRAMMATIC

1. CONTRACTOR shall submit programmatic reports to ADMINISTRATOR, as indicated below, on a form acceptable to or provided by ADMINISTRATOR, which will be received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month/quarter being reported unless otherwise specified. Mental Health Programmatic reports shall include, but not limited to, the following:

- a. A description of CONTRACTOR's progress in implementing the provisions of this Agreement,
- b. Report of placement and movement of Clients along the continuum of services,
- c. Voluntary and involuntary hospitalizations and special incidences,
- d. Vocational programs, educational programs, including new job placements, Clients in continuing employment.
- e. Reporting of the numbers of Clients based upon their level of function in the MORS Level system,
- f. Chart compliance by percentage of compliance with all Medi-Cal records, in addition to any pertinent facts or interim findings, staff changes, status of Licenses and/or Certifications, changes in population served and reasons for any such changes.
- g. CONTRACTOR statement whether the program is or is not progressing satisfactorily in achieving all the terms of this Agreement, and if not, shall specify what steps will be taken to achieve satisfactory progress.

2. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional welfare of Clients, including but not limited to serious physical harm to self or others, serious destruction of property, developments, etc., and which may raise liability issues with COUNTY. CONTRACTOR shall notify and submit incident reports on an approved form to COUNTY within twenty-four (24) hours of any such serious adverse incident.

3. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issues that adversely affect the quality or accessibility of Client-related services provided by, or under contract with, the COUNTY as identified in the HCA P&Ps.

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

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

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

## V. SERVICES

A. FACILITY – CONTRACTOR shall maintain a facility which meets the minimum requirements for Medi-Cal and Medicare eligibility for the provision of General Population Full Service Partnership Services for exclusive use by COUNTY at the following location(s), or any other location approved, in advance, in writing, by ADMINISTRATOR:

~~727 South Beach Blvd. 615 W. Civic Center Drive Ste. 200~~

~~Anaheim, CA 92804 Santa Ana, CA 92701~~

2531 West Woodland Drive

Anaheim, CA 92801

1. The facility shall include space to support the services identified within the Agreement. has not been fully paid.

2. CONTRACTOR shall maintain regularly scheduled service hours, Monday through Friday, in adherence with COUNTY’s regularly scheduled service hours and holidays. In addition, the CONTRACTOR shall operate extended hours at least two (2) evenings or day per week and provide limited weekend services and activities to accommodate Clients’ needs. Any change or deviation from this schedule must have prior approval from COUNTY. CONTRACTOR agrees to provide access by

1 phone or in person to its Clients twenty-four (24) hours per day, seven (7) days per week, whichever the  
2 situation indicates.

3 3. CONTRACTOR shall maintain a holiday schedule consistent with the COUNTY's holiday  
4 schedule, unless otherwise approved, in advance and in writing, by ADMINISTRATOR.

5 4. CONTRACTOR shall obtain a NPI - The standard unique health identifier adopted by the  
6 Secretary of HHS under HIPAA of 1996 for health care providers.

7 B. INDIVIDUALS TO BE SERVED - Severe mentally ill adults, ages eighteen (18) years and  
8 older, legally residing in Orange County and otherwise eligible for public services under Federal and  
9 State law, and have one or more of the following conditions:

- 10 1. Homelessness or at risk of homelessness;
- 11 2. At risk of institutionalization or hospitalization;
- 12 3. Co-occurring substance use disorders; or
- 13 4. Unserved or underserved or not successfully engaged in traditional mental health services.

14 C. PROGRAM PHILOSOPHIES – CONTRACTOR's program shall be guided by the following  
15 values, philosophies, and approaches to recovery in the services provided:

16 1. Ensuring Cultural Considerations – CONTRACTOR shall tailor services to the Clients'  
17 worldview and belief systems and to enhance the therapeutic relationship, intervention, and outcome.  
18 Consideration to how Clients' identify in terms of race, ethnicity, sexual orientation, and spirituality  
19 shall be considered when developing and providing services.

20 2. Being Fully Served, Ensuring Integrated Experience – To begin to understand and apply  
21 FSP practices, one must first understand the concepts inherent in the carefully selected phrase Full  
22 Service Partnership, including the idea of what it means to "be fully served" and providing an integrated  
23 service experience within the FSP. Individuals who have been diagnosed with a serious mental illness  
24 shall receive mental health services through an individual service plan where both the Client and their  
25 PSC agree that they are getting the services they want and need, in order to achieve their wellness and  
26 recovery goals.

27 3. Tailoring Service Coordination to Client Stage of Recovery – CONTRACTOR shall  
28 identify and define levels of service and supports that create a continuum of services based on the  
29 Clients' stages of recovery to ensure that Clients are "fully served."

30 4. Outreach and Engagement – CONTRACTOR shall form the foundation of a partnership by  
31 bringing individuals successfully into the FSP as well as to retain Clients in the FSP while they need  
32 services.

33 5. Welcoming Environments – CONTRACTOR shall convey a sense of welcoming to Clients  
34 that reflects the belief in recovery. The healing and recovery process will not truly begin until a Client  
35 feels welcomed and accepted into the services and supports provided by the FSP team.

36 6. Stage of Readiness for Change – CONTRACTOR shall effect change by first focusing  
37 interventions based on Clients' Stage of Readiness of Change toward changing behaviors and have

1 concrete interventions and supports to support the Client's move towards recovery in that specific area  
2 of their life.

3 7. Client or Person Centered Treatment Planning and Service Delivery – CONTRACTOR  
4 shall promote a foundation for healing through the relationship between the Client and Personal Services  
5 Coordinator or FSP team through the use of Client or Person Centered Treatment Planning and Service  
6 Delivery.

7 8. Fostering Independence, Self-Determination and Transitioning to Community Supports –  
8 CONTRACTOR shall assist Clients in becoming more engaged in their recovery to reduce reliance on  
9 the mental health system, as mental health interventions become less necessary.

10 9. Community Capacity Building – CONTRACTOR shall assist Clients in managing and  
11 living productive lives in their community; to reduce unnecessary Client reliance on the mental health  
12 system; and to increase capacity within the system to serve new Clients.

13 10. Use of Strength-Based Approach – CONTRACTOR shall help Clients identify and use  
14 their individual strengths in treatment as an effective way to help Clients achieve their goals and believe  
15 that recovery is possible.

16 11. Client Self-Management – CONTRACTOR shall assist Clients in learning to assume more  
17 responsibility for their overall care by becoming more involved in decision-making and successfully  
18 manage their symptoms.

19 12. Integrated Services for Clients with Co-Occurring Substance Use and Mental Health  
20 Disorders – CONTRACTOR shall integrate substance use and mental health services into one treatment  
21 plan as it is critical to the recovery process for both disorders. Integrated Dual Disorder Treatment  
22 model is an approach that helps people recover by offering treatments that combine or integrate mental  
23 health and substance use interventions at the level of the clinical encounter. Ultimately, the goal of  
24 Integrated Dual Disorder Treatment is to help people manage both their mental illness and substance use  
25 disorders so that they can pursue their own meaningful life goals.

26 13. Role of Medication and Therapy – CONTRACTOR shall understand the potential role and  
27 value of therapy, counseling, and role modeling as treatment modalities within a FSP. CONTRACTOR  
28 shall identify strategies for FSP teams to work collaboratively with Clients to find the best approach to  
29 support his/her success.

30 14. Reconnecting with Family – CONTRACTOR shall facilitate the recovery process and add  
31 an element of social support to the Client and include the family in services.

32 15. Increasing Social Supports and Community Integration – CONTRACTOR shall work with  
33 Clients to shift Clients' support from weighing heavily on the mental health system to weighing more  
34 heavily in the community. CONTRACTOR shall focus on increasing Clients' social network and  
35 increasing their opportunities to meet new people as Clients recovery progresses.

36 16. Education, Employment and Volunteering – CONTRACTOR shall work with Clients to  
37 engage in activities that are meaningful, create self-sufficiency, and give back to the community.



17. Reducing Involvement in the Criminal Justice System – CONTRACTOR shall minimize Client contact with law enforcement and the judicial system.

18. Linkage to and Coordination of Health Care – CONTRACTOR shall ensure all FSP Clients have access to needed comprehensive health care. Access to these services is particularly critical since mental health Clients often have undiagnosed and untreated medical conditions that result in chronic medical conditions and premature death.

19. Coordination of Inpatient Care/Incarceration – CONTRACTOR shall ensure coordination of services when FSP Clients are in a psychiatric hospital or incarcerated and plan for a successful discharge.

20. Team Service Approach and Meeting Structure – CONTRACTOR shall utilize the FSP team as a whole in treatment and service planning.

21. Use of Peer Staff – CONTRACTOR shall identify meaningful roles for peer employees as part of a FSP team. Employing Clients is transformational and not only helps Clients give back to the system that helped them recover, but also, if done with care, will reduce the stigma associated with mental illness.

22. Creating an Array of Readily Available Housing Options – CONTRACTOR shall establish safe, affordable, and permanent housing for each Client.

23. Graduation is the expected outcome for all Clients and is not only crucial to the Clients as validation of their accomplishments and belief in their potential, but is also crucial for capacity and flow through our system. CONTRACTOR shall work with Clients to provide enough support for Clients to develop the confidence to move to lower levels of care or full community integration.

24. Evidence-Based Practices – CONTRACTOR shall focus on using EBPs whenever possible. CONTRACTOR shall have the needed expertise to collect and analyze data and outcomes in line with established fidelity measures. This expertise will ensure desired outcomes are achieved and routinely tested for accuracy.

25. CONTRACTOR shall conduct ongoing evaluation of practices and outcomes to ensure that all components of MHSA FSP philosophy, as outlined above, are successfully implemented and achieving desired results. These results will be made available to COUNTY and the general public via: the MHSA website, quarterly outcome focused management meetings and public forums upon request and approval of COUNTY.

D. PROGRAM SERVICES – CONTRACTOR's program shall include, but not be limited to, the following services under the provision of the General Population FSP services:

1. Crisis Intervention and Management Services: Emergency response services enabling the Client to cope with the crisis while maintaining his/her functioning status within the community and aim at preventing further decompensation. This may include assessment for involuntary hospitalization. This service must be available twenty-four (24) hours per day, seven (7) days per week.

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2. Medication Support Services: Evaluate need for medication, clinical effectiveness, side effects of medication and obtaining informed consent.

a. Medication education shall be provided including discussing risks, benefits and alternatives with the Clients or significant support persons when indicated.

b. Plan development related to decreasing impairments, delivering of services, evaluating of the status of the Client's community functions, and prescribing, dispensing and administering psychotropic medications shall be discussed with the Client and documented.

c. Medication support services may occur in the office or in the field.

3. Co-Occurring Services: Follow a program that uses a stage-wise treatment model that is non-confrontational, follows behavioral principles, considers interactions between mental illness and substance use and has gradual expectations of abstinence. Mental illness and substance use research has strongly indicated that to recover fully, a Client with co-occurring disorder needs treatment for both problems as focusing on one does not ensure the other will go away. Co-occurring services integrate assistance for each condition, helping people recover from both in one setting at the same time. All treatment team members shall be co-occurring capable. When appropriate, the American Society of Addiction Medicine (ASAM) criteria shall be utilized to identify an appropriate level of co-occurring treatment indicated. Individuals with co-occurring issues shall be provided a range of co-occurring services including linkage to medical detox, social detox, residential treatment, etc.

4. Vocational and Educational Services: As part of the continuum of recovery it is important that Clients develop an "identity" other than that of a mental health Client; towards this end Clients will be supported in exploring a full range of opportunities, including but not limited to, volunteer opportunities, part-time/full-time work, supported employment, competitive employment and educational opportunities. CONTRACTOR's staff shall have a dedicated Vocational/Educational Specialist to assist enrolled Clients with these services.

a. Educational Services: CONTRACTOR shall engage Clients in activities to support them in achieving the highest educational functioning possible. Services and activities may include General Education Diploma preparation, and linkage to colleges, vocational training and adult schools. Peers may be used as teachers' aides to ease the anxiety of a new Client returning to continue educational goals.

b. Pre-Vocational/Vocational Services: CONTRACTOR shall engage Clients in pre-vocational/vocational activities that assist them in determining their skills, interests, values, and realistic career goals, and services that help them in developing work skills, gaining work experience and finding employment. Activities and services may include, but not be limited to the following areas: career exploration, identification of personal strengths, values, and talents, resume writing, job seeking skills, interviewing skills, job coaching, job placement, job retention, and symptom management in the workplace. The intent of these activities and services is to actively involve Clients in identifying and developing their own positive work identities; building self-confidence and vocational skills; and

ultimately obtaining and maintaining employment. CONTRACTOR shall assist Clients to find employment settings that match the Clients' interests, abilities, aptitudes, strengths and individualized goals, and provide supportive services to ensure vocational success.

c. Job Coaching/Developing: The Employment Specialist shall assist Clients in the exploration of various career options as well as actively strategizing collaborative relationships in the private and public sector to create job opportunities for Clients. This position will work closely with management staff and the Data Analyst to explore and implement evidence-based best practices in this area.

5. Family and Peer Support Services:

a. Connection to community, family and friends is a critical element to recovery and shall be an integral part of CONTRACTOR's services. The PSCs will work to include Client's natural support system in treatment and services; peers will be hired as Peer Recovery Specialists to assist Clients in their recovery.

b. Supportive Socialization and Meaningful Community Roles: CONTRACTOR shall provide client-centered services that will support Clients in their recovery, self-sufficiency and development of meaningful life activities and relationships.

6. Transportation Services: CONTRACTOR shall provide transportation services which may include, but not be limited to: provision of bus tickets; transportation to appointments deemed necessary for the Client care; or transportation for emergency psychiatric evaluation or treatment.

7. Money Management/Representative Payee Support Services: CONTRACTOR shall designate a bonded Representative Payee to provide money management services to those Clients who are not able to manage their finances independently. These Clients include those that have funding, but are not able to or willing to meet their basic needs without assistance. Money management will also include individual and/or group education regarding personal budgeting.

8. On-call Services: CONTRACTOR shall provide on-call services. CONTRACTOR staff must be available twenty-four (24) hours per day, seven (7) days per week for intensive case management and crisis intervention for enrolled Clients. The on-call individual must be able to respond in person in a timely manner when indicated.

9. Linkage to Financial Benefits/Entitlements: CONTRACTOR shall employ a Benefits Specialist to assist Clients in accessing financial benefits and/or entitlements, or other needed community services for eligible individuals. The specialist shall be knowledgeable of entitlements, such as SSI/SSDI, CalFresh, General Relief, and will work with Clients to gather records, complete the application process, and secure benefits/entitlements as quickly as possible.

10. Housing Services: CONTRACTOR shall provide a continuum of housing and housing support to Full Service Partnership Clients. This service category includes a comprehensive needs assessment, linkage and placement in a safe living arrangement, and ongoing support to sustain an appropriate level of housing. CONTRACTOR shall prioritize obtaining appropriate housing and

1 providing supportive services for individuals immediately upon enrollment, and throughout the recovery  
 2 process. CONTRACTOR shall use a Housing First model, an approach that is centered on the belief  
 3 that individuals can achieve stability in permanent housing directly from homelessness and that stable  
 4 housing is the foundation for pursuing other health and life goals; thus services are oriented to help  
 5 individuals obtain permanent housing as quickly and with as few intermediate steps as possible.  
 6 CONTRACTOR shall provide services and supports to help Clients engage in needed services, and  
 7 identify and address housing issues in order to achieve and maintain housing stability. CONTRACTOR  
 8 shall develop working relationships and collaborations with COUNTY's Housing Services, local  
 9 housing authorities, housing providers, property owners, property management staff, etc. to ensure that  
 10 Clients have access to an array of readily available housing options, facilitate successful transition and  
 11 placement, and maximize the Clients' ability to live independently in the community. All housing  
 12 options provided by a FSP must meet minimum requirements set by the COUNTY. CONTRACTOR's  
 13 staff shall include a Housing Specialist and, if needed, a Supportive Housing PSC to provide housing  
 14 services and supports to all enrolled Clients. Housing options shall include, but not be limited to:

15 a. Emergency Housing: Immediate shelter for critical access for individuals who are  
 16 homeless or have no other immediate housing options available. Emergency housing is a time-limited  
 17 event and shall only be utilized until a more suitable housing arrangement can be secured.

18 b. Motel Housing: For individuals who may be unwilling or are inappropriate for a  
 19 shelter, or when no shelter is available, motel housing may be utilized. Motel housing is time-limited in  
 20 nature and shall only be utilized as a last resort until a more appropriate housing arrangement can be  
 21 secured. Pre-purchase of motel rooms shall be in accordance with CONTRACTOR's P&P, as identified  
 22 in the Flexible Funds Paragraph of this Exhibit A.

23 c. Transitional Housing: For individuals who will benefit from an intermediate step  
 24 between shelter and permanent housing. Transitional housing provides structures and programming in  
 25 the context of housing such as Board and Care or Room and Board. CONTRACTOR may look into  
 26 housing options such as master leasing.

27 d. Permanent Housing: Obtaining permanent housing is an overarching goal for all FSP  
 28 members. Permanent housing refers to housing where tenants have leases that confer the full rights,  
 29 responsibilities and legal protections under housing laws; and includes, but is not limited to, utilization  
 30 of Continuum of Care Vouchers, and living independently in homes/apartments and County based  
 31 housing projects.

32 e. Residential Substance Use Treatment Programs and Sober Living Homes as a housing  
 33 option shall be available when appropriate to provide the Clients the highest probability of success  
 34 towards recovery.

35 11. Integration and Linkage to Primary Care: CONTRACTOR shall work to provide every  
 36 client with a Nursing Assessment, and linkage to a Primary Care Provider to meet the ongoing medical  
 37 needs of the Client. CONTRACTOR shall routinely coordinate care planning and treatment with the

primary care physician through obtaining records and consultation. CONTRACTOR shall provide to the Primary Care Provider when indicated.

12. Peer-Run Center: CONTRACTOR shall operate a Peer-run Center. This center will be located at the program site and will provide an opportunity for Clients to develop organizational, social and leadership skills as they design a program that meets Clients' needs. All activities and groups offered are designed and run by Clients enrolled in CONTRACTOR's FSP. CONTRACTOR shall establish a Peer Advisory Committee to provide client input into program development and quality improvement.

13. Group Services: CONTRACTOR shall offer a variety of groups based on Client interest and need and may include, but not be limited to: Relapse Prevention, Recovery and Wellness, Life Skills, Coping Skills, etc.

14. Meaningful Community Roles: CONTRACTOR shall assist each Client to identify some meaningful role in his/her life that is separate from the mental illness. Clients need to see themselves in "normal" roles such as employee, son, mother and neighbor to successfully integrate into the community. CONTRACTOR shall work with each Client to join the larger community and interact with people who are unrelated to their mental illness.

15. Intensive Case Management Service: CONTRACTOR shall provide intensive case management which shall include a smaller caseload size, team management, an emphasis on outreach and engagement, and an assertive approach to maintaining contact with Clients. Daily contact is often indicated during the initial enrollment and engagement period.

16. Homeless Mentally Ill Outreach and Treatment (HMIOT) - CONTRACTOR shall provide intensive outreach and mobile mental health services to adult individuals with serious mental illness who are also experiencing homelessness and have not engaged in services. CONTRACTOR shall purchase and operate two (2) mobile vehicles to increase access and facilitate outreach and engagement. One vehicle shall be used to provide outreach and identify potential individuals in need of services. The second vehicle shall be used to provide mobile mental health treatment and supportive services. Upon successful engagement, CONTRACTOR shall transition individuals to the appropriate FSP program to continue mental health treatment services.

a. CONTRACTOR shall coordinate and collaborate with Health Care Agency's Behavioral Health Services (BHS) Outreach and Engagement (O&E) to have two HMIOT outreach teams to provide outreach, build rapport, develop trust and engage individuals in services. CONTRACTOR shall "meet clients where they are" and be responsive and flexible in service delivery. CONTRACTOR shall utilize various engagement tools such as clothing, food, shoes, blankets, bus passes, hygiene kits, etc. and address barriers to engagement such as transportation, pet care, property storage, etc.

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b. CONTRACTOR shall provide mobile mental health treatment and supportive services to individuals referred by HMIOT outreach teams. Services include but not be limited to: assessment, intensive case management, crisis intervention, housing, medication support, referrals and linkages.

c. CONTRACTOR shall coordinate and collaborate with HCA's Housing and Supportive Services, housing operators, local police departments and other community partners as appropriate to support and facilitate successful outreach, engagement and housing placement. CONTRACTOR shall have knowledge of housing resources and ensure appropriate training of staff.

d. CONTRACTOR shall develop outcome tools, with consultation from ADMINISTRATOR, and track outcomes and services information including but not limited to: (1) number of individuals served, (2) number of successful linkages to behavioral health treatment, (3) number of members engaged in behavioral health treatment as evidenced by successful completion of intake and two follow-up sessions, and (4) number of successful assessments for housing opportunities including completing the Vulnerability Index-Service Prioritization Decision Assistance Tools (VI-SPDAT), supporting individuals to achieve document-ready status for Coordinated Entry System and completing housing applications.

e. CONTRACTOR shall ensure appropriate and timely documentation of HMIOT services provided.

f. CONTRACTOR shall submit monthly HMIOT services report to ADMINISTRATOR, on a form acceptable to or provided by ADMINISTRATOR, no later than twenty (20) calendar days following the end of the month being reported unless otherwise specified. The report shall include information such as individuals served, services provided, and outcomes.

g. CONTRACTOR shall work with ADMINISTRATOR to complete the evaluation and summary report as required by the Department of Health Care Services. A preliminary report may need to be submitted to ADMINISTRATOR prior to submitting the final report.

#### E. PROGRAM REQUIREMENTS

1. Referrals will come primarily from CONTRACTOR's and COUNTY's outreach efforts.  
2. CONTRACTOR shall coordinate with COUNTY, other providers, and community resources.

3. CONTRACTOR shall maintain ongoing collaboration with other stakeholders involved with individual Clients including family members and significant others, employers, and COUNTY departments and Agencies such as, but not limited to: Courts, Probation Department, Parole and Social Services Agency.

4. CONTRACTOR shall have a commitment to meeting the required response times for hospitals (twenty-four [24] hour response time), and other COUNTY institutions, e.g. jails or clinics (forty-eight [48] hours).

5. CONTRACTOR shall achieve, at minimum, a ten percent (10%), annual graduation rate for the program of the average census at end of year.

6. CONTRACTOR shall have an identified individual who shall:
  - a. Complete one hundred percent (100%) chart review of Client charts regarding clinical documentation and ensure all charts are in compliance with medical necessity and Medi-Cal chart standards;
  - b. Provide clinical support and training to PSCs on chart documentation and treatment plans;
  - c. Become a certified reviewer by the ADMINISTRATOR's Authority and Quality Improvement Services (AQIS) unit within six months from the start of the Agreement;
  - d. Oversee all aspects of the clinical services of the recovery program;
  - e. Coordinate with in-house clinicians, medical director and/or nurse regarding Client treatment issues, professional consultations, or medication evaluations;
  - f. Review and approve all quarterly logs submitted to ADMINISTRATOR, i.e., medication monitoring, second opinion and request for change of CONTRACTOR; and
  - g. Participate in program development and interact with other staff regarding difficult cases and psychiatric emergencies.
7. CONTRACTOR shall conduct Supervisory Reviews at a minimum of twice per week in accordance with procedures developed by ADMINISTRATOR. CONTRACTOR shall ensure that all chart documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall ensure that all chart documentation is completed within the appropriate timelines.
8. CONTRACTOR shall input all IRIS data following ADMINISTRATOR procedure and practice. All statistical data used to monitor CONTRACTOR shall be compiled using only IRIS reports, if available, and if applicable.
9. CONTRACTOR shall review Client charts ensuring compliance with ADMINISTRATOR's P&Ps and Medi-Cal documentation requirements.
10. CONTRACTOR shall ensure compliance with workload standards and productivity.
11. CONTRACTOR shall review and approve all admissions, discharges from the program and extended stays in the program. Discharge of clients from the program shall be determined by the client's movement along the recovery continuum and shall be a coordinated effort between the ADMINISTRATOR and CONTRACTOR when indicated.
12. CONTRACTOR shall submit corrective action plans upon request.
13. CONTRACTOR shall comply with ADMINISTRATOR P&Ps and guidelines.
14. CONTRACTOR shall provide a written copy of all assessments completed on Clients referred for admission.
- F. CONTRACTOR shall utilize the COUNTY PBM to supply medications for unfunded Clients.
- G. CONTRACTOR shall have active participation in State and regional MHSA forums and activities.

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H. CONTRACTOR shall have ongoing collaboration with the Adult and Older Adult Performance Outcomes and Data Office on MHSA countywide projects, as well as individual performance outcome measures.

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

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

1. Case conferences, or other meetings, as requested by ADMINISTRATOR to address any aspect of clinical care.

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

3. Clinical staff training for individuals conducted by CONTRACTOR and/or COUNTY administrative staff.

K. CONTRACTOR shall develop all requested and required program specific P&Ps, and provide to ADMINISTRATOR for review, input, and approval prior to training staff on said P&Ps and prior to accepting any Client admissions to the program. All P&Ps and program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include but not be limited to the following:

1. Admission Criteria and Admission Procedure
2. Assessments and Individual Service Plans
3. Crisis Intervention/Evaluation for Involuntary Holds
4. Handling Non-Compliant Clients/Unplanned Discharges
5. Medication Management and Medication Monitoring
6. Community Integration/Case Management/Discharge Planning
7. Documentation Standards
8. Quality Management/Performance Outcomes
9. Personnel/In-service Training
10. Unusual Occurrence Reporting
11. Code of Conduct/Compliance/HIPAA standards and Compliance
12. Mandated Reporting

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

1. Orientation to the program's goals, P&Ps, and FSP program philosophies
2. Training on subjects as required by state regulations



3. Recovery philosophy, client empowerment and strength-based services
4. Crisis intervention and de-escalation
5. Co-occurring mental illness and substance use disorders
6. Motivational interviewing
7. EBPs that support recovery
8. Outreach and engagement
9. Trauma-informed care

M. CONTRACTOR shall provide effective Administrative management of the budget, staffing, recording, and reporting portion of the agreement with the COUNTY, including but not limited to the following. If administrative responsibilities are delegated to subcontractors, the Contractor must ensure that any subcontractor(s) possesses the qualifications and capacity to perform all delegated responsibilities.

1. Designate the responsible position(s) in your organization for managing the funds allocated to this program;
2. Maximize the use of the allocated funds;
3. Ensure timely and accurate reporting of monthly expenditures;
4. Maintain appropriate staffing levels;
5. Request budget and/or staffing modifications to the Agreement;
6. Effectively communicate and monitor the program for its success;
7. Track and report expenditures electronically;
8. Maintain electronic and telephone communication between key staff and ADMINISTRATOR; and
9. Act quickly to identify and solve problems.

N. CONTRACTOR shall ensure that all chart documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall ensure that all chart documentation is completed within the appropriate timelines.

O. CONTRACTOR shall establish a written smoking policy, which shall be reviewed and approved by ADMINISTRATOR that specifies designated areas as the only areas where smoking is permitted.

P. CONTRACTOR shall establish a good neighbor policy, which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not limited to, staff training to deal with neighbor complaints and staff contact information available to neighboring residents.

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

R. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the

terms of the Agreement. Further, CONTRACTOR agrees that the funds provided hereunder will not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.

S. PERFORMANCE OUTCOMES - CONTRACTOR shall be required to achieve Performance Outcome Objectives and track and report Performance Outcome Objective statistics in monthly programmatic reports, as outlined below.

1. CONTRACTOR shall track and monitor the number of Clients receiving services (mental health services, intensive case management, housing, and vocational) through number of Clients admitted and engaged into services.

2. CONTRACTOR shall track the number of days Clients are hospitalized and make every effort to reduce them through services provided in the Agreement.

3. CONTRACTOR shall track the number of days Clients are incarcerated and make every effort to reduce them through services provided in the Agreement.

4. CONTRACTOR shall track the number of days Clients are homeless and living on the streets and make every effort to reduce them through services provided in the Agreement.

5. CONTRACTOR shall track the number of Clients gainfully employed and make every effort to increase them through services provided in the Agreement.

6. One (1) through five (5) in this section are the outcome measures by which the effectiveness of your program will be evaluated. It is the responsibility of the CONTRACTOR to educate themselves with best practices and those associated with attainment of higher levels of recovery.

7. CONTRACTOR shall track the number of Clients at various stages on the MORS.

8. CONTRACTOR shall track the number of Clients who reach their employment goals and are successfully discharged to a lower level of care.

T. DATA CERTIFICATION – CONTRACTOR shall certify the accuracy of their outcome data. Outcome data entered into an approved data collection system that is submitted to the COUNTY detailing the PAF, 3M's, KET data and complete Client database must be certified with the submission of their monthly data. Submissions shall be uploaded to an approved File Transfer Protocol site and include four (4) files. The first shall be a copy of current database; the following three shall be XML formatted files for submission to the State DCR.

1. DATA - Should CONTRACTOR's current database copy cannot be submitted via Microsoft Access file format, the data must be made available in an HCA approved database file type. CONTRACTOR must also provide a separate file comprised of required data elements that are provided by COUNTY. If CONTRACTOR's system is web-based, CONTRACTOR shall allow ADMINISTRATOR accessibility for monitoring and reporting (access shall allow accessibility to view, run, print, and export Client records/reports).

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2. TRANSFER UTILITY - CONTRACTOR shall ensure that the data collection system has the ability to export data and import data from other data systems used by existing FSP CONTRACTORS to allow for Client transfers. Data must include PAF, 3M's and KET's.

#### U. DATA CERTIFICATION - POLICIES AND PROCEDURES AND DATA COLLECTION

1. CONTRACTOR shall develop a P&P, or revise the existing P&P, regarding Data Certification and submit to ADMINISTRATOR no later than twenty (20) calendar days from the start of the Agreement.

2. ADMINISTRATOR and CONTRACTOR shall finalize and approve the P&P, in writing, no later than thirty (30) calendar days from the start of the Agreement. If the Data Certification P&P has not been approved after thirty (30) days from the start of the Agreement, the Certification of Accuracy of Data form cannot be submitted to, or accepted by ADMINISTRATOR, and CONTRACTOR may be deemed out of compliance with the terms and conditions of the Agreement.

3. CONTRACTOR shall ensure that all staff is trained and has a clear understanding of the Data Certification P&P. CONTRACTOR will provide signature confirmation of the Data Certification P&P training for each staff member that utilizes enters, reviews, or analyzes the data.

4. CONTRACTOR shall have an identified individual who shall:

a. Review the approved data collection database for accuracy and to ensure that each field is completed;

b. Develop processes to ensure that all required data forms are completed and updated when appropriate;

c. Review the approved data collection system reports to identify trends, gaps and quality of care;

d. Submit monthly approved data collection system reports to ADMINISTRATOR by the tenth (10th) of every month for review and return within two (2) weeks with identified corrections;

e. Submit quarterly data to ADMINISTRATOR with verification that outcome data is correct;

f. Ensure monthly evaluation of Clients using MORS and enter the MORS score into approved data collection system. The score rating for each individual member will be entered under the clinical assessment tools; and

g. Complete, sign and submit the Data Certification Form to ADMINISTRATOR by the tenth (10th) of every month.

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

#### **VI. STAFFING**

A. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold languages as determined by COUNTY. Whenever possible, bilingual/bicultural staff should be retained.

Any clinical vacancies occurring at a time when bilingual and bicultural composition of the clinical staffing does not meet the above requirement must be filled with bilingual and bicultural staff unless ADMINISTRATOR consents, in writing, to the filling of those positions with non-bilingual staff. Salary savings resulting from such vacant positions may not be used to cover costs other than salaries and employees benefits unless otherwise authorized in writing, in advance, by ADMINISTRATOR.

B. CONTRACTOR shall make its best effort to provide services pursuant to the Agreement in a manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR shall maintain documents of such efforts which may include; but not be limited to: records of participation in COUNTY-sponsored or other applicable training; recruitment and hiring P&Ps; copies of literature in multiple languages and formats, as appropriate; and descriptions of measures taken to enhance accessibility for, and sensitivity to, individuals who are physically challenged.

C. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours, of any staffing vacancies or filling of vacant positions that occur during the term of the Agreement.

D. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) days in advance, of any new staffing changes; including promotions, temporary FTE changes and internal or external temporary staffing assignment requests that occur during the term of the Agreement.

E. CONTRACTOR shall ensure that all staff, including interns and volunteers, are trained and have a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and place in their personnel files.

F. CONTRACTOR shall ensure that all staff complete the COUNTY's Annual Provider Training and Annual Compliance Training.

G. CONTRACTOR shall ensure compliance with ADMINISTRATOR Standards of Care practices, P&Ps, documentation standards and any state and federal regulatory requirements.

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

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

J. CONTRACTOR, including each employee that provides services under the Agreement, will obtain a NPI upon commencement of the Agreement or prior to providing services under the Agreement. CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by ADMINISTRATOR, all NPI as soon as they are available.

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K. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in FTEs continuously throughout the term of the Agreement. One (1) FTE will be equal to an average of forty (40) hours of work per week.

<del>DIRECT PROGRAM</del>	<del>FTEs</del>
<del>Regional Director of Operations</del>	<del>0.20</del>
<del>Program Administrator</del>	<del>1.00</del>
<del>Clinical Director</del>	<del>1.00</del>
<del>Office Coordinator/Administrative Assistant</del>	<del>1.00</del>
<del>Data Analyst</del>	<del>1.00</del>
<del>IS Business Services Manager</del>	<del>0.10</del>
<del>Billing Specialist</del>	<del>2.00</del>
<del>Regional IT Support Analyst</del>	<del>0.10</del>
<del>Medical Records Technician/Receptionist</del>	<del>1.00</del>
<del>Quality Coordinator/Trainer</del>	<del>1.00</del>
<del>Driver</del>	<del>1.00</del>
<del>Team Leader</del>	<del>3.00</del>
<del>LVN/LPT</del>	<del>2.50</del>
<del>Housing Specialist</del>	<del>1.00</del>
<del>Employment Specialist</del>	<del>1.00</del>
<del>PSC II</del>	<del>13.00</del>
<del>PSC II Outreach &amp; Engagement</del>	<del>3.00</del>
<del>Benefits Specialist</del>	<del>1.00</del>
<del>Peer Support Specialist</del>	<del>1.00</del>
<del>PSC I</del>	<del>1.00</del>
<del>Clinician</del>	<del>1.00</del>
<del>Peer Recovery Coach</del>	<del>1.00</del>
<del>Nurse Practitioner</del>	<del>0.88</del>
<del>Psychiatrist (Subcontractor)</del>	<del>0.80</del>
<del>TOTAL DIRECT PROGRAM FTEs</del>	<del>39.58</del>

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<u>DIRECT PROGRAM</u>	<u>FTEs</u>
Regional Director of Operations	0.20
Program Administrator	1.00
Clinical Director	1.00
Office Coordinator/Administrative Assistant	1.00
Data Analyst	1.00
IS Business Services Manager	0.10
Billing Specialist	2.00
Regional IT Support Analyst	0.10
Medical Records Technician/Receptionist	1.00
Quality Coordinator/Trainer	1.00
Driver	1.00
Recovery Specialist I/Driver	2.00
Team Leader	3.00
Team Leader (Licensed)	1.00
LVN/LPT	2.50
Housing Specialist	1.00
Employment Specialist	1.00
PSC II	17.00
PSC II - Outreach & Engagement	3.00
Benefits Specialist	1.00
Peer Support Specialist	3.00
PSC I	1.00
Clinician	1.00
Peer Recovery Coach	1.00
Nurse Practitioner	1.88
Psychiatrist (Subcontractor)	0.80
<u>TOTAL DIRECT PROGRAM FTEs</u>	<u>49.58</u>

#### L. WORKLOAD STANDARDS

1. One (1) DSH will be equal to sixty (60) minutes of direct service.
2. CONTRACTOR shall provide an average of one hundred (100) DSHs per month or one thousand two hundred (1,200) DSHs per year per FTE of direct clinician time which shall include Mental Health, Case Management, Crisis Intervention, and Medication Management Services. CONTRACTOR understands and agrees that this is a minimum standard and shall make every effort to exceed this minimum, unless otherwise approved by ADMINISTRATOR.

3. CONTRACTOR shall, during the term of the Agreement, provide a minimum of ~~sixteen~~ twenty five thousand nine hundred and ninety-two ~~(16,992)~~ eight (25,998) DSH, with a minimum of ~~one~~ two thousand ~~eight hundred~~ (1,800) and ten (2,010) hours of medication support services and ~~fifteen~~ twenty three thousand ~~one~~ nine hundred and ~~ninety-two~~ (15,192) ~~eighty-eight (23,988)~~ hours of other mental health, case management and/or crisis intervention services as outlined below. CONTRACTOR understands and agrees that these are minimum requirements and shall make every effort to exceed these minimums.

4. CONTRACTOR shall maintain an active and ongoing caseload of two hundred (200) Clients throughout the term of the Agreement. CONTRACTOR shall ensure a Client-to-staff ratio of fifteen to twenty (15 – 20) Clients to one (1) staff.

M. CONTRACTOR shall ensure staffing levels and qualifications shall meet the requirements as stated in CCR: Title 9 - Rehabilitative and Developmental Services, Division 1.

N. CONTRACTOR shall recruit, hire, train, and maintain staff who are individuals in recovery. These individuals shall not be currently receiving services directly from CONTRACTOR. Documentation may include, but not be limited to, the following: records attesting to efforts made in recruitment and hiring practices and identification of measures taken to enhance accessibility for potential staff in these categories.

O. All clinical staff shall be qualified and designated by COUNTY to perform evaluations pursuant to Section 5150, WIC.

P. CONTRACTOR may augment paid staff with volunteers or interns upon written approval of ADMINISTRATOR.

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

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

3. Volunteer and student intern services shall not comprise more than twenty percent (20%) of total services provided.

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

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1 R. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all P&P.  
 2 CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and  
 3 place in their personnel files.

4 S. TOKENS – ADMINISTRATOR shall provide CONTRACTOR the necessary number of  
 5 Tokens for appropriate individual staff to access HCA IRIS at no cost to the CONTRACTOR.

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

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

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

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

- 14 a. Each staff member who no longer supports the Agreement;
- 15 b. Each staff member who no longer requires access to IRIS;
- 16 c. Each staff member who leaves employment of CONTRACTOR; or
- 17 d. Token is malfunctioning;
- 18 e. Termination of this Agreement.

19 5. ADMINISTRATOR shall issue Tokens for CONTRACTOR's staff members who require  
 20 access to the IRIS upon initial training or as a replacement for malfunctioning Tokens.

21 6. CONTRACTOR shall reimburse the COUNTY for Tokens lost, stolen, or damaged through  
 22 acts of negligence.

23 T. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
 24 Staffing Paragraph of this Exhibit A to the Agreement.

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EXHIBIT B  
TO THE AGREEMENT FOR PROVISION OF  
GENERAL POPULATION FULL SERVICE PARTNERSHIP SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
TELECARE CORPORATION  
MARCH 1, 2018 THROUGH JUNE 30, 2020

**I. BUSINESS ASSOCIATE CONTRACT**

**A. GENERAL PROVISIONS AND RECITALS**

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

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

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

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

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

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

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

### 3 B. DEFINITIONS

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

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

#### 9 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12. "Secretary" shall mean the Secretary of the Department of HHS or his or her designee.

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

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

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

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

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

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

### C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### 4 D. SECURITY RULE

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

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

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

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

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

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

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

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

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

1 E. DATA SECURITY REQUIREMENTS

2 1. Personal Controls

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

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

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

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

28 2. Technical Security Controls

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

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

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

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

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

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

g. User IDs and Password Controls. All users must be issued a unique user name for accessing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within twenty-four (24) hours. Passwords are not to be shared. Passwords must be at least eight (8) characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every ninety (90) days, preferably every sixty (60) days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three (3) of the following four (4) groups from the standard keyboard:

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

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



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

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

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

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

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

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

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

### 33 3. Audit Controls

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

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

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

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

#### 10 4. Business Continuity/Disaster Recovery Control

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

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

#### 23 5. Paper Document Controls

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

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

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

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

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

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

#### F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

1. CONTRACTOR may use or further disclose PHI COUNTY discloses to CONTRACTOR as necessary to perform functions, activities, or services for, or on behalf of, COUNTY as specified in

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the Agreement, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done by COUNTY except for the specific Uses and Disclosures set forth below.

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

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

1) The Disclosure is required by law; or

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

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

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

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

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

#### H. PROHIBITED USES AND DISCLOSURES

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

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

#### I. OBLIGATIONS OF COUNTY

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

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

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

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

#### J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

b. CONTRACTOR shall retain no copies of the PHI.

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

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

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EXHIBIT C  
TO THE AGREEMENT FOR PROVISION OF  
GENERAL POPULATION FULL SERVICE PARTNERSHIP SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
TELECARE CORPORATION  
MARCH 1, 2018 THROUGH JUNE 30, 2020

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

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

**A. DEFINITIONS**

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

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

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

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

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1 regulations that require the production of information, including statutes or regulations that require such  
2 information if payment 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 C, 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  
10 Agreement 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  
14 required by this Personal Information Privacy and Security Contract or as required by applicable state  
15 and federal 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  
21 security program that include administrative, technical and physical safeguards appropriate to the size  
22 and complexity of CONTRACTOR's operations and the nature and scope of its activities, which  
23 incorporate the requirements of Subparagraph c. below. CONTRACTOR will provide COUNTY with  
24 its current policies upon request.

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

28 1) Complying with all of the data system security precautions listed in Subparagraph  
29 E. 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 OMB in OMB Circular No. A-130, Appendix III-Security of  
32 Federal Automated Information Systems, which sets forth guidelines for automated information systems  
33 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  
36 CMPPA Agreement between the SSA and the CHHS and in the Agreement between the SSA and  
37 DHCS, known as the IEA. The specific sections of the IEA with substantive privacy and security



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

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

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

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

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

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

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

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