

AGREEMENT FOR PROVISION OF
SOBER LIVING SERVICES
BETWEEN
COUNTY OF ORANGE

AND

«UC_PROV»

~~OCTOBER~~ JULY 1, ~~2012~~ 2014 THROUGH JUNE 30, ~~2014~~ 2016

THIS AGREEMENT entered into this 1st day of ~~October 2012~~ July 2014, which date is enumerated for purposes of reference only, is by and between the COUNTY OF ORANGE (COUNTY) and «UC_PROV», a «CORP_STAT» (CONTRACTOR). This Agreement shall be administered by the County of Orange Health Care Agency (ADMINISTRATOR).

W I T N E S S E T H:

WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Sober Living Services described herein to the residents of Orange County; and

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

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

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REFERENCED CONTRACT PROVISIONS

Term: ~~October~~ July 1, ~~2012~~ 2014 through June 30, ~~2014~~ 2016

Period One means the period from ~~October~~ July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015

Period Two means the period from July 1, ~~2013~~ 2015 through June 30, ~~2014~~ 2016

Aggregate Maximum Obligation:

Period One Aggregate Maximum Obligation: \$ 500,000

Period Two Aggregate Maximum Obligation: 500,000

TOTAL AGGREGATE MAXIMUM OBLIGATION: \$1,000,000

Basis for Reimbursement: Fee ~~For~~ for Service

Payment Method: Fee ~~For~~ for Service

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: <<LC_PROV>>
<<ADDR>>
<<CITY_STATE_ZIP>>
<<EMAIL_ADDR>>

CONTRACTOR's Insurance Coverages:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 aggregate
Automobile Liability, including coverage	\$1,000,000 per occurrence
for owned, non-owned and hired vehicles	
Workers' Compensation	Statutory
Employer's Liability Insurance	\$1,000,000 per occurrence
Sexual Misconduct	\$1,000,000 per occurrence

I. ACRONYMS

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

~~A. AB109~~ ~~Assembly Bill 109~~

A.	AES	Advanced Encryption Standard
B.	ARRA	American Recovery and Reinvestment Act
C.	ASRS	Alcohol and Drug Programs Reporting System
D.	CAP Corrective Action 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.	CHHS	California Health and Human Services Agency
J.	CIPA	California Information Practices Act
K.	CFR	Code of Federal Regulations
L.	H. CHPP	COUNTY HIPAA Policies and Procedures
M.	I. CHS	Correctional Health Services
N.	CMPPA	Computer Matching and Privacy Protection Act
O.	COI	Certificate of Insurance
P.	J. D/MC	Drug/Medi-Cal
Q.	K. DHCS	Department of Health Care Services
R.	DoD	US Department of Defense
S.	L. DPFS	Drug Program Fiscal Systems
T.	M. DRC	Probations Day Reporting Center Care
U.	DRP	Disaster Recovery Plan
V.	N. DRS	Designated Record Set
W.	EHR	Electronic Health Records
X.	ePHI	Electronic Protected Health Information
Y.	FIPS	Federal Information Processing Standards
Z.	GAAP	Generally Accepted Accounting Principles
AA.	O. HCA	Health Care Agency
AB.	P. HHS	Health and Human Services
AC.	Q. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public Law 104-191
AD.	R. HSC	California Health and Safety Code

1	AE. ID	Identification
2	AF. IEA	Information Exchange Agreement
3	AG. ISO	Insurance Services Office
4	AH. S. MHP	Mental Health Plan
5	AI. MS	Mandatory Supervision
6	AJ. NIST	National Institute of Standards and Technology
7	AK. T. OCJS	Orange County Jail System
8	AL. U. OCPD	Orange County Probation Department
9	AM. V. OCR	Office for Civil Rights
10	AN. W. OCSD	Orange County Sheriff's Department
11	AO. X. OIG	Office of Inspector General
12	AP. Y. OMB	Office of Management and Budget
13	AQ. Z. OPM	Federal Office of Personnel Management
14	AR. AA. PADSS	Payment Application Data Security Standard
15	AS. AB. PC	State of California Penal Code
16	AT. AC. PCI DSS	Payment Card Industry Data Security Standard
17	AU. AD. PCS	Post-Release Community Supervision
18	AE. AV. PHI	Protected Health Information
19	AF. AW. PI	Personal Information
20	AX. PII	Personally Identifiable Information
21	AY. AG. PRA	Public Record Act
22	AZ. SIR	Self-Insured Retention
23	BA. The HITECH Act	The Health Information Technology for Economic and Clinical Health Act, Public Law 111-005
24		
25	BB. AH. SR	Supervised Release
26	AI. USC	United States Code
27	BC. AJ. WIC	State of California Welfare and Institutions Code

II. ALTERATION OF TERMS

30 A. This Agreement, together with ~~Exhibit~~ Exhibits A and B attached hereto and incorporated herein
 31 ~~by reference~~, fully expresses ~~all~~ the complete understanding of COUNTY and CONTRACTOR with
 32 respect to the subject matter of this Agreement, ~~and shall constitute the total Agreement between the~~
 33 ~~parties for these purposes. No~~.

34 B. Unless otherwise expressly stated in this Agreement, no addition to, or alteration of, the terms
 35 of this Agreement or any Exhibits, whether written or verbal, made by the parties, their officers,
 36 employees or agents shall be valid unless made in ~~writing and~~ the form of a written amendment to this
 37 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 ~~ensure that~~ provide CONTRACTOR ~~is made aware~~ with a copy of the relevant HCA policies and procedures relating to ~~ADMINISTRATOR's~~ HCA's Compliance Program, HCA's Code of Conduct and General Compliance Trainings.

~~2. Covered Individuals includes all contractors, subcontractors, agents, and other persons who provide health care items or services or who perform billing or coding functions on behalf of HCA. 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 and related policies and procedures.~~

~~3. CONTRACTOR has the option to adhere to ADMINISTRATOR's Compliance Program or establish its own, provided CONTRACTOR's Compliance Program has~~ 2.

CONTRACTOR has the option to adhere to HCA's Compliance Program and Code of Conduct or establish its own, provided CONTRACTOR's Compliance Program and Code of Conduct have been verified to include all required elements by ADMINISTRATOR's Compliance Officer as described in Subparagraphs A.4., A.5., A.6., and A.7. subparagraphs below.

3. If CONTRACTOR elects to adhere to HCA's Compliance Program and Code of Conduct, the CONTRACTOR shall submit to the ADMINISTRATOR within thirty (30) calendar days of award of this Agreement a signed acknowledgement that CONTRACTOR shall comply with HCA's Compliance Program and Code of Conduct.

4. If CONTRACTOR elects to have its own Compliance Program and Code of Conduct then it shall submit a copy of its Compliance Program, Code of Conduct and relevant policies and procedures to ADMINISTRATOR within thirty (30) calendar days of award of this Agreement.

5. ADMINISTRATOR's Compliance Officer shall determine if CONTRACTOR's CONTRACTOR Compliance Program and Code of Conduct contains all required elements. CONTRACTOR shall take necessary action to meet said standards or shall be asked to acknowledge and agree to the ADMINISTRATOR's HCA's Compliance Program and Code of Conduct if the CONTRACTOR's Compliance Program and Code of Conduct does not contain all required elements.

65. Upon written confirmation from ADMINISTRATOR's Compliance Officer that the CONTRACTOR's CONTRACTOR Compliance Program and Code of Conduct contains 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 and related policies and procedures.

76. Failure of CONTRACTOR to submit its Compliance Program, Code of Conduct and relevant policies and procedures shall constitute a material breach of this Agreement. Failure to cure such breach within sixty (60) calendar days of such notice from ADMINISTRATOR shall constitute grounds for termination of this Agreement as to the non-complying party.

B. SANCTION SCREENING – CONTRACTOR shall adhere to all screening policies and procedures and screen all Covered Individuals employed or retained to provide services related to this Agreement to ensure that they are not designated as Ineligible Persons, as defined hereunder, pursuant to this Agreement. Screening shall be conducted against the General Services Administration's List of Parties Excluded from Federal Programs Parties List System or System for Award Management, the Health and Human Services/OIG Office of Inspector General List of Excluded Individuals/Entities, and the California Medi-Cal Cal Suspended and Ineligible Provider List and/or any other as identified by the ADMINISTRATOR.

1. Covered Individuals includes all 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 procedures.

2. An Ineligible Person shall be any individual or entity who:
a. is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal and state health care programs; or
b. has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the federal and state health care programs after a period of

1 exclusion, suspension, debarment, or ineligibility.

2 ~~23~~. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
3 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
4 Agreement.

5 ~~34~~. CONTRACTOR shall screen all current Covered Individuals and subcontractors
6 semi-annually to ensure that they have not become Ineligible Persons. CONTRACTOR shall also
7 request that its subcontractors use their best efforts to verify that they are eligible to participate in all
8 federal and State of California health programs and have not been excluded or debarred from
9 participation in any federal or state health care programs, and to further represent to CONTRACTOR
10 that they do not have any Ineligible Person in their employ or under contract.

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12 ~~4~~ 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately
13 any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
14 CONTRACTOR shall notify ADMINISTRATOR immediately ~~upon such disclosure~~ if a Covered
15 Individual providing

16 //

17 ~~5~~ services directly relative to this Agreement becomes debarred, excluded or otherwise becomes
18 an Ineligible Person.

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

25 ~~67~~. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or
26 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.
27 Such individual or entity shall be immediately removed from participating in any activity associated
28 with this Agreement. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to
29 CONTRACTOR for services provided by ineligible person or individual.

30 ~~7~~. CONTRACTOR shall promptly return any overpayments within ~~in~~ forty-five (45) business
31 days after the overpayment is verified by the ADMINISTRATOR.

32 C. COMPLIANCE TRAINING – ADMINISTRATOR shall make General Compliance Training
33 and Provider Compliance Training, where appropriate, available to Covered Individuals.

34 1. CONTRACTOR shall use its best efforts to encourage completion by Covered Individuals;
35 provided, however, that at a minimum CONTRACTOR shall assign at least one (1) designated
36 representative to complete all Compliance Trainings when offered.

37 2. Such training will be made available to Covered Individuals within thirty (30) calendar days

1 of employment or engagement.

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

3 4. Each Covered Individual attending training shall certify, in writing, attendance at
4 compliance training. CONTRACTOR shall retain the certifications. Upon written request by
5 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

6 ~~D. CODE OF CONDUCT ADMINISTRATOR has developed a Code of Conduct for adherence
7 by ADMINISTRATOR's employees and contract providers:~~

8 ~~1. ADMINISTRATOR shall ensure that CONTRACTOR is made aware of
9 ADMINISTRATOR's Code of Conduct.~~

10 ~~2. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are
11 made aware of ADMINISTRATOR's Code of Conduct.~~

12 ~~3. CONTRACTOR has the option to adhere to ADMINISTRATOR's Code of Conduct or
13 establish its own provided CONTRACTOR's Code of Conduct has been approved by
14 ADMINISTRATOR's Compliance Officer as described in Subparagraphs D.4., D.5., D.6., D.7., and
15 D.8. below:~~

16 ~~4. If CONTRACTOR elects to have its own Code of Conduct, then it shall submit a copy of its
17 Code of Conduct to ADMINISTRATOR within thirty (30) calendar days of award of this Agreement.~~

18 ~~5. ADMINISTRATOR's Compliance Officer shall determine if CONTRACTOR's Code of
19 Conduct is accepted. CONTRACTOR shall take necessary action to meet said standards or shall be
20 asked to acknowledge and agree to the ADMINISTRATOR's Code of Conduct.~~

21 ~~6. Upon approval of CONTRACTOR's Code of Conduct by ADMINISTRATOR,
22 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of
23 CONTRACTOR's Code of Conduct.~~

24 ~~7. If CONTRACTOR elects to adhere to ADMINISTRATOR's Code of Conduct then
25 CONTRACTOR shall submit to ADMINISTRATOR a signed acknowledgement and agreement that
26 CONTRACTOR shall comply with ADMINISTRATOR's Code of Conduct.~~

27 ~~8. Failure of CONTRACTOR to timely submit the acknowledgement of
28 ADMINISTRATOR's Code of Conduct shall constitute a material breach of this Agreement, and failure
29 to cure such breach within sixty (60) calendar days of such notice from ADMINISTRATOR shall
30 constitute grounds for termination of this Agreement as to the non-complying party.~~

31 ~~E. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS~~

32 ~~1. CONTRACTOR shall take reasonable precaution to ensure that the coding of health care
33 claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner
34 and are consistent with federal, state and county laws and regulations.~~

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

37 ~~3. CONTRACTOR shall bill only for those eligible services actually rendered which are also~~

~~fully documented. When such services are coded, CONTRACTOR shall use accurate billing codes which accurately describes the services provided and must ensure compliance with all billing and documentation requirements.~~

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

V. CONFIDENTIALITY

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

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

VI. COST REPORT

A. CONTRACTOR shall submit separate Cost Reports for Period One and Period Two, or for a portion thereof, to COUNTY no later than forty-five (45) calendar days following the period for which they are prepared or termination of this Agreement. CONTRACTOR shall prepare the Cost Report in accordance with all applicable federal, state and ~~county~~ COUNTY requirements, ~~generally accepted accounting principles~~ 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.

1. If CONTRACTOR fails to submit an accurate and complete 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 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 Cost Report due COUNTY by CONTRACTOR.

1 b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
2 pursuant to any or all agreements between COUNTY and CONTRACTOR until such time that the Cost
3 Report is delivered to ADMINISTRATOR.

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

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

12 B. The individual and/or consolidated Cost Report prepared for each period shall be the final
13 financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis
14 for final settlement to CONTRACTOR for that period. CONTRACTOR shall document that costs are
15 reasonable and

16 #
17 allowable and directly or indirectly related to the services to be provided hereunder. The Cost Report
18 shall be the final financial record for subsequent audits, if any.

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

29 D. If the Cost Report ~~for each period~~ indicates the actual and reimbursable costs of services
30 provided pursuant to this Agreement, less applicable revenues and late penalty, are lower than the
31 aggregate of interim monthly payments to CONTRACTOR, CONTRACTOR shall remit the difference
32 to COUNTY. Such reimbursement shall be made, in cash, or other authorized form of payment, with
33 the submission of the Cost Report. If such reimbursement is not made by CONTRACTOR within thirty
34 (30) calendar days after submission of the Cost ~~Reports~~ Report, COUNTY may, in addition to any other
35 remedies, reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due
36 COUNTY.

37 E. If the Cost Report ~~for each period~~ indicates the actual and reimbursable costs of services

1 provided pursuant to this Agreement, less applicable revenues and late penalty, are higher than the
2 aggregate of interim monthly payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the
3 difference, provided such payment does not exceed the Maximum Obligation of COUNTY ~~for the~~
4 ~~period.~~

5 F. All Cost Reports ~~for each period~~ shall contain the following attestation, which may be typed
6 directly on or attached to the Cost Report:

7
8 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and
9 supporting documentation prepared by _____ for the cost report period
10 beginning = _____ and ending _____ and that, to the best of my
11 knowledge and belief, costs reimbursed through this Agreement are reasonable and
12 allowable and directly or indirectly related to the services provided and that this Cost
13 Report is a true, correct, and complete statement from the books and records of
14 (provider name) in accordance with applicable instructions, except as noted. I also
15 hereby certify that I have the authority to execute the accompanying Cost Report.

16
17 Signed _____
18 Name _____
19 Title _____
20 Date _____"

21
22 **VII. DELEGATION ASSIGNMENT, AND SUBCONTRACTS**

23 A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without
24 prior written consent of COUNTY; ~~provided, however, obligations undertaken by~~ CONTRACTOR
25 ~~pursuant to this Agreement may be carried out by means of subcontracts, provided such subcontracts are~~
26 ~~approved in advance, in writing by~~ shall provide written notification of CONTRACTOR's intent to
27 ~~delegate the obligations hereunder, either in whole or part, to~~ ADMINISTRATOR; ~~meet the~~
28 ~~requirements of this Agreement as they relate to the service or activity under subcontract, and include~~
29 ~~any provisions that ADMINISTRATOR may require. ADMINISTRATOR may revoke the approval of a~~
30 ~~subcontract upon five (5~~ not less than sixty (60) calendar days ~~written notice to CONTRACTOR if~~
31 ~~subcontract fails to meet the requirements of this Agreement~~ prior to the effective date of the delegation.
32 Any attempted assignment or ~~any provisions that ADMINISTRATOR has required. No subcontract~~
33 ~~shall terminate or alter the responsibilities of CONTRACTOR to COUNTY pursuant to this Agreement.~~
34 ~~ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR, amounts claimed for~~
35 ~~subcontracts not approved in accordance with~~ delegation in derogation of this paragraph shall be void.

36 B. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the
37 prior written consent of COUNTY. ~~For CONTRACTORS which are~~

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

8 ~~2. If C. CONTRACTOR may not assign the rights hereunder, either in whole or in part,~~
9 ~~without the prior written consent of COUNTY. For CONTRACTORS which are for profit~~
10 organizations CONTRACTOR is a for-profit organization, any change in the business structure,
11 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of
12 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a
13 change in fifty percent (50%) or more of ~~CONTRACTOR's directors~~ Board of Directors of
14 CONTRACTOR at one time shall be deemed an assignment pursuant to this paragraph. Any attempted
15 assignment or delegation in derogation of this ~~paragraph~~ subparagraph shall be void.

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

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

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

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

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

37 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY

pursuant to this Agreement.

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

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

VIII. 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 requirement 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.

IX. 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~~ 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 are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to 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 ~~generally accepted accounting principles~~ 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

1 Equipment, means to charge the proportionate cost of Equipment in the fiscal year in which it is
2 purchased. Title of expensed Equipment shall be vested with COUNTY.

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

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

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

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

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

21
22 **X. FACILITIES, PAYMENTS AND SERVICES**

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

28
29 **XI. INDEMNIFICATION AND INSURANCE**

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

COUNTY agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

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

C. All SIRs and deductibles shall be clearly stated on the COI. If no SIRs or deductibles apply, indicate this on the COI with a 0 by the appropriate line of coverage. Any SIR or deductible in an amount in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by the CEO/Office of Risk Management.

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

E. QUALIFIED INSURER

~~1. B. Without limiting CONTRACTOR's indemnification, it is agreed that CONTRACTOR shall maintain in force at all times during the term of this Agreement a policy, or policies, of insurance covering its operations as specified in the Referenced Contract Provisions of this Agreement.~~

The policy or policies of insurance must be issued by an insurer licensed to do business in the state of California (California Admitted Carrier) or have 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)

~~2. C. All insurance~~ If the insurance carrier is not an admitted carrier in the state of California and 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.

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

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 aggregate

//

Automobile Liability including coverage \$1,000,000 per occurrence

for owned, non-owned and hired vehicles

Workers' Compensation and Employer's Statutory

Employers' Liability Insurance \$1,000,000 per occurrence

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

G. 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.

2. The Business Auto 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.

H. REQUIRED ENDORSEMENTS – The Commercial General Liability policy shall contain the following clauses endorsements, which shall accompany the COI:

1. ~~The~~ An Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at least as broad naming the County of Orange, its elected and appointed officials, officers, employees, agents as Additional Insureds.

2. A primary non-contributing endorsement evidencing that the CONTRACTOR's insurance is included as an additional insured with respect to the operations of the named insured performed under contract with primary and any insurance or self-insurance maintained by the County of Orange. shall be excess and non-contributing.

~~I~~ 2. "It is agreed that any insurance maintained by the County of Orange shall apply in excess of, and not contribute with, insurance provided by this policy."

~~3. "This insurance shall not be canceled, limited or non-renewed until after thirty (30) calendar days written notice has been given to Orange County HCA/Contract Development and Management, 405 West 5th Street, Suite 600, Santa Ana, CA 92701-4637."~~

~~D. Certificates of insurance and endorsements evidencing the above coverages and clauses shall be mailed to COUNTY as referenced in the Referenced Contract Provisions of this Agreement.~~

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

J. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the County of Orange, and members of the Board of Supervisors, its

1 electd and appointed officials, officers, agents and employees.

2 K. All insurance policies required by this Agreement shall give COUNTY thirty (30) calendar
3 days' notice in the event of cancellation and ten (10) calendar days' notice for non-payment of premium.
4 This shall be evidenced by policy provisions or an endorsement separate from the COI.

5 L. If CONTRACTOR's Professional Liability policy is a "claims made" policy, CONTRACTOR
6 shall agree to maintain professional liability coverage for two years following completion of Agreement.

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

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

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

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

21 Q. SUBMISSION OF INSURANCE DOCUMENTS

22 1. ~~F. Unless waived by ADMINISTRATOR, the policy or policies of insurance must be~~
23 ~~issued by an insurer licensed to do business in the state of California (California Admitted Carrier).~~

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

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

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

27 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
28 changes to any of the insurance types as set forth in Subparagraph F. of the Indemnification and
29 Insurance Paragraph of this Agreement.

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

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

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

1 submitted to ADMINISTRATOR.

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

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

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

11
12 **XII. INSPECTIONS AND AUDITS**

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

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

27 C. **AUDIT RESPONSE**

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

34 ~~fourteen (14) 2. If the audit reveals that money is payable from one party to the other, that is,~~
35 ~~reimbursement by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to~~
36 ~~CONTRACTOR, said funds shall be due and payable from one party to the other within sixty (60)~~
37 ~~calendar days of receipt of the audit results. If reimbursement is due from CONTRACTOR to~~

~~COUNTY, and such reimbursement is. Such audit shall include, but not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies provided by law, reduce be limited to, management, financial, programmatic or any amount owed CONTRACTOR by an amount other type of audit of CONTRACTOR's operations, whether or not to exceed the reimbursement due COUNTY the cost of such operation or audit is reimbursed in whole or in part through this Agreement.~~

XIII. 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 ~~and~~ regulations and requirements of the United States, the State of California, COUNTY, and any 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 an appeal, such any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be cause for termination of this Agreement.

~~B. B. 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. State of California, Department of Alcohol and Drug Programs Audit Assistance Guide Manual.~~
- ~~2. State of California, Department of Alcohol and Drug Programs, Alcohol and/or Other Drug Program Certification Standards, March 2004.~~
- ~~3. HSC, Divisions 10.5 and 10.6.~~
- ~~4. HSC, §§11758.40 through 11758.47.~~
- ~~5. HSC, §§11839 through 11839.22~~
- ~~6. HSC, §11864~~
- ~~7. HSC, §11876(a)~~
- ~~8. HSC, §§123110 through 123149.5.~~
- ~~9. Title 2, CFR, Part 230, Cost Principles for Nonprofit Organizations.~~
- ~~10. Title 2, CFR 376, Nonprocurement, Debarment and Suspension.~~
- ~~11. 41 CFR, Public Contracts and Property Management.~~
- ~~12. 42 CFR 2, Confidentiality of Alcohol and Drug Abuse Patient Records.~~
- ~~13. 45 CFR 93, New Restrictions on Lobbying.~~
- ~~14. 45 CFR 96.127(a), "Requirements regarding Tuberculosis".~~
- ~~15. 45 CFR 96.132(e), Additional Agreements.~~
- ~~16. 45 CFR 96.135, Restrictions on Expenditure of Grant.~~
- ~~17. 45 CFR 160, General Administrative Requirements.~~

- ~~18. 45 CFR 162, Administrative Requirements.~~
- ~~19. 45 CFR 164, Security And Privacy.~~
- ~~20. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.~~
- ~~21. Title 31, USC, Chapter 13, Subtitle II, §1352, Limitation on use of appropriated funds to influence certain federal contracting and financial transactions.~~
- ~~22. 42 USC, Chapter 126, Equal Opportunity for Individuals with Disabilities.~~
- ~~23. 42 USC, Chapter 6A, Subchapter III A, 290aa through 290jj, Substance Abuse and Mental Health Services Administration.~~
- ~~24. 42 USC, Chapter 6A, Subchapter III A, Part D, 290dd 2, Confidentiality of Records.~~
- ~~25. 42 USC, Chapter 7, Subchapter XI, Part A, 1320(a), Uniform reporting systems for health services facilities and organizations.~~
- ~~26. 42 USC, Chapter 7, Subchapter XI, Part C, 1320(d) through 1320(d)(8), Administrative Simplification.~~
- ~~27. 42 USC, Chapter 7, Subchapter XI, Part C, 285n through 285o, National Institute on Alcohol Abuse and Alcoholism; National Institute on Drug Abuse.~~
- ~~28. 42 USC 6101, Age Discrimination Act of 1975~~
- ~~29. 42 USC 2000d, Civil Rights~~
- ~~30. 42, Part 54, "Charitable choice regulations applicable to states receiving substance abuse prevention and treatment block grants and/or projects for assistance in transition from homelessness grants."~~
- ~~31. 8 USC, 1324, Immigration Reform & Control Act, 1986~~
- ~~32. CCC §§56 through 56.37, Confidentiality of Medical Information.~~
- ~~33. CCC §§1798.80 through 1798.82, Customer Records.~~
- ~~34. CCC §1798.85, Confidentiality of Social Security Number.~~
- ~~35. CCR, Title 9, Division 4; and Title 22.~~
- ~~36. OMB Circulars A 87, A 89, A 110, A 122, and A 133.~~
- ~~37. U.S. Department of Health and Human Services Grants Policy Statement.~~
- ~~38. Early and Periodic Screening, Diagnosis and Treatment Fact Sheet, Department of Alcohol and Drug Programs, 2003~~
- ~~#~~
- ~~39. State of California, Department of Social Services, Community Care Licensing Division requirements for Group Homes.~~
- ~~40. State of California, Assembly Bill 109~~

~~C.~~ 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

1 number, and residence address;

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

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

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

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

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

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

21 ARRA of 2009.

22 State of California, Department of Social Services, Community Care Licensing Division
23 requirements for Group Homes.

24 42 USC §§ 3601-3619, the Fair Housing Act.

25 U.S. Department of Housing and Urban Development.

26
27 **XIV. LITERATURE, ADVERTISEMENTS, AND ~~ADVERTISEMENTS~~ SOCIAL MEDIA**

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

35 ~~— B. B. CONTRACTOR shall also clearly explain through these materials that there shall be no~~
36 ~~unlawful use of drugs or alcohol associated with the services provided pursuant to this Agreement, as~~
37 ~~specified in HSC, §11999.~~

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

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

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

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

18
19 **XV. MAXIMUM OBLIGATION**

20 A. The Aggregate Maximum Obligation of COUNTY for services provided in accordance with all
21 agreements for Sober Living Services during Period One and Period Two are as specified in the
22 Referenced Contract Provisions of this Agreement. This specific Agreement with CONTRACTOR is
23 only one of several agreements to which this Aggregate Maximum Obligation applies. It therefore is
24 understood by the parties that reimbursement to CONTRACTOR will be only a fraction of ~~this~~ these
25 Aggregate Maximum ~~Obligation~~ Obligations.

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

28
29 **XVI. NONDISCRIMINATION**

30 **A. EMPLOYMENT**

31 1. During the ~~performance~~ term of this Agreement, CONTRACTOR and its Covered
32 Individuals shall not unlawfully discriminate against any employee or applicant for employment because
33 of his/her ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national
34 origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability.
35 ~~CONTRACTOR shall warrant that the evaluation and treatment of employees and applicants for~~
36 ~~employment are free from discrimination~~ Additionally, during the term of this Agreement,
37 CONTRACTOR and its Covered Individuals shall require in its subcontracts that subcontractors shall

1 not unlawfully discriminate against any employee or applicant for employment because of his/her ethnic
2 group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and
3 over), sexual orientation, medical condition, or physical or mental disability.

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

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

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

14 5. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR
15 and/or subcontractor shall state that all qualified applicants will receive consideration for employment
16 without regard to ethnic group identification, race, religion, ancestry, color, creed, sex, marital status,
17 national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability.
18 Such requirements shall be deemed fulfilled by use of the phrase "an equal opportunity
19 employer."

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

25 B. SERVICES, BENEFITS, AND FACILITIES – CONTRACTOR and/or subcontractor shall not
26 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities
27 on the basis of ethnic group identification, race, religion, ancestry, color, creed, sex, marital status,
28 national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability
29 in accordance with Title IX of the Education Amendments of 1972; as they relate to 20 USC §1681 -
30 §1688; Title VI of the Civil Rights Act of 1964
31 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); and Title 9, Division 4,
32 Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations, as applicable, and all other
33 pertinent rules and regulations promulgated pursuant thereto, and as otherwise provided by state law and
34 regulations, as all may now exist or be hereafter amended or changed.

35 1. For the purpose of this Subparagraph B., Nondiscrimination Paragraph, Discrimination
36 includes, but is not limited to the following based on one or more of the factors identified above:

37 a1. Denying a Participant participant or potential Participant participant any service, benefit,

1 or accommodation.

2 ~~—b2.~~ Providing any service or benefit to a ~~Participant~~ participant which is different or is
3 provided in a different manner or at a different time from that provided to other ~~Participants~~ participants.

4 ~~—e3.~~ Restricting a ~~Participant~~ participant in any way in the enjoyment of any advantage or
5 privilege enjoyed by others receiving any service or benefit.

6 ~~—d4.~~ Treating a ~~Participant~~ participant differently from others in satisfying any admission
7 requirement or condition, or eligibility requirement or condition, which individuals must meet in order
8 to be provided any service or benefit.

9 ~~—e5.~~ Assignment of times or places for the provision of services.

10 ~~2. Complaint~~
11 ~~Process~~ C. COMPLAINT

12 PROCESS – CONTRACTOR shall establish procedures for advising all ~~Participants~~ participants through
13 a written statement that ~~CONTRACTOR's Participants~~ CONTRACTOR and/or subcontractor's
14 ~~participants~~ may file all complaints alleging discrimination in the delivery of services with
15 CONTRACTOR, subcontractor, and ADMINISTRATOR; or the
16 U.S. Department of Health and Human Services' OCR. ~~CONTRACTOR's statement shall advise~~
17 ~~Participants of the following:~~

18 ~~1. a. In those cases where the Participant's complaint is filed initially with the~~
19 ~~OCR, the OCR may proceed to investigate the Participant's complaint, or the OCR may request~~
20 ~~COUNTY to conduct the investigation.~~

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

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 ~~with the OCR.~~

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

34 ~~D~~ E. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents
35 shall intimidate, coerce or take adverse action against any person for the purpose of interfering with
36 rights 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

1 enforce rights secured by federal or state law.

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

6 **XVII. NOTICES**

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

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

12 2. When faxed, transmission confirmed;

13 3. When sent by Email; or

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

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

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

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

26 ~~E. In the event of a death, notification shall be made in accordance with the Notification of Death~~
27 ~~Paragraph of this Agreement.~~

29 **XVIII. NOTIFICATION OF DEATH**

30 ~~A. NON-TERMINAL ILLNESS DEATH~~

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

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

36 1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by
37 telephone immediately upon becoming aware of the death due to non-terminal illness of any person

served ~~hereunder~~ 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. ~~In addition,~~ WRITTEN NOTIFICATION

a. NON-TERMINAL ILLNESS – CONTRACTOR shall, ~~within sixteen (16) hours after such death,~~ hand deliver ~~or,~~ fax, ~~a written Notification of Non Terminal Illness Death~~ 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.

~~3. The telephone report and written Notification of Non Terminal Illness Death 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.~~

b. TERMINAL ILLNESS – ~~B. TERMINAL ILLNESS DEATH~~

~~1.~~ CONTRACTOR shall notify ADMINISTRATOR by written report ~~faxed,~~ 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 ~~hereunder.~~ ~~The Notification of Terminal Illness Death 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~~ pursuant to this Agreement.

~~2.~~ C. If there are any questions regarding the cause of death of any person served ~~hereunder~~ 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 ~~Subparagraph A. above~~ this Notification of Death Paragraph.

XIX. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS

A. CONTRACTOR shall notify ADMINISTRATOR of any public event or meeting funded in whole or part by the COUNTY, except for those events or meetings that are intended solely to serve ~~clients~~ participants 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 public event or meeting. Any promotional materials or event related flyers must be approved by ADMINISTRATOR prior to distribution.

XX. 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, ~~which include, but are not limited to:~~

~~B. 1. California Code of Regulation Title 22, §§70751(e), 71551(e), 73543(a), 74731(a),~~

1 ~~75055(a), 75343(a), and 77143(a).~~

2 ~~2. State of California, Department of ASRS manual.~~

3 ~~3. State of California, DPFS manual.~~

4 ~~4. State of California, Health and Safety Code §123145.~~

5 ~~5. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(e) and (j).~~

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

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

14 ~~D. CONTRACTOR shall ensure appropriate financial records related to cost reporting,~~
15 ~~expenditure, revenue, billings, etc., are prepared and maintained accurately and appropriately.~~

16 EC. CONTRACTOR shall ensure all appropriate state and federal standards of documentation,
17 preparation, and confidentiality of records related to Participant, participant, client and/or patient records
18 are met at all times.

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

23 D ~~1. The medical records and billing records about individuals maintained by or for a~~
24 ~~covered health care provider;~~

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

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

28 ~~G. CONTRACTOR may retain Participant, and/or patient documentation electronically in~~
29 ~~accordance with the terms of this Agreement and common business practices. If documentation is~~
30 ~~retained electronically, CONTRACTOR shall, in the event of an audit or site visit:~~

31 ~~1. Have documents readily available within forty eight (48) hour notice of a scheduled audit or~~
32 ~~site visit.~~

33 ~~2. Provide auditor or other authorized individuals access to documents via a computer~~
34 ~~terminal.~~

35 ~~3. Provide auditor or other authorized individuals a hardcopy printout of documents, if~~
36 ~~requested.~~

37 ~~H. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and~~

~~security of PII and/or PHI. CONTRACTOR shall, immediately upon discovery of a breach of privacy and/or security of PII and/or PHI by CONTRACTOR, notify ADMINISTRATOR of such breach by telephone and email or facsimile.~~

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

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

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

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

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

~~N. 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.~~

~~O. 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.~~

XXI. RESEARCH AND PUBLICATION REVENUE

~~CONTRACTOR shall not utilize information and data received from COUNTY or developed as a result of this Agreement for the purpose of personal publication.~~

XXII. REVENUE

A. PARTICIPANT FEES – CONTRACTOR shall charge a fee to ~~Participants~~ participants to whom services are provided pursuant to this Agreement, their estates and responsible relatives, in accordance with the fee system designated by ADMINISTRATOR. This fee shall be based upon the person's ability to pay for services, but it shall not exceed the actual cost of services provided. No person 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 ~~hereunder~~ pursuant to this Agreement may

1 be

2 eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR's usual and customary
3 charges.

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

10
11 **XXIII. RIGHT TO WORK AND MINIMUM WAGE LAWS**

12 ~~A. In accordance with the United States Immigration Reform and Control Act of 1986, —D.~~
13 ~~CONTRACTOR shall require its employees directly or indirectly providing service pursuant to~~
14 ~~this Agreement, in any manner whatsoever, to verify their identity and eligibility for employment in the~~
15 ~~United States. CONTRACTOR shall also require and verify that its contractors, subcontractors, or any~~
16 ~~other persons providing services pursuant to this Agreement, in any manner whatsoever, verify the~~
17 ~~identity of their employees and their eligibility for employment in the United States.~~

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

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

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

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

34
35
36
37 **XXIV. 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.

XXV. SPECIAL PROVISIONS

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

~~1. Satisfying any expenditure of non federal funds as a condition for the receipt of federal funds (matching).~~

~~2. Making cash payments to intended recipients of services through this Agreement.~~

~~3. 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).~~

~~4. Fundraising.~~

~~4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR's staff, volunteers, or members of the Board of Directors.~~

~~5. Reimbursement of CONTRACTOR's members of the Board of Directors for expenses or services.~~

~~6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors 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.~~

~~5. Fundraising~~ ~~8. Severance pay for separating employees.~~

~~6. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR's staff or members of the Board of Directors.~~

~~7. Producing any information that promotes responsible use, if the use is unlawful, of drugs or alcohol.~~

~~8. Promoting the legalization of any drug or other substance included in Schedule 1 of §202 of the Controlled Substance Act (21 USC 812).~~

~~9. Distributing or aiding in the distributing of sterile needles or syringes for the hypodermic injection of any illegal drug.~~

~~10. Assisting, promoting, or deterring union organizing.~~

~~11. Severance pay for separating employees.~~

1 ~~12.~~ Paying rent and/or lease costs for a facility prior to the facility meeting all required building
2 codes and obtaining all necessary building permits for any associated construction.

3 ~~10.~~ Purchasing or improving land, including constructing or permanently improving any
4 building or facility, except for tenant improvements.

5 ~~11.~~ Satisfying any expenditure of non-federal funds as a condition for the receipt of federal
6 funds (matching).

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

8 ~~13.~~ Producing any information that promotes responsible use, if the use is unlawful, of drugs or
9 alcohol.

10 ~~14.~~ Promoting the legalization of any drug or other substance included in Schedule 1 of §202 of
11 the Controlled Substance Act (21 USC 812).

12 ~~15.~~ Distributing or aiding in the distributing of sterile needles or syringes for the hypodermic
13 injection of any illegal drug.

14 ~~16.~~ Assisting, promoting, or deterring union organizing.

15 ~~13~~ ~~17.~~ Providing inpatient hospital services or purchasing major medical equipment.

16 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR
17 shall not use the funds provided by means of this Agreement for ~~funding travel or training (excluding~~
18 ~~mileage or parking) not approved by ADMINISTRATOR.~~ the following purposes:

19 1. ~~Funding travel or training (excluding mileage or parking).~~

20 2. ~~Making phone calls outside of the local area unless documented to be directly for the~~
21 ~~purpose of participant care.~~

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

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

25 5. ~~Purchase of gifts, meals, entertainment, awards, or other personal expenses for~~
26 ~~CONTRACTOR's participants.~~

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

31
32 **XXVI. STATUS OF CONTRACTOR**

33 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
34 wholly responsible for the manner in which it performs the services required of it by the terms of this
35 Agreement. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and
36 consultants employed by CONTRACTOR. This Agreement shall not be construed as creating the
37 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR

1 or any of CONTRACTOR’s employees, agents, consultants, or subcontractors. CONTRACTOR
2 assumes exclusively the responsibility for the acts of its employees, agents, consultants, or
3 subcontractors as they relate to the services to be provided during the course and scope of their
4 employment. CONTRACTOR, its agents, employees, consultants, or subcontractors, shall not be
5 entitled to any rights or privileges of COUNTY COUNTY’s employees and shall not be considered in
6 any manner to be COUNTY COUNTY’s employees.

7
8 **XXVII. TERM**

9 A. This specific Agreement with CONTRACTOR is only one of several agreements to which the
10 term of this ~~Master~~ Agreement applies. ~~The term of this Master~~ This specific Agreement shall
11 commence ~~on October 1, 2012 and~~ as specified in the Reference Contract Provisions of this Agreement
12 or the execution date, whichever is later. This specific Agreement shall terminate ~~on June 30, 2014;~~
13 ~~provided, however, that the specific term for CONTRACTOR shall be~~ as specified in the Referenced
14 Contract Provisions of this Agreement; ~~and, unless otherwise sooner terminated as provided further that~~
15 ~~the parties~~ in this Agreement; provided, however, CONTRACTOR shall ~~continue to~~ be obligated to
16 ~~comply with the requirements and perform the such duties specified in~~ as would normally extend beyond
17 this Agreement. ~~Such duties include, term, including~~ but ~~are~~ not limited to, obligations with respect to
18 confidentiality, indemnification, audits, reporting; and accounting.

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

21
22 **XXVIII. TERMINATION**

23 A. Either party may terminate this Agreement, without cause, upon thirty (30) calendar days
24 written notice given the other party.

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

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

- 31 1. The loss by CONTRACTOR of legal capacity.
- 32 2. Cessation of services.
- 33 3. The delegation or assignment of CONTRACTOR’s services, operation or administration to
34 another entity without the prior written consent of COUNTY.

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

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

1 Agreement.

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

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

8 D. CONTINGENT FUNDING

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

- 10 a. The continued availability of federal, state and county funds for reimbursement of
- 11 COUNTY's expenditures, and
- 12 b. Inclusion of sufficient funding for the services hereunder in the applicable budget
- 13 approved by the Board of Supervisors.

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

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

22 F. In the event this Agreement is terminated by either party, ~~after receiving a Notice of~~
23 ~~Termination~~ pursuant to Subparagraphs B., C. or D. above, CONTRACTOR shall do the following:

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

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

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

30 ~~4. If Participants~~ If participants are to be transferred to another facility for services,
31 furnish ADMINISTRATOR, upon request, all ~~Participant~~ participant information and records deemed
32 necessary by ADMINISTRATOR to effect an orderly transfer.

33 ~~4~~5. Assist ADMINISTRATOR in effecting the transfer of ~~Participants~~ participants in a manner
34 consistent with ~~Participant's~~ participant's best interests.

35 ~~5~~6. If records are to be transferred to COUNTY, pack and label such records in accordance with
36 directions provided by ADMINISTRATOR.

37 ~~6~~7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and

1 supplies purchased with funds provided by COUNTY.

2 ~~78~~. To the extent services are terminated, cancel outstanding commitments covering the
3 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding
4 commitments which relate to personal services. With respect to these canceled commitments,
5 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims
6 arising out of such cancellation of commitment which shall be subject to written approval of
7 ADMINISTRATOR.

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

10
11 **XXIX. THIRD PARTY BENEFICIARY**

12 Neither party hereto intends that this Agreement shall create rights hereunder in third parties
13 including, but not limited to, any subcontractors or any ~~Participants~~ participants provided services
14 ~~hereunder~~ pursuant to this Agreement.

15
16 **XXX. WAIVER OF DEFAULT OR BREACH**

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

22 //

23 //

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30 #

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

3
4 «UC_PROV»

5
6 BY: _____ DATED: _____

7
8 TITLE: _____

9
10
11 BY: _____ DATED: _____

12
13 TITLE: _____

14
15
16
17
18 COUNTY OF ORANGE

19
20
21 BY: _____ DATED: _____

22 HEALTH CARE AGENCY

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

29
30
31 BY: _____ DATED: _____

32 DEPUTY

33
34 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
35 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer
36 or any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution
37 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 ~~HCA~~ ADMINISTRATOR.

EXHIBIT A

TO AGREEMENT ~~WITH~~ FOR PROVISION OF SOBER LIVING SERVICES

BETWEEN

COUNTY OF ORANGE

AND

«UC_PROV»

~~FOR PROVISION OF SOBER LIVING SERVICES~~

~~OCTOBER~~ JULY 1, 2012 2014 THROUGH JUNE 30, ~~2014~~ 2016

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.

~~A~~ 1. Graduation or Participant Completion means the completion of the residential sober living program whereby the Participant has successfully completed all goals and objectives authorized by ADMINISTRATOR and documented in the Participant’s chart.

~~B~~ 2. Intake means the initial face-to-face meeting between a Participant and CONTRACTOR staff in which specific information about the Participant is gathered including the ability to pay and standard admission forms pursuant to the Agreement.

~~C~~ 3. Participant means a person sentenced on AB 109 PCS or ~~SRMS~~ with a substance use disorder, and for whom a COUNTY approved referral has been completed pursuant to the Agreement.

~~D~~ 4. Self-Help Meetings means a non-professional, peer participatory meeting formed by people with a common problem or situation offering mutual support to each other towards a goal or healing or recovery.

~~E~~ 5. Sober Living housing means transitional housing services that are provided to Participants at a twenty-four (24)-hour sober living facility. Services are provided in an alcohol and drug free environment and support recovery from alcohol and/or other drug related problems. These services are provided in a non-medical, residential setting ~~that has been certified by the OCSD.~~

~~F~~ 6. Unit of Service means one (1) calendar day or bed day during which services are provided to a Participant pursuant to the Agreement. The day of admission shall be included; the day of discharge shall be excluded. If both admission and discharge occur on the same day, the day shall be considered a day of admission and counts as a full day.

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. PAYMENTS

A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided pursuant to the Agreement, COUNTY shall pay CONTRACTOR monthly in arrears at \$38.00 per bed day served at CONTRACTOR’s facility for all Sober Living Services for substance users provided, however, that the total of all such payments to CONTRACTOR and all other COUNTY contract providers for all Sober Living Services shall not exceed COUNTY’s Aggregate Maximum Obligation as set forth in the Referenced Contract Provisions of the Agreement; and provided further, that CONTRACTOR’s costs are allowable pursuant to applicable county, federal , and state regulations. Non-compliance will require the completion of CAP by CONTRACTOR. If CAPs are not completed within timeframes as determined by ADMINISTRATOR, payments may be reduced accordingly. All payments are interim payments only, and subject to final settlement in accordance with the Cost Report Paragraph of the Agreement.

B. CONTRACTOR’s billings shall be on forms approved or supplied by ADMINISTRATOR and provide such information as is required by ADMINISTRATOR. Billings are due the tenth (10th) calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later than twenty-one (21) calendar days after receipt of the correctly completed billing form.

C. All billings to COUNTY shall be supported, at CONTRACTOR’s facility, by source documentation including, but not limited to, ledger and journals of service provided. ADMINISTRATOR may require CONTRACTOR to submit documentation in support of the monthly billing.

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

E. ADMINISTRATOR may withhold or delay processing of CONTRACTOR’s final invoice until CONTRACTOR submits a correctly completed Cost Report as defined in the Cost Report Paragraph.

F. CONTRACTOR shall not claim reimbursement for services provided beyond the expiration and/or termination of the Agreement, except as may otherwise be provided under the Agreement.

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

III. PERFORMANCE OUTCOMES

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

A. ~~50%~~ Eighty Percent (80%) of all Participants shall obtain ~~some type of financial assistance~~ employment within the first thirty (30) calendar days of sober living.

1 B. ~~90%~~ Sixty Percent (60%) of all Participants shall be linked to ~~some type of permanent~~ stable
2 housing upon completion of ~~Sober Living Services~~ sober living.

3 C. Seventy Percent (70%) of all Participants will remain sober until discharge.

4 D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
5 Performance Outcomes Paragraph of this Exhibit A to the Agreement.

6
7 **IV. RECORDS**

8 **A. RECORDS**

9 1. PARTICIPANT RECORDS – CONTRACTOR shall create and maintain all files pertaining
10 to Sober Living Participants in the following manner:

- 11 a. All files shall be kept in a locked cabinet; and
- 12 b. Access shall be limited to the director and other personnel with a legitimate need for
13 access who are specified in CONTRACTOR’s policies and procedures.

14 2. CONTENTS OF PARTICIPANT RECORDS – CONTRACTOR shall ensure the contents
15 of individual Participant files include, but are not limited to, the following:

- 16 a. A personal information form which contains:
 - 17 1.) Personal data for proper identification.
 - 18 2.) Length of sobriety and prior recovery experience; and
 - 19 3.) The name(s) of the Participant’s current outpatient care option (treatment facility or
20 DRC).
- 21 b. Copies of the Participant’s current court orders, if any.
- 22 c. Participant’s recovery plan recommendations for referral sources.
- 23 d. Progress notes regarding how Sober Living Services may assist the Participant in
24 implementing his/her recovery plan.
- 25 e. List of prescribed medication (s) used by the Participant.
- 26 f. A waiver of confidentiality, signed at the time of the Participant’s initial intake into the
27 Sober Living facility, to permit disclosure of designated information about the Participant to HCA,
28 Treatment Provider, Courts, OCPD, Parole Department, Public Defender and District Attorney.
- 29 g. HCA’s referral for AB 109 Sober Living Services.
- 30 h. Copies of all progress reports and all correspondence written by CONTRACTOR staff
31 regarding the Participant.
- 32 i. Dates and results of all drug and alcohol tests and all forms related to such tests.
- 33 j. Overnight pass information.
- 34 k. Dates of the Participant’s entry, and completion or termination from the facility,
35 including the circumstances of his/her discharge.
- 36 l. A copy of the Sober Living facility’s rules and Participant intake forms, signed and
37 dated by the Participant upon entry into the Sober Living facility; and

m. Voluntary Resident Criminal History Waiver as specified in Section 138 of COUNTY Adult Alcohol and Drug Sober Living Facilities Certification Guidelines set by the OCSD.

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

V. REPORTS

A. MONTHLY PROGRAMMATIC

1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR, including information required and on a form approved or provided by ADMINISTRATOR, in conjunction with the billing described in the Payments Paragraph in this Exhibit A. These monthly programmatic reports should be received by ADMINISTRATOR no later than the tenth (10th) business day of the month following the report month.

2. CONTRACTOR shall be responsible to include in the monthly programmatic report any problems in implementing the provisions of the Agreement, pertinent facts or interim findings, staff changes, status of license(s) and/or certification(s), changes in population served, and reasons for any changes. Additionally, a statement that the CONTRACTOR is or is not progressing satisfactorily in achieving all the terms of the Agreement shall be included.

B. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports, as required by ADMINISTRATOR, concerning CONTRACTOR’s activities as they affect the services hereunder. ADMINISTRATOR will be specific as to the nature of information requested and the time frame the information is needed.

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

VI. SERVICES

A. CONTRACTOR shall provide Sober Living Services described herein at ~~an OCSD-certified~~ Sober Living facility approved in writing by ADMINISTRATOR. CONTRACTOR shall make referrals and require Participants to attend Self Help programs, such as Narcotics Anonymous, Alcoholics Anonymous, or other support programs ~~approved by ADMINISTRATOR.~~

B. FACILITY – CONTRACTOR shall provide Sober Living Services at locations approved, in advance, by ADMINISTRATOR ~~and appropriately certified with OCSD.~~ Unless otherwise authorized in writing by ADMINISTRATOR, CONTRACTOR shall maintain regularly scheduled service hours, seven (7) days a week, twenty-four (24) hours per day throughout the year at «FAC1_ADDR», «CITY_STATE_ZIP», or at any other facility approved in advance by ADMINISTRATOR.

1. CONTRACTOR’s Sober Living facility shall include the following:

a. Safe sleeping quarters, a separate bed for each Participant and a lounge area for all Participants. Facility shall be maintained in a decent, safe, and sanitary condition.

1 b. No more than two (2) persons of the same gender sharing a standard bedroom within
2 the facility at any time, unless CONTRACTOR receives prior written approval by ADMINSTRATOR.

3 c. Basic living facilities and supplies, including but not limited to, bathroom and shower
4 area, eating area, bedroom, bed, linens and/or appropriate bed coverings, pillow, towel, etc.

5 d. Laundry facilities and laundry supplies at no cost to the Participant; and

6 e. Toiletry articles appropriate to the health and grooming needs of the Participant.

7 C. PERSONS TO BE SERVED

8 1. CONTRACTOR shall serve adult female and male AB 109 offenders with substance use
9 disorders and who were released either on PCS or on ~~SRMS~~ and who have no available housing.

10 2. CONTRACTOR shall, in accordance with capacity of facility, admit persons referred by
11 ADMINISTRATOR.

12 D. UNITS OF SERVICES – CONTRACTOR shall provide, pursuant to the Agreement, no more
13 than four (4) months of Sober Living Services, equivalent to a maximum of one hundred twenty (120)
14 Sober Living Units of Services, per Participant within a twelve (12) month period, unless otherwise
15 authorized in writing by ADMINISTRATOR.

16 E. SCOPE OF SERVICES – CONTRACTOR shall provide services within the specifications
17 stated below, unless otherwise authorized by ADMINISTRATOR. Such services shall include, but not
18 limited to, the following:

19 1. CONTRACTOR shall provide an alcohol and drug-free living environment for Participants.
20 CONTRACTOR shall have staff performing the duties of house manager and/or director, who shall
21 reside at the Sober Living facility, or shall be present ~~during curfew hours, which shall be~~ at a minimum,
22 between the hours of 11:00 P.M. and 6:00 A.M. weekdays, and 12:00 A.M. and 6:00 A.M. weekends
23 and holidays. Whenever CONTRACTOR’s house manager and/or director is not present at the facility,
24 a designated facility staff person shall be on-call to respond, and arrive at the facility within twenty (20)
25 minutes of being summoned. The telephone number to contact said staff designee shall be posted by
26 CONTRACTOR immediately upon the absence of CONTRACTOR’s house manager and/or director at
27 the facility.

28 2. CONTRACTOR shall encourage structured daily activities to include Participant’s
29 responsibility for daily household duties, including, but not limited to: house cleaning, and basic
30 household operations. CONTRACTOR shall encourage Participants to live productive, drug-free lives,
31 which may include working, going to school, attending appropriate self-help program meetings,
32 volunteering in the community, and taking increased responsibility for treatment goals established by the
33 individual. Participants are encouraged to use support systems in the community, maintaining adequate
34 grooming, and using their leisure time in a constructive manner by supplying Participants with
35 recreational equipment, vocational materials, educational materials, and fitness equipment.

36 3. CONTRACTOR shall establish house rules for standards of conduct for Participants that
37 shall include mandatory participation either in a COUNTY-approved AB 109 outpatient treatment

1 program or are linked to DRC. Said house rules shall be enforced by CONTRACTOR’s house manager
 2 and/or director, other paid staff, intern(s) or volunteer(s), as designated by CONTRACTOR’s house
 3 manager and/or director.

4 4. ~~CONTRACTOR~~ TRANSPORTATION - ADMINISTRATOR shall provide ~~transportation~~
 5 ~~and/or bus vouchers~~ bus passes to CONTRACTOR, as ~~necessary, including~~ long as they are available.
 6 CONTRACTOR shall provide bus passes to Participants who request them. CONTRACTOR shall also
 7 provide Participants with information regarding public transportation, how to obtain a bus pass, bus
 8 schedules, etc., ~~so that Participant may participate~~ to assist and encourage participation in the following
 9 types of activities designed to maintain a drug and alcohol-free lifestyle:

- 10 a. substance use disorder treatment programs; ~~participate in~~
- 11 b. DRC; ~~participate in~~
- 12 c. vocational and/or educational activities; ~~seek, and~~
- 13 seeking and/or ~~maintain~~ maintaining employment, ~~etc., to maintain a drug and alcohol-~~
 14 ~~free lifestyle.~~

15 In the event Participant owns and operates a vehicle, which is operable by Participant in accordance with
 16 federal, state, and county rules and regulations, CONTRACTOR shall make its best efforts to
 17 accommodate the storage and use of the vehicle.

18 5. CONTRACTOR shall provide two (2) meals per day, or a food voucher with a minimum
 19 value of fifty dollars (\$50) per Participant per week. If CONTRACTOR opts to provide meals, such
 20 meals shall be nutritious and appropriate to the health needs of the Participant.

21 6. CONTRACTOR shall establish a written policy and procedure, which shall be reviewed
 22 and approved by ADMINISTRATOR, and shall include but not be limited to the securing, handling, and
 23 administration of Participant prescribed medication(s).

24 7. CONTRACTOR shall perform drug testing on Participant(s) suspected of using substances
 25 or at minimum of one (1) time per-month. Testing supplies shall be provided by CONTRACTOR. In
 26 the event that a Participant receives a drug screening test result indicating any substance use,
 27 CONTRACTOR shall formulate and implement a plan of corrective action ~~which,~~ which shall include
 28 termination from the program, and shall be documented in the Participant’s record, and shall notify
 29 Probation and COUNTY of said test result indicating any substance use within one (1) business days.

30 8. COUNTY’s Gatekeeper, as designated by ADMINISTRATOR, shall be responsible for all
 31 referrals to CONTRACTOR for Sober Living Services under the Agreement.

32 9. CONTRACTOR shall establish a written visitation policy and procedure, which shall be
 33 reviewed and approved by ADMINISTRATOR, which shall include, but not limited to, the following:

- 34 a. Sign in logs.
- 35 b. Visitation hours; ~~and~~ rules.
- 36 c. Overnight passes and;
- 37 d. Designated visiting areas at the facility.

1 10. Participant Sign In/Out Log and Schedule – CONTRACTOR shall maintain a Participant
2 sign in/out log for all Participants, which shall include, but not limited to, the following:

- 3 a. Participant’s schedule for treatment, work, education or other activities.
- 4 b. Location and telephone number where the Participant may be reached.
- 5 c. Requirement for Participant to notify CONTRACTOR staff of any change in his/her
6 schedule; and
- 7 d. Participant name, signature, date, and time when leaving Sober Living facility and
8 estimated time of return. Participants returning to the Sober Living facility shall sign in.

9 11. CONTRACTOR shall establish a Good Neighbor Policy, which shall be reviewed and
10 approved by ADMINISTRATOR. The policy shall include, but not limited to, staff training to deal with
11 neighbor complaints, staff contact information available to neighboring residents, and complaint
12 procedures.

13 12. NON-SMOKING POLICY-CONTRACTOR shall establish a written non-smoking policy
14 which shall be reviewed and approved by ADMINSTRATOR. At a minimum, the non-smoking policy
15 shall specify that the facility is “smoke free” and that designated smoking areas are outside the facility.

16 13. CONTRACTOR shall maintain a house log on each shift that is supervised by a designated
17 CONTRACTOR staff person. Information to be documented in the house log shall include but not to be
18 limited to:

- 19 a. Date, time, signature and title of person making all entries in the house log.
- 20 b. Staff and shift changes which occur at the Sober Living facility; and
- 21 c. Special incidents as specified in the Agreement.

22 14. CONTRACTOR shall coordinate vocational, educational, other supportive services, and
23 other basic referrals to community services with COUNTY, as necessary.

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

27 **VII. STAFFING**

28 A. CONTRACTOR shall provide staffing in accordance with the Orange County Adult Alcohol
29 and Drug Sober Living Facilities Certification Guidelines, Chapter 4 articles 1-3, and/or as approved by
30 ADMINISTRATOR, to meet the needs of the Sober Living Services program.

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

33 //
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35 //
36 //
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EXHIBIT B

TO AGREEMENT FOR PROVISION OF SOBER LIVING SERVICES

BETWEEN

COUNTY OF ORANGE

AND

«UC_PROV»

JULY 1, 2014 THROUGH JUNE 30, 2016

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 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 and the applicable standards, implementation specifications, and requirements of the Privacy and the Security rules, as they may exist now or be hereafter amended, with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Agreement.

1 B. DEFINITIONS

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

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

8 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

37 //

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.

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

D. SECURITY RULE

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

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

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

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

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

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

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

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

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

E. DATA SECURITY REQUIREMENTS

1. Personal Controls

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

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

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

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

2. Technical Security Controls

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

//

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

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

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

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

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

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

36 1) Upper case letters (A-Z)

37 2) Lower case letters (a-z)

1 3) Arabic numerals (0-9)

2 4) Non-alphanumeric characters (punctuation symbols)

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

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

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

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

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

27 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
28 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
29 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
30 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
31 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as
32 website access, file transfer, and E-Mail.

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

37 3. Audit Controls

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

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

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

14 4. Business Continuity/Disaster Recovery Control

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

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

27 5. Paper Document Controls

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

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

37 c. Confidential Destruction. PHI COUNTY discloses to CONTRACTOR or

1 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY must be disposed of
2 through confidential means, such as cross cut shredding and pulverizing.

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

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

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

18 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

34 b. Any other information that COUNTY is required to include in the notification to
35 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or
36 promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period
37 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.

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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 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 policies and procedures 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).

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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.

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 (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 AGREEMENT FOR PROVISION OF SOBER LIVING SERVICES

BETWEEN

COUNTY OF ORANGE

AND

«UC_PROV»

JULY 1, 2014 THROUGH JUNE 30, 2016

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, Civil Code § 1798.29(d).

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

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

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

6. "Notice-triggering Personal Information" shall mean the personal information identified in Civil Code § 1798.29(e) whose unauthorized access may trigger notification requirements under Civil Code § 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 California Civil Code § 1798.3(a).

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

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

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

6 **B. TERMS OF AGREEMENT**

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

11 **2. Responsibilities of CONTRACTOR**

12 CONTRACTOR agrees:

13 a. Nondisclosure. Not to use or disclose DHCS PI or PII other than as permitted or
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 data
26 systems containing DHCS PI and PII. CONTRACTOR shall protect paper documents containing DHCS
27 PI and PII. These steps shall include, at a minimum:

28 1) Complying with all of the data system security precautions listed in subparagraph
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 Office of Management and Budget in OMB Circular No. A-130,
32 Appendix III-Security of Federal Automated Information Systems, which sets forth guidelines for
33 automated information systems in Federal agencies.

34 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
35 CONTRACTOR shall also comply with the substantive privacy and security requirements in the
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

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

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

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

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

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

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

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

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