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**EXHIBIT A**

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**REFERENCED CONTRACT PROVISIONS**

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2  
3 **Term:** July 1, 2011 through June 30, 2013

4 "Period One" means the period from July 1, 2011 through June 30, 2012

5 "Period Two" means the period from July 1, 2012 through June 30, 2013

**Maximum Obligation:**

|   |                                    |                  |                      |
|---|------------------------------------|------------------|----------------------|
| 6 | Period One Maximum Obligation:     | \$165,550        |                      |
| 7 | Period Two Maximum Obligation:     | <u>210,650</u>   | <del>165,550</del>   |
| 8 | TOTAL CONTRACT MAXIMUM OBLIGATION: | <u>\$376,200</u> | <del>\$331,100</del> |

9  
10 **Basis for Reimbursement:** Fee-for-Service

11 **Payment Method:** Fee-for-Service

**Notices to COUNTY and CONTRACTOR:**

12  
13  
14  
15 **COUNTY:** County of Orange  
16 Health Care Agency  
17 Contract Development and Management  
18 405 West 5th Street, Suite 600  
19 Santa Ana, CA 92701-4637

20 **CONTRACTOR:** Attn: President/Chief Executive Officer  
21 Behavioral Health Services, Inc.  
22 15519 Crenshaw Boulevard  
23 Gardena, CA 90249

**CONTRACTOR's Insurance Coverages:**

| 24 | <u>Coverage</u>                          | <u>Minimum Limits</u>                |
|----|--|--------------------------------------|
| 25 | Commercial General Liability with        | \$1,000,000                          |
| 26 | broad form Property damage and           | Combined Single limit per occurrence |
| 27 | contractual liability                    | \$2,000,000 Aggregate                |
| 28 | Automobile Liability, including coverage | \$1,000,000                          |
| 29 | for owned, non-owned and hired vehicles  | Combined Single limit per occurrence |
| 30 | Workers' Compensation                    | Statutory                            |
| 31 | Employer's Liability Insurance           | \$1,000,000                          |
| 32 |  | per occurrence                       |
| 33 | Professional Liability Insurance         | \$1,000,000                          |
| 34 |  | per claims made or                   |
| 35 |  | per occurrence                       |
| 36 | Sexual Misconduct                        | \$1,000,000                          |
| 37 |  |                                      |

per occurrence

## I. ALTERATION OF TERMS

This Agreement, together with Exhibit A attached hereto and incorporated herein by reference, fully expresses all understanding of COUNTY and CONTRACTOR with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties for these purposes. No addition to, or alteration of, the terms of this Agreement, whether written or verbal, shall be valid unless made in writing and formally approved and executed by both parties.

## II. 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 CONTRACTOR is made aware of the relevant policies and procedures relating to ADMINISTRATOR's Compliance Program.

2. CONTRACTOR shall ensure that its employees, subcontractors, interns, volunteers, and members of Board of Directors or duly authorized agents, if appropriate, ("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 been approved by ADMINISTRATOR's Compliance Officer as described in subparagraphs A.4., A.5., A.6., and A.7. below.

4. If CONTRACTOR elects to have its own Compliance Program then it shall submit a copy of its Compliance Program 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 Compliance Program is accepted. CONTRACTOR shall take necessary action to meet said standards or shall be asked to acknowledge and agree to the ADMINISTRATOR's Compliance Program.

6. Upon approval of CONTRACTOR's Compliance Program by ADMINISTRATOR's Compliance Officer, CONTRACTOR shall ensure that its employees, subcontractors, interns, volunteers, and members of Board of Directors or duly authorized agents, if appropriate, ("Covered Individuals") relative to this Agreement are made aware of CONTRACTOR's Compliance Program and related policies and procedures.

7. Failure of CONTRACTOR to submit its Compliance Program 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.

1 //

2 B. SANCTION SCREENING - CONTRACTOR shall screen all Covered Individuals employed or  
3 retained to provide services related to this Agreement to ensure that they are not designated as  
4 "Ineligible Persons," as defined hereunder. Screening shall be conducted against the General Services  
5 Administration's List of Parties Excluded from Federal Programs and the Health and Human  
6 Services/Office of Inspector General List of Excluded Individuals/Entities.

7 1. Ineligible Person shall be any individual or entity who:

8 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in the  
9 federal health care programs; or

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

13 2. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.  
14 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this  
15 Agreement.

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

22 4. Covered Individuals shall be required to disclose to CONTRACTOR immediately any  
23 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.  
24 CONTRACTOR shall notify ADMINISTRATOR immediately upon such disclosure.

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

31 6. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or  
32 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.  
33 Such individual or entity shall be immediately removed from participating in any activity associated  
34 with this AGREEMENT. ADMINISTRATOR will determine if any repayment is necessary from  
35 CONTRACTOR for services provided by ineligible person or individual.

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

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2 C. COMPLIANCE TRAINING - ADMINISTRATOR shall make General Compliance Training  
3 and Provider Compliance Training, where appropriate, available to Covered Individuals.

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

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

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

10 D. CODE OF CONDUCT - ADMINISTRATOR has developed a Code of Conduct for adherence  
11 by ADMINISTRATOR's employees and contract providers.

12 1. ADMINISTRATOR shall ensure that CONTRACTOR is made aware of  
13 ADMINISTRATOR's Code of Conduct.

14 2. CONTRACTOR shall ensure that its employees, subcontractors, interns, volunteers, and  
15 members of Board of Directors or duly authorized agents, if appropriate, ("Covered Individuals")  
16 relative to this Agreement are made aware of ADMINISTRATOR's Code of Conduct.

17 3. CONTRACTOR has the option to adhere to ADMINISTRATOR's Code of Conduct or  
18 establish its own provided CONTRACTOR's Code of Conduct has been approved by  
19 ADMINISTRATOR's Compliance Officer as described in subparagraphs D.4., D.5., D.6., D.7., and D.8.  
20 below.

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

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

26 6. Upon approval of CONTRACTOR's Code of Conduct by ADMINISTRATOR,  
27 CONTRACTOR shall ensure that its employees, subcontractors, interns, volunteers, and members of  
28 Board of Directors or duly authorized agents, if appropriate, ("Covered Individuals") relative to this  
29 Agreement are made aware of CONTRACTOR's Code of Conduct.

30 7. If CONTRACTOR elects to adhere to ADMINISTRATOR's Code of Conduct then  
31 CONTRACTOR shall submit to ADMINISTRATOR a signed acknowledgement and agreement that  
32 CONTRACTOR shall comply with ADMINISTRATOR's Code of Conduct.

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

37 //

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2 D. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

14 **III. CONFIDENTIALITY**

15 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any  
16 audio and/or video recordings, in accordance with all applicable federal, state and county codes and  
17 regulations, including 42 United States Code 290dd-2 (Confidentiality of Records), as they now exist or  
18 may hereafter be amended or changed.  
19

20 1. CONTRACTOR acknowledges and agrees that some persons served pursuant to this  
21 Agreement are participants of the Orange County (HIV) services system, and therefore it may be  
22 necessary for authorized staff of ADMINISTRATOR to audit participant files, or to exchange  
23 information regarding specific participants with COUNTY or other providers of related services  
24 contracting with COUNTY.

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

29 3. In the event of a collaborative service agreement between (HIV) services providers,  
30 CONTRACTOR acknowledges and agrees that it is responsible for obtaining releases of information,  
31 from the collaborative agency, for participants receiving services through the collaborative agreement.

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



1 consultants, subcontractors, volunteers and interns.

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

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

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

14 F. CONTRACTOR shall notify ADMINISTRATOR within twenty-four (24) hours during a work  
15 week, of any suspected or actual breach of computer system security, if the security breach would  
16 require notification under California Civil Code §1798.82.

#### 17 **IV. DEBARMENT AND SUSPENSION CERTIFICATION**

18 A. CONTRACTOR certifies that it and its principals:

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

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

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

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

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

36 6. Shall include without modification, the clause titled "Certification Regarding Debarment,  
37

1 Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction, (i.e., transactions  
2 with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in  
3 accordance with 2 CFR Part 376.

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

#### 6 7 **V. DELEGATION AND ASSIGNMENT**

8 A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without  
9 prior written consent of COUNTY; provided, however, obligations undertaken by CONTRACTOR  
10 pursuant to this Agreement may be carried out by means of subcontracts, provided such subcontracts are  
11 approved in advance, in writing by ADMINISTRATOR, meet the requirements of this Agreement as  
12 they relate to the service or activity under subcontract, and include any provisions that  
13 ADMINISTRATOR may require. No subcontract shall terminate or alter the responsibilities of  
14 CONTRACTOR to COUNTY pursuant to this Agreement. CONTRACTOR may not assign the rights  
15 hereunder, either in whole or in part, without the prior written consent of COUNTY.  
16 ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR, amounts claimed for  
17 subcontracts not approved in accordance with this paragraph.

18 B. For CONTRACTORS which are nonprofit corporations, any change from a nonprofit  
19 corporation to any other corporate structure of CONTRACTOR, including a change in more than fifty  
20 percent (50%) of the composition of the Board of Directors within a two (2) month period of time, shall  
21 be deemed an assignment for purposes of this paragraph. Any attempted assignment or delegation in  
22 derogation of this paragraph shall be void.

23 C. For CONTRACTORS which are for-profit organizations, any change in the business structure,  
24 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of  
25 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a  
26 change in fifty percent (50%) or more of CONTRACTOR's directors at one time shall be deemed an  
27 assignment pursuant to this paragraph. Any attempted assignment or delegation in derogation of this  
28 paragraph shall be void.

#### 29 30 **VI. EMPLOYEE ELIGIBILITY VERIFICATION**

31 CONTRACTOR warrants that it shall fully comply with all federal and state statutes and regulations  
32 regarding the employment of aliens and others and to ensure that employees, subcontractors and  
33 consultants performing work under this Agreement meet the citizenship or alien status requirement set  
34 forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees,  
35 subcontractors and consultants performing work hereunder, all verification and other documentation of  
36 employment eligibility status required by federal or state statutes and regulations including, but not  
37 limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently

1 //

2 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all  
3 covered employees, subcontractors and consultants for the period prescribed by the law.

#### 4 5 **VII. EQUIPMENT**

6 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as  
7 moveable property of a relatively permanent nature with significant value. Equipment which costs  
8 \$5,000 or over, including sales taxes, freight charges and other taxes are considered Fixed Assets.  
9 Equipment which cost less than \$5,000, including sales taxes, freight charges and other taxes are  
10 considered Minor Equipment or Controlled Assets. The cost of Equipment purchased, in whole or in  
11 part, with funds paid pursuant to this Agreement shall be depreciated according to generally accepted  
12 accounting principles.

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

19 C. Upon ADMINISTRATOR's prior written approval, CONTRACTOR may expense to COUNTY  
20 the cost of specified items of Equipment purchased by CONTRACTOR. To "expense," in relation to  
21 Equipment, means to charge the full cost of Equipment in the fiscal year in which it is purchased. Title  
22 of expensed Equipment shall be vested with COUNTY and the Equipment shall be deemed to be  
23 "Loaned Equipment" while in the possession of CONTRACTOR.

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

29 E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical  
30 inventories of Loaned Equipment. Equipment shall be tagged with a COUNTY issued tag. Upon  
31 demand by ADMINISTRATOR, CONTRACTOR shall return any or all Loaned Equipment to  
32 COUNTY.

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

37 G. Unless this Agreement is followed without interruption by another agreement between the

1 parties for substantially the same type and scope of services, at the termination of this Agreement for any  
 2 cause, CONTRACTOR shall return to COUNTY all Loaned Equipment purchased with funds paid  
 3 through this Agreement.

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

7 I. Equipment purchases shall not exceed \$50,000 annually.

#### 8 9 **VIII. EXPENDITURE AND REVENUE REPORT**

10 A. No later than sixty (60) calendar days following termination of each period or fiscal year of this  
 11 Agreement, CONTRACTOR shall submit to ADMINISTRATOR, for informational purposes only, an  
 12 Expenditure and Revenue Report for the preceding fiscal year, or portion thereof. Such report shall be  
 13 prepared in accordance with the procedure that is provided by ADMINISTRATOR and generally  
 14 accepted accounting principles.

15 B. CONTRACTOR may be required to submit periodic Expenditure and Revenue Reports  
 16 throughout the term of the Agreement.

#### 17 18 **IX. FACILITIES, PAYMENTS AND SERVICES**

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

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

#### 28 29 **X. INDEMNIFICATION AND INSURANCE**

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

1 as determined by the court. Neither party shall request a jury apportionment.

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

5 C. All insurance policies except Workers' Compensation, Employer's Liability, and Professional  
6 Liability shall contain the following clauses:

7 1. "The County of Orange is included as an additional insured with respect to the operations of  
8 the named insured performed under contract with the County of Orange."

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

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

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

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

19  
20 **XI. INSPECTIONS AND AUDITS**

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

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

34 C. CONTRACTOR shall not be subject to disallowances as the result of audits of the cost of  
35 services.

36 **D. AUDIT RESPONSE**

37 1. Following an audit report, in the event of non-compliance with applicable laws and

1 regulations governing funds provided through this Agreement, COUNTY may terminate this Agreement  
2 as provided for in the Termination paragraph or direct CONTRACTOR to immediately implement  
3 appropriate corrective action. A plan of corrective action shall be submitted to ADMINISTRATOR in  
4 writing within thirty (30) calendar days after receiving notice from ADMINISTRATOR.

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

12 E. CONTRACTOR shall employ a licensed certified public accountant, who will prepare and file  
13 with ADMINISTRATOR, an annual, independent, organization-wide audit of related expenditures  
14 during the term of this Agreement.

15 F. CONTRACTOR shall employ a licensed certified public accountant, who will prepare an  
16 annual Single Audit as required by OMB 133. CONTRACTOR shall forward the Single Audit to  
17 ADMINISTRATOR within fourteen (14) calendar days of receipt.

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

## 22 **XII. LICENSES AND LAWS**

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

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

33 1. State of California, Department of Alcohol and Drug Programs Audit Assistance Guide  
34 Manual.

35 2. State of California, Department of Alcohol and Drug Programs, Alcohol and/or Other Drug  
36 Program Certification Standards, March 2004.  
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- 2 3. California Health and Safety Code (HSC), Divisions 10.5 and 10.6.
- 3 4. California Health and Safety Code Sections 123110 through 123149.5.
- 4 5. Title 2, Code of Federal Regulations (CFR), Part 230, Cost Principles for Nonprofit
- 5 Organizations.
- 6 6. Title 2 Code of Federal Regulations 376, Nonprocurement, Debarment and Suspension.
- 7 7. 41 Code of Federal Regulations, Public Contracts and Property Management.
- 8 8. 42 Code of Federal Regulations 2, Confidentiality of Alcohol and Drug Abuse Patient
- 9 Records.
- 10 9. 45 Code of Federal Regulations 93, New Restrictions on Lobbying.
- 11 10. 45 Code of Federal Regulations 96.132(e), Additional Agreements.
- 12 11. 45 Code of Federal Regulations 96.135, Restrictions on Expenditure of Grant.
- 13 12. 45 Code of Federal Regulations 160, General Administrative Requirements.
- 14 13. 45 Code of Federal Regulations 162, Administrative Requirements.
- 15 14. 45 Code of Federal Regulations 164, Security And Privacy.
- 16 15. 48 Code of Federal Regulations 9.4, Debarment, Suspension, and Ineligibility.
- 17 16. Title 31, United States Code (U.S.C.), Chapter 13, Subtitle II, Section 1352, Limitation on
- 18 use of appropriated funds to influence certain federal contracting and financial transactions.
- 19 17. 42 United States Code Chapter 126, Equal Opportunity for Individuals with Disabilities.
- 20 18. 42 United States Code, Chapter 6A, Subchapter III-A, Part D, 290dd-2, Confidentiality of
- 21 Records.
- 22 19. 42 United States Code, Chapter 7, Subchapter XI, Part A, 1320(a), Uniform reporting
- 23 systems for health services facilities and organizations.
- 24 20. 42 United States Code, Chapter 7, Subchapter XI, Part C, 1320(d) through 1320(d)(8),
- 25 Administrative Simplification.
- 26 21. 42 United States Code, Chapter 6A, Subchapter III-A, 290aa through 290jj, Substance
- 27 Abuse and Mental Health Services Administration.
- 28 22. 42 United States Code, Chapter 7, Subchapter XI, Part C, 285n through 285o, National
- 29 Institute on Alcohol Abuse and Alcoholism; National Institute on Drug Abuse.
- 30 23. California Civil Code (CCC) Sections 56 through 56.37, Confidentiality of Medical
- 31 Information.
- 32 24. California Civil Code Sections 1798.80 through 1798.82, Customer Records.
- 33 25. California Civil Code Section 1798.85, Confidentiality of Social Security Number.
- 34 26. Office of Management and Budget (OMB) Circulars A-87, A-89, A-110, A-122, and
- 35 A-133.
- 36 27. U.S. Department of Health and Human Services Grants Policy Statement.
- 37 28. California Code of Regulations, Title 9, Division 4; and Title 22 Social Security.

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2 29. State of California, Department of Mental Health “Uniform Method of Determining Ability  
3 to Pay” (UMDAP).

4 30. AIDS Housing Opportunity Act (42 U.S.C.A. 12901 et seq.).

5 31. Title 24, Subtitle B, Chapter 5, Subchapter C, CFR Part 574, Housing Opportunities for  
6 Persons with AIDS.

7 32. 24 CFR Parts 42 and 570.606.

8 33. 25 CFR Part 85, Common Rule to the Community Development Block Grant Entitlement  
9 Program.

10 C. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

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

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

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

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

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

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

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

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31 **XIII. LITERATURE AND ADVERTISEMENTS**

32 A. Any written information or literature, including educational or promotional materials,  
33 distributed by CONTRACTOR to any person or organization for purposes directly or indirectly related  
34 to this Agreement must be approved in advance and in writing by ADMINISTRATOR before  
35 distribution. For the purposes of this Agreement, distribution of written materials shall include, but not  
36 be limited to, pamphlets, brochures, flyers, newspaper or magazine ads, and electronic media such as the  
37 Internet. Such information shall not imply endorsement by COUNTY, unless ADMINISTRATOR



1 consents thereto in writing.

2 B. CONTRACTOR shall also clearly explain through these materials that there shall be no  
3 unlawful use of drugs or alcohol associated with the services provided pursuant to this Agreement, as  
4 specified in California Health and Safety Code, Section 11999.

5 C. Any advertisement through radio, television broadcast, or the Internet, for educational or  
6 promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this  
7 Agreement must be approved in advance and in writing by ADMINISTRATOR.

#### 8 9 **XIV. MAXIMUM OBLIGATION**

10 The Total Maximum Obligations of COUNTY for services provided in accordance with this  
11 Agreement and the separate Maximum Obligations for Period One and Period Two are as specified in  
12 the Referenced Contract Provisions of this Agreement.

#### 13 14 **XV. NONDISCRIMINATION**

##### 15 A. EMPLOYMENT

16 1. During the performance of this Agreement, CONTRACTOR shall not unlawfully  
17 discriminate against any employee or applicant for employment because of his/her ethnic group  
18 identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over),  
19 sexual orientation, medical condition, or physical or mental disability. CONTRACTOR shall warrant  
20 that the evaluation and treatment of employees and applicants for employment are free from  
21 discrimination in the areas of employment, promotion, demotion or transfer; recruitment or recruitment  
22 advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training,  
23 including apprenticeship. CONTRACTOR shall not discriminate between employees with spouses and  
24 employees with domestic partners, or discriminate between domestic partners and spouses of those  
25 employees, in the provision of benefits. There shall be posted in conspicuous places, available to  
26 employees and applicants for employment, notices from ADMINISTRATOR and/or the United States  
27 Equal Employment Opportunity Commission setting forth the provisions of the Equal Opportunity  
28 clause.

29 2. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR  
30 shall state that all qualified applicants will receive consideration for employment without regard to  
31 ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age  
32 (40 and over), sexual orientation, medical condition, or physical or mental disability. Such requirement  
33 shall be deemed fulfilled by use of the phrase "an equal opportunity employer."

34 3. Each labor union or representative of workers with which CONTRACTOR has a collective  
35 bargaining agreement or other contract or understanding must post a notice advising the labor union or  
36 workers' representative of the commitments under this Nondiscrimination paragraph and shall post  
37 copies of the notice in conspicuous places available to employees and applicants for employment.

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2 B. SERVICES, BENEFITS, AND FACILITIES - CONTRACTOR shall not discriminate in the  
3 provision of services, the allocation of benefits, or in the accommodation in facilities on the basis of  
4 ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age  
5 (40 and over), sexual orientation, medical condition, or physical or mental disability in accordance with  
6 Title IX of the Education Amendments of 1972; Title VI of the Civil Rights Act of 1964 (42 U.S.C.A.  
7 §2000d); the Age Discrimination Act of 1975 (42 U.S.C.A. §6101); and Title 9, Division 4, Chapter 6,  
8 Article 1 (§10800, et seq.) of the California Code of Regulations, and all other pertinent rules and  
9 regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all  
10 may now exist or be hereafter amended or changed.

11 1. For the purpose of this subparagraph B., "discrimination" includes, but is not limited to the  
12 following based on one or more of the factors identified above:

- 13 a. Denying a participant or potential participant any service, benefit, or accommodation.  
14 b. Providing any service or benefit to a participant which is different or is provided in a  
15 different manner or at a different time from that provided to other participants.  
16 c. Restricting a participant in any way in the enjoyment of any advantage or privilege  
17 enjoyed by others receiving any service or benefit.  
18 d. Treating a participant differently from others in satisfying any admission requirement or  
19 condition, or eligibility requirement or condition, which individuals must meet in order to be provided  
20 any service or benefit.  
21 e. Assignment of times or places for the provision of services.

22 2. Complaint Process - CONTRACTOR shall establish procedures for advising all participants  
23 through a written statement that CONTRACTOR's participants may file all complaints alleging  
24 discrimination in the delivery of services with CONTRACTOR, ADMINISTRATOR, or the  
25 U.S. Department of Health and Human Services' Office for Civil Rights. CONTRACTOR's statement  
26 shall advise participants of the following:

- 27 a. In those cases where the participant's complaint is filed initially with the Office for  
28 Civil Rights (Office), the Office may proceed to investigate the participant's complaint, or the Office  
29 may request COUNTY to conduct the investigation.  
30 b. Within the time limits procedurally imposed, the complainant shall be notified in  
31 writing as to the findings regarding the alleged complaint and, if not satisfied with the decision, may file  
32 an appeal with the Office for Civil Rights.

33 C. PERSONS WITH DISABILITIES - CONTRACTOR agrees to comply with the provisions of  
34 Section 504 of the Rehabilitation Act of 1973 (29 U.S.C.A. 794 et seq., as implemented in 45 CFR 84.1  
35 et seq.), and the Americans with Disabilities Act of 1990 (42 U.S.C.A. 12101, et seq.), pertaining to the  
36 prohibition of discrimination against qualified persons with disabilities in all programs or activities, as  
37 they exist now or may be hereafter amended together with succeeding legislation.

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

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

**XVI. NOTICES**

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

- 1. When written and deposited in the United States mail, first class postage prepaid and addressed as specified in the Referenced Contract Provisions of this Agreement or as otherwise directed by ADMINISTRATOR;
- 2. When faxed, transmission confirmed;
- 3. When sent by Email; or
- 4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel Service, or other expedited delivery service.

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

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

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

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

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2 **XVII. NOTIFICATION OF DEATH**

3 A. NON-TERMINAL ILLNESS DEATH

4 1. CONTRACTOR shall notify ADMINISTRATOR by telephone immediately upon  
5 becoming aware of the death due to non-terminal illness of any person served hereunder; provided,  
6 however, weekends and holidays shall not be included for purposes of computing the time within which  
7 to give telephone notice and, notwithstanding the time limit herein specified, notice need only be given  
8 during normal business hours.

9 2. In addition, CONTRACTOR shall, within sixteen (16) hours after such death, hand deliver  
10 or fax, a written Notification of Non-Terminal Illness Death to ADMINISTRATOR.

11 3. The telephone report and written Notification of Non-Terminal Illness Death shall contain  
12 the name of the deceased, the date and time of death, the nature and circumstances of the death, and the  
13 name(s) of CONTRACTOR's officers or employees with knowledge of the incident.

14 B. TERMINAL ILLNESS DEATH

15 1. CONTRACTOR shall notify ADMINISTRATOR by written report faxed, hand delivered,  
16 or postmarked within forty-eight (48) hours of becoming aware of the death due to terminal illness of  
17 any person served hereunder. The Notification of Terminal Illness Death shall contain the name of the  
18 deceased, the date and time of death, the nature and circumstances of the death, and the name(s) of  
19 CONTRACTOR's officers or employees with knowledge of the incident.

20 2. If there are any questions regarding the cause of death of any person served hereunder who  
21 was diagnosed with a terminal illness, or if there are any unusual circumstances related to the death,  
22 CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with subparagraph A.  
23 above.

24 **XVIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

28 B. CONTRACTOR shall notify ADMINISTRATOR at least thirty (30) business days in advance  
29 of any applicable public event or meeting. The notification must include the date, time, duration,  
30 location and purpose of public event or meeting. Any promotional materials or event related flyers must  
31 be approved by ADMINISTRATOR prior to distribution.  
32

33 **XIX. RECORDS MANAGEMENT AND MAINTENANCE**

34 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term  
35 of this Agreement, prepare, maintain and manage records appropriate to the services provided and in  
36 accordance with this Agreement and all applicable requirements, which include, but are not limited to:  
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2 1. California Code of Regulation Title 22, §§70751(c), 71551(c), 73543(a), 74731(a),  
3 75055(a), 75343(a), and 77143(a).

4 2. State of California, Department of Alcohol and Drug Programs Reporting System (ASRS)  
5 manual.

6 3. State of California, Department of Alcohol and Drug Programs Fiscal System (DPFS)  
7 manual.

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

9 5. Title 45 Code of Federal Regulations (CFR), §164.501; §164.524; §164.526; §164.530(c)  
10 and (j).

11 B. CONTRACTOR shall implement and maintain administrative, technical and physical  
12 safeguards to ensure the privacy of protected health information (PHI) and prevent the intentional or  
13 unintentional use or disclosure of PHI in violation of the Health Insurance Portability and Accountability  
14 Act of 1996 (HIPAA), federal and state regulations and/or COUNTY HIPAA Policies and Procedures  
15 (P&P) (COUNTY HIPAA P&P 1-2). CONTRACTOR shall mitigate to the extent practicable, the  
16 known harmful effect of any use or disclosure of protected health information made in violation of  
17 federal or state regulations and/or COUNTY policies.

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

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

23 E. CONTRACTOR shall ensure all appropriate state and federal standards of documentation,  
24 preparation, and confidentiality of records related to participant, client and/or patient records are met at  
25 all times.

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

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

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

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

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

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

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

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

8 H. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and  
9 security of Personally Identifiable Information (PII) and/or Protected Health Information (PHI).  
10 CONTRACTOR shall, immediately upon discovery of a breach of privacy and/or security of PII and/or  
11 PHI by CONTRACTOR, notify ADMINISTRATOR of such breach by telephone and email or  
12 facsimile.

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

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

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

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

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

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

30 O. CONTRACTOR shall notify ADMINISTRATOR of any Public Record Act (PRA) request  
31 within twenty-four (24) hours. CONTRACTOR shall provide ADMINISTRATOR all information that  
32 is requested by the PRA request.

## 34 **XX. REVENUE**

35 A. FEES - CONTRACTOR shall charge a fee to participants to whom services are provided  
36 pursuant to this Agreement, their estates and responsible relatives, in accordance with the fee system  
37 designated by ADMINISTRATOR. This fee shall be based upon the person's ability to pay for services,

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2 but it shall not exceed the actual cost of services provided. No person shall be denied services because  
3 of an inability to pay.

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

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

13 D. OTHER REVENUES - CONTRACTOR shall charge for services, supplies, or facility use by  
14 persons other than individuals or groups eligible for services pursuant to this Agreement.  
15

## 16 **XXI. SEVERABILITY**

17 If a court of competent jurisdiction declares any provision of this Agreement or application thereof  
18 to any person or circumstances to be invalid or if any provision of this Agreement contravenes any  
19 federal, state or county statute, ordinance, or regulation, the remaining provisions of this Agreement or  
20 the application thereof shall remain valid, and the remaining provisions of this Agreement shall remain  
21 in full force and effect, and to that extent the provisions of this Agreement are severable.  
22

## 23 **XXII. SPECIAL PROVISIONS**

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

26 1. Purchasing or improving land, including constructing or permanently improving any  
27 building or facility, except for tenant improvements.

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

30 3. Making cash payments to intended recipients of services through this Agreement.

31 4. Contracting or subcontracting with any entity other than a public or nonprofit private entity.

32 5. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications  
33 and reports in compliance with this requirement pursuant to Title 31, U.S.C.A, Section 1352  
34 (e.g., limitation on use of appropriated funds to influence certain federal contracting and financial  
35 transactions).

36 6. Paying an individual salary or compensation for services at a rate in excess of the current  
37 Level I of the Executive Salary Schedule as published by the Federal Office of Personnel Management

1 (OPM). The OPM Executive Salary Schedule may be found at [www.opm.gov](http://www.opm.gov).

2 7. Fundraising.

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

5 9. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,  
6 subcontractors, and members of the Board of Directors or its designee or authorized agent, or making  
7 salary advances or giving bonuses to CONTRACTOR's staff.

8 10. Reimbursement of CONTRACTOR's members of the Board of Directors for expenses or  
9 services.

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

12 12. Promoting the legalization of any drug or other substance included in Schedule 1 of Section  
13 202 of the Controlled Substance Act (21 U.S.C. 812).

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

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

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

19 1. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
20 CONTRACTOR's participants.

21 2. Funding travel or training (excluding mileage or parking) not approved by  
22 ADMINISTRATOR.

23 3. Making phone calls outside of the local area unless documented to be directly for the  
24 purpose of participant care.

25 4. Payment for grant writing, consultants, Certified Public Accounting, or legal services not  
26 approved in advance by ADMINISTRATOR.

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

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

33  
34 **XXIII. STATUS OF CONTRACTOR**

35 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be  
36 wholly responsible for the manner in which it performs the services required of it by the terms of this  
37 Agreement. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and



1 consultants employed by CONTRACTOR. This Agreement shall not be construed as creating the  
 2 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR  
 3 or any of CONTRACTOR's employees, agents, consultants, or subcontractors. CONTRACTOR  
 4 assumes exclusively the responsibility for the acts of its employees, agents, consultants, or  
 5 subcontractors as they relate to the services to be provided during the course and scope of their  
 6 employment. CONTRACTOR, its agents, employees, consultants, or subcontractors, shall not be  
 7 entitled to any rights or privileges of COUNTY employees and shall not be considered in any manner to  
 8 be COUNTY employees.

#### 10 **XXIV. TERM**

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

#### 17 **XXV. TERMINATION**

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

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

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

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

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2 removes such physician or licensed person from serving persons treated or assisted pursuant to this  
3 Agreement.

4 D. CONTINGENT FUNDING

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

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

10 2. In the event such funding is subsequently reduced or terminated, COUNTY may terminate  
11 or renegotiate this Agreement upon thirty (30) calendar days written notice given CONTRACTOR.

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

16 F. In the event this Agreement is terminated by either party, after receiving a Notice of  
17 Termination CONTRACTOR shall do the following:

- 18 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which
- 19 is consistent with recognized standards of quality care and prudent business practice.
- 20 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
- 21 performance during the remaining contract term.
- 22 3. If participants are to be transferred to another facility for services, furnish
- 23 ADMINISTRATOR, upon request, all participant information and records deemed necessary by
- 24 ADMINISTRATOR to effect an orderly transfer.
- 25 4. Assist ADMINISTRATOR in effecting the transfer of participants in a manner consistent
- 26 with participant's best interests.
- 27 5. If records are to be transferred to COUNTY, pack and label such records in accordance with
- 28 directions provided by ADMINISTRATOR.

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

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32 **XXVI. THIRD PARTY BENEFICIARY**

33 Neither party hereto intends that this Agreement shall create rights hereunder in third parties  
34 including, but not limited to, any subcontractors or any participants provided services hereunder.

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**XXVII. WAIVER OF DEFAULT OR BREACH**

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

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

3  
4 BEHAVIORAL HEALTH SERVICES, INC.

5  
6 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

7  
8 TITLE: \_\_\_\_\_

9  
10 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

11  
12 TITLE: \_\_\_\_\_

13  
14 COUNTY OF ORANGE

15  
16 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

17 CHAIR OF THE BOARD OF SUPERVISORS

18  
19  
20 SIGNED AND CERTIFIED THAT A COPY  
21 OF THIS DOCUMENT HAS BEEN DELIVERED  
22 TO THE CHAIR OF THE BOARD PER G.C. SEC. 25103, RESO 79-1535  
23 ATTEST:

24 \_\_\_\_\_ DATED: \_\_\_\_\_

25 DARLENE J. BLOOM  
26 Clerk of the Board of Supervisors  
27 Orange County, California

28 APPROVED AS TO FORM  
29 OFFICE OF THE COUNTY COUNSEL  
30 ORANGE COUNTY, CALIFORNIA

31  
32 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

33 DEPUTY

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.

EXHIBIT A  
 TO AGREEMENT FOR PROVISION OF  
 INPATIENT SUBSTANCE ABUSE DETOXIFICATION SERVICES WITH  
 BEHAVIORAL HEALTH SERVICES, INC.  
 JULY 1, 2011 THROUGH JUNE 30, 2013

**I. DEFINITIONS**

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

A. Participant means adult males and females over the age of eighteen (18) years, with a substance abuse disorder.

B. Unit of Service means one (1) calendar day during which services are provided to a Participant pursuant to this 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.

**II. PAYMENTS**

A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided pursuant to this Agreement. COUNTY shall pay CONTRACTOR monthly in of \$275.00 per Unit of Service, however, the total monthly payments to CONTRACTOR shall not exceed COUNTY's Maximum Obligation set forth on Page 4 of this 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 corrective action plan(s) (CAP) by CONTRACTOR. If CAPs are not completed within timeframes as determined by ADMINISTRATOR, payments may be reduced accordingly. Furthermore, if CONTRACTOR is ineligible to provide services due to non-compliance with licensure and/or certification standards of the State, County, or Probation, ADMINISTRATOR may elect to reduce COUNTY's maximum obligation proportionate to the length of time that CONTRACTOR is ineligible to provide services.

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

C. Fees and revenues received by CONTRACTOR, from or on behalf of Participants receiving services pursuant to this Agreement, shall be deducted from any Inpatient Substance Abuse Detoxification Services billings to COUNTY.

D. All billings to COUNTY shall be supported, at CONTRACTOR's facility, by source documentation including, but not limited to, ledgers, books, vouchers, journals, time sheets, invoices,

1 bank statements, canceled checks, receipts, receiving records, and records of services provided.  
2 ADMINISTRATOR may require CONTRACTOR to submit documentation in support of the monthly  
3 billing.

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

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

8 G. In conjunction with Payments Paragraph A, units of service shall not be entered in the County  
9 IRIS system for services not rendered. If information has been entered, corrections will be made within  
10 ten (10) business days from notification of ADMINISTRATOR.

11  
12 **III. RECORDS**

13 A. PARTICIPANT RECORDS – CONTRACTOR shall maintain adequate records in accordance  
14 with the COUNTY Alcohol and Drug Abuse Services Administration Guidelines on each individual  
15 Participant in sufficient detail to permit an evaluation of services which shall include, but need not be  
16 limited to:

17 1. Treatment plans, records of Participant interviews, progress notes, and records of service  
18 provided by various personnel, documented in the Participant’s record.

19 2. An admission record which includes documentation that inpatient services are appropriate  
20 for the Participant. Such documentation shall specify alcohol and/or drugs used and identify the social,  
21 psychological, physical and/or behavioral problems related to alcohol and/or drug use.

22 B. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete  
23 financial records of its costs and operating expenses. Such records shall reflect the actual costs of the  
24 type of service for which payment is claimed in accordance with generally accepted accounting  
25 principles, the ASRS Manual and the DPFS Manual.

26 1. Any apportionment of or distribution of costs, including indirect costs, to or between  
27 programs or cost centers of CONTRACTOR shall be documented, and shall be made in accordance with  
28 generally accepted accounting principles, ASRS Manual and the DPFS Manual.

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

31 3. The Participant eligibility determination and fee charged to and collected from Participants,  
32 together with a record of all billings rendered and revenues received from any source, on behalf of  
33 Participants treated pursuant to this Agreement, must be reflected in CONTRACTOR’s financial  
34 records.

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#### **IV. REPORTS**

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2 A. MONTHLY PROGRAMMATIC – CONTRACTOR shall submit a monthly programmatic  
3 report to ADMINISTRATOR, including information required and on a form approved or provided by  
4 ADMINISTRATOR. These monthly programmatic reports should be received by ADMINISTRATOR  
5 no later than the tenth (10th) business day of the month following the report month.

6 B. CONTRACTOR shall be responsible to include in the monthly programmatic report any  
7 problems in implementing the provisions of this Agreement, pertinent facts or interim findings, status of  
8 license(s) and/or certification(s) and reasons for any changes.

9 C. PERFORMANCE OUTCOMES – ADMINISTRATOR shall develop and provide  
10 CONTRACTOR with performance outcome measure guidelines for the purpose of evaluating the impact  
11 or contribution of CONTRACTOR’s services on the well-being of the Orange County residents being  
12 served under the terms of this Agreement.

13 D. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports as required by  
14 ADMINISTRATOR concerning CONTRACTOR’s activities as they affect the services hereunder.  
15 ADMINISTRATOR will be specific as to the nature of information requested and the timeframe the  
16 information is needed.

#### **V. SERVICES**

17  
18  
19 A. CONTRACTOR shall provide the licensed and certified Inpatient Substance Abuse  
20 Detoxification Services described herein at approved chemical dependency recovery hospitals at  
21 American Recovery Center, 2180 West Valley Boulevard, Pomona, California 91768 and Tom Redgate  
22 Memorial Recovery Center, 1775 North Chestnut Avenue, Long Beach, California 90813.

##### B. PERSONS TO BE SERVED

23  
24 1. COUNTY and CONTRACTOR mutually agree that persons to be served under the terms of  
25 this Agreement are adult males and females over the age of eighteen (18) years, with a substance abuse  
26 disorder, who may have co-existing mental illness, i.e., are dually diagnosed persons, and may be  
27 Human Immunodeficiency Virus (HIV) seropositive or have a documented AIDS diagnosis. The  
28 Participants are funded with federal Substance Abuse Block Grant and Housing Opportunities for  
29 persons with AIDS funds.

30 2. CONTRACTOR shall only provide services, under this Agreement, to those Participants  
31 referred by ADMINISTRATOR. At its sole discretion, COUNTY shall make referrals based on  
32 geographic accessibility of the chemical dependency recovery hospital facility, the availability of beds,  
33 and the medical necessity for inpatient detoxification services. All referrals for COUNTY shall be  
34 initiated by ADMINISTRATOR’s Alcohol and Drug Abuse Services Program designated staff.  
35 CONTRACTOR shall accept all said referrals.

36 C. SERVICE LEVEL – CONTRACTOR shall make available an average of two (2) beds per day  
37 for Period One and Period Two for purposes of this Agreement. COUNTY utilization may vary based



1 on the number of appropriate Participants available for referral at any one time. Units of service  
 2 provided under the terms of this Agreement shall not exceed six hundred two (602) for Period One and  
 3 seven hundred sixty-six (766) ~~six hundred two (602)~~ for Period Two unless mutually agreed to in  
 4 writing by CONTRACTOR and ADMINISTRATOR.

5 D. MAXIMUM LENGTH OF STAY – CONTRACTOR shall not allow any COUNTY Participant  
 6 to remain more than fourteen (14) calendar days in the chemical dependency recovery hospital facility,  
 7 without prior written approval by ADMINISTRATOR.

8 E. INPATIENT SERVICES

9 1. CONTRACTOR shall operate licensed and certified alcohol and drug abuse inpatient  
 10 facilities for the provision of Alcohol and Drug Abuse Detoxification Services. CONTRACTOR shall  
 11 provide basic life support services, in accordance with the standards established by the County of  
 12 Orange, Alcohol and Drug Abuse Services Program, the State Department of Alcohol and Drug  
 13 Programs, and the State Department of Health Services.

14 2. Said facilities shall be licensed as chemical dependency recovery hospitals by the State  
 15 Department of Health Services in accordance with Title 22 of the California Code of Regulations at all  
 16 times during the term of this Agreement.

17 3. CONTRACTOR shall provide Inpatient Substance Abuse Detoxification services, in  
 18 accordance with Title 22 of the California Code of Regulations, which shall include, but not be limited  
 19 to, the following:

20 a. Completion of a physical examination and history within twenty-four (24) hours of  
 21 admission including drug screening (urinalysis). CONTRACTOR shall observe each Participant's  
 22 emission of the urine collected to protect against the falsification and/or contamination of the urine  
 23 sample.

24 b. Availability of a physician to provide services to the Participant, including "on call"  
 25 twenty-four (24) hours a day, seven (7) days a week.

26 1) Physician shall visit Participant at least once every forty-eight (48) hours.

27 2) Progress notes shall be recorded daily.

28 c. Employing appropriate standards of medical practice. The attending physician may  
 29 require diagnostic testing and prescribe needed medications. This program is not an acute medical  
 30 program or facility. The physician shall not accept for detoxification at the facility any person requiring  
 31 intensive diagnostic or treatment services. Referral of such persons to appropriate acute medical  
 32 facilities shall be arranged by CONTRACTOR.

33 d. Twenty-four (24) hour daily nursing care in accordance with Title 22, California Code  
 34 of Regulations.

35 e. Medications as prescribed by physician. CONTRACTOR agrees to comply with all  
 36 federal and state statutory requirements and regulations, concerning the storage, prescription, and  
 37 administration of narcotics or restricted dangerous drugs.

1 f. Room and three (3) nutritionally balanced meals per day.

2 g. Psychiatric care. When medically indicated, CONTRACTOR shall provide or make  
3 provision for psychiatric care in consultation with ADMINISTRATOR's Care Coordinator.

4 h. Availability of HIV related counsel and testing. CONTRACTOR shall provide or make  
5 available HIV related counseling and testing.

6 i. Regular case conferences to monitor Participant's progress. CONTRACTOR shall  
7 include records made during each case conference in Participant's chart.

8 j. Individual and/or group counseling to detoxification Participants including but not  
9 limited to issues of relapse and recidivism.

10 k. Exit planning in consultation with the Participant. CONTRACTOR's staff shall notify  
11 ADMINISTRATOR's Care Coordinator when any Participant is considered for discharge and shall  
12 include in the Participant's chart any information on the exit plan.

13 l. Medical testing services including:

14 1) Laboratory diagnostic testing.

15 2) CBC, VDRL, EEG, Tuberculin Skin test, Chest x-ray, EKG, SMA 12 as clinically  
16 indicated.

17 m. CONTRACTOR shall provide or arrange through referral the provision of medical,  
18 dental, social, psychological, vocational/occupational, educational, legal, health education, emergency  
19 and non-emergency transportation or other services deemed appropriate for contributing to the  
20 Participant's rehabilitation. Services provided through referral are not reimbursable and shall not be  
21 charged to COUNTY.

22 n. CONTRACTOR shall provide family and collateral counseling as needed.

23 F. CONTRACTOR's Chief Executive Officer or designee shall participate, when requested, in  
24 meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to this  
25 Agreement.

26 G. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,  
27 with respect to any person who has been referred to CONTRACTOR by COUNTY under the terms of  
28 this Agreement. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to  
29 promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution,  
30 or religious belief.

31 H. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy,  
32 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy  
33 shall specify the facility is "smoke free" and designated smoking areas are outside the facility.

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**VI. STAFFING**

1  
2 A. CONTRACTOR shall ensure that all clinical staffing, including those providing direct  
3 Participant services, meet the requirements of Title 22 of the California Code of Regulations as it exists  
4 now or may hereafter be amended or changed and all standards of the State Department of Health  
5 Services and the State Department of Alcohol and Drug Programs.

6 B. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold  
7 languages determined by COUNTY. Whenever possible, bilingual/bicultural staff should be retained.  
8 Any clinical vacancies occurring at a time when bilingual and bicultural composition of the clinical  
9 staffing does not meet the above requirement must be filled with bilingual and bicultural staff unless  
10 ADMINISTRATOR consents, in writing, to the filling of those positions with non-bilingual staff.  
11 Salary savings resulting from such vacant positions may not be used to cover costs other than salaries  
12 and employees benefits unless otherwise authorized in writing, in advance, by ADMINISTRATOR.

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

20 D. CONTRACTOR shall ensure that administrative staffing is sufficient to support the  
21 performance of services pursuant to this Agreement.

22 E. CONTRACTOR may augment paid staff with volunteers or part-time student interns.  
23 CONTRACTOR shall provide supervision to volunteers as specified in the respective job descriptions or  
24 work contracts.

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

34 G. CONTRACTOR shall provide pre-employment screening of any staff person providing any  
35 service pursuant to this Agreement.

- 36 1. All staff, prior to hiring, shall meet the following requirements:  
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1 a. No person shall have been convicted of a sex offense for which the person is required to  
2 register as a sex offender under California Penal Code section 290;

3 b. No person shall have been convicted of an arson offense – Violation of Penal Code  
4 sections 451, 451.1, 451.5, 452, 452.1, 453, 454, or 455;

5 c. No person shall have been convicted of any violent felony as defined in Penal Code  
6 section 667.5, which involve doing bodily harm to another person, for which the staff member was  
7 convicted within five years prior to employment;

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

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

11 f. No prior employment history of improper conduct, including but not limited to, forging  
12 or falsifying documents or drug tests, sexual assault or sexual harassment, or inappropriate behavior  
13 with staff or residents at another treatment facility.

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

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

19  
20 **VII. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA)**  
21 **INFORMATION**

22 A. This Agreement includes federal funds paid to CONTRACTOR. The CFDA number(s) and  
23 associated information for federal funds paid through this Agreement are specified below:

24  
25 CFDA Year: 2009

26 CFDA#: 93.959

27 Program Title: Block Grants for Prevention and Treatment of Substance Abuse

28 Federal Agency: Department of Health and Human Services

29 Award Name: Negotiated Net Amount/Drug MediCal Contract

30  
31 CFDA Year: 2009

32 CFDA#: 14.241

33 Program Title: Housing Opportunities for Persons with AIDS

34 Federal Agency: Department of Housing and Urban Development

35 Award Name: Cooperative Agreement between County of Orange and City of Santa Ana

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1 B. CONTRACTOR may be required to have an audit conducted in accordance with federal OMB  
2 Circular Number A-133. CONTRACTOR shall be responsible for complying with any federal audit  
3 requirements within the reporting period specified by OMB Circular Number A-133.

4 C. ADMINISTRATOR may revise the CFDA information listed above, and shall notify  
5 CONTRACTOR in writing of said revisions.

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