



# Revision to ASR and/or Exhibits/Attachments

15A1

2014 APR 18 AM 9:10

**Date:** March 28, 2014

**To:** Susan Novak, Clerk of the Board of Supervisors

**CC:** County Executive Office

**From:** Mark Refowitz, Director, Health Care Agency

**RE:** Agenda Item(s) # 43 for the 4/29/14 Board Meeting

**ASR Control #(s):** 14-000132

**Subject:** First Amendment to the Agreement for Children's Crisis Residential Services

**Explanation:**

The Health Care Agency made some revision to these areas. Please see attached revised ASR.

Revised Recommended Action(s)

Make modifications to the:

Subject       Background Information       Summary

Revised Exhibits/Attachments (attached)

Additional Information and/or Correspondence (attached)



### AGENDA STAFF REPORT

ASR Control 14-000132

**MEETING DATE:** 03/11/14/29/14  
**LEGAL ENTITY TAKING ACTION:** Board of Supervisors  
**BOARD OF SUPERVISORS DISTRICT(S):** All Districts  
**SUBMITTING AGENCY/DEPARTMENT:** Health Care Agency (Approved)  
**DEPARTMENT CONTACT PERSON(S):** Jenny Qian (714) 834-7024

**SUBJECT:** First Amendment to the Agreement for Children's Crisis Residential Services

<b>CEO CONCUR</b> Concur	<b>COUNTY COUNSEL REVIEW</b> Approved Agreement to Form	<b>CLERK OF THE BOARD</b> Discussion 3 Votes Board Majority
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**Budgeted:** Yes                      **Current Year Cost:** ~~\$727,733~~223,995      **Annual Cost:**  
 FY 2014-15:  
~~\$3,548,333~~2,706,970

**Staffing Impact:** No                      **# of Positions:**                      **Sole Source:** No  
**Current Fiscal Year Revenue:** N/A  
**Funding Source:** State: 92% (Mental Health Services      **County Audit in last 3 years** No  
 Act/Prop 63), Fees/Other: 8% (FFP Medi-Cal)                      **Year of Audit**

**Prior Board Action:** 5/22/2012 #49

**RECOMMENDED ACTION(S):**

1. Approve the First Amendment to the Agreement with Community Service Programs, Inc., for provision of Children's Crisis Residential Services, increasing funding by ~~\$4,276,066~~2,930,965, -from \$2,584,932 to ~~\$6,860,998~~5,515,897, and extending the term of the Agreement for an additional one-year period, from July 1, 2012 through June 30, 2015.
2. Authorize the Health Care Agency Director, or designee, on behalf of the Board of Supervisors, to execute the First Amendment as referenced in the Recommended Action above.

**SUMMARY:**

The Health Care Agency requests approval of the First Amendment to the Agreement with Community Service Programs, Inc., for provision of Children's Crisis Residential Services.

**BACKGROUND INFORMATION:**

On May 22, 2012, your Honorable Board approved the Agreement with Community Service Programs, Inc. (CSP), for Provision of Children's Crisis Residential Services for the period of July 1, 2012 through June 30, 2014. Children's Crisis Residential services focus on addressing the needs of Serious Emotional Disturbance (SED) children and youth who are unserved or underserved.

The Children's Crisis Residential Program provides services in a non-institutional setting for children and youth, ages 13 to 17, who have a SED and meet one of three criteria: are at risk for hospitalization but do not meet inpatient criteria; who no longer meet criteria for inpatient psychiatric hospitalization but would benefit from additional family conflict resolution before returning home; or are returning from extended stays in out-of-home placements and need short-term assistance reintegrating into their homes. In the group home setting, clients receive crisis intervention and mental health services, including individual and family therapy and targeted case management focused on linkage with on-going less restrictive levels of service and care. The program provides 24/7 staffing, youth and parent mentoring, education, transportation, respite care, and co-occurring disorder services.

As a result of the Mental Health Services Act planning process, a need was identified for additional Children's Crisis Residential Services. The First Amendment would double the current six beds capacity in Laguna Beach by ~~adding~~ including a minimum of six beds at the CSP's Huntington Beach location with the potential of additional capacity, in excess of the six beds, at the Huntington Beach location, when available and needed, as well as extend the term of the Agreement by one year through June 30, 2015. The expanded program is expected to serve a minimum of 156 clients and their families annually.

Under the proposed Amendment, the annual maximum obligation for Period Two will be increased by ~~\$727,733,223,995~~, from \$1,292,466 to \$2,020,199,516,461, and Period Three would be added at an annual funding amount of \$3,548,332,706,970. A portion of the additional funding for Periods Two and Three in the amount of \$105,970 is to cover one-time costs associated with the expansion of services at the Huntington Beach location.

The outcome of this program is measured by the number of clients who are maintained safely in the community and out of inpatient facilities during their time in the program and for 60 days after discharge from the program. During FY 2012-13, 84% of the 90 clients met this target. Data for FY 2013-14 through December shows that 89% of the 49 clients met the target and were maintained in the community.

The proposed First Amendment will have a subcontract with an individual who will provide psychiatry and medication support services that will assist the contractor in carrying out the service obligations of the contract for an estimated amount of \$55,746,14,439 for Period Two and \$86,400 for Period Three.

The Health Care Agency requests that your Board approve the First Amendment to the Agreement with Community Service Programs, Inc., for provision of Children's Crisis Residential Services, as referenced in the Recommended Actions.

#### **FINANCIAL IMPACT:**

This First Amendment is included in the Health Care Agency's FY 2013-14 Current Budget and will be included in the budgeting process for FY 2014-15.

It is estimated that funding for these services represents 173% of the contractor's total annual operating budget. Should services need to be reduced or terminated due to lack of funding, this Agreement contains

language that allows the Health Care Agency to give 30 days notice to either terminate or renegotiate the level of services to be provided. The notice will allow the Health Care Agency adequate time to transition or terminate services to clients, if necessary.

**STAFFING IMPACT:**

N/A

**ATTACHMENT(S):**

- A. First Amendment to the Agreement for Provision of Children's Crisis Residential Services between County of Orange and Community Service Programs, Inc.
- B. Redline Version to Attachment A

FIRST AMENDMENT TO AGREEMENT FOR PROVISION OF  
CHILDREN’S CRISIS RESIDENTIAL SERVICES

BETWEEN  
COUNTY OF ORANGE  
AND

COMMUNITY SERVICE PROGRAMS, INC.  
JULY 1, 2012 THROUGH JUNE 30, 2014

THIS FIRST AMENDMENT TO AGREEMENT entered into this 1st day of May 2014, which date is enumerated for purposes of reference only, is by and between the COUNTY OF ORANGE (COUNTY) and COMMUNITY SERVICE PROGRAMS, INC., a California nonprofit corporation (CONTRACTOR).

WITNESSETH:

WHEREAS, on May 22, 2012, the COUNTY Board of Supervisors authorized the Agreement with CONTRACTOR for provision of Children’s Crisis Residential Services for the period of July 1, 2012 through June 30, 2014; and

WHEREAS, COUNTY and CONTRACTOR agree to amend the Agreement for the provision of Children’s Crisis Residential Services.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. Page 4, lines 3 through 12 of the Agreement are amended to read as follows:

“**Term:** July 1, 2012 through June 30, 2015

Period One means the period from July 1, 2012 through June 30, 2013

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

Period Three means the period from July 1, 2014 through June 30, 2015

**Maximum Obligation:**

Period One Maximum Obligation:	\$1,292,466
Period Two Maximum Obligation:	1,516,461
Period Three Maximum Obligation:	<u>2,706,970</u>
TOTAL CONTRACT MAXIMUM OBLIGATION:	\$5,515,897

**Basis for Reimbursement:** Actual Cost

**Payment Method:** Provisional Amount”

2. Page 4, lines 25 through 37 of the Agreement as referenced below, are hereby deleted:

**“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 for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employer's Liability Insurance	\$1,000,000 per occurrence
Professional Liability Insurance per occurrence	\$1,000,000 per claims made or per occurrence
Sexual Misconduct	\$1,000,000 per occurrence”

3. Paragraph I. of the Agreement is amended to read as follows:

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

- A. ADAS Alcohol and Drug Abuse Services
- B. AES Advanced Encryption Standard
- C. ARRA American Recovery and Reinvestment Act
- D. ASRS Alcohol and Drug Programs Reporting System
- E. BBS Board of Behavioral Sciences
- F. BCP Business Continuity Plan
- G. CalOPTIMA California Orange Prevention and Treatment Integrated Medical Assistance
- H. MAP Medical Assistance Plan
- I. CCC California Civil Code
- J. CCR California Code of Regulations
- K. CD/DVD Compact Disc/Digital Video or Versatile Disc
- L. CEO County Executive Office
- M. CFDA Catalog of Federal Domestic Assistance
- N. CFR Code of Federal Regulations
- O. CHHS California Health and Human Services Agency

1	P. CHPP	County HIPAA P&Ps
2	Q. CHS	Correctional Health Services
3	R. CIPA	California Information Practices Act
4	S. CMPPA	Computer Matching and Privacy Protection Act
5	T. D/MC	Drug/Medi-Cal
6	U. DD	Dual Disorders
7	V. DHCS	Department of Health Care Services
8	W. DoD	Department of Defense
9	X. DPFS	Drug Program Fiscal Systems
10	Y. DRP	Disaster Recovery Plan
11	Z. DRS	Designated Record Set
12	AA. DSH	Direct Service Hours
13	AB. DSM	Diagnostic and Statistical Manual of Mental Disorders
14	AC. E-Mail	Electronic Mail
15	AD. EHR	Electronic Health Record
16	AE. ePHI	Electronic Protected Health Information
17	AF. EPSDT	Early and Periodic Screening, Diagnosis, and Treatment
18	AG. FIPS	Federal Information Processing Standards
19	AH. FSP	Full Service Partnership
20	AI. FTE	Full Time Equivalent
21	AJ. GAAP	Generally Accepted Accounting Principles
22	AK. HCA	Health Care Agency
23	AL. HHS	Health and Human Services
24	AM. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public Law 104-191
25		
26	AN. HSC	California Health and Safety Code
27	AO. ICC	Intensive Care Coordination
28	AP. ID	Identification
29	AQ. IEA	Information Exchange Agreement
30	AR. IHBS	Intensive Home Based Services
31	AS. IRIS	Integrated Records Information System
32	AT. ISO	Insurance Services Office
33	AU. LCSW	Licensed Clinical Social Worker
34	AV. LPCC	Licensed Professional Clinical Counselor
35	AW. LPT	Licensed Psychiatric Technician
36	AX. LVN	Licensed Vocational Nurse
37	AY. MFT	Marriage and Family Therapist

1	AZ. MHP	Mental Health Plan
2	BA. MHSA	Mental Health Services Act
3	BB. NIST	National Institute of Standards and Technology
4	BC. NOA-A	Notice of Action
5	BD. NP	Nurse Practitioner
6	BE. NPI	National Provider Identifier
7	BF. NPP	Notice of Privacy Practices
8	BG. OCJS	Orange County Jail System
9	BH. OCPD	Orange County Probation Department
10	BI. OCR	Office for Civil Rights
11	BJ. OCSD	Orange County Sheriff's Department
12	BK. OIG	Office of Inspector General
13	BL. OMB	Office of Management and Budget
14	BM. OPM	Federal Office of Personnel Management
15	BN. P&P	Policy and Procedure
16	BO. PADSS	Payment Application Data Security Standard
17	BP. PBM	Pharmaceutical Benefits Management
18	BQ. PC	State of California Penal Code
19	BR. PCI DSS	Payment Card Industry Data Security Standard
20	BS. PHI	Protected Health Information
21	BT. PI	Personal Information
22	BU. PII	Personally Identifiable Information
23	BV. POC	Plan of Care
24	BW. PRA	Public Record Act
25	BX. QIC	Quality Improvement Committee
26	BY. RN	Registered Nurse
27	BZ. SAMSHA	Substance Abuse and Mental Health Services Administration
28	CA. SIR	Self-Insured Retention
29	CB. SSA	Social Services Agency
30	CC. TAY	Transitional Age Youth
31	CD. TBS	Therapeutic Behavioral Services
32	CE. The HITECH	The Health Information Technology for Economic and Clinical Health Act,
33	Act	Public Law 111-005
34	CF. UMDAP	Universal Method of Determining Ability to Pay
35	CG. USC	United States Code
36	CH. WIC	State of California Welfare and Institutions Code"
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1 4. Paragraph II. of the Agreement is amended to read as follows:

2 "A. This Agreement, together with Exhibits A, B, and C attached hereto and incorporated herein,  
3 fully express all understanding of COUNTY and CONTRACTOR with respect to the subject matter of  
4 this Agreement.

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

9  
10 5. Paragraph X. of the Agreement is amended to read as follows:

11 "A. CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance  
12 with Exhibits A, B, and C to this Agreement. COUNTY shall compensate, and authorize, when  
13 applicable, said services. CONTRACTOR shall operate continuously throughout the term of this  
14 Agreement with at least the minimum number and type of staff which meet applicable federal and state  
15 requirements, and which are necessary for the provision of the services hereunder."

16  
17 6. Subparagraph VI.A. of the Agreement is amended to read as follows:

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

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

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

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

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

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

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19 7. Paragraph VII. of the Agreement is amended to read as follows:

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

25 B. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the  
26 prior written consent of COUNTY.

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

33 2. If CONTRACTOR is a for-profit organization, any change in the business structure,  
34 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of  
35 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a  
36 change in fifty percent (50%) or more of Board of Directors of CONTRACTOR at one time shall be

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1 deemed an assignment pursuant to this paragraph. Any attempted assignment or delegation in  
2 derogation of this subparagraph shall be void.

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

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

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

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

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

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

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

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

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1 8. Paragraph XI. of the Agreement is amended to read as follows:

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

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

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

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

25 E. QUALIFIED INSURER

26 1. The policy or policies of insurance must be issued by an insurer licensed to do business in  
27 the state of California (California Admitted Carrier) or have a minimum rating of A- (Secure A.M.  
28 Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the Best's  
29 Key Rating Guide/Property-Casualty/United States or ambest.com)

30 2. If the insurance carrier is not an admitted carrier in the state of California and does not have  
31 an A.M. Best rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or  
32 reject a carrier after a review of the company's performance and financial ratings.

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

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

21 G. REQUIRED COVERAGE FORMS

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

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

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

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

31 2. A primary non-contributing endorsement evidencing that the CONTRACTOR's insurance is  
 32 primary and any insurance or self-insurance maintained by the County of Orange shall be excess and  
 33 non-contributing.

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

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1 J. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving  
2 all rights of subrogation against the County of Orange, and members of the Board of Supervisors, its  
3 elected and appointed officials, officers, agents and employees.

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

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

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

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

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

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

24 Q. SUBMISSION OF INSURANCE DOCUMENTS

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

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

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

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

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

11 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any  
12 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid  
13 COI's and endorsements, or in the interim, an insurance binder as adequate evidence of insurance."  
14

15 9. Paragraph XIV. of the Agreement is amended to read as follows:

16 **"XIV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

35 D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by  
36 COUNTY, unless ADMINISTRATOR consents thereto in writing."  
37 //

1 10. Paragraph XV. of the Agreement is amended to read as follows:

2 "A. The Total Maximum Obligation of COUNTY for services provided in accordance with this  
3 Agreement and the separate Maximum Obligations for Period One, Period Two, and Period Three are as  
4 specified in the Referenced Contract Provisions of this Agreement, except as allowed for in  
5 Subparagraph B. below.

6 B. Upon written request by the CONTRACTOR, and at sole discretion of ADMINISTRATOR,  
7 ADMINISTRATOR may increase or decrease the Period Two and Period Three Maximum Obligations,  
8 provided the total of these Maximum Obligations does not exceed the Total Maximum Obligation of  
9 COUNTY as specified in the Reference Contract Provisions of this Agreement."

10  
11 11. Paragraph XXI. Research and Publication, is hereby added to the Agreement as follows:

12 **"XXI. RESEARCH AND PUBLICATION**

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

15  
16 12. Paragraph XXI. Revenue of the Agreement is hereby renumbered as Paragraph XXII.

17  
18 13. Paragraph XXIII. Right to Work and Minimum Wage Laws, is hereby added to the Agreement as  
19 follows:

20 **"XXIII. RIGHT TO WORK AND MINIMUM WAGE LAWS**

21 A. In accordance with the United States Immigration Reform and Control Act of 1986,  
22 CONTRACTOR shall require its employees directly or indirectly providing service pursuant to this  
23 Agreement, in any manner whatsoever, to verify their identity and eligibility for employment in the  
24 United States. CONTRACTOR shall also require and verify that its contractors, subcontractors, or any  
25 other persons providing services pursuant to this Agreement, in any manner whatsoever, verify the  
26 identity of their employees and their eligibility for employment in the United States.

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

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

37 //



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

5  
6 14. Paragraph XXII. Severability of the Agreement is hereby renumbered as Paragraph XXIV.

7  
8 15. Paragraph XXIII. Special Provisions of the Agreement is hereby renumbered as Paragraph XXV.

9  
10 16. Paragraph XXIV. Status of Contractor of the Agreement is hereby renumbered as Paragraph XXVI.

11  
12 17. Paragraph XXV. Term of the Agreement, is hereby renumbered as Paragraph XXVII. and is  
13 amended to read as follows:

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

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

22  
23 18. Paragraph XXVI. Termination of the Agreement is hereby renumbered as Paragraph XXVIII.

24  
25 19. Paragraph XXVII. Third Party Beneficiary of the Agreement is hereby renumbered as Paragraph  
26 XXIX.

27  
28 20. Paragraph XXVIII. Waiver of Default or Breach of the Agreement is hereby renumbered as  
29 Paragraph XXX.

30  
31 21. Paragraph I of Exhibit A to the Agreement is amended to add the following subparagraph:

32 “BN. Bed Day means one (1) calendar day during which services are provided to a client pursuant  
33 to this Agreement. The day of admission shall be included; the day of discharge shall be excluded. If  
34 both admission and discharge occur on the same day, the day shall be considered a day of admission and  
35 counts as a full day.”

36 //

37 //

22. Subparagraph II.A. of Exhibit A to the Agreement is amended to read as follows:  
 "A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph in this Exhibit A to the Agreement and the following budgets, which are set forth for informational purposes only and may be adjusted by mutual agreement, in writing, of ADMINISTRATOR and CONTRACTOR.

	<u>PERIOD ONE</u>	<u>PERIOD TWO</u>	<u>PERIOD THREE</u>	<u>TOTAL</u>
<b>ADMINISTRATIVE COSTS</b>				
Salaries	\$ 82,616	\$ 100,435	\$ 172,106	\$ 355,157
Benefits	22,653	22,471	38,507	83,631
Services and Supplies	<u>16,821</u>	<u>15,408</u>	<u>26,585</u>	<u>58,814</u>
<b>SUBTOTAL</b>	<b>\$ 122,090</b>	<b>\$ 138,314</b>	<b>\$ 237,198</b>	<b>\$ 497,602</b>
<b>PROGRAM COSTS</b>				
Salaries	\$ 792,378	\$ 908,478	\$1,555,792	\$3,256,648
Benefits	248,220	291,661	513,172	1,053,053
Services and Supplies	124,291	133,569	238,438	496,298
Subcontracts	5,487	14,439	86,400	106,326
Start-Up	<u>0</u>	<u>30,000</u>	<u>75,970</u>	<u>105,970</u>
<b>SUBTOTAL</b>	<b>\$1,170,376</b>	<b>\$1,378,147</b>	<b>\$2,469,772</b>	<b>\$5,018,295</b>
<b>TOTAL GROSS COST</b>	<b>\$1,292,466</b>	<b>\$1,516,461</b>	<b>\$2,706,970</b>	<b>\$5,515,897</b>
<b>REVENUES</b>				
Federal Medi-Cal	\$ 107,500	\$ 131,932	\$ 235,506	\$ 474,938
EPSDT Medi-Cal Match	95,000	0	0	95,000
Mental Health Services Act	<u>1,089,966</u>	<u>1,384,529</u>	<u>2,471,464</u>	<u>4,945,959</u>
<b>TOTAL REVENUE</b>	<b>\$1,292,466</b>	<b>\$1,516,461</b>	<b>\$2,706,970</b>	<b>\$5,515,897</b>

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1 23. Subparagraph III.A. of Exhibit A to the Agreement is amended to read as follows:  
2 "A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the provisional amount of  
3 \$107,706 per month for Period One and July 2013 through April 2014 of Period Two; \$219,701 for May  
4 2014 through June 2014 of Period Two; and \$225,581 for Period Three. All payments pursuant to this  
5 subparagraph are interim payments only, and subject to final settlement in accordance with the Cost  
6 Report Paragraph of the Agreement for which CONTRACTOR shall be reimbursed for the actual cost of  
7 providing the services, which may include Indirect Administrative Costs, as identified in Subparagraph  
8 II.A. of this Exhibit A to the Agreement; provided, however, the total of such payments does not exceed  
9 the Maximum Obligation for each period as stated in the Referenced Contract Provisions of the  
10 Agreement and, provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY, state,  
11 and/or federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices for any  
12 month for which the provisional amount specified above has not been fully paid."

13  
14 24. Subparagraph IV.A.1. of Exhibit A to the Agreement is amended to read as follows:  
15 "1. CONTRACTOR shall maintain at a minimum two (2) facilities which meet the minimum  
16 requirements for Medi-Cal eligibility for the provision of Mental Health Services for Children including  
17 Crisis Intervention Services at the following locations or any other location approved by  
18 ADMINISTRATOR:

- 19
- 20 a. 980 Catalina Street
- 21 Laguna Beach, CA 92651
- 22
- 23 b. 7291 Talbert Avenue
- 24 Huntington Beach, CA 92648"

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25. Subparagraph V. of Exhibit A to the Agreement is amended to read as follows:

“A. CONTRACTOR shall, at a minimum, provide the following staffing patterns, expressed in Full-Time Equivalent (FTEs). One (1) FTE shall be equal to an average of forty (40) hours work per week to provide services.

1. From July 1, 2012 through April 30, 2014:

ADMINISTRATIVE	<u>FTEs</u>
Executive Director	0.150
Director of Finance and Administration	0.080
Accounting Manager	0.100
Accounting Supervisor	0.100
Accounting Specialist	0.450
Payroll Administrator	0.050
Human Resources Specialist	0.170
Office Specialist	<u>0.500</u>
<b>SUBTOTAL ADMINISTRATIVE FTEs</b>	<b>1.600</b>
PROGRAM	
Program Director	1.000
Director of Clinical Services	0.400
Counselor	3.000
Youth Specialist	9.800
House Coordinator	1.000
Volunteer Coordinator	1.000
QA Billing Specialist	0.600
On-Call Staff	1.500
<b>SUBCONTRACTORS</b>	
Psychiatrist	<u>0.023</u>
<b>SUBTOTAL PROGRAM FTEs</b>	<b>18.323</b>
<b>TOTAL FTEs</b>	<b>19.923</b>

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2. From May 1, 2014 through June 30, 2015:

		<u>Laguna Beach</u>	<u>Huntington Beach</u>
		<u>FTEs</u>	<u>FTEs</u>
5	ADMINISTRATIVE		
6	Executive Director	0.130	0.130
7	Director of Finance and Administration	0.080	0.080
8	Budget and Financial Control Manager	0.080	0.080
9	Accounting Manager	0.050	0.050
10	Accounting Supervisor	0.050	0.050
11	Accounting Specialist	0.057	0.570
12	Payroll Administrator	0.090	0.090
13	Human Resources Specialist	0.150	0.150
14	Benefits and Compliance Specialist	0.080	0.080
15	Office Specialist	<u>0.250</u>	<u>0.250</u>
16	SUBTOTAL ADMINISTRATIVE FTEs	1.530	1.530
17			
18	PROGRAM		
19	Program Director	1.000	0.550
20	Director of Clinical Services	0.400	0.400
21	Assistant Director	0.000	0.500
22	Counselor	2.500	2.500
23	Youth Specialist	8.800	8.800
24	Tutor/Youth Specialist	1.000	1.000
25	Volunteer Coordinator	1.000	1.000
26	Housing Coordinator/QA Specialist	1.000	1.000
27	QA Billing Specialist	0.600	0.600
28	On-Call Staff	1.000	1.000
29	SUBCONTRACTORS		
30	Psychiatrist	<u>0.138</u>	<u>0.138</u>
31	SUBTOTAL PROGRAM FTEs	17.438	17.488
32			
33			
34	TOTAL FTEs	18.968	19.018"
35	//		
36	//		
37	//		

26. Subparagraphs V.J.2-6. of Exhibit A to the Agreement are amended to read as follows:

“2. CONTRACTOR shall provide a minimum of four thousand seven hundred and forty nine (4,749) hours of service, with a minimum of two hundred and forty nine (249) hours of medication support services, and four thousand five hundred (4,500) hours of other mental health, case management, and/or crisis intervention or services.

3. CONTRACTOR shall provide a minimum of seventy-five (75) DSH per month per FTE or nine hundred (900) DSH per year per contracted FTE clinician, of mental health services, unless otherwise approved by ADMINISTRATOR.

4. CONTRACTOR shall provide services to a minimum number of clients as follows: seventy-eight (78) clients during Period One, one hundred (100) clients during Period Two, and one hundred and fifty-six (156) clients during Period Three, for a minimum total of three hundred and thirty-four (334) clients during the term of the Agreement. These are based on each program location's minimum of a six-bed capacity and a targeted length of stay of three (3) weeks. Stays in these short-term programs longer than the three-week target must have ADMINISTRATOR approval.

5. CONTRACTOR shall not refuse client referrals if any of CONTRACTOR’s staff are below workload standards, as defined in Subparagraph V.J. of this Exhibit A to the Agreement, unless otherwise approved by ADMINISTRATOR.”

27. Exhibit B, Business Associate Contract, is hereby added to the Agreement as follows:

**“I. BUSINESS ASSOCIATE CONTRACT**

**A. GENERAL PROVISIONS AND RECITALS**

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

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

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

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

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

8           6. The parties understand that the HIPAA Privacy and Security rules, as defined below in  
9 Subparagraphs B.9 and B.14, apply to the CONTRACTOR in the same manner as they apply to the  
10 covered entity (COUNTY). CONTRACTOR agrees therefore to be in compliance at all times with the  
11 terms of this Business Associate Contract and the applicable standards, implementation specifications,  
12 and requirements of the Privacy and the Security rules, as they may exist now or be hereafter amended,  
13 with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed  
14 pursuant to the Agreement.

15           B. DEFINITIONS

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

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

22           a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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1           16. “Technical safeguards” means the technology and the policy and procedures for its use that  
2 protect electronic PHI and control access to it.

3           17. “Unsecured PHI” or “PHI that is unsecured” means PHI that is not rendered unusable,  
4 unreadable, or indecipherable to unauthorized individuals through the use of a technology or  
5 methodology specified by the Secretary of Health and Human Services in the guidance issued on the  
6 HHS Web site.

7           18. “Use” shall have the meaning given to such term under the HIPAA regulations in  
8 45 CFR § 160.103.

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

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

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

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

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

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

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

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

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

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

10 10. CONTRACTOR agrees to document any Disclosures of PHI COUNTY discloses to  
11 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,  
12 and to make information related to such Disclosures available as would be required for COUNTY to  
13 respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with  
14 45 CFR § 164.528.

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

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

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

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

34 15. CONTRACTOR shall make itself and any subcontractors, employees or agents assisting  
35 CONTRACTOR in the performance of its obligations under the Agreement, available to COUNTY at no  
36 cost to COUNTY to testify as witnesses, or otherwise, in the event of litigation or administrative  
37 proceedings being commenced against COUNTY, its directors, officers or employees based upon

1 claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy,  
2 which involves inactions or actions by CONTRACTOR, except where CONTRACTOR or its  
3 subcontractor, employee, or agent is a named adverse party.

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

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

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

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

22 D. SECURITY RULE

23 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish  
24 and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with  
25 45 CFR § 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to  
26 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.  
27 CONTRACTOR shall develop and maintain a written information privacy and security program that  
28 includes Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of  
29 CONTRACTOR's operations and the nature and scope of its activities.

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

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

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

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

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

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

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

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

23           E. DATA SECURITY REQUIREMENTS

24           1. Personal Controls

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

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

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

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

15 2. Technical Security Controls

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

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

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

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

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

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

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

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

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

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

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

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

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

16 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to  
17 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY  
18 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is  
19 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files  
20 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as  
21 website access, file transfer, and E-Mail.

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

26 3. Audit Controls

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

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

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

5 4. Business Continuity/Disaster Recovery Control

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

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

18 5. Paper Document Controls

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

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

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

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

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

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

10 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

5 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in  
6 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the  
7 COUNTY.

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

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

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

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

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

29 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

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

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

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

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

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

19           H. PROHIBITED USES AND DISCLOSURES

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

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

29           I. OBLIGATIONS OF COUNTY

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

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

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

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

6           J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

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1 28. Exhibit C, Personal Information Privacy and Security Contract, is hereby added to the Agreement as  
2 follows:

3 **"I. PERSONAL INFORMATION AND SECURITY CONTRACT"**

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

6 A. DEFINITIONS

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

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

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

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

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

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

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

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

24 9. "Required by law" means a mandate contained in law that compels an entity to make a use  
25 or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court  
26 orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental  
27 or tribal inspector general, or an administrative body authorized to require the production of information,  
28 and a civil or an authorized investigative demand. It also includes Medicare conditions of participation  
29 with respect to health care providers participating in the program, and statutes or regulations that require  
30 the production of information, including statutes or regulations that require such information if payment  
31 is sought under a government program providing public benefits.

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

35 B. TERMS OF AGREEMENT

36 1. Permitted Uses and Disclosures of DHCS PI and PII by CONTRACTOR. Except as  
37 otherwise indicated in this Exhibit, CONTRACTOR may use or disclose DHCS PI only to perform

1 functions, activities, or services for or on behalf of the COUNTY pursuant to the terms of the Agreement  
2 provided that such use or disclosure would not violate the CIPA if done by the COUNTY.

3 2. Responsibilities of CONTRACTOR

4 CONTRACTOR agrees:

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

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

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

20 1) Complying with all of the data system security precautions listed in Subparagraph  
21 E. of the Business Associate Contract, Exhibit B to the Agreement; and

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

26 3) If the data obtained by CONTRACTOR from COUNTY includes PII,  
27 CONTRACTOR shall also comply with the substantive privacy and security requirements in the  
28 CMPPA Agreement between SSA and CHHS and in the Agreement between SSA and DHCS, known as  
29 the IEA. The specific sections of the IEA with substantive privacy and security requirements to be  
30 complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information  
31 Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies  
32 Exchanging Electronic Information with SSA. CONTRACTOR also agrees to ensure that any of  
33 CONTRACTOR's agents or subcontractors, to whom CONTRACTOR provides DHCS PII agree to the  
34 same requirements for privacy and security safeguards for confidential data that apply to  
35 CONTRACTOR with respect to such information.

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

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

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

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

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

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

28  
29 In all other respects, the terms of the Agreement not specifically changed by this Amendment shall  
30 remain in full force and effect.

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

3  
4 COMMUNITY SERVICE PROGRAMS, INC.

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

8  
9 TITLE: \_\_\_\_\_

10  
11  
12  
13 COUNTY OF ORANGE

14  
15  
16  
17 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

18 HEALTH CARE AGENCY

19  
20  
21  
22  
23 APPROVED AS TO FORM  
24 OFFICE OF THE COUNTY COUNSEL  
25 ORANGE COUNTY, CALIFORNIA

26  
27  
28  
29 BY:  \_\_\_\_\_ DATED: 3/27/14

30 DEPUTY

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32  
33 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the  
34 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer  
35 or any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution  
36 or by-laws whereby the board of directors has empowered said authorized individual to act on its behalf by his or her  
37 signature alone is required by ADMINISTRATOR.





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**EXHIBIT B**

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**REFERENCED CONTRACT PROVISIONS**

Term: July 1, 2012 through June 30, 2015

Period One means the period from July 1, 2012 through June 30, 2013

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

Period Three means the period from July 1, 2014 through June 30, 2015

Maximum Obligation:

Period One Maximum Obligation:	\$1,292,466
Period Two Maximum Obligation:	1,516,461
Period Three Maximum Obligation:	2,706,970
<b>TOTAL CONTRACT MAXIMUM OBLIGATION:</b>	<b>\$5,515,897</b>

Basis for Reimbursement: Actual Cost

Payment Method: Provisional Amount

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

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

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

~~Maximum Obligation:~~

<del>Period One Maximum Obligation:</del>	<del>\$1,292,466</del>
<del>Period Two Maximum Obligation:</del>	<del>1,292,466</del>
<del>TOTAL MAXIMUM OBLIGATION:</del>	<del>\$2,584,932</del>

~~Basis for Reimbursement: Actual Cost~~

~~Payment Method: Provisional Payment~~

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1 **Notices to COUNTY and CONTRACTOR:**

2  
3 COUNTY: County of Orange  
4 Health Care Agency  
5 Contract Development and Management  
6 405 West 5th Street, Suite 600  
7 Santa Ana, CA 92701-4637  
8

9 CONTRACTOR: Community Service Programs, Inc.  
10 1821 East Dyer Road, Suite 200  
11 Santa Ana, CA 92705  
12  
13  
14

15 ~~CONTRACTOR's Insurance Coverages:~~

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

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## I. ACRONYMS

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

A.	ADAS	<u>Alcohol and Drug Abuse Services</u>
B.	AES	<u>Advanced Encryption Standard</u>
C.	ARRA	<u>American Recovery and Reinvestment Act</u>
D.	ASRS	<u>Alcohol and Drug Programs Reporting System</u>
E.	BBS	<u>Board of Behavioral Sciences</u>
F.	BCP	<u>Business Continuity Plan</u>
G.	CalOPTIMA	<u>California Orange Prevention and Treatment Integrated Medical Assistance</u>
H.	MAP	<u>Medical Assistance Plan</u>
I.	CCC	<u>California Civil Code</u>
J.	CCR	<u>California Code of Regulations</u>
K.	CD/DVD	<u>Compact Disc/Digital Video or Versatile Disc</u>
L.	CEO	<u>County Executive Office</u>
M.	CFDA	<u>Catalog of Federal Domestic Assistance</u>
N.	CFR	<u>Code of Federal Regulations</u>
O.	CHHS	<u>California Health and Human Services Agency</u>
P.	CHPP	<u>County HIPAA P&amp;Ps</u>
Q.	CHS	<u>Correctional Health Services</u>
R.	CIPA	<u>California Information Practices Act</u>
S.	CMPPA	<u>Computer Matching and Privacy Protection Act</u>
T.	D/MC	<u>Drug/Medi-Cal</u>
U.	DD	<u>Dual Disorders</u>
V.	DHCS	<u>Department of Health Care Services</u>
W.	DoD	<u>Department of Defense</u>
X.	DPFS	<u>Drug Program Fiscal Systems</u>
Y.	DRP	<u>Disaster Recovery Plan</u>
Z.	DRS	<u>Designated Record Set</u>
AA.	DSH	<u>Direct Service Hours</u>
AB.	DSM	<u>Diagnostic and Statistical Manual of Mental Disorders</u>
AC.	E-Mail	<u>Electronic Mail</u>
AD.	EHR	<u>Electronic Health Record</u>
AE.	ePHI	<u>Electronic Protected Health Information</u>
AF.	EPSDT	<u>Early and Periodic Screening, Diagnosis, and Treatment</u>
AG.	FIPS	<u>Federal Information Processing Standards</u>
AH.	FSP	<u>Full Service Partnership</u>

1	AI. FTE	Full Time Equivalent
2	AJ. GAAP	Generally Accepted Accounting Principles
3	AK. HCA	Health Care Agency
4	AL. HHS	Health and Human Services
5	AM. HIPAA	Health Insurance Portability and Accountability Act of 1996,
6		Public Law 104-191
7	AN. HSC	California Health and Safety Code
8	AO. ICC	Intensive Care Coordination
9	AP. ID	Identification
10	AQ. IEA	Information Exchange Agreement
11	AR. IHBS	Intensive Home Based Services
12	AS. IRIS	Integrated Records Information System
13	AT. ISO	Insurance Services Office
14	AU. LCSW	Licensed Clinical Social Worker
15	AV. LPCC	Licensed Professional Clinical Counselor
16	AW. LPT	Licensed Psychiatric Technician
17	AX. LVN	Licensed Vocational Nurse
18	AY. MFT	Marriage and Family Therapist
19	AZ. MHP	Mental Health Plan
20	BA. MHSA	Mental Health Services Act
21	BB. NIST	National Institute of Standards and Technology
22	BC. NOA-A	Notice of Action
23	BD. NP	Nurse Practitioner
24	BE. NPI	National Provider Identifier
25	BF. NPP	Notice of Privacy Practices
26	BG. OCJS	Orange County Jail System
27	BH. OCPD	Orange County Probation Department
28	BI. OCR	Office for Civil Rights
29	BJ. OCSD	Orange County Sheriff's Department
30	BK. OIG	Office of Inspector General
31	BL. OMB	Office of Management and Budget
32	BM. OPM	Federal Office of Personnel Management
33	BN. P&P	Policy and Procedure
34	BO. PADSS	Payment Application Data Security Standard
35	BP. PBM	Pharmaceutical Benefits Management
36	BQ. PC	State of California Penal Code
37	BR. PCI DSS	Payment Card Industry Data Security Standard

1	BS. PHI	<u>Protected Health Information</u>
2	BT. PI	<u>Personal Information</u>
3	BU. PII	<u>Personally Identifiable Information</u>
4	BV. POC	<u>Plan of Care</u>
5	BW. PRA	<u>Public Record Act</u>
6	BX. QIC	<u>Quality Improvement Committee</u>
7	BY. RN	<u>Registered Nurse</u>
8	BZ. SAMSHA	<u>Substance Abuse and Mental Health Services Administration</u>
9	CA. SIR	<u>Self-Insured Retention</u>
10	CB. SSA	<u>Social Services Agency</u>
11	CC. TAY	<u>Transitional Age Youth</u>
12	CD. TBS	<u>Therapeutic Behavioral Services</u>
13	CE. The HITECH Act	<u>The Health Information Technology for Economic and Clinical Health Act, Public Law 111-005</u>
14		
15	CF. UMDAP	<u>Universal Method of Determining Ability to Pay</u>
16	CG. USC	<u>United States Code</u>
17	CH.WIC	<u>State of California Welfare and Institutions Code</u>

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

- ~~A. ADAS — Alcohol and Drug Abuse Services~~
- ~~B. ARRA — American Recovery and Reinvestment Act~~
- ~~C. ASRS — Alcohol and Drug Programs Reporting System~~
- ~~D. BBS — Board of Behavioral Sciences~~
- ~~E. BHS — Behavioral Health Services~~
- ~~F. CalOPTIMA — California — Orange — Prevention — and — Treatment — Integrated Medical Assistance Plan~~
- ~~G. CAT — Centralized Assessment Team~~
- ~~H. CCC — California Civil Code~~
- ~~I. CCR — California Code of Regulations~~
- ~~J. CFDA — Catalog of Federal Domestic Assistance~~
- ~~K. CFR — Code of Federal Regulations~~
- ~~L. CHPP — County HIPAA Policies and Procedures~~
- ~~M. CHS — Correctional Health Services~~
- ~~N. CSW — Clinical Social Worker~~
- ~~O. D/MC — Drug/Medi-Cal~~
- ~~P. DCR — Data Collection and Reporting~~
- ~~Q. DD — Dual Disorders~~



- 1 ~~R. DHCS Department of Health Care Services~~
- 2 ~~S. DPFS Drug Program Fiscal Systems~~
- 3 ~~T. DRS Designated Record Set~~
- 4 ~~U. DSH Direct Service Hours~~
- 5 ~~V. DSM Diagnostic and Statistical Manual of Mental Disorders~~
- 6 ~~W. EHR Electronic Health Record~~
- 7 ~~X. EPSDT Early and Periodic Screening, Diagnosis, and Treatment~~
- 8 ~~Y. FRC Family Resource Center~~
- 9 ~~Z. FSP Full Service Partnership~~
- 10 ~~AA. FSW Full Service Wraparound~~
- 11 ~~AB.FTE Full Time Equivalent~~
- 12 ~~AC.GAAP Generally Accepted Accounting Principles~~
- 13 ~~AD. HCA Health Care Agency~~
- 14 ~~AE.HHS Health and Human Services~~
- 15 ~~AF.HIPAA Health Insurance Portability and Accountability Act~~
- 16 ~~AG. HSC California Health and Safety Code~~
- 17 ~~AH. IRIS Integrated Records Information System~~
- 18 ~~AI. KET Key Events Tracking~~
- 19 ~~AJ. LCSW Licensed Clinical Social Worker~~
- 20 ~~AK. LPCC Licensed Professional Clinical Counselor~~
- 21 ~~AL.LPT Licensed Psychiatric Technician~~
- 22 ~~AM. LVN Licensed Vocational Nurse~~
- 23 ~~AN. MFT Marriage and Family Therapist~~
- 24 ~~AO. MHP Mental Health Plan~~
- 25 ~~AP.MHSA Mental Health Services Act~~
- 26 ~~AQ. MIHS Medical and Institutional Health Services~~
- 27 ~~AR.MTP Master Treatment Plan~~
- 28 ~~AS.NOA-A Notice of Action~~
- 29 ~~AT.NP Nurse Practitioner~~
- 30 ~~AU. NPI National Provider Identifier~~
- 31 ~~AV. NPP Notice of Privacy Practices~~
- 32 ~~AW. OCJS Orange County Jail System~~
- 33 ~~AX. OCPD Orange County Probation Department~~
- 34 ~~AY. OCR Office for Civil Rights~~
- 35 ~~AZ.OCSD Orange County Sheriff's Department~~
- 36 ~~BA.OIG Office of Inspector General~~
- 37 ~~BB.OMB Office of Management and Budget~~

- 1 ~~BC.OPM Federal Office of Personnel Management~~
- 2 ~~BD.P&P Policy and Procedure~~
- 3 ~~BE.PADSS Payment Application Data Security Standard~~
- 4 ~~BF.PAF Partnership Assessment Form~~
- 5 ~~BG.PBM Pharmaceutical Benefits Management~~
- 6 ~~BH.PC State of California Penal Code~~
- 7 ~~BI.PCIDSS Payment Card Industry Data Security Standard~~
- 8 ~~BJ.PHI Protected Health Information~~
- 9 ~~BK.PH Personally Identifiable Information~~
- 10 ~~BL.POC Plan of Care~~
- 11 ~~BM.PRA Public Record Act~~
- 12 ~~BN.PSC Personal Services Coordinator~~
- 13 ~~BO.QIC Quality Improvement Committee~~
- 14 ~~BP.RCL Rate Classification Level~~
- 15 ~~BQ.RN Registered Nurse~~
- 16 ~~BR.SAMSHA Substance Abuse and Mental Health Services Administration~~
- 17 ~~BS.SED Serious Emotional Disorder~~
- 18 ~~BT.SMI Severe Mental Illness~~
- 19 ~~BU.SSA Social Services Agency~~
- 20 ~~BV.SSI Social Security Income~~
- 21 ~~BW.TAY Transitional Age Youth~~
- 22 ~~BX.TBS Therapeutic Behavioral Services~~
- 23 ~~BY.UMDAP Universal Method of Determining Ability to Pay~~
- 24 ~~BZ.USC United States Code~~
- 25 ~~CA.WIC State of California Welfare and Institutions Code~~
- 26 ~~CB.WRAP Wellness Recovery Action Plan~~
- 27 ~~CC.XML Extensible Markup Language~~

**II. ALTERATION OF TERMS**

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

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

//

~~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.~~

**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 CONTRACTOR is made aware of the relevant policies and procedures relating to ADMINISTRATOR’s Compliance Program.

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 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 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 verified to include all required elements 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.

//

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

6 6. Upon written confirmation from ADMINISTRATOR's Compliance Officer that the  
7 CONTRACTOR's Compliance Program contains all required elements, CONTRACTOR shall ensure  
8 that all Covered Individuals relative to this Agreement are made aware of CONTRACTOR's  
9 Compliance Program and related policies and procedures.

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

14 B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed or  
15 retained to provide services related to this Agreement to ensure that they are not designated as Ineligible  
16 Persons, as defined hereunder. Screening shall be conducted against the General Services  
17 Administration's List of Parties Excluded from Federal Programs, the Health and Human Services/OIG  
18 List of Excluded Individuals/Entities, and Medi-CAL Suspended and Ineligible List.

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

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

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

25 //

26 2. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.  
27 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this  
28 Agreement.

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

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

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

7 6. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or  
8 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.  
9 Such individual or entity shall be immediately removed from participating in any activity associated with  
10 this Agreement. ADMINISTRATOR will determine appropriate repayment or sanction  
11 CONTRACTOR for services provided by ineligible person or individual.

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

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

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

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

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

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

25 D. CODE OF CONDUCT – ADMINISTRATOR has developed a Code of Conduct for adherence  
26 by ADMINISTRATOR’s employees and contract providers.

27 1. ADMINISTRATOR shall ensure that CONTRACTOR is made aware of  
28 ADMINISTRATOR’s Code of Conduct.

29 2. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are  
30 made aware of ADMINISTRATOR’s Code of Conduct.

31 3. CONTRACTOR has the option to adhere to ADMINISTRATOR’s Code of Conduct or  
32 establish its own provided CONTRACTOR’s Code of Conduct has been approved by  
33 ADMINISTRATOR’s Compliance Officer as described in Subparagraphs D.4., D.5., D.6., D.7., and  
34 D.8. below.

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

37 5. ADMINISTRATOR’s Compliance Officer shall determine if CONTRACTOR’s Code of

1 Conduct is accepted. CONTRACTOR shall take necessary action to meet said standards or shall be  
2 asked to acknowledge and agree to the ADMINISTRATOR's Code of Conduct.

3 6. Upon approval of CONTRACTOR's Code of Conduct by ADMINISTRATOR,  
4 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of  
5 CONTRACTOR's Code of Conduct.

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

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

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

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

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

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

23 //  
24 which accurately describes the services provided and must ensure compliance with all billing and  
25 documentation requirements.

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

28  
29 **V. CONFIDENTIALITY**

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

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



~~of ADMINISTRATOR. The late penalty shall be assessed separately on each outstanding Cost Report due COUNTY by CONTRACTOR.~~

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

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

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

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

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

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

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

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

13 B. The individual and/or consolidated Cost Report prepared for each period shall be the final  
14 financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis  
15 for final settlement to CONTRACTOR for that period. CONTRACTOR shall document that costs are  
16 reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The  
17 individual and/or consolidated Cost Report shall be the final financial record for subsequent audits, if  
18 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 Maximum Obligation for each  
21 period as set forth in the Referenced Contract Provisions of this Agreement. CONTRACTOR shall not  
22 claim expenditures to COUNTY which are not reimbursable pursuant to applicable federal, state and  
23 county laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR,  
24 which is subsequently determined to have been for an unreimbursable expenditure or service, shall be  
25 repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30)  
26 calendar days of submission of the individual Cost Reports or COUNTY may elect to reduce any amount  
27 owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

28 D. Unless approved by ADMINISTRATOR, costs that exceed the state Maximum Allowance per  
29 Medi-Cal Unit of Services, as determined by the State DHCS, shall be unreimbursable to  
30 CONTRACTOR.

31 E. In the event CONTRACTOR is authorized to retain unanticipated revenues as described in the  
32 Budget Paragraph of Exhibit A to this Agreement, CONTRACTOR shall specify, in the individual and  
33 consolidated Cost Report for each period, the services rendered with such revenues.

34 F. If the individual Cost Report for each period indicates the actual and reimbursable costs of  
35 services provided pursuant to this Agreement, less applicable revenues and late penalty, are lower than  
36 the aggregate of interim monthly payments to CONTRACTOR, CONTRACTOR shall remit the  
37 difference to COUNTY. Such reimbursement shall be made, in cash, or other authorized form of

1 payment, with the submission of the individual or consolidated Cost Report. If such reimbursement is  
2 not made by CONTRACTOR within thirty (30) calendar days after submission of the Cost Reports,  
3 COUNTY may, in addition to any other remedies, reduce any amount owed CONTRACTOR by an  
4 amount not to exceed the reimbursement due COUNTY.

5 G. If the individual Cost Report for each period indicates the actual and reimbursable costs of  
6 services provided pursuant to this Agreement, less applicable revenues and late penalty, are higher than  
7 the aggregate of interim monthly payments to CONTRACTOR, COUNTY shall pay CONTRACTOR  
8 the difference, provided such payment does not exceed the Maximum Obligation of COUNTY for the  
9 period.

10 H. All Cost Reports for each period shall contain the following attestation, which may be typed  
11 directly on or attached to the Cost Report:

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

21  
22 Signed \_\_\_\_\_  
23 Name \_\_\_\_\_  
24 Title \_\_\_\_\_  
25 Date \_\_\_\_\_"

26  
27 **VII. DELEGATION ASSIGNMENT, AND SUBCONTRACTS**

28 ~~—A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without~~  
29 ~~prior written consent of COUNTY; provided, however, obligations undertaken by CONTRACTOR~~  
30 ~~pursuant to this Agreement may be carried out by means of subcontracts, provided such subcontracts are~~  
31 ~~approved in advance, in writing by ADMINISTRATOR, meet the requirements of this Agreement as~~  
32 ~~they relate to the service or activity under subcontract, and include any provisions that~~  
33 ~~ADMINISTRATOR may require. ADMINISTRATOR may revoke the approval of a subcontract upon~~  
34 ~~five (5) calendar days written notice to CONTRACTOR if subcontract fails to meet the requirements of~~  
35 ~~this Agreement or any provisions that ADMINISTRATOR has required. No subcontract shall terminate~~  
36 ~~or alter the responsibilities of CONTRACTOR to COUNTY pursuant to this Agreement.~~  
37 ~~ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR, amounts claimed for~~

1 ~~subcontracts not approved in accordance with this paragraph.~~

2 ~~— B. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the~~  
3 ~~prior written consent of COUNTY. For CONTRACTORS which are nonprofit corporations, any change~~  
4 ~~from a nonprofit corporation to any other corporate structure of CONTRACTOR, including a change in~~  
5 ~~more than fifty percent (50%) of the composition of the Board of Directors within a two (2) month~~  
6 ~~period of time, shall be deemed an assignment for purposes of this paragraph. Any attempted~~  
7 ~~assignment or delegation in derogation of this paragraph shall be void.~~

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

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

20 B. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the  
21 prior written consent of COUNTY.

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

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

34 3. If CONTRACTOR is a governmental organization, any change to another structure,  
35 including a change in more than fifty percent (50%) of the composition of its governing body (i.e. Board  
36 of Supervisors, City Council, School Board) within a two (2) month period of time, shall be deemed an

37 //

1 assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of  
2 this subparagraph shall be void.

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

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

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

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

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

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

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

26  
27 **VIII. EMPLOYEE ELIGIBILITY VERIFICATION**

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

37 //

**IX. EQUIPMENT**

1  
2 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all  
3 property of a Relatively Permanent nature with significant value, purchased in whole or in part by  
4 ADMINISTRATOR to assist in performing the services described in this Agreement. "Relatively  
5 Permanent" is defined as having a useful life of one year or longer. Equipment which costs \$5,000 or  
6 over, including freight charges, sales taxes, and other taxes, and installation costs are defined as Capital  
7 Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and  
8 other taxes, and installation costs are defined as Controlled Equipment. Controlled Equipment includes,  
9 but is not limited to audio/visual equipment, computer equipment, and lab equipment. The cost of  
10 Equipment purchased, in whole or in part, with funds paid pursuant to this Agreement shall be  
11 depreciated according to generally accepted accounting principles.

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

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

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

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

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

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

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

3  
4 **X. FACILITIES, PAYMENTS AND SERVICES**

5 A. CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance  
6 with Exhibits A, B, and C to this Agreement. COUNTY shall compensate, and authorize, when  
7 applicable, said services. CONTRACTOR shall operate continuously throughout the term of this  
8 Agreement with at least the minimum number and type of staff which meet applicable federal and state  
9 requirements, and which are necessary for the provision of the services hereunder. ~~CONTRACTOR~~  
10 ~~agrees to provide the services, staffing, facilities, and supplies in accordance with Exhibit A, to this~~  
11 ~~Agreement. COUNTY shall compensate, and authorize, when applicable, said services.~~  
12 ~~CONTRACTOR shall operate continuously throughout the term of this Agreement with at least the~~  
13 ~~minimum number and type of staff which meet applicable federal and state requirements, and which are~~  
14 ~~necessary for the provision of the services hereunder.~~

15  
16 **XI. INDEMNIFICATION AND INSURANCE**

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

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

30 ~~— C. All insurance policies except Workers' Compensation, Employer's Liability, and Professional~~  
31 ~~Liability shall contain the following clauses:~~

32 ~~—— 1. "The County of Orange is included as an additional insured with respect to the operations of~~  
33 ~~the named insured performed under contract with the County of Orange."~~

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

36 ~~—— 3. "This insurance shall not be canceled, limited or non-renewed until after thirty (30) calendar~~  
37 ~~days written notice has been given to Orange County HCA/Contract Development and Management, 405~~

1 ~~West 5th Street, Suite 600, Santa Ana, CA 92701-4637."~~

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

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

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

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

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

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

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

32 E. QUALIFIED INSURER

33 1. The policy or policies of insurance must be issued by an insurer licensed to do business in  
34 the state of California (California Admitted Carrier) or have a minimum rating of A- (Secure A.M.  
35 Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the Best's  
36 Key Rating Guide/Property-Casualty/United States or ambest.com)

37 //

2. 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 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 for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Professional Liability Insurance	\$1,000,000 per claims made or 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 endorsements, which shall accompany the COI:

1. 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 primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

I. All insurance policies required by this Agreement shall waive all rights of subrogation against



1 the County of Orange and members of the Board of Supervisors, its elected and appointed officials,  
2 officers, agents and employees when acting within the scope of their appointment or employment.

3 J. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving  
4 all rights of subrogation against the County of Orange, and members of the Board of Supervisors, its  
5 elected and appointed officials, officers, agents and employees.

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

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

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

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

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

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

26 Q. SUBMISSION OF INSURANCE DOCUMENTS

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

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

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

30 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding  
31 changes to any of the insurance types as set forth in Subparagraph F. of this Agreement.

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

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

37 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR

1 pursuant to any and all Agreements between COUNTY and CONTRACTOR until such time that the  
2 required COI and endorsements that meet the insurance provisions stipulated in this Agreement are  
3 submitted to ADMINISTRATOR.

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

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

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

13  
14 **XII. INSPECTIONS AND AUDITS**

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

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

29 C. **AUDIT RESPONSE**

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

36 2. If the audit reveals that money is payable from one party to the other, that is, reimbursement  
37 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said

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

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

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

### 13 **XIII. LICENSES AND LAWS**

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

21 B. The parties shall comply with all laws, rules or regulations applicable to the services provided  
 22 hereunder, as any may now exist or be hereafter amended or changed, except those provisions or  
 23 application of those provisions waived by the Secretary of the Department of Health and Human  
 24 Services. These laws, regulations, and requirements shall include, but not be limited to:

- 25 1. WIC, Divisions 5, 6 and 9.
- 26 2. HSC, §§1250 et seq.
- 27 3. PC, Part 4, Title 1, Chapter 2, Article 2.5 relating to Child Abuse Reporting.
- 28 4. CCR, Title 9, Title 17, and Title 22.
- 29 5. CFR, Title 42 and Title 45.
- 30 6. USC Title 42.
- 31 7. Federal Social Security Act, Title XVIII and Title XIX.
- 32 8. 42 USC, Chapter 126, 12101, et seq., the Americans with Disabilities Act of 1990.
- 33 9. 42 USC, §114 and §§1857, et seq., the Clean Air Act.
- 34 10. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.
- 35 11. 31 USC 7501.70, Federal single Audit Act of 1984.
- 36 12. Policies and procedures set forth in MHP Letters.
- 37

- 1 13. Policies and procedures set forth in DHCS Letters.
- 2 14. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.
- 3 15. OMB Circulars A-87, A-89, A-110, A122.
- 4 16. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 5 17. Orange County Medi-Cal Mental Health Managed Care Plan.
- 6 18. Short Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case
- 7 Management.
- 8 19. State of California, Department of Social Services, Community Care Licensing Division
- 9 requirements.

10 C. CONTRACTOR shall at all times be capable and authorized by the State of California to  
 11 provide treatment and bill for services provided to Medi-Cal eligible clients while working under the  
 12 terms of this Agreement and shall make every reasonable effort to obtain appropriate licenses and/or  
 13 waivers to provide Medi-Cal billable treatment services at school or other sites requested by  
 14 ADMINISTRATOR.

15 D. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

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

- 18 a. In the case of an individual contractor, his/her name, date of birth, social security
- 19 number, and residence address;
- 20 b. In the case of a contractor doing business in a form other than as an individual, the
- 21 name, date of birth, social security number, and residence address of each individual who owns an
- 22 interest of ten percent (10%) or more in the contracting entity;
- 23 c. A certification that CONTRACTOR has fully complied with all applicable federal and
- 24 state reporting requirements regarding its employees;
- 25 d. A certification that CONTRACTOR has fully complied with all lawfully served Wage
- 26 and Earnings Assignment Orders and Notices of Assignment, and will continue to so comply.

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

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

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 37 //

**XIV. LITERATURE AND ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

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

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

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

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1 **XV. MAXIMUM OBLIGATION**

2 ~~— The Total Maximum Obligation of COUNTY for services provided in accordance with this~~  
 3 ~~Agreement and the separate Maximum Obligations for Period One and Period Two are as specified in~~  
 4 ~~the Referenced Contract Provisions of this Agreement.~~

5 A. The Total Maximum Obligation of COUNTY for services provided in accordance with this  
 6 Agreement and the separate Maximum Obligations for Period One, Period Two, and Period Three are as  
 7 specified in the Referenced Contract Provisions of this Agreement, except as allowed for in  
 8 Subparagraph B. below.

9 B. Upon written request by the CONTRACTOR, and at sole discretion of ADMINISTRATOR,  
 10 ADMINISTRATOR may increase or decrease the Period Two and Period Three Maximum Obligations,  
 11 provided the total of these Maximum Obligations does not exceed the Total Maximum Obligation of  
 12 COUNTY as specified in the Reference Contract Provisions of this Agreement.

13 **XVI. NONDISCRIMINATION**

14 **A. EMPLOYMENT**

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

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

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

35 **B. SERVICES, BENEFITS, AND FACILITIES** – CONTRACTOR shall not discriminate in the  
 36 provision of services, the allocation of benefits, or in the accommodation in facilities on the basis of  
 37 ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age

1 (40 and over), sexual orientation, medical condition, or physical or mental disability in accordance with  
 2 Title IX of the Education Amendments of 1972; Title VI of the Civil Rights Act of 1964  
 3 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); CCR, Title 9, Division 4,  
 4 Chapter 6, Article 1 (§10800, et seq.), and all other pertinent rules and regulations promulgated pursuant  
 5 thereto, and as otherwise provided by state law and regulations, as all may now exist or be hereafter  
 6 amended or changed.

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

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

18 2. Complaint Process – CONTRACTOR shall establish procedures for advising all clients  
 19 through a written statement that CONTRACTOR’s clients may file all complaints alleging  
 20 discrimination in the delivery of services with CONTRACTOR, ADMINISTRATOR, or the  
 21 COUNTY’s Patient’s Rights Office. CONTRACTOR’s statement shall advise clients of the following:

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

26 1) COUNTY shall establish a formal resolution and grievance process in the event  
 27 informal processes do not yield a resolution.

28 2) Throughout the problem resolution and grievance process, client rights shall be  
 29 maintained, including access to the Patients’ Rights Office at any point in the process. Clients shall be  
 30 informed of their right to access the Patients’ Rights Office at any time.

31 b. In those cases where the client's complaint is filed initially with the Patients’ Rights  
 32 Office, the Patients’ Rights Office may proceed to investigate the client's complaint.

33 c. Within the time limits procedurally imposed, the complainant shall be notified in  
 34 writing as to the findings regarding the alleged complaint and, if not satisfied with the decision, may file  
 35 an appeal with the Patients’ Rights Office.

36 C. PERSONS WITH DISABILITIES – CONTRACTOR agrees to comply with the provisions of  
 37 §504 of the Rehabilitation Act of 1973 (29 USC 794 et seq., as implemented in 45 CFR 84.1 et seq.),

1 and the Americans with Disabilities Act of 1990 (42 USC 12101, et seq.), pertaining to the prohibition of  
2 discrimination against qualified persons with disabilities in all programs or activities, as they exist now  
3 or may be hereafter amended together with succeeding legislation.

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

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

12  
13 **XVII. NOTICES**

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

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

19 2. When faxed, transmission confirmed;

20 3. When sent by Email; or

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

23 B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of  
24 this Agreement or as otherwise directed by ADMINISTRATOR and shall be effective when faxed,  
25 //

26 transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United  
27 Parcel Service, or other expedited delivery service.

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

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

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

36 //

37 //



**XVIII. NOTIFICATION OF DEATH**

**A. NON-TERMINAL ILLNESS DEATH**

1  
2  
3 1. CONTRACTOR shall notify ADMINISTRATOR by telephone immediately upon  
4 becoming aware of the death due to non-terminal illness of any person served hereunder; provided,  
5 however, weekends and holidays shall not be included for purposes of computing the time within which  
6 to give telephone notice and, notwithstanding the time limit herein specified, notice need only be given  
7 during normal business hours.

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

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

**B. TERMINAL ILLNESS DEATH**

13  
14 1. CONTRACTOR shall notify ADMINISTRATOR by written report faxed, hand delivered,  
15 or postmarked within forty-eight (48) hours of becoming aware of the death due to terminal illness of  
16 any person served hereunder. The Notification of Terminal Illness Death shall contain the name of the  
17 deceased, the date and time of death, the nature and circumstances of the death, and the name(s) of  
18 CONTRACTOR’s officers or employees with knowledge of the incident.

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

**XIX. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

23  
24  
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 clients 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.

**XX. RECORDS MANAGEMENT AND MAINTENANCE**

32  
33  
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:

37 //

1 1. CCR Title 22, §§70751(c), 71551(c), 73543(a), 74731(a), 75055(a), 75343(a), and  
2 77143(a).

3 2. HSC §123145.

4 3. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).

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

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

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

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

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

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

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

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

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

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

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

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

36 H. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and  
37 security of PII and/or PHI. CONTRACTOR shall, immediately upon discovery of a breach of privacy

1 and/or security of PII and/or PHI by CONTRACTOR, notify ADMINISTRATOR of such breach by  
2 telephone and email or facsimile.

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

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

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

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

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

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

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

23  
24 **XXI. RESEARCH AND PUBLICATION**

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

27  
28 **PARA ~~XXI~~ XXII. REVENUE**

29 A. CLIENT FEES – CONTRACTOR shall charge, unless waived by ADMINISTRATOR, a fee to  
30 clients to whom services, other than Medi-Cal Services, are provided pursuant to this Agreement, their  
31 estates and responsible relatives, according to their ability to pay as determined by the State Department  
32 of Mental Health's UMDAP procedure or by other payment procedure as approved in advance, and in  
33 writing by ADMINISTRATOR; and in accordance with CCR, Title 9. Such fee shall not exceed the  
34 actual cost of services provided. No client shall be denied services because of an inability to pay.

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

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

7  
8 **XXIII. RIGHT TO WORK AND MINIMUM WAGE LAWS**

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

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

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

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

29  
30 **XXI XXIV. SEVERABILITY**

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

36 //  
37 //

~~XXIII~~ XXV. SPECIAL PROVISIONS

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

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

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

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

//

~~XXIV~~ **XXVI. STATUS OF CONTRACTOR**

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

~~XXV~~ **XXVII. TERM**

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

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

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

~~XXVI~~ **XXVIII. TERMINATION**

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

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

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

- 1. The loss by CONTRACTOR of legal capacity.

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

14          D. CONTINGENT FUNDING

- 15          1. Any obligation of COUNTY under this Agreement is contingent upon the following:
- 16           a. The continued availability of federal, state and county funds for reimbursement of
- 17 COUNTY's expenditures, and
- 18           b. Inclusion of sufficient funding for the services hereunder in the applicable budget
- 19 approved by the Board of Supervisors.
- 20          2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
- 21 terminate or renegotiate this Agreement upon thirty (30) calendar days written notice given
- 22 CONTRACTOR.

23          E. In the event this Agreement is suspended or terminated prior to the completion of the term as

24 specified in the Referenced Contract Provisions of this Agreement, ADMINISTRATOR may, at its sole

25 discretion, reduce the Maximum Obligation of this Agreement in an amount consistent with the reduced

26 term of the Agreement.

27          F. In the event this Agreement is terminated by either party, after receiving a Notice of

28 Termination CONTRACTOR shall do the following:

- 29          1. Comply with termination instructions provided by ADMINISTRATOR in a manner which
- 30 is consistent with recognized standards of quality care and prudent business practice.
- 31          2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
- 32 performance during the remaining contract term.
- 33          3. If clients are to be transferred to another facility for services, furnish ADMINISTRATOR,
- 34 upon request, all client information and records deemed necessary by ADMINISTRATOR to effect an
- 35 orderly transfer.
- 36          4. Assist ADMINISTRATOR in effecting the transfer of clients in a manner consistent with
- 37 client's best interests.

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

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

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

11 8. Provide written notice of termination of services to each client being served under this  
12 Agreement, within fifteen (15) calendar days of receipt of Termination Notice by ADMINISTRATOR.  
13 A copy of the notice of termination of services to each client must also be provided to  
14 ADMINISTRATOR within the fifteen (15) calendar day period.

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

17  
18 ~~XXVII~~ XXIX. THIRD PARTY BENEFICIARY

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

21  
22 ~~XXVIII~~ XXX. WAIVER OF DEFAULT OR BREACH

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

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

3  
4 COMMUNITY SERVICE PROGRAMS, INC.

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

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

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17 COUNTY OF ORANGE

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19  
20 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

21 HEALTH CARE AGENCY

22  
23  
24 APPROVED AS TO FORM  
25 OFFICE OF THE COUNTY COUNSEL  
26 ORANGE COUNTY, CALIFORNIA

27  
28  
29 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

30 DEPUTY

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

1 EXHIBIT A  
 2 TO AGREEMENT FOR PROVISION OF  
 3 CHILDREN’S CRISIS RESIDENTIAL SERVICES  
 4 BETWEEN  
 5 COUNTY OF ORANGE  
 6 AND  
 7 COMMUNITY SERVICE PROGRAMS, INC.  
 8 JULY 1, 2012 THROUGH JUNE 30, ~~2014~~ 2015

9  
10 **I. DEFINITIONS**

11 The following standard definitions are for reference purposes only and may or may not apply in their  
12 entirety throughout the Agreement. The parties agree to the following terms and definitions, and to those  
13 terms and definitions which, for convenience, are set forth elsewhere in the Agreement.

14 A. Active and Ongoing Case Load means documentation, by CONTRACTOR, for completion of  
15 entry and evaluation services provided to clients into COUNTY’s IRIS Documentation also includes  
16 level, frequency, and duration of services received by clients, and these services must be consistent with  
17 clients’ level of impairments as well as treatment goals. In addition, services are to be individualized  
18 and solution-focused, using evidenced-based practices.

19 B. Administrative Support means individual(s) who is/are responsible for providing a broad range  
20 of office support to program and management staff that includes: answering and directing phone calls,  
21 writing correspondences, entering data in spreadsheets, preparing invoices for payment, maintaining  
22 tracking reports and files, and working on special projects, as assigned.

23 C. Admission means documentation, by CONTRACTOR, for completion of entry and evaluation  
24 services provided to clients into IRIS.

25 D. Care Coordinator means an individual with a Bachelor’s degree in human services or related  
26 field who will be responsible for developing and leading the Family Team and guiding the evolution of a  
27 POC for a client.

28 E. Client means any individual, referred or enrolled, for services under the Agreement who is  
29 living with mental, emotional, or behavioral disorders.

30 F. Clinical Director means an individual who is responsible for the day-to-day clinical services of  
31 the program, meets the minimum requirements set forth in Title 9, CCR, and has at least two (2) years of  
32 full-time professional experience working with children and/or TAY in a mental health setting.

33 G. Crisis Intervention means a service, lasting less than twenty-four (24) hours that is provided to  
34 or on the behalf of a client for a condition that requires more timely response than a regularly scheduled  
35 visit. Service activities may include, but are not limited to: assessment, individual therapy, collateral  
36 therapy, family therapy, case management, and psychiatric evaluation.

37 //

1 H. Data Collection System means software used for the collection, tracking, and reporting of  
2 outcomes data for clients enrolled in the FSP programs.

3 1. 3 M's means the Quarterly Assessment Form being completed for each client every three  
4 months in the approved data collection system.

5 2. Data Certification means reviewing outcome data mandated by the State and COUNTY for  
6 accuracy and signing a Certification of Accuracy of Data form indicating that the data is accurate.

7 3. KET means the tracking of a client's service movement or changes in the approved data  
8 collection system. A KET must be completed and entered accurately each time the CONTRACTOR is  
9 reporting a change from previous client status in certain categories. These categories include: residential  
10 status, employment status, education and benefits establishment.

11 4. PAF means the baseline assessment for each client that must be completed and entered into  
12 the data collection system within thirty (30) days of the Partnership date.

13 I. Diagnosis means identifying the nature of a client's disorder. When formulating the diagnosis of  
14 client, CONTRACTOR shall use the diagnostic codes and axes as specified in the most current edition  
15 of the Diagnostic and DSM published by the American Psychiatric Association. DSM diagnoses will be  
16 recorded on all IRIS documents, as appropriate.

17 J. DSH means the time, measured in hours and portions of hours, that a clinician spends providing  
18 services to clients or significant others on behalf of clients. DSH credit, both billable and non-billable  
19 minutes, is obtained by providing mental health, case management, medication support, and crisis  
20 intervention services to clients open in IRIS.

21 K. Education Coordinator means an individual who is responsible for providing assistance and  
22 support with educational and vocational services as well as developing resources for those clients that  
23 wish to further their education or training.

24 L. Employment Coordinator means an individual who provides pre-employment training, job  
25 orientation, and site training to clients. This individual is also responsible for assisting clients with job  
26 application procedures; teaching social, grooming and dress-for-success personal hygiene skills to  
27 clients; and coaching clients on how to maintain employment. In addition, the Employment Coordinator  
28 may provide on-the-job mentoring and will work closely with the hiring companies and clients.

29 M. Engagement means the process where a trusting relationship between CONTRACTOR's staff  
30 and client is developed over a short period of time, so CONTRACTOR and client can develop a plan to  
31 link the client to appropriate services within the community. Engagement of the client is the objective of  
32 a successful outreach.

33 N. Face-to-Face Contact means, as it pertains to a FSP, a direct encounter between  
34 CONTRACTOR's staff and client(s)/parent(s)/guardian(s). This does not include contact by phone,  
35 email, etc. For the purpose of completing an Encounter Document, Face-to-Face Contact means a direct  
36 encounter between staff and client(s), regardless if another individual(s) is/are present or not.

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1 O. Family Resource Center Services means Mental Health Services provided to clients that are  
2 actively enrolled at the COUNTY's SSA's FRC. FRC is a consortium of agencies providing human  
3 services in a single site and under the auspices of SSA.

4 P. Family Team means a group formed to meet the needs of a FSP eligible client through whatever  
5 means possible, and this team includes a program staff, the eligible client, the client's family members,  
6 and other support individual(s) the family agrees to include on the team.

7 Q. FSP means a program model described in COUNTY's MHSA plan that has been approved by  
8 the State. The MHSA plan describes how COUNTY will utilize MHSA funds to develop and implement  
9 treatment plans for mental health clients through FSPs. A FSP is an evidence-based and strength-based  
10 model with the focus on the individual rather than the disease.

11 R. FSW means the specific program model described in COUNTY's MHSA plan. The FSW  
12 program provides culturally competent in-home, intensive, mental health care coordination services that  
13 will address family needs across all life domains of the client.

14 S. Group Home is a facility for housing youth and is licensed by Community Care Licensing under  
15 the provisions of CCR, Title 22, Division 6, et seq.

16 T. Head of Service means an individual ultimately responsible for overseeing the program and is  
17 required to be licensed as a mental health professional.

18 U. Housing Coordinator means an individual who is responsible for assisting clients with housing  
19 solutions. This individual is also responsible for outreach and networking within the community to  
20 maintain an up-to-date record of available housing resources. In addition, the coordinator will work with  
21 the Family Team to assess the needs of clients.

22 V. Individual Services and Support Funds (Flexible Funds) means funds used to provide clients  
23 and/or their families with immediate assistance, as deemed necessary, for the treatment of their mental  
24 illness and improve their overall quality of life. Flexible Funds are generally categorized as housing,  
25 client transportation, food, clothing, medical, and miscellaneous expenditures that are individualized and  
26 appropriate to support clients' mental health treatment activities.

27 W. Intake means the initial meeting between a client and CONTRACTOR's staff, and includes an  
28 evaluation of the client to determine if the client meets program criteria and is willing to seek services.

29 X. IRIS means the COUNTY's database system that collects clients' information such as  
30 registration, scheduled appointments, laboratory information system, invoice and reporting capabilities,  
31 compliance with regulatory requirements, electronic medical records, and other relevant applications.

32 Y. LCSW means a licensed individual, pursuant to the provisions of Chapter 14 of the California  
33 Business and Professions Code, who can provide clinical services to clients. The license must be current  
34 and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least  
35 one (1) year of experience treating children and TAY.

36 Z. Licensed MFT means a licensed individual, pursuant to the provisions of Chapter 13 of the  
37 California Business and Professions Code, pursuant to the provisions of Chapter 14 of the California

1 Business and Professions Code, who can provide clinical services to clients. The license must be current  
2 and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least  
3 one (1) year of experience treating children and TAY.

4 AA. LPTCC means a licensed individual, pursuant to the provisions of Chapter 13 of the California  
5 Business and Professions Code, pursuant to the provisions of Chapter 16 of the California Business and  
6 Professions Code, who can provide clinical service to clients. The license must be current and in force,  
7 and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year  
8 of experience treating children and TAY.

9 AB. LPT means a licensed individual, pursuant to the provisions of Chapter 10 of the California  
10 Business and Professions Code, who can provide clinical services to clients. The license must be current  
11 and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least  
12 one (1) year of experience treating children and TAY.

13 AC. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter 6.6 of  
14 the California Business and Professions Code, who can provide clinical services to clients. The license  
15 must be current and in force, and has not been suspended or revoked. Also, it is preferred that the  
16 individual has at least one (1) year of experience treating children and TAY.

17 AD. LVN means a licensed individual, pursuant to the provisions of Chapter 6.5 of the California  
18 Business and Professions Code, who can provide clinical services to clients. The license must be current  
19 and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least  
20 one (1) year of experience treating children and TAY.

21 AE. Medical Necessity means diagnosis, impairment, and intervention related criteria as defined in  
22 the COUNTY's MHP under Medical Necessity for Medi-Cal reimbursed Specialty Mental Health  
23 Services.

24 AF. Medication Services means face-to-face or telephone services provided by a licensed physician,  
25 registered nurse, or other qualified medical staff. This service includes evaluation and documentation of  
26 the clinical justification for use of the medication, dosage, side effects, compliance, and response of the  
27 client to medication.

28 AG. Mental Health Rehabilitation Specialist means an individual with a Bachelor's Degree who has  
29 four years of experience in a mental health services setting as a specialist in the fields of physical  
30 restoration, social adjustment, and/or vocational adjustment.

31 AH. Mental Health Services means an individual or a group therapy and intervention being provided  
32 to clients that is designed to reduce mental disability and restores or improves daily functioning. These  
33 Mental Health Services must be consistent with goals of learning and development, as well as  
34 independent living and enhanced self-sufficiency. In addition, these services cannot be provided as a  
35 component of adult residential services, crisis residential treatment services, crisis intervention, crisis  
36 stabilization, day rehabilitation, or day treatment intensive. Service activities may include, but are not  
37 limited to: assessment, plan development, rehabilitation, and collateral. Also, Mental Health Services

1 may be either Face-to-Face Contact, or by telephone with clients or significant support individuals, and  
2 services may be provided anywhere in the community.

3 1. Assessment means a service activity, which may include a clinical analysis of the history  
4 and current status of a client's mental, emotional, behavioral disorder, and relevant cultural issues. The  
5 Assessment also needs to include history of services being provided, diagnosis, and use of testing  
6 procedures.

7 2. Collateral means significant support individual(s) in a client's life and is/are used to define  
8 services provided to the client with the intent of improving or maintaining the mental health status of the  
9 client. The client may or may not be present for this service activity.

10 3. Co-Occurring see DD Integrated Treatment Model.

11 4. DD Integrated Treatment Model means a program that uses a stage-wise treatment model  
12 and is non-confrontational, follows behavioral principles, considers interactions between mental illness  
13 and substance abuse, and has gradual expectations of abstinence. Mental illness and substance abuse  
14 research has strongly indicated that a client with co-occurring disorder needs treatment for both  
15 problems to recover fully and focusing on one does not ensure the other will go away. Dual diagnosis  
16 services integrate assistance for each condition by helping clients recover from mental illness and  
17 substance abuse in one setting and at the same time.

18 5. Medication Support Services means services provided by licensed physicians, registered  
19 nurses, or other qualified medical staff, which include: prescribing, administering, dispensing and  
20 monitoring of psychiatric medications or biologicals that are necessary to alleviate symptoms of mental  
21 illness. These services also include evaluation and documentation of the clinical justification and  
22 effectiveness of medication, dosage, side effects, compliance, and response to medication. In addition,  
23 the licensed physicians, registered nurses, or other qualified medical staff must obtain informed consent  
24 from clients prior to providing medication education and plan development related to the delivery of  
25 these services and/or assessment to clients.

26 6. Rehabilitation Service means an activity which includes assistance to improving,  
27 maintaining, or restoring a client's or group of clients' functional skills, daily living skills, social and  
28 leisure skill, grooming and personal hygiene skills, meal preparation skills, support resources and/or  
29 medication education.

30 7. Targeted Case Management means services that assist a client to access needed medical,  
31 educational, social, prevocational, vocational, rehabilitative, or other community services. These service  
32 activities may include, but are not limited to: communicating and coordinating services through referral;  
33 monitoring service delivery to ensure clients' access to service and the service delivery system; and  
34 tracking of clients' progress and plan development.

35 8. TBS means one-on-one behavioral interventions with a client, which is designed to reduce  
36 or eliminate targeted behaviors as identified in the client's treatment plan. Collateral services are also  
37 provided to parent(s)/guardian(s) as part of TBS. Clients must be Medi-Cal eligible and meet TBS class



1 membership and service need requirements. Documentation in the medical record must support Medical  
2 Necessity for these intensive services. Cases in which clients are receiving more than twenty (20) hours  
3 per week of TBS or those who are expected to receive more than four months (120 days) of TBS must be  
4 approved by ADMINISTRATOR. ADMINISTRATOR has to approve individuals that are delivering  
5 these intervention services to ensure they are qualified to deliver these services.

6 9. Therapy means a therapeutic intervention that focuses primarily on symptom reduction as a  
7 means to improve functional impairments. Therapy may be delivered to a client or a group of clients,  
8 which may include family therapy with client being present.

9 AI. MHSA means the State of California law that provides funding for expanded community mental  
10 health services. It is also known as "Proposition 63."

11 AJ. Mental Health Worker means an individual who has obtained a Bachelor's degree in a mental  
12 health field or has a high school diploma along with two (2) years of experience delivering services in a  
13 mental health field.

14 AK. Mentoring Services means a service that provides support to clients by building a structured and  
15 trusting relationship over a prolonged period of time between a client and a mentor. The mentor is a  
16 peer or older individual who provides one-to-one contact and support in the following areas to assist  
17 client(s)/parent(s)/guardian(s): consistent support, guidance, and coaching in life skills; concrete help  
18 and/or other relationship-building activities to the client(s)/parent(s)/guardian(s); and linking the  
19 client(s)/parent(s)/guardian(s) to other services within the COUNTY and contract operated programs.

20 1. Paid Parent Mentor means an individual, age twenty-six (26) and older, who has been  
21 screened and trained to provide Mentoring Services and is reimbursed for providing such services under  
22 the Mentoring Services Contract. A different designation for this position is permissible for purposes of  
23 CONTRACTOR's employment records and recruitment efforts if such designation is accompanied by  
24 clear cross-referencing in all reports and communications to ADMINISTRATOR.

25 2. Paid TAY Mentor means an individual, age eighteen (18) to twenty-five (25), who has been  
26 screened and trained to provide Mentoring Services and is reimbursed for providing such services under  
27 the Mentoring Services Contract. A different designation for this position is permissible for purposes of  
28 CONTRACTOR's employment records and recruitment efforts if such designation is accompanied by  
29 clear cross-referencing in all reports and communications to ADMINISTRATOR.

30 3. Volunteer Mentor means an individual, age eighteen (18) and older, who has been screened  
31 and trained to provide Mentoring Services and is not reimbursed for providing such services under the  
32 Mentoring Services Contract. "Reimbursement" for services excludes expenses such as transportation  
33 costs, as transportation costs are allowable and reimbursable costs. A different designation for this  
34 position is permissible for purposes of CONTRACTOR's employment records and recruitment efforts if  
35 such designation is accompanied by clear cross-referencing in all reports and communications to  
36 ADMINISTRATOR.

37 //

1 AL. NPI means the standard unique health identifier that was adopted by the Secretary of HHS under  
2 HIPAA of 1996 for health care providers. All HIPAA covered healthcare providers, individuals, and  
3 organizations must obtain an NPI for use to identify themselves in HIPAA standard transactions. The  
4 NPI is assigned for life.

5 AM. NOA-A means a Medi-Cal requirement that informs the beneficiary that she/he is not entitled to  
6 any specialty mental health service. The COUNTY has expanded the requirement for an NOA-A to all  
7 beneficiaries requesting an assessment for services and found not to meet the Medical Necessity criteria  
8 for specialty mental health services.

9 AN. NPP means a document that notifies clients of uses and disclosures of PHI. The NPP may be  
10 made by, or on behalf of, the health plan or health care provider as set forth in the of 1996 HIPAA.

11 AO. Outcomes Analyst/Data Mining Analyst means an individual who ensures that an FSP program  
12 maintains a focus on program outcomes. This individual will be responsible for reviewing outcome  
13 data, analyzing data, and developing strategies for gathering new data from client's perspective to  
14 improve FSP's understanding of client's needs and desires towards furthering their Recovery. This  
15 individual will also provide feedback to the program and work collaboratively with the employment  
16 specialist, education specialist, benefits specialist, and other staff in the program to strategize and  
17 improve outcomes in service delivery. In addition, this position will be responsible for attending all data  
18 and outcome related meetings and ensuring that the FSP is being proactive in all data collection  
19 requirements and changes at the local and state levels.

20 AP. Outreach means linking potential clients to appropriate mental health services within the  
21 community. Outreach activities will include educating the community about the services offered and  
22 requirements for participation in the programs. Such activities may result in the CONTRACTOR  
23 developing referral sources for clients from various programs being offered within the community.

24 AQ. Parent Partner means an individual who supports and assists other parent(s)/guardian(s) with  
25 children or youth in the system and is hired due to his/her own personal experience and knowledge in  
26 raising a child or youth with emotional/behavioral disturbance. For Wraparound Orange County, it is  
27 required that this individual has exposure to COUNTY's Welfare Services, Probation, or Mental Health  
28 System and can provide support to the Family Team and the parent(s)/guardian(s) in particular.

29 AR. PSC means an individual with a Bachelor's degree in human services or related field. It is  
30 preferred that the individual has at least two years of related experience with mental health services, or  
31 three years' experience as a client in a similar program who has graduated to self-sufficiency. A PSC  
32 leads the implementation of a service plan covering an entire range of needs for the client and/or client's  
33 family to promote success, safety, and permanence in the home, school, workforce, and community and  
34 lead clients to self-sufficiency.

35 AS. PBM Company means a company contracted by the COUNTY that manages the medication  
36 benefits for clients that are qualified for medication benefits.

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1 AT. POC means a written plan, including by reference any Juvenile Court order(s), developed and  
 2 signed by the Family Team that includes the following elements:

- 3 1. A statement of an overall goal or vision for the client and client's family.
- 4 2. The strengths of the client and client's family.
- 5 3. The needs, as defined by specific life areas that must be met to achieve the goal(s) of the  
 6 client and client's family.
- 7 4. Prevention and intervention Safety Plans.
- 8 5. The type, frequency, and duration of intervention strategies.
- 9 6. Financial responsibility for the components of the POC.
- 10 7. Desired outcomes.

11 AU. Pre-Licensed Psychologist means an individual who has a Ph.D. or Psy.D. in Clinical  
 12 Psychology and is registered with the Board of Psychology as a Registered Psychologist or  
 13 Psychological Assistant, while acquiring hours for licensing and providing services under a waiver in  
 14 accordance with WIC section 575.2. The waiver may not exceed five (5) years.

15 AV. Pre-Licensed Therapist means an individual who has a Master's Degree in social work or MFT,  
 16 PCC and is registered with the BBS as an associate clinical social worker, PCC intern, or MFT intern,  
 17 while acquiring hours for licensing. Registration is subject to regulations adopted by BBS.

18 AW. Program Director means an individual who is responsible for all aspects of administration and  
 19 clinical operations of the mental health program, including development and adherence to the annual  
 20 budget. This individual will also be responsible for the following: hiring, development and performance  
 21 management of professional and support staff, and ensuring mental health treatment services are  
 22 provided in concert with local and state rules and regulations.

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

26 AY. Promotores means individuals who are members of the community that function as natural  
 27 helpers to address some of the communities' unmet mental health, health and human service needs.  
 28 They are individuals who represent the ethnic, socio-economic and educational traits of the population  
 29 being served. Promotores are respected and recognized by peers and have the pulse of the community's  
 30 needs.

31 AZ. PHI means individually identifiable health information usually transmitted through electronic  
 32 media. PHI can be maintained in any medium as defined in the regulations, or for an entity such as a  
 33 health plan, transmitted or maintained in any other medium. It is created or received by a covered entity  
 34 and is related to the past, present, or future physical or mental health or condition of an individual,  
 35 provision of health care to an individual, or the past, present, or future payment for health care provided  
 36 to an individual.

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1 BA. Psychiatrist means an individual who meets the minimum professional and licensure  
2 requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of  
3 experience treating children and TAY.

4 BB. Psychology Student or Psychology Intern means an individual who is in school pursuing a Ph.D.  
5 or Psy.D. in Clinical Psychology, and may or may not meet the criteria for a DHCS Waiver in order to  
6 provide services in accordance with DHCS Information Letter No. 10-03. The waiver may not exceed  
7 (5) years.

8 BC. QIC means a committee that meets quarterly to review one percent (1%) of all “high-risk”  
9 Medi-Cal clients in order to monitor and evaluate the quality and appropriateness of services provided.  
10 At a minimum, the committee is comprised of one (1) ADMINISTRATOR, one (1) clinician, and one  
11 (1) physician who are not involved in the clinical care of the cases.

12 BD. RCL Group Home means a group home reviewed by the State Department of Social Services,  
13 Foster Care Rates Bureau, that meets the requirements for a RCL of 1 to 14, to provide eligible minors  
14 room and board and supervision.

15 BE. Referral means effectively linking clients to other services within the community and  
16 documenting follow-up provided within five (5) business days to assure that clients have made contact  
17 with the referred service(s).

18 BF. Registered Nurse means a licensed individual, pursuant to the provisions of Chapter 6 of the  
19 California Business and Professions Code, who can provide clinical services to clients. The license must  
20 be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual  
21 has at least one (1) year of experience treating children and TAY.

22 BG. Student Intern means student(s) currently enrolled in an accredited graduate or undergraduate  
23 program and is/are accumulating supervised work experience hours as part of field work, internship, or  
24 practicum requirements. Acceptable programs include all programs that assist students in meeting the  
25 educational requirements to be a Licensed MFT, a LCSW, a Licensed Clinical Psychologist, a Licensed  
26 PCC, or to obtain a Bachelor’s degree. Individuals with graduate degrees and have two (2) years of full-  
27 time experience in a mental health setting, either post-degree or as part of the program leading to the  
28 graduate degree, are not considered as students.

29 BH. Supervisory Review means ongoing clinical case reviews in accordance with procedures  
30 developed by the COUNTY to determine the appropriateness of the diagnosis and treatment plan for  
31 clients, as well as to monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting  
32 standards. Supervisory review is conducted by the program/clinic director or designee.

33 BI. Token means the security device which allows an end-user to access the ADMINISTRATOR’s  
34 computer based IRIS.

35 BJ. UMDAP means the method used for determining the annual client liability for mental health  
36 services received from the COUNTY’s mental health system and is set by the State of California.

37 //

1 BK. Wellness Coordinator means an individual who specializes in assisting clients with access to a  
2 myriad of health care needs, nutrition resources, and other community supports. This individual will be  
3 responsible for documenting the services required, as well as communicating the needs of clients to the  
4 Family Team.

5 BL. Wraparound Orange County means the wraparound program administered by COUNTY's SSA  
6 and is available to children and TAY who are returning from or being considered for placement in group  
7 homes.

8 BM. Youth Partner/Specialist means an individual who has a high school diploma, preferably a  
9 bachelor's degree in human services or a related field, and has a background working with children and  
10 TAY. This individual is to provide consistent, reinforcing support to clients by allowing opportunities  
11 for clients to learn and practice social behavior, problem solving skills, and coping skills. In the spirit of  
12 MHSA, these positions can be filled by adequate numbers of bilingual, bicultural staff in order to meet  
13 the referral needs of the program and the threshold language requirements for COUNTY. It is also  
14 recommended by COUNTY that former mental health clients and/or their family members be given  
15 priority for these positions due to their unique insight into the experiences of clients.

16 BN. Bed Day means one (1) calendar day during which services are provided to a client pursuant to  
17 this Agreement. The day of admission shall be included; the day of discharge shall be excluded. If both  
18 admission and discharge occur on the same day, the day shall be considered a day of admission and  
19 counts as a full day.

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**II. BUDGET**

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

	<del>PERIOD ONE</del>	<del>PERIOD TWO</del>	<del>TOTAL</del>
<del>ADMINISTRATIVE COSTS</del>			
<del>— Salaries</del>	<del>\$ 82,616</del>	<del>\$ 82,616</del>	<del>\$ 165,232</del>
<del>— Benefits</del>	<del>22,653</del>	<del>22,653</del>	<del>45,306</del>
<del>— Services and Supplies</del>	<del>16,821</del>	<del>16,821</del>	<del>33,642</del>
<del>SUBTOTAL</del>	<del>\$ 122,090</del>	<del>\$ 122,090</del>	<del>\$ 244,180</del>
 <del>PROGRAM COSTS</del>			
<del>— Salaries</del>	<del>\$ 792,378</del>	<del>\$ 792,378</del>	<del>\$ 1,584,756</del>
<del>— Benefits</del>	<del>248,220</del>	<del>248,220</del>	<del>496,440</del>
<del>— Services and Supplies</del>	<del>124,291</del>	<del>124,291</del>	<del>248,582</del>
<del>— Subcontracts</del>	<del>5,487</del>	<del>5,487</del>	<del>10,974</del>
<del>SUBTOTAL</del>	<del>\$ 1,170,376</del>	<del>\$ 1,170,376</del>	<del>\$ 2,340,752</del>
 <del>TOTAL GROSS COST</del>	 <del>\$ 1,292,466</del>	 <del>\$ 1,292,466</del>	 <del>\$ 2,584,932</del>
 <del>REVENUES</del>			
<del>— Federal Medi-Cal</del>	<del>\$ 107,500</del>	<del>\$ 107,500</del>	<del>\$ 215,000</del>
<del>— EPSDT Medi-Cal Match</del>	<del>95,000</del>	<del>95,000</del>	<del>190,000</del>
<del>— Mental Health Services Act</del>	<del>-1,089,966</del>	<del>-1,089,966</del>	<del>-2,179,932</del>
<del>TOTAL REVENUE</del>	<del>\$ 1,292,466</del>	<del>\$ 1,292,466</del>	<del>\$ 2,584,932</del>
 <del>MAXIMUM OBLIGATION</del>	 <del>\$ 1,292,466</del>	 <del>\$ 1,292,466</del>	 <del>\$ 2,584,932</del>

	<u>PERIOD</u> <u>ONE</u>	<u>PERIOD</u> <u>TWO</u>	<u>PERIOD</u> <u>THREE</u>	<u>TOTAL</u>
<u>ADMINISTRATIVE COSTS</u>				
<u>Salaries</u>	<u>\$ 82,616</u>	<u>\$ 111,045</u>	<u>\$ 172,106</u>	<u>\$ 365,767</u>
<u>Benefits</u>	<u>22,653</u>	<u>24,845</u>	<u>38,507</u>	<u>86,005</u>
<u>Services and Supplies</u>	<u>16,821</u>	<u>17,062</u>	<u>26,585</u>	<u>60,468</u>
<u>SUBTOTAL</u>	<u>\$ 122,090</u>	<u>\$ 152,952</u>	<u>\$ 237,198</u>	<u>\$ 512,240</u>

1	<b>PROGRAM COSTS</b>				
2	Salaries	\$ 792,378	\$1,004,298	\$1,555,792	\$3,352,468
3	Benefits	248,220	324,450	513,172	1,085,842
4	Services and Supplies	124,291	149,092	238,438	511,821
5	Subcontracts	5,487	55,746	86,400	147,633
6	Start-Up	0	75,970	30,000	105,970
7	<b>SUBTOTAL</b>	<b>\$1,170,376</b>	<b>\$1,609,556</b>	<b>\$2,423,802</b>	<b>\$5,203,734</b>
8					
9	<b>ADDITIONAL NEGOTIATED</b>				
10	<b>RATE FFS FUNDING</b>	\$ 0	\$ 257,691	\$ 887,333	\$1,145,024
11					
12	<b>TOTAL GROSS COST</b>	<b>\$1,292,466</b>	<b>\$2,020,199</b>	<b>\$3,548,333</b>	<b>\$6,860,998</b>
13					
14	<b>REVENUES</b>				
15	Federal Medi-Cal	\$ 107,500	\$ 175,757	\$ 308,705	\$ 591,962
16	EPSDT Medi-Cal Match	95,000	0	0	95,000
17	Mental Health Services Act	1,089,966	1,844,442	3,239,628	6,174,036
18	<b>TOTAL REVENUE</b>	<b>\$1,292,466</b>	<b>\$2,020,199</b>	<b>\$3,548,333</b>	<b>\$6,860,998</b>

20 B. CONTRACTOR agrees that the amount of the EPSDT match is dependent upon, and shall at no  
 21 time be greater than, the amount of Federal Medi-Cal actually generated by CONTRACTOR, unless  
 22 authorized by ADMINISTRATOR.

23 C. The total cost of services provided for in the Agreement are based upon projected revenue  
 24 generation and shall be reimbursed by Federal Medi-Cal, EPSDT, and COUNTY revenues.  
 25 CONTRACTOR agrees that if actual Federal Medi-Cal and EPSDT reimbursement, based upon the  
 26 completed DHCS Cost Report for each Fiscal Year is less than budgeted, the Maximum Obligation shall  
 27 be adjusted down by the amount of under generated Federal Medi-Cal and/or EPSDT revenue.

28 D. In the event CONTRACTOR collects fees and insurance, including Medicare, for services  
 29 provided pursuant to the Agreement, CONTRACTOR may make written application to  
 30 ADMINISTRATOR to retain such revenues; provided, however, the application must specify that the  
 31 fees and insurance shall be utilized exclusively to provide mental health services. ADMINISTRATOR  
 32 may, at its sole discretion, approve any such retention of revenues. Approval by ADMINISTRATOR  
 33 shall be in writing to CONTRACTOR and shall specify the amount of said revenues to be retained and  
 34 the quantity of services to be provided by CONTRACTOR.

35 E. BUDGET/STAFFING MODIFICATIONS - CONTRACTOR shall make written application to  
 36 ADMINISTRATOR, in advance, to shift funds between budgeted line items within a program, for the  
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1 purpose of meeting specific program needs or for providing continuity of care to its members, by  
 2 utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR.  
 3 CONTRACTOR shall submit a properly completed Budget/Staffing Modification Request to  
 4 ADMINISTRATOR for consideration, in advance, which shall include a justification narrative  
 5 specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining impact of  
 6 the shift as may be applicable to the current contract period and/or future contract periods.  
 7 CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from  
 8 ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain  
 9 written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s)  
 10 may result in disallowance of those costs.

11 F. FINANCIAL RECORDS - CONTRACTOR shall prepare and maintain accurate and complete  
 12 financial records of its cost and operating expenses. Such records will reflect the actual cost of the type  
 13 of service for which payment is claimed. Any apportionment of or distribution of costs, including  
 14 indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will  
 15 be made in accordance with GAAP and Medicare regulations. The client eligibility determination and  
 16 fee charged to and collected from clients, together with a record of all invoices rendered and revenues  
 17 received from any source, on behalf of clients treated pursuant to the Agreement, must be reflected in  
 18 CONTRACTOR's financial records.

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

### 21 III. PAYMENTS

22  
 23 ~~— A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the provisional amount of~~  
 24 ~~\$107,706 per month for Period One and Period Two. All payments are interim payments only, and~~  
 25 ~~subject to final settlement in accordance with the Cost Report Paragraph of the Agreement for which~~  
 26 ~~CONTRACTOR shall be reimbursed for the actual cost of providing the services, which may include~~  
 27 ~~Indirect Administrative Costs, as identified in Subparagraph II.A. of this Exhibit A to the Agreement;~~  
 28 ~~provided, however, the total of such payments does not exceed the Maximum Obligation for each period~~  
 29 ~~as stated in the Referenced Contract Provisions of the Agreement and, provided further,~~  
 30 ~~CONTRACTOR's costs are reimbursable pursuant to COUNTY, state, and/or federal regulations.~~  
 31 ~~ADMINISTRATOR may, at its discretion, pay supplemental invoices for any month for which the~~  
 32 ~~provisional amount specified above has not been fully paid.~~

33 A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the provisional amount of  
 34 \$107,706 per month for Period One and July 2013 through March 2014 of Period Two; \$264,385 for  
 35 April 2014 through June 2014 of Period Two; and \$221,750 for Period Three. All payments pursuant to  
 36 this subparagraph are interim payments only, and subject to final settlement in accordance with the Cost  
 37 Report Paragraph of the Agreement for which CONTRACTOR shall be reimbursed for the actual cost of



1 providing the services, which may include Indirect Administrative Costs, as identified in Subparagraph  
2 II.A. of this Exhibit A to the Agreement; provided, however, the total of such payments does not exceed  
3 the Maximum Obligation for each period as stated in the Referenced Contract Provisions of the  
4 Agreement and, provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY, state,  
5 and/or federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices for any  
6 month for which the provisional amount specified above has not been fully paid.

7 1. In support of the monthly invoice, CONTRACTOR shall submit an Expenditure and  
8 Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Agreement.  
9 ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to  
10 CONTRACTOR as specified in Subparagraphs III.A.2. and III.A.3. below.

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

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

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

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

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

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

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

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**IV. SERVICES**

**A. FACILITIES**

~~1. CONTRACTOR shall maintain a minimum of one (1) fully licensed and appropriate facility for the provision of Children’s Crisis Residential Services established by Community Care Licensing Division of the California Department of Social Services which meets the minimum requirements for Medi-Cal eligibility at the following location or any other location(s) approved by ADMINISTRATOR, as specified below:~~

~~980 Catalina Street  
Laguna Beach, CA 92651~~

1. CONTRACTOR shall maintain at a minimum two (2) facilities which meet the minimum requirements for Medi-Cal eligibility for the provision of Mental Health Services for Children including Crisis Intervention Services at the following locations or any other location approved by ADMINISTRATOR:

a. 980 Catalina Street  
Laguna Beach, CA 92651

b. 7291 Talbert Avenue  
Huntington Beach, CA 92648

2. CONTRACTOR shall, provide clients and/or their family members twenty-four (24) hour a day, seven (7) day a week, and three hundred sixty-five (365) day a year, access to their assigned Crisis Residential Program or a designee acceptable to ADMINISTRATOR.

3. CONTRACTOR’s administrative staff holiday schedule shall be consistent with COUNTY’s holiday schedule unless otherwise approved, in advance and in writing, by ADMINISTRATOR.

4. Upon COUNTY’s certification of the provider's existing site, the CONTRACTOR shall be responsible for making any necessary changes to meet Medi-Cal site standards.

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B. CRISIS RESIDENTIAL SERVICES: means an alternative to providing acute psychiatric hospital services for individuals who would otherwise require hospitalization. The targeted length of stay for each client will be three (3) weeks. The services are provided in normalized living environments, are integrated into residential communities, and follow a social rehabilitation model that integrates aspects of emergency psychiatric care, psychosocial rehabilitation, milieu therapy, case management, and practical social work.



1 1. CONTRACTOR shall deliver crisis intervention and mental health services to SED/SMI  
2 children and their families identified by COUNTY as eligible for these services.

3 2. CONTRACTOR shall assess potential clients meeting the following criteria unless written  
4 exception is granted by COUNTY:

5 a. Orange County residents.

6 b. displaying behaviors or a history indicative of SED/SMI as defined by WIC Code  
7 5600.3(b).

8 c. between the ages of thirteen (13) and seventeen (17) and their families.

9 d. experiencing significant familial conflict.

10 e. at risk of hospitalization and/or out-of-home placement.

11 f. unserved or underserved because of linguistic or cultural isolation.

12 g. those TAY who, with intensive-short-term support, could be returned to their families or  
13 independent living situation from inpatient or out-of-home care.

14 3. CONTRACTOR shall engage both the child and the child's family in the program whenever  
15 possible. Clinical staff work schedules shall be based on the availability of the client and significant  
16 family members.

17 4. CONTRACTOR shall provide crisis intervention program through a three-phase model. The  
18 initial phase shall include assessments of the SED/SMI child and child's family, with the goal of  
19 identifying short-term or immediate needs as well as de-escalation of the child and family. During phase  
20 two, the program shall be responsible for ensuring the family is developing appropriate coping skills and  
21 developing the family's support systems, while promoting open communication among family members.  
22 The goal of phase three shall be to prepare the child and family for progression toward long-term  
23 resolution and treatment in the community.

24 5. CONTRACTOR shall provide contact within two (2) hours of client's referral for services.

25 6. CONTRACTOR shall offer clinical intervention within two (2) working days of client's  
26 referral for services. A sufficient amount of treatment services shall be provided during evening hours in  
27 order to accommodate clients and their parents not able to participate during regular day-time hours.  
28 Treatment services shall include, but may not be limited to:

29 a. Performing clinical and psycho-diagnostic assessment using DSM-IV Five Axis  
30 diagnosis, to include clinical consideration of each fundamental need: physical, psychological,  
31 maturational, developmental, familial, educational, social, environmental and recreational. Additional  
32 examinations, tests and evaluations may be conducted as clinically indicated. Findings of the  
33 examinations and evaluations shall be documented in the client record and signed by CONTRACTOR's  
34 appropriate and responsible staff.

35 b. Obtaining valid consents from parents or courts for treatment.

36 c. Developing a written treatment plan for each client that shall be based on the assessment  
37 and diagnosis of that client. The treatment plan shall delineate and justify all specific treatment modes

1 and therapeutic modalities to be used, and shall be developed in accordance with  
2 ADMINISTRATOR standards, and utilize a full range of appropriate psychiatric and psychological  
3 treatment modes and modalities. All treatment/service plans, coordination plans, and assessment  
4 documents shall be developed within sixty (60) calendar days from the first planned face-to-face contact  
5 with an individual client and/or significant support person(s). Such plans shall identify specific  
6 treatment modes, milestones for the individual client, obstacles/symptoms, and efforts of significant  
7 support person(s) and program staff on behalf of the client. All treatment/service plans shall include  
8 observable and measurable client milestones.

9 d. Use of individual therapy, brief intensive services, and short and long-term group therapy  
10 modalities including psycho-educational, cognitive behavioral and child management therapy  
11 //  
12 techniques. CONTRACTOR shall develop and implement group therapy modalities for conditions that,  
13 according to established research, would particularly show improvement when treated in this manner.

14 e. Collateral services, including individual therapy to a client's adult caregivers to help them  
15 in their parenting role. Services shall be provided to adult caregivers when it is determined that it is  
16 the best interest in treating the minor client, and CONTRACTOR shall promote active participation of  
17 client's family. CONTRACTOR shall refer the adult caregiver(s) to an appropriate adult mental health  
18 provider for medication and/or mental health services to address the adult caregiver's DSM-IV-TR  
19 mental disorder.

20 f. Providing other mental health services which may include, but not be limited to, family  
21 therapy, crisis intervention, treatment planning, discharge planning, case management, linkage, and  
22 consultation.

23 g. Medication support services, including a system of medication quality review, which  
24 shall be provided by well-trained, experienced psychiatrists knowledgeable in the use of medication to  
25 improve the functioning and enhance the self-esteem of children. Medication used solely for psychiatric  
26 purposes, and no other purposes, shall be prescribed for all clients for whom it is clinically indicated.  
27 CONTRACTOR shall ensure that the following are adhered to:

- 28 1) Established plan for maximizing use of physician time.
- 29 2) CONTRACTOR shall use COUNTY's formulary and prescribing practices.
- 30 3) Prescriptions may be filled at any pharmacy with which the COUNTY's Pharmacy  
31 Benefits Manager has a contract; provided that CONTRACTOR shall be responsible for noting the  
32 Medi-Cal number on prescriptions for Medi-Cal clients.
- 33 4) CONTRACTOR shall provide COUNTY, in writing, with the name, license number,  
34 and Drug Enforcement Agency number of any physician who will be prescribing medications, prior to  
35 the physician's start date. Failure to so notify COUNTY may result in CONTRACTOR being liable for  
36 the cost of the medication.

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1 5) CONTRACTOR shall order such laboratory tests as are necessary and appropriate to  
2 monitor psychotropic medications and shall be responsible for the cost of such tests.

3 h. In coordination and integration with COUNTY’s ADAS, providing or causing to be  
4 provided, all necessary substance abuse treatment services for clients who are dually diagnosed with a  
5 concurrent substance abuse problem in addition to their mental illness, when appropriate.

6 7. CONTRACTOR shall accept referrals from and make referrals to the various MHSA  
7 programs, as appropriate. CONTRACTOR shall coordinate referrals with other existing mental health  
8 services and wraparound services, to ensure that clients and their families are given access to the most  
9 appropriate level and type of service. Other services may include Wraparound Orange County; MHSA  
10 FSP programs for children, TAY, or adults; and other COUNTY mental health services.

11 8. CONTRACTOR shall participate in any clinical case review and implement any  
12 recommendations made by COUNTY to improve client care.

13 9. CONTRACTOR shall conduct Supervisory Review at sixty (60) calendar day and six (6)  
14 month intervals, in accordance with procedures developed by ADMINISTRATOR. CONTRACTOR  
15 shall conduct thirty (30)-day review of open cases, or previously opened with another provider.  
16 CONTRACTOR shall ensure that all chart documentation complies with all federal, state, and local  
17 guidelines and standards.

18 10. CONTRACTOR shall ensure that all clinical documentation is completed promptly and is  
19 reflected on the client’s chart within twenty-four (24) hours after the completion of services.

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

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**V. STAFFING**

~~A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in FTEs continuously throughout the term of the Agreement. One (1) FTE shall be equal to an average of forty (40) hours of work per week to provide mental health outpatient services for children and youth:~~

<del>ADMINISTRATIVE</del>	<del>FTEs</del>
<del>— Executive Director</del>	<del>0.150</del>
<del>— Director of Finance and Administration</del>	<del>0.080</del>
<del>— Accounting Manager</del>	<del>0.100</del>
<del>— Accounting Supervisor</del>	<del>0.100</del>
<del>— Accounting Specialist</del>	<del>0.450</del>
<del>— Payroll Administrator</del>	<del>0.050</del>
<del>— Human Resources Specialist</del>	<del>0.170</del>
<del>— Office Specialist</del>	<del>0.500</del>
<del>SUBTOTAL ADMINISTRATIVE FTEs</del>	<del>1.600</del>
<del>PROGRAM</del>	
<del>— Program Director</del>	<del>1.000</del>
<del>— Director of Clinical Services</del>	<del>0.400</del>
<del>— Counselor</del>	<del>3.000</del>
<del>— Youth Specialist</del>	<del>9.800</del>
<del>— House Coordinator</del>	<del>1.000</del>
<del>— Volunteer Coordinator</del>	<del>1.000</del>
<del>— QA Billing Specialist</del>	<del>0.600</del>
<del>— On-Call Staff</del>	<del>1.500</del>
<del>SUBCONTRACTORS</del>	
<del>— Psychiatrist</del>	<del>-0.023</del>
<del>SUBTOTAL PROGRAM FTEs</del>	<del>18.323</del>
<del>TOTAL FTEs</del>	<del>19.923</del>

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A. CONTRACTOR shall, at a minimum, provide the following staffing patterns, expressed in Full-Time Equivalents (FTEs). One (1) FTE shall be equal to an average of forty (40) hours work per week to provide services.

1. From July 1, 2012 through April 30, 2014:

<u>ADMINISTRATIVE</u>	<u>FTEs</u>
<u>Executive Director</u>	<u>0.150</u>
<u>Director of Finance and Administration</u>	<u>0.080</u>
<u>Accounting Manager</u>	<u>0.100</u>
<u>Accounting Supervisor</u>	<u>0.100</u>
<u>Accounting Specialist</u>	<u>0.450</u>
<u>Payroll Administrator</u>	<u>0.050</u>
<u>Human Resources Specialist</u>	<u>0.170</u>
<u>Office Specialist</u>	<u>0.500</u>
<u>SUBTOTAL ADMINISTRATIVE FTEs</u>	<u>1.600</u>
<u>PROGRAM</u>	
<u>Program Director</u>	<u>1.000</u>
<u>Director of Clinical Services</u>	<u>0.400</u>
<u>Counselor</u>	<u>3.000</u>
<u>Youth Specialist</u>	<u>9.800</u>
<u>House Coordinator</u>	<u>1.000</u>
<u>Volunteer Coordinator</u>	<u>1.000</u>
<u>QA Billing Specialist</u>	<u>0.600</u>
<u>On-Call Staff</u>	<u>1.500</u>
<u>SUBCONTRACTORS</u>	
<u>Psychiatrist</u>	<u>0.023</u>
<u>SUBTOTAL PROGRAM FTEs</u>	<u>18.323</u>
<u>TOTAL FTEs</u>	<u>19.923</u>

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2. From May 1, 2014 through June 30, 2015:

	<u>Laguna Beach</u>	<u>Huntington Beach</u>
<u>ADMINISTRATIVE</u>	<u>FTEs</u>	<u>FTEs</u>
Executive Director	0.130	0.130
Director of Finance and Administration	0.080	0.080
Budget and Financial Control Manager	0.080	0.080
Accounting Manager	0.050	0.050
Accounting Supervisor	0.050	0.050
Accounting Specialist	0.057	0.570
Payroll Administrator	0.090	0.090
Human Resources Specialist	0.150	0.150
Benefits and Compliance Specialist	0.080	0.080
Office Specialist	0.250	0.250
<u>SUBTOTAL ADMINISTRATIVE FTEs</u>	<u>1.530</u>	<u>1.530</u>
<u>PROGRAM</u>		
Program Director	1.000	0.550
Director of Clinical Services	0.400	0.400
Assistant Director	0.000	0.500
Counselor	2.500	2.500
Youth Specialist	8.800	8.800
Tutor/Youth Specialist	1.000	1.000
Volunteer Coordinator	1.000	1.000
Housing Coordinator/QA Specialist	1.000	1.000
QA Billing Specialist	0.600	0.600
On-Call Staff	1.000	1.000
<u>SUBCONTRACTORS</u>		
Psychiatrist	0.138	0.138
<u>SUBTOTAL PROGRAM FTEs</u>	<u>17.438</u>	<u>17.488</u>
<u>TOTAL FTEs</u>	<u>18.968</u>	<u>19.018</u>

B. CONTRACTOR shall have as Head of Service a licensed mental health professional, in

1 conformance to one of the following staff categories: Psychiatrist, Licensed Psychologist, LCSW,  
2 LPCC, Licensed MFT, RN, LVN, or LPT.

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

11 D. CONTRACTOR shall maintain personnel files for each staff person, including management and  
12 other administrative positions, both direct and indirect to the Agreement, which shall include, but not be  
13 limited to, an application for employment, qualifications for the position, applicable licenses, waivers,  
14 registrations, documentation of bicultural/bilingual capabilities (if applicable), pay rate and evaluations  
15 justifying pay increases.

16 E. CONTRACTOR shall notify ADMINISTRATOR, in writing, no later than seventy-two (72)  
17 hours of any staffing vacancies or filling of vacant positions that occur during the term of the  
18 Agreement. CONTRACTOR's notification shall include at a minimum the following information:  
19 employee name(s), position title(s), date(s) of resignation, date(s) of hire, and a description of  
20 recruitment activity.

21 F. CONTRACTOR shall notify ADMINISTRATOR, in writing, no later than seven (7) business  
22 days, in advance, of any proposed staffing changes, including but not limited to promotions, temporary  
23 FTE changes, and temporary staffing assignments that occur during the term of the Agreement.

24 G. CONTRACTOR shall recruit, hire, train, and maintain staff that are persons in recovery, and/or  
25 family members of persons in recovery. These individuals shall not be currently receiving services  
26 directly from CONTRACTOR. Documentation may include, but not be limited to, the following:  
27 records attesting to efforts made in recruitment and hiring practices and identification of measures taken  
28 to enhance accessibility for potential staff in these categories.

29 H. CONTRACTOR shall provide training to service staff covering suicide assessment and crisis  
30 intervention or indications of suicidal risk (depending on scope of practice), developing safety plans,  
31 maintaining healthy boundaries, reporting child abuse, dealing with difficult clients, meeting facilitation  
32 and medication, confidentiality, identification of strengths, promoting life skills, and such other topics  
33 identified by the COUNTY. Formal training sessions may also be used to cover these topics but cannot  
34 substitute for weekly supervision hours.

35 I. CONTRACTOR shall maintain a current signature list including each supervisor and provider  
36 of direct services who signs chart documentation. The list shall include the printed/type staff name and  
37 title, followed by the legal signature with title as it appears on all chart documents. For licensed or



1 registered clinical staff, the name must match the name on the license or registration.

2 J. WORKLOAD STANDARDS – CONTRACTOR understands and agrees that at any given time  
3 the standards referenced below are minimum standards, and shall make every effort to exceed these  
4 minimums.

5 1. One (1) DSH shall be equal to sixty (60) minutes of direct client service.

6 ~~2. CONTRACTOR shall provide a minimum of two thousand seven hundred twenty four  
7 (2,724) hours of service, with a minimum of twenty four (24) hours of medication support services, and  
8 two thousand seven hundred (2,700) hours of other mental health, case management, and/or crisis  
9 intervention or services.~~

10 ~~3. CONTRACTOR shall provide a minimum of seventy five (75) DSH per month per FTE or  
11 nine hundred (900) DSH per year per contracted FTE clinician, of mental health services, unless  
12 otherwise approved by ADMINISTRATOR. For the Group Home/Foster Care Programs,  
13 CONTRACTOR shall maintain an appropriate caseload that will facilitate the provision of the minimum  
14 direct service hours identified above.~~

15 ~~4. CONTRACTOR shall maintain an active, on-going minimum caseload of six (6)  
16 unduplicated clients throughout the term of the Agreement, unless otherwise approved by  
17 ADMINISTRATOR.~~

18 ~~5. CONTRACTOR shall provide services to a minimum of seventy eight (78) clients during the  
19 term of the Agreement. This is based on the program's six bed capacity and a targeted length of stay of  
20 three (3) weeks. Stays in this short term program longer than the three week target must have  
21 ADMINISTRATOR approval.~~

22 2. CONTRACTOR shall provide a minimum of four thousand seven hundred and forty nine  
23 (4,749) hours of service, with a minimum of two hundred and forty nine (249) hours of medication  
24 support services, and four thousand five hundred (4,500) hours of other mental health, case management,  
25 and/or crisis intervention or services.

26 3. CONTRACTOR shall provide a minimum of seventy-five (75) DSH per month per FTE or  
27 nine hundred (900) DSH per year per contracted FTE clinician, of mental health services, unless  
28 otherwise approved by ADMINISTRATOR.

29 4. CONTRACTOR shall provide services to a minimum number of clients as follows: seventy-  
30 eight (78) clients during Period One, one hundred (100) clients during Period Two, and one hundred and  
31 fifty-six (156) clients during Period Three, for a minimum total of three hundred and thirty-four (334)  
32 clients during the term of the Agreement. These are based on each program location's minimum of a six-  
33 bed capacity and a targeted length of stay of three (3) weeks. Stays in these short-term programs longer  
34 than the three-week target must have ADMINISTRATOR approval

35 5. CONTRACTOR shall not refuse client referrals if any of CONTRACTOR's staff are below  
36 workload standards, as defined in Subparagraph V.J. of this Exhibit A to the Agreement, unless  
37 otherwise approved by ADMINISTRATOR.



1 K. STUDENT INTERNS

2 1. CONTRACTOR may augment the above paid staff with volunteers or interns upon written  
3 approval of ADMINISTRATOR.

4 a. CONTRACTOR shall meet minimum requirements for supervision of each student  
5 intern as required by the State Licensing Board and/or school program descriptions or work contracts.

6 b. Student intern services shall not comprise more than twenty percent (20%) of total  
7 services provided.

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

12 L. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
13 Staffing Paragraph of this Exhibit A to the Agreement.

14  
15 **VI. REPORTS**

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

18 B. FISCAL

19 1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to  
20 ADMINISTRATOR. These reports will be on a form acceptable to, or provided by,  
21 ADMINISTRATOR and will report actual costs and revenues for CONTRACTOR's program described  
22 in the Services Paragraph of this Exhibit A to the Agreement. Such reports will also include actual  
23 productivity as defined by ADMINISTRATOR. The reports will be received by ADMINISTRATOR no  
24 later than the twentieth (20th) day following the end of the month being reported. CONTRACTOR must  
25 request in writing any extensions to the due date of the monthly required reports. If an extension is  
26 approved by ADMINISTRATOR, the total extension will not exceed more than five (5) calendar days.

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

34 C. STAFFING – CONTRACTOR shall submit monthly Staffing Reports to ADMINISTRATOR.  
35 These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall, at a  
36 minimum, report the actual FTEs of the positions stipulated in the Staffing Paragraph of this Exhibit A to  
37 the Agreement, staff hours worked by position, DSH provided by position, case load by position, and

1 shall include the employees' names, licensure status, bilingual and bicultural capabilities, budgeted  
 2 monthly salary, actual salary, and hire and/or termination date, and any other pertinent information as  
 3 may be required by ADMINISTRATOR. The reports will be received by ADMINISTRATOR no later  
 4 than twenty (20) calendar days following the end of the month being reported.

5 D. PROGRAMMATIC – Throughout the term of the Agreement, CONTRACTOR shall submit  
 6 monthly programmatic reports to ADMINISTRATOR, which shall be received by ADMINISTRATOR  
 7 no later than twenty (20) calendar days following the end of the month being reported. Programmatic  
 8 reports shall be in a format(s) approved by ADMINISTRATOR and shall include a description of  
 9 CONTRACTOR's progress in implementing the provisions of the Agreement, number of active cases,  
 10 number of client's admitted/discharged, details of outreach activities and their results, any pertinent facts  
 11 or interim findings, staff changes, status of licenses and/or certifications, changes in population served  
 12 and reasons for any such changes. CONTRACTOR shall be prepared to present and discuss their  
 13 programmatic reports at their monthly scheduled meetings with ADMINISTRATOR and shall state  
 14 // whether or not it is progressing satisfactorily in achieving all the terms of the Agreement, and if not,  
 15 shall specify what steps are being taken to achieve satisfactory progress.

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

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

## 24 **VII. RESPONSIBILITIES**

25 A. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all  
 26 P&Ps. CONTRACTOR shall provide signature confirmation of its P&P training for each staff member  
 27 and place in their personnel files.

28 B. CONTRACTOR shall ensure that all new clinical and supervisory staff complete the  
 29 COUNTY's Annual Provider Training, and staff responsible to input into IRIS complete the IRIS New  
 30 User Training.

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

33 D. CONTRACTOR shall agree to adopt and comply with the written Quality Improvement  
 34 Implementation Plan and procedures provided by ADMINISTRATOR which describe the requirements  
 35 for quality improvement, supervisory review, and medication monitoring.

36 E. CONTRACTOR shall agree to adopt and comply with the documentation standards as per the  
 37 COUNTY's current Annual Provider Training, DHCS State Contract, Title IX, the State EPSDT

1 Documentation Manual, the State EPSDT TBS Documentation Manual, and the EPSDT TBS  
2 Coordination of Care Best Practices Manual as provided by ADMINISTRATOR which describe, but are  
3 not limited to, the requirements for Medi-Cal and ADMINISTRATOR charting standards.

4 F. CONTRACTOR shall regularly review their charting, IRIS data input, and invoice systems to  
5 ensure compliance with COUNTY and State P&Ps and establish mechanisms to prevent inaccurate  
6 claim submissions.

7 G. CONTRACTOR shall maintain on file at the facility minutes and records of all quality  
8 improvement meetings and processes. Such records and minutes shall also be subject to regular review  
9 by ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and  
10 ADMINISTRATOR's P&Ps.

11 H. CONTRACTOR shall attend:

12 1. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical  
13 care.

14 //

15 2. Monthly meetings with ADMINISTRATOR to discuss contractual and other issues related  
16 to, but not limited to compliance with P&Ps, statistics and clinical services.

17 3. Clinical staff training for individuals by ADMINISTRATOR. Such training shall be  
18 conducted by CONTRACTOR and/or ADMINISTRATOR.

19 4. Quarterly QIC meetings.

20 I. CONTRACTOR shall allow ADMINISTRATOR to attend, and if necessary conduct, QIC and  
21 medication monitoring meetings.

22 J. PERFORMANCE OUTCOMES

23 1. CONTRACTOR shall complete Performance Outcome Measures as required by State  
24 and/or COUNTY.

25 2. ADMINISTRATOR shall develop and provide CONTRACTOR with performance outcome  
26 measure guidelines for the purpose of evaluating the impact and/or contribution of CONTRACTOR's  
27 services on the well-being of COUNTY residents being served under the terms of the Agreement. The  
28 expected outcomes for the Monitoring Plan are to enable clients to adaptively function at a higher and  
29 more appropriate level and to provide a quantifiable and repeatable measure to assess overall program  
30 effectiveness.

31 3. CONTRACTOR shall cooperate in data collection in order to develop baseline figures for  
32 future evaluation and report performance in terms of client satisfaction, length of stay, and duration of  
33 services.

34 K. TOKENS – ADMINISTRATOR shall provide CONTRACTOR the necessary number of  
35 Tokens for appropriate individual staff to access IRIS at no cost to the CONTRACTOR.

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

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

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

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

- 7 a. Token of each staff member who no longer supports the Agreement;
- 8 b. Token of each staff member who no longer requires access to IRIS;
- 9 c. Token of each staff member who leaves employment of CONTRACTOR; or
- 10 d. Token is malfunctioning;
- 11 e. Termination of the Agreement.

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

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

16 L. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice. All  
17 statistical data used to monitor CONTRACTOR shall be compiled using only COUNTY IRIS reports, if  
18 available, and if applicable.

19 M. CONTRACTOR shall obtain a NPI.

20 1. All HIPAA covered healthcare providers, individuals and organizations must obtain a NPI  
21 for use to identify themselves in HIPAA standard transactions.

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

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

31 O. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,  
32 with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the  
33 terms of the Agreement. Further, CONTRACTOR agrees that the funds provided hereunder will not be  
34 used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian  
35 institution, or religious belief.

36 //

37 //

1 P. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to  
2 conduct research activity on COUNTY clients without obtaining prior written authorization from  
3 ADMINISTRATOR.

4 Q. CONTRACTOR shall provide effective Administrative management of the budget, staffing,  
5 recording, and reporting portion of the Agreement with the COUNTY. If administrative responsibilities  
6 are delegated to subcontractors, CONTRACTOR must ensure that any subcontractor(s) possess the  
7 qualifications and capacity to perform all delegated responsibilities. These responsibilities include, but  
8 are not limited, to the following:

9 1. Designate the responsible position(s) in your organization for managing the funds allocated  
10 to the program;

11 2. Maximize the use of the allocated funds;

12 3. Ensure timely and accurate reporting of monthly expenditures;

13 4. Maintain appropriate staffing levels;

14 5. Request budget and/or staffing modifications to the Agreement;

15 6. Effectively communicate and monitor the program for its success;

16 7. Track and report expenditures electronically;

17 8. Maintain electronic and telephone communication between CONTRACTOR and  
18 ADMINISTRATOR; and

19 9. Act quickly to identify and solve problems.

20 R. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional  
21 welfare of clients, including but not limited to serious physical harm to self or others, serious destruction  
22 of property, developments, etc., and which may raise liability issues with COUNTY. CONTRACTOR  
23 shall notify COUNTY within twenty-four (24) hours of any such serious adverse incident.

24 S. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issues  
25 that adversely affect the quality or accessibility of client-related services provided by, or under contract  
26 with, the COUNTY as identified in the ADMINISTRATOR's P&Ps.

27 T. ADMINISTRATOR shall assist CONTRACTOR in monitoring CONTRACTOR's program to  
28 ensure compliance with workload standards and productivity.

29 U. ADMINISTRATOR shall review client charts to assist CONTRACTOR in ensuring compliance  
30 with ADMINISTRATOR's P&Ps and Medi-Cal documentation requirements.

31 V. ADMINISTRATOR shall review and approve all admissions, discharges from the program and  
32 extended stays in the program.

33 W. ADMINISTRATOR shall monitor CONTRACTOR's completion of corrective action plans.

34 X. ADMINISTRATOR shall monitor CONTRACTOR's compliance with ADMINISTRATOR's  
35 P&Ps.

36 Y. ADMINISTRATOR shall provide a written copy of all assessments completed on clients  
37 referred for admission.

Z. ADMINISTRATOR shall:

1. Provide, or cause to be provided, training and ongoing consultation to CONTRACTOR’s staff to assist CONTRACTOR in ensuring compliance with ADMINISTRATOR Standards of Care practices, P&Ps, DHCS State Contract, documentation standards as per the COUNTY’s Annual Provider Training, Title IX, the State EPSDT Documentation Manual, the State TBS Documentation Manual, and the EPSDT TBS Coordination of Care Best Practices Manual.

2. Assist CONTRACTOR in monitoring CONTRACTOR’s program to ensure compliance with workload standards, productivity and Medi-Cal documentation.

3. Review client charts to assist CONTRACTOR in ensuring compliance with ADMINISTRATOR’s P&Ps and Medi-Cal requirements.

4. Reviews and approves all referrals of potential clients to alternate services.

5. Reviews and approves all admissions, discharges from the program and extended stays in the program.

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AA. COUNTY’s Central Quality Review and Training shall:

1. Make available, training to CONTRACTOR’s staff in ADMINISTRATOR charting procedures.

2. Conduct periodic reviews of client charts to monitor CONTRACTOR’s compliance with ADMINISTRATOR’s P&Ps and Medi-Cal requirements.

3. Monitor CONTRACTOR’s completion of corrective action plans filed in response to Medi-Cal and other reviews.

4. Monitor CONTRACTOR’s degree of compliance with COUNTY Standards of Care and ADMINISTRATOR’s P&Ps, including but not limited to those pertaining to Quality Improvement, Medication Monitoring and Supervisory Review.

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

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EXHIBIT B  
TO AGREEMENT FOR PROVISION OF  
CHILDREN'S CRISIS RESIDENTIAL SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
COMMUNITY SERVICE PROGRAMS, INC.  
JULY 1, 2012 THROUGH JUNE 30, 2015

**I. BUSINESS ASSOCIATE CONTRACT**

**A. GENERAL PROVISIONS AND RECITALS**

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

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

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

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

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

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

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1 with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed  
2 pursuant to the Agreement.

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

37 //



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

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

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

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

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

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

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

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

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

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

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

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

32 18. "Use" shall have the meaning given to such term under the HIPAA regulations in  
33 45 CFR § 160.103.

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

37 //

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

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

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

9 D. SECURITY RULE

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

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

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

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

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

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

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

37 //

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

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

7 E. DATA SECURITY REQUIREMENTS

8 1. Personal Controls

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

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

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

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

34 2. Technical Security Controls

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



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

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

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

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

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

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

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

37 //

1 Passwords must be composed of characters from at least three (3) of the following four (4) groups from  
 2 the standard keyboard:

3 1) Upper case letters (A-Z)

4 2) Lower case letters (a-z)

5 3) Arabic numerals (0-9)

6 4) Non-alphanumeric characters (punctuation symbols)

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

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

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

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

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

31 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to  
 32 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY  
 33 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is  
 34 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files  
 35 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as  
 36 website access, file transfer, and E-Mail.

37 //

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

### 5 3. Audit Controls

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

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

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

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

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

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

### 32 5. Paper Document Controls

33 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR  
34 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left  
35 unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means  
36 that information is not being observed by an employee authorized to access the information. Such PHI  
37 //



1 in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in  
 2 baggage on commercial airplanes.

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

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

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

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

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

#### 24 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

18 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in  
19 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the  
20 COUNTY.

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

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

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

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

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

G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

1 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by  
2 42 USC § 17935(d)(2).

3 I. OBLIGATIONS OF COUNTY

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

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

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

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

15 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

37 //

EXHIBIT C  
TO AGREEMENT FOR PROVISION OF  
CHILDREN'S CRISIS RESIDENTIAL SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
COMMUNITY SERVICE PROGRAMS, INC.  
JULY 1, 2012 THROUGH JUNE 30, 2015

**I. PERSONAL INFORMATION AND SECURITY CONTRACT**

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

**A. DEFINITIONS**

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

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

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

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

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

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

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

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

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



1 is sought under a government program providing public benefits.

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

5 B. TERMS OF AGREEMENT

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

10 2. Responsibilities of CONTRACTOR

11 CONTRACTOR agrees:

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

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

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

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

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

33 3) If the data obtained by CONTRACTOR from COUNTY includes PII,  
34 CONTRACTOR shall also comply with the substantive privacy and security requirements in the  
35 CMPPA Agreement between SSA and CHHS and in the Agreement between SSA and DHCS, known as  
36 the IEA. The specific sections of the IEA with substantive privacy and security requirements to be  
37 complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information

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

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

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

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

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

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

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

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