

1 AGREEMENT FOR PROVISION OF
2 ADULT MENTAL HEALTH INTENSIVE ~~REHABILITATION~~
3 ~~AND~~ RESIDENTIAL SERVICES

4 BETWEEN
5 COUNTY OF ORANGE
6 AND

7 ~~ASC TREATMENT GROUP~~
8 ~~dba ANNE SIPPI CLINIC~~

9 «UC PROVIDER»

10 «UC DBA»

11 JULY 1, ~~2012~~ 2014 THROUGH JUNE 30, ~~2014~~ 2017

12
13 THIS AGREEMENT entered into this 1st day of July ~~2012~~ 2014, which date is enumerated for
14 purposes of reference only, is by and between the COUNTY OF ORANGE (COUNTY) and
15 ~~ASC TREATMENT GROUP dba ANNE SIPPI CLINIC, a California General~~
16 ~~Partnership, «UC PROVIDER» «UC DBA», a «CORP_STAT»,~~ (CONTRACTOR). This Agreement
17 shall be administered by the County of Orange Health Care Agency (ADMINISTRATOR).

18
19 **W I T N E S S E T H:**

20
21 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of
22 Adult Mental Health Intensive ~~Rehabilitation and~~ Residential Services described herein to the residents
23 of Orange County; and

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

26 NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

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REFERENCED CONTRACT PROVISIONS

Term: July 1, ~~2012~~2014 through June 30, ~~2014~~2017

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

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

Period Three means the period from July 1, 2016 through June 30, 2017

Aggregate Maximum Obligation:

Period One Maximum Obligation:	\$ 204,400 348,757
Period Two Maximum Obligation:	-204,400 348,757
Period Three Maximum Obligation:	348,757
TOTAL <u>AGGREGATE</u> MAXIMUM OBLIGATION:	\$408,8001,046,271

Basis for Reimbursement: Fee for Service

Payment Method: Fee for Service

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: ~~Attn: Administrator~~ «CONTACT»

~~ASC Treatment Group
 dba Anne Sippi Clinic
 2457 Endicott Street
 Los Angeles, CA 90032~~

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

1	Employer's Liability Insurance	\$1,000,000 per occurrence
2		
3	Professional Liability Insurance	\$1,000,000 per claims made or
4		per occurrence
5	Sexual Misconduct	\$1,000,000 per occurrence
6	«LC_PROVIDER»	
7	«LC_DBA»	
8	«ADDRESS»	
9	«CITY_STATE_ZIP»	
10	«CONTACT_EMAIL»	
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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:

4	A.	AA	Alcoholics Anonymous	<u>ADL</u>	<u>Activities of Daily Living</u>
5	B.	ABC	Allied Behavioral Care		
6	B.	AES		<u>Advanced Encryption Standard</u>	
7	C.	ADL	Activities of Daily Living		
8	D.	AIS		<u>Additional Income Sources</u>	<u>Source</u>
9	D.	E.	AMA		<u>Against Medical Advice</u>
10	E.	F.	AMHS	Adult Mental Health Services	
11	G.	ARRA		<u>American Recovery and Reinvestment Act</u>	
12	F.	BCP		<u>Business Continuity Plan</u>	
13	G.	H.	ASO	Administrative Service Organization	
14	I.	ASRS	Alcohol and Drug Programs Reporting System		
15	J.	AWOL	Absent Without Leave		
16	K.	BBS	Board of Behavioral Sciences		
17	L.	BHS	Behavioral Health Services		
18	M.	CAT	Centralized Assessment Team		
19	N.	CCC		<u>California Civil Code</u>	
20	H.	O.	CCR		<u>California Code of Regulations</u>
21	I.	CD/DVD		<u>Compact Disc/Digital Video or Versatile Disc</u>	
22	J.	CEO		<u>County Executive Office</u>	
23	K.	P.	CFR		<u>Code of Federal Regulations</u>
24	L.	CHHS		<u>California Health and Human Services Agency</u>	
25	M.	Q.	CHPP		<u>COUNTY HIPAA Policies and Procedures</u>
26	N.	CIPA		<u>California Information Practices Act</u>	
27	O.	CMPPA		<u>Computer Matching and Privacy Protection Act</u>	
28	P.	COI		<u>Certificate of Insurance</u>	
29	Q.	R.	CHS	Correctional Health Services	
30	S.	CSW	Clinical Social Worker		
31	T.	CYS	Child Youth Services		
32	U.	D/MC	Drug/Medi-Cal		
33	V.	DCR	Data Collection and Reporting		
34	W.	DD	Dual Disorders		
35	X.	DHCS		<u>Department of Health Care Services</u>	
36	R.	DMS		<u>Drug Program Fiscal Systems</u>	
37	Z.	DRS	Designated Record Set		

- 1 ~~AA. DSH~~ ~~Direct Service Hours~~
- 2 ~~AB. DSM-IV-TR~~ Diagnostic and Statistical Manual of Mental Disorders-
- 3 ~~Fourth Edition Text Revision~~
- 4 ~~S. DoD~~ Department of Defense
- 5 ~~T. DRP~~ Disaster Recovery Plan
- 6 ~~U. DRS~~ Designated Record Set
- 7 ~~V. E-Mail~~ Electronic Mail
- 8 ~~W. AC. EBP~~ Evidence Based Practice
- 9 ~~AD. EHR~~ Electronic Health Record Records
- 10 ~~X. ePHI~~ Electronic Protected Health Information
- 11 ~~Y. FIPS~~ Federal Information Processing Standards
- 12 ~~Z. GAAP~~ Generally Accepted Accounting Principles
- 13 ~~AA. AE. FAX~~ Facsimile Machine
- 14 ~~AF. FSP~~ Full Service Partnership
- 15 ~~AG. FTE~~ Full Time Equivalent
- 16 ~~AH. HCA~~ Health Care Agency
- 17 ~~AB. AI.~~ HHS Health and Human Services
- 18 ~~AC. AJ. HIPAA~~ Health Insurance Portability and Accountability Act of 1996,
- 19 ~~Public Law 104-191~~
- 20 ~~AD. AK. HSC~~ California Health and Safety Code
- 21 ~~AE. ID~~ Identification
- 22 ~~AF. AL. IRIS~~ Integrated Records IEA Information
- 23 ~~System Exchange Agreement~~
- 24 ~~AG. ISO~~ Insurance Services Office
- 25 ~~AH. AM. KET~~ Key Events Tracking
- 26 ~~AN. LPS~~ Lanterman-Petris Short
- 27 ~~AI. AO.~~ LPT Licensed Psychiatric Technician
- 28 ~~AP. LTC~~ Long Term Care
- 29 ~~AQ. MFT~~ Marriage and Family Therapist
- 30 ~~AR. MHP~~ Mental Health Plan
- 31 ~~AJ. MHSA~~ Mental Health Plan Services Act
- 32 ~~AK. NIST~~ National Institute of Standards and Technology
- 33 ~~AL. AS.~~ MHS Mental Health Specialist
- 34 ~~AT. MHSA~~ Mental Health Services Act
- 35 ~~AU. MIHS~~ Medical and Institutional Health Services
- 36 ~~AV. MIO~~ Mentally III Offender
- 37 ~~AW. MIOP~~ Mentally III Offender Pedophile

- 1 ~~AX. MORS~~ ~~Milestones of Recovery Scale~~
- 2 ~~AY. MTP~~ ~~Master Treatment Plan~~
- 3 ~~AZ. NA~~ ~~Narcotics Anonymous~~
- 4 ~~BA. NOA-A~~ ~~Notice of Action~~
- 5 ~~BB. NP~~ ~~Nurse Practitioner~~
- 6 ~~BC. NPI~~ ~~[REDACTED]~~ ~~National Provider Identifier~~ ~~Identification~~
- 7 ~~BD. AM.~~ ~~[REDACTED]~~ ~~NPP~~ ~~[REDACTED]~~ ~~Notice of Privacy Practices~~
- 8 ~~BE. OCJS~~ ~~Orange County Jail System~~
- 9 ~~BF. OCPD~~ ~~Orange County Probation Department~~
- 10 ~~BG. AN.~~ ~~[REDACTED]~~ ~~OCR~~ ~~[REDACTED]~~ ~~Office for Civil Rights~~
- 11 ~~BH. OCSD~~ ~~Orange County Sheriff's Department~~
- 12 ~~BI. OIG~~ ~~Office of Inspector General~~
- 13 ~~BJ. AO.~~ ~~[REDACTED]~~ ~~OMB~~ ~~[REDACTED]~~ ~~Office of Management and Budget~~
- 14 ~~BK. AP.~~ ~~[REDACTED]~~ ~~OPM~~ ~~[REDACTED]~~ ~~Federal Office of Personnel Management~~
- 15 ~~BL. P&P~~ ~~Policies and Procedures~~
- 16 ~~BM. PADSS~~ ~~Payment Application Data Security Standard~~
- 17 ~~BN. PAF~~ ~~Partnership Assessment Form~~
- 18 ~~BO. PBM~~ ~~Pharmaceutical Benefits Management~~
- 19 ~~BP. AQ.~~ ~~[REDACTED]~~ ~~PC~~ ~~[REDACTED]~~ ~~State of California Penal Code~~
- 20 ~~AR.~~ ~~BQ.~~ ~~PCI DSS~~ ~~Payment Card Industry Data Security Standard~~
- 21 ~~BR. PEI~~ ~~Prevention and Early Intervention~~
- 22 ~~BS. PHI~~ ~~[REDACTED]~~ ~~Protected Health Information~~
- 23 ~~AS. PI~~ ~~[REDACTED]~~ ~~Personal Information~~
- 24 ~~AT.~~ ~~BT.~~ ~~PII~~ ~~[REDACTED]~~ ~~Personally Identifiable Information~~
- 25 ~~AU.~~ ~~BU.~~ ~~PRA~~ ~~[REDACTED]~~ ~~Public Record Act~~
- 26 ~~AV. SIR~~ ~~[REDACTED]~~ ~~Self-Insured Retention~~
- 27 ~~AW.~~ ~~BV.~~ ~~PSC~~ ~~Personal Services Coordinator~~
- 28 ~~BW. QIC~~ ~~Quality Improvement Committee~~
- 29 ~~BX. RN~~ ~~Registered Nurse~~
- 30 ~~BY. SNC~~ ~~Skilled Nursing Care~~
- 31 ~~BZ. SNF/STP~~ ~~[REDACTED]~~ ~~Skilled Nursing Facility~~
- 32 ~~CA. STP~~ ~~[REDACTED]~~ ~~with Special Treatment Program~~
- 33 ~~CB. SRAS~~ ~~Suicide Risk Assessment Standards~~
- 34 ~~CC. SSA~~ ~~Social Services Agency~~
- 35 ~~CD. AX.~~ ~~[REDACTED]~~ ~~SSI~~ ~~Social Security Income~~
- 36 ~~CE. /SSP~~ ~~[REDACTED]~~ ~~Supplemental Security Payment~~ ~~Income/State Supplemental Income~~
- 37 ~~CF. TAR~~ ~~Treatment Authorization Request~~

- 1 ~~CG. TAY~~ ~~Transitional Age Youth~~
- 2 ~~CH.~~ ~~AY. The HITECH Act The Health Information Technology for~~
- 3 ~~Economic and Clinical Health,~~ ~~Public Law 111-005~~
- 4 ~~AZ.~~ ~~UMDAP~~ ~~Universal~~ ~~Uniform~~ ~~Method of Determining Ability to Pay~~
- 5 ~~CI.~~ ~~BA.~~ ~~USC~~ ~~United States Code~~
- 6 ~~BB.~~ ~~UOS~~ ~~Unit of Service~~
- 7 ~~BC.~~ ~~CJ.~~ ~~WIC~~ ~~State of California Welfare and Institutions Code~~
- 8 ~~CK. WRAP~~ ~~Wellness Recovery Action Plan~~
- 9 ~~CL. XML~~ ~~Extensible Markup Language~~

II. ALTERATION OF TERMS

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

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

III. ASSIGNMENT OF DEBTS

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

29 #

IV. COMPLIANCE

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

34 1. ADMINISTRATOR shall ~~ensure that~~ provide CONTRACTOR ~~is made aware~~ with a copy of
35 the relevant HCA policies and procedures relating to HCA’s Compliance Program, HCA’s Code of
36 Conduct and General Compliance Trainings.

37 2. CONTRACTOR has the option to adhere to HCA’s Compliance Program and Code of

1 Conduct or establish its own, provided CONTRACTOR's Compliance Program and Code of Conduct
 2 have been verified to include all required elements by ADMINISTRATOR's Compliance
 3 Program Officer as described in subparagraphs below.

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

8 4. If CONTRACTOR elects to have its own Compliance Program and Code of Conduct then it
 9 shall submit a copy of its Compliance Program, Code of Conduct and relevant policies and procedures to
 10 ADMINISTRATOR within thirty (30) calendar days of award of this Agreement. ADMINISTRATOR's
 11 Compliance Officer shall determine if CONTRACTOR Compliance Program and Code of Conduct
 12 contains all required elements. CONTRACTOR shall take necessary action to meet said standards or
 13 shall be asked to acknowledge and agree to the HCA's Compliance Program and Code of Conduct if the
 14 CONTRACTOR's Compliance Program and Code of Conduct does not contain all required elements.

15 5. Upon written confirmation from ADMINISTRATOR's Compliance Officer that the
 16 CONTRACTOR Compliance Program and Code of Conduct contains all required elements,
 17 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of
 18 CONTRACTOR's Compliance Program, Code of Conduct and related policies and procedures.

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

23 ~~2~~ B. SANCTION SCREENING – CONTRACTOR shall adhere to all screening policies and
 24 procedures and screen all Covered Individuals employed or retained to provide services related to this
 25 Agreement to ensure that they are not designated as Ineligible Persons, as pursuant to this Agreement.
 26 Screening shall be conducted against the General Services Administration's Excluded Parties List
 27 System or System for Award Management, the Health and Human Services/Office of Inspector General
 28 List of Excluded Individuals/Entities, and the California Medi-Cal Suspended and Ineligible Provider
 29 List and/or any other as identified by the ADMINISTRATOR.

30 1. Covered Individuals includes all contractors, subcontractors, agents, and other persons who
 31 provide health care items or services or who perform billing or coding functions on behalf of
 32 ~~HCA~~ ADMINISTRATOR. Notwithstanding the above, this term does not include part-time or per-
 33 diem employees, contractors, subcontractors, agents, and other persons who are not reasonably expected
 34 to work more than one hundred sixty (160) hours per year; except that any such individuals shall become
 35 Covered Individuals at the point when they work more than one hundred sixty (160) hours during the
 36 calendar year. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are

37 //

1 made aware of ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and
2 procedures.

3 ~~2. An~~ ~~3. CONTRACTOR has the option to adhere to ADMINISTRATOR's~~
4 ~~Compliance Program or establish its own, provided CONTRACTOR's Compliance Program has been~~
5 ~~verified to include all required elements by ADMINISTRATOR's Compliance Officer as described in~~
6 ~~subparagraphs A.4., A.5., A.6., and A.7. below.~~

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

10 ~~5. ADMINISTRATOR's Compliance Officer shall determine if CONTRACTOR's~~
11 ~~Compliance Program contains all required elements. CONTRACTOR shall take necessary action to~~
12 ~~meet said standards or shall be asked to acknowledge and agree to the ADMINISTRATOR's~~
13 ~~Compliance Program if the ADMINISTRATOR's Compliance Program does not contain all required~~
14 ~~elements.~~

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

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

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

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

29 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in ~~the~~
30 federal and state health care programs; or

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

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

37 //

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

7 ~~45.~~ Covered Individuals shall be required to disclose to CONTRACTOR immediately any
 8 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
 9 CONTRACTOR shall notify ADMINISTRATOR immediately ~~upon such disclosure~~ if a Covered
 10 Individual providing services directly relative to this Agreement becomes debarred, excluded or
 11 otherwise becomes an Ineligible Person.

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

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

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

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

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

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

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

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

36 ~~D. D. CODE OF CONDUCT – ADMINISTRATOR has developed a Code of Conduct for~~
 37 ~~adherence by ADMINISTRATOR's employees and contract providers.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

V. CONFIDENTIALITY

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

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

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

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

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

VI. DELEGATION, ASSIGNMENT AND SUBCONTRACTS

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

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

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

1 clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal
2 Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.

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

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

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

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

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

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

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

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

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

37 //

1 **VII. EMPLOYEE ELIGIBILITY VERIFICATION**

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

11
12 **VIII. ~~EXPENDITURE REPORT~~. EXPENDITURE AND REVENUE REPORT**

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

18 B. CONTRACTOR may be required to submit periodic Expenditure and Revenue Reports
19 throughout the term of ~~the~~this Agreement.

20
21 **IX. FACILITIES, PAYMENTS AND SERVICES**

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

27 ~~B. CONTRACTOR shall, at its own expense, provide and maintain the organizational and~~
28 ~~administrative capabilities required to carry out its duties and responsibilities under this Agreement and~~
29 ~~in accordance with all the applicable statutes and regulations pertaining to Medi-Cal Providers.~~

30
31 **X. INDEMNIFICATION AND INSURANCE**

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

1 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the
2 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and
3 COUNTY agree that liability will be apportioned as determined by the court. Neither party shall request
4 a jury apportionment.

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

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

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

18 E. QUALIFIED INSURER

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

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

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

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

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation, Employer's Statutory	
Employers' Liability, and 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 0012, CA 00 20, or a substitute form providing coverage at least as broad.

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

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

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

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

~~3. "This insurance shall not be canceled, limited or non-renewed until after thirty (30)~~

~~calendar days written notice has been given to Orange County HCA/Contract Development and Management, 405 West 5th Street, Suite 600, Santa Ana, CA 92701-4637."~~

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

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

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

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

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

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

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

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

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

Q. SUBMISSION OF INSURANCE DOCUMENTS

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

a. Prior to the start date of this Agreement.

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

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

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

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

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

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

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

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

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

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22 **XI. INSPECTIONS AND AUDITS**

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

33 ~~1. These audits, reviews, evaluations, or examinations may include, but are not limited to, the~~
34 ~~following:~~

35 ~~a. Level and quality of care, including the necessity and appropriateness of the services~~
36 ~~provided.~~

37 ~~b. Internal procedures for assuring efficiency, economy, and quality of care.~~

~~c. Compliance with COUNTY Client Grievances Procedures.~~

~~d. Financial records when determined necessary to protect public funds.~~

~~2. COUNTY shall provide CONTRACTOR with at least seventy two (72) hours notice of such inspections or evaluations. Unannounced inspections, evaluations, or requests for information may be made in those situations where arrangement of an appointment beforehand is not possible or is inappropriate due to the nature of the inspection or evaluation.~~

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

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

~~D. AUDIT RESPONSE~~

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

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

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

XII. LICENSES AND LAWS

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

1 ~~pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers~~
 2 ~~and exemptions. Said inability shall be cause for termination of this Agreement.~~ CONTRACTOR shall
 3 notify ADMINISTRATOR immediately and in writing of its inability to obtain or maintain, irrespective
 4 of the pendency of ~~an appeal~~ any hearings or appeals, permits, licenses, approvals, certificates,
 5 accreditations, waivers and exemptions. Said inability shall be cause for termination of this Agreement.

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

10 ~~1. WIC, Divisions 5, 6 and 9.~~

11 ~~2. B. State of HSC, §§1250 et seq.~~

12 ~~3. PC, Part 4, Title 1, Chapter 2, Article 2.5 relating to Child Abuse Reporting.~~

13 ~~4. CCR, Title 9, Title 17, and Title 22.~~

14 ~~5. CFR, Title 42 and Title 45.~~

15 ~~6. USC Title 42.~~

16 ~~7. Federal Social Security Act, Title XVIII and Title XIX.~~

17 ~~8. 42 USC, Chapter 126, 12101, et seq., the Americans with Disabilities Act of 1990.~~

18 ~~9. 42 USC, §114 and §§1857, et seq., the Clean Air Act.~~

19 ~~10. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.~~

20 ~~11. 31 USC 7501.70, Federal single Audit Act of 1984.~~

21 ~~12. Policies and procedures set forth in MHP Letters.~~

22 ~~13. Policies and procedures set forth in DHCS Letters.~~

23 ~~14. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.~~

24 ~~15. OMB Circulars A-87, A-89, A-110, A-122.~~

25 ~~16. Federal Medicare Cost reimbursement principles and cost reporting standards;~~

26 ~~17. Orange County Medi-Cal Mental Health Managed Care Plan.~~

27 ~~18. Short Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case~~

28 ~~Management~~

29 ~~— C. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS~~

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

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

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

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

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

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

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

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

17 1. ARRA of 2009.

18 2. WIC, Divisions 5, 6 and 9.

19 3. State of HSC, §§1250 et seq.

20 4. PC, Part 4, Title 1, Chapter 2, Article 2.5 relating to Child Abuse Reporting.

21 5. CCR, Title 9, Title 17, and Title 22.

22 6. CFR, Title 42 and Title 45.

23 7. USC Title 42.

24 8. Federal Social Security Act, Title XVIII and Title XIX.

25 9. 42 USC, Chapter 126, 12101, et seq., the Americans with Disabilities Act of 1990.

26 10. 42 USC, §114 and §§1857, et seq., the Clean Air Act.

27 11. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.

28 12. 31 USC 7501.70, Federal Single Audit Act of 1984.

29 13. Policies and procedures set forth in Mental Health Services Act.

30 14. Policies and procedures set forth in DHCS Letters.

31 15. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.

32 16. OMB Circulars A-87, A-89, A-110, A-122.

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XIII. 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 ~~the other party~~ 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 at least thirty (30) days and in writing by ADMINISTRATOR.

~~XIII.~~ 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.

XIV. MAXIMUM OBLIGATION

A. The ~~Total~~ Aggregate Maximum ~~Obligations~~ Obligation of COUNTY for services provided in accordance with ~~this Agreement and the separate Maximum Obligations~~ all agreements for Adult Mental Health Intensive Residential Services during Period One ~~and~~ Period Two and Period Three are as specified in the Referenced Contract Provisions of this Agreement. This specific Agreement with CONTRACTOR is only one of several agreements to which this Aggregate Maximum Obligation applies. It therefore is understood by the parties that reimbursement to CONTRACTOR will be only a fraction of these Aggregate Maximum Obligations.

B. ~~, except as allowed~~ ADMINISTRATOR may amend the Aggregate Maximum Obligation by an amount not to exceed ten percent (10%) for ~~in subparagraph B. below.~~ Period One of funding for this Agreement.

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~~XV.~~ ~~B. Upon written request by CONTRACTOR, and at sole discretion of ADMINISTRATOR, ADMINISTRATOR may increase or decrease the Period One and Period Two Maximum Obligations,~~

~~provided the total of these Maximum Obligations does not exceed the Total Maximum Obligation of COUNTY as specified in the Referenced Contract Provisions of this Agreement. XIV.~~

NONDISCRIMINATION

A. EMPLOYMENT

1. During the ~~performance~~ term of this Agreement, CONTRACTOR ~~and its Covered Individuals~~ shall not unlawfully discriminate against any employee or applicant for employment because of his/her ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability. Additionally, during the term of this Agreement, CONTRACTOR and its Covered Individuals shall require in its subcontracts that subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of his/her ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability.

~~2. CONTRACTOR shall warrant that the evaluation and treatment of employees and applicants for employment are free from discrimination~~ CONTRACTOR and its Covered Individuals shall not discriminate against employees or applicants for employment in the areas of employment, promotion, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship.

~~3. There shall be posted~~ CONTRACTOR shall not discriminate between employees with spouses and employees with domestic partners, or discriminate between domestic partners and spouses of those employees, in the provision of benefits.

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

~~25.~~ All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR ~~and/or subcontractor~~ shall state that all qualified applicants will receive consideration for employment without regard to ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability. Such ~~requirement~~ requirements shall be deemed fulfilled by use of the ~~phrase "an equal opportunity employer."~~ term EOE.

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

B. SERVICES, BENEFITS, AND FACILITIES – CONTRACTOR ~~and/or subcontractor~~ shall not discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities

1 on the basis of ethnic group identification, race, religion, ancestry, color, creed, sex, marital status,
 2 national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability
 3 in accordance with Title IX of the Education Amendments of 1972 as they relate to 20 USC §1681 -
 4 §1688; Title VI of the Civil Rights Act of 1964
 5 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); and Title 9, Division 4,
 6 Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations, as applicable, and all other
 7 pertinent rules and regulations promulgated pursuant thereto, and as otherwise provided by state law and
 8 regulations, as all may now exist or be hereafter amended or changed.

9 ~~1.~~ For the purpose of this ~~subparagraph B.~~ Nondiscrimination paragraph, Discrimination
 10 includes, but is not limited to the following based on one or more of the factors identified above:

- 11 ~~a~~1. Denying a client or potential client any service, benefit, or accommodation.
- 12 ~~b~~2. Providing any service or benefit to a client which is different or is provided in a
 13 different manner or at a different time from that provided to other clients.
- 14 ~~e~~3. Restricting a client in any way in the enjoyment of any advantage or privilege enjoyed
 15 by others receiving any service or benefit.
- 16 ~~d~~4. Treating a client differently from others in satisfying any admission requirement or
 17 condition, or eligibility requirement or condition, which individuals must meet in order to be provided
 18 any service or benefit.
- 19 ~~e~~5. Assignment of times or places for the provision of services.

20 C. COMPLAINT PROCESS ~~2.~~ ~~Complaint Process~~ – CONTRACTOR shall
 21 establish procedures for advising all clients through a written statement that
 22 ~~CONTRACTOR's~~ CONTRACTOR and/or subcontractor's clients may file all complaints alleging
 23 discrimination in the delivery of services with CONTRACTOR, subcontractor, and
 24 ADMINISTRATOR, or ~~the~~ COUNTY's Patient's Rights Office. ~~CONTRACTOR's statement shall~~
 25 ~~advise clients of the following:~~

- 26 ~~a~~ a. COUNTY shall establish a formal resolution and grievance process in the event
 27 informal processes do not yield a resolution.
- 28 b. Throughout the problem resolution and grievance process, client rights shall be maintained,
 29 including access to the Patients' Rights Office at any point in the process. Clients shall be informed of
 30 their right to access the Patients' Rights Office at any time.

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

35 ~~1)~~ a. COUNTY shall establish a formal resolution and grievance process in the event
 36 informal processes do not yield a resolution.
 37

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

b. ~~In those cases where~~ Throughout the ~~client's complaint is filed initially with~~ problem resolution and grievance process, client rights shall be maintained, including access to the Patients' Rights Office, at any point in the process. Clients shall be informed of their right to access the Patients' Rights Office ~~may proceed to investigate the client's complaint~~ at any time.

~~e2.~~ Within the time limits procedurally imposed, the complainant shall be notified in writing as to the findings regarding the alleged complaint and, if not satisfied with the decision, may file an appeal ~~with the Patients' Rights Office.~~

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

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

~~E~~ //

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

XVI. NOTICES

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

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

2. When faxed, transmission confirmed;

3. When sent by Email; or

//

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

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

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

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

11 ~~E. In the event~~

12 **XVII. NOTIFICATION OF DEATH**

13 A. Upon becoming aware of ~~athe~~ death, ~~notification~~ of any person served pursuant to this
14 Agreement, CONTRACTOR shall immediately notify ADMINISTRATOR.

15 B. ~~be made in accordance with the Notification~~ All Notifications of Death ~~paragraph of this~~
16 ~~Agreement~~ provided to ADMINISTRATOR by CONTRACTOR shall contain the name of the deceased,
17 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. ~~XVI. Notification of Death~~

19 ~~A. NON TERMINAL ILLNESS DEATH~~

20 1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by
21 telephone immediately upon becoming aware of the death due to non-terminal illness of any person
22 served ~~hereunder~~ pursuant to this Agreement; provided, however, weekends and holidays shall not be
23 included for purposes of computing the time within which to give telephone notice and, notwithstanding
24 the time limit herein specified, notice need only be given during normal business hours.

25 2. ~~In addition,~~ WRITTEN NOTIFICATION

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

30 b. TERMINAL ILLNESS – ~~3. The telephone report and written~~
31 ~~Notification of Non-Terminal Illness Death shall contain the name of the deceased, the date and time of~~
32 ~~death, the nature and circumstances of the death, and the name(s) of CONTRACTOR's officers or~~
33 ~~employees with knowledge of the incident.~~

34 #

35 #

36 ~~B. TERMINAL ILLNESS DEATH~~

37 ~~1. CONTRACTOR shall notify ADMINISTRATOR by written report faxed, hand delivered,~~

1 faxed, sent via encrypted email, and/or postmarked and sent via U.S. Mail within forty-eight (48) hours
 2 of becoming aware of the death due to terminal illness of any person served hereunder. ~~The Notification~~
 3 ~~of Terminal Illness Death shall contain the name of the deceased, the date and time of death, the nature~~
 4 ~~and circumstances of the death, and the name(s) of CONTRACTOR's officers or employees with~~
 5 ~~knowledge of the incident~~ pursuant to this Agreement.

6 ~~2C.~~ If there are any questions regarding the cause of death of any person served
 7 hereunder pursuant to this Agreement who was diagnosed with a terminal illness, or if there are any
 8 unusual circumstances related to the death, CONTRACTOR shall immediately notify
 9 ADMINISTRATOR in accordance with ~~subparagraph A. above~~ this Notification of Death Paragraph.

11 ~~XVIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS~~
 12 . NOTIFICATION OF PUBLIC EVENTS AND MEETINGS

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

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

21 XIX. RECORDS MANAGEMENT AND MAINTENANCE

22 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term
 23 of this Agreement, prepare, maintain and manage records appropriate to the services provided and in
 24 accordance with this Agreement and all applicable requirements, ~~which include, but are not limited to:~~

25 ~~1. California Code of Regulation Title 22, §§70751(c), 71551(c), 73543(a), 74731(a),~~
 26 ~~75055(a), 75343(a), and 77143(a).~~

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

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

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

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35 //

36 C. CONTRACTOR's participant, client, and/or patient records shall be maintained in a secure
 37 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish

1 and implement written record management procedures.

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

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

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

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

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

- 16 1. The medical records and billing records about individuals maintained by or for a covered
17 health care provider;
- 18 2. The enrollment, payment, claims adjudication, and case or medical management record
19 systems maintained by or for a health plan; or
- 20 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.

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

- 24 1. Have documents readily available within forty-eight (48) hour notice of a scheduled audit or
25 site visit.
- 26 2. Provide auditor or other authorized individuals access to documents via a computer
27 terminal.
- 28 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if
29 requested.

30 ~~H.J.~~ J. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and
31 security of PII and/or PHI. CONTRACTOR shall ~~notify COUNTY immediately by telephone call plus~~
32 ~~email or fax upon the discovery of a breach~~ Breach of ~~privacy-unsecured PHI~~ and/or ~~security of PII~~
33 ~~and/or PHI by CONTRACTOR, notify ADMINISTRATOR of such breach by telephone and email or~~
34 ~~faesimile.~~

35 //

36 ~~I.K.~~ K. CONTRACTOR may be required to pay any costs associated with a ~~breach~~ Breach of privacy
37 and/or security of PII and/or PHI, including but not limited to the costs of notification. CONTRACTOR

1 shall pay any and all such costs arising out of a ~~breach~~Breach of privacy and/or security of PII and/or
2 PHI.

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

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

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

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

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

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

21 ~~XX. REVENUE. RESEARCH AND PUBLICATION~~

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

25 XXI. REVENUE

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

34 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all
35 available third-party reimbursement for which persons served ~~hereunder~~ pursuant to this Agreement may
36 be eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR's usual and
37 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 D. OTHER REVENUES – CONTRACTOR shall charge for services, supplies, or facility use by
8 persons other than individuals or groups eligible for services pursuant to this Agreement.

9
10 **XXII. RIGHT TO WORK AND MINIMUM WAGE LAWS**

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

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

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

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

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36 **XXIII. SEVERABILITY**

37 If a court of competent jurisdiction declares any provision of this Agreement or application thereof

1 to any person or circumstances to be invalid or if any provision of this Agreement contravenes any
 2 federal, state or county statute, ordinance, or regulation, the remaining provisions of this Agreement or
 3 the application thereof shall remain valid, and the remaining provisions of this Agreement shall remain
 4 in full force and effect, and to that extent the provisions of this Agreement are severable.

6 **XXIV. SPECIAL PROVISIONS**

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

9 1. Making cash payments to intended recipients of services through this Agreement.

10 2. Lobbying any governmental agency or official ~~or making political contributions.~~

11 CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to
 12 Title 31, USC, §1352 (e.g., limitation on use of appropriated funds to influence certain federal
 13 contracting and financial transactions).

14 3. ~~Supplanting current funding for existing services.~~

15 ~~4. Fundraising.~~

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

18 ~~6. Reimbursement of CONTRACTOR's members of the Board of Directors for expenses or~~
 19 ~~services.~~

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

23 ~~8. Paying an individual salary or compensation for services at a rate in excess of the current~~
 24 ~~Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary~~
 25 ~~Schedule may be found at www.opm.gov.~~

26 ~~9. Severance pay for separating employees.~~

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

29 ~~10. Supplanting current funding for existing services.~~

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

32 ~~1. Purchasing or improving land, including constructing or permanently improving~~
 33 ~~any building or facility, except for tenant improvements.~~

34 ~~2. Providing inpatient hospital services or purchasing major medical equipment.~~

35 //

36 ~~3. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal~~
 37 ~~funds (matching).~~

- ~~4.~~ Funding travel or training (excluding mileage or parking).
- ~~5~~2. Making phone calls outside of the local area unless documented to be directly for the purpose of client care.
- ~~6~~3. Payment for grant writing, consultants, certified public accounting, or legal services.
- ~~7~~4. Purchase of artwork or other items that are for decorative purposes and do not directly contribute to the quality of services to be provided pursuant to this Agreement.

XXV. 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/COUNTY’S employees and shall not be considered in any manner to be COUNTY/COUNTY’S employees.

XXVI. ~~TERM~~TERM

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

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XXVII. TERMINATION

A. Either party may terminate this Agreement, without cause, upon thirty (30) calendar days

1 written notice given the other party.

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

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

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

22 D. CONTINGENT FUNDING

- 23 1. Any obligation of COUNTY under this Agreement is contingent upon the following:
 - 24 a. The continued availability of federal, state and county funds for reimbursement of
25 COUNTY’s expenditures, and
 - 26 b. Inclusion of sufficient funding for the services hereunder in the applicable budget
27 approved by the Board of Supervisors.
- 28 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
29 terminate or renegotiate this Agreement upon thirty (30) calendar days written notice given
30 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated
31 funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.

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

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

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

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

5 ~~3~~ 3. Until the date of termination, continue to provide the same level of service required
6 by this Agreement.

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

10 4.5. Assist ADMINISTRATOR in effecting the transfer of clients in a manner consistent with
11 client's best interests.

12 5.6. If records are to be transferred to COUNTY, pack and label such records in accordance with
13 directions provided by ADMINISTRATOR.

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

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

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

25
26 **XXVIII. THIRD PARTY BENEFICIARY**

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

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36 **XXIX. WAIVER OF DEFAULT OR BREACH**

37 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any

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

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

3
4 ~~ASC TREATMENT GROUP dba ANNE SIPPI CLINIC~~

5 «UC_NAME»
6 «UC_DBA»
7

8 BY: _____ DATED: _____
9

10 TITLE: _____
11

12
13 BY: _____ DATED: _____
14

15 TITLE: _____
16

17
18 COUNTY OF ORANGE
19

20
21 BY: _____ DATED: _____
22

23 HEALTH CARE AGENCY
24

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

30
31 BY: _____ DATED: _____
32

33 DEPUTY
34
35

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
37 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 ~~HCA~~ ADMINISTRATOR.

EXHIBIT A

TO AGREEMENT ~~WITH~~ FOR PROVISION OF

~~ASC TREATMENT GROUP~~

~~dba ANNE SIPPI CLINIC~~

ADULT MENTAL HEALTH INTENSIVE RESIDENTIAL SERVICES

BETWEEN

COUNTY OF ORANGE

AND

«UC PROVIDER»

«UC DBA»

JULY 1, ~~2012~~ 2014 THROUGH JUNE 30, ~~2014~~ 2017

I. COMMON TERMS AND DEFINITIONS

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

~~A~~ 1. ADL ~~means~~ refers to diet, personal hygiene, clothing care, grooming, money and household management, personal safety, symptom monitoring, etc.

2. AWOL refers to absent without leave and refers to a client being away from the facility without permission or a doctors order.

~~3.~~ AIS refers to ~~B.~~ ~~Additional Income Source~~ ~~means~~ all income other than SSI and includes such sources of income as retirement income, disability income, trust fund income, Social Security income, Veteran’s Affairs disability income, etc.

~~C~~ 4. Client Day means one (1) calendar day during which CONTRACTOR provides all of the services described hereunder, including the day of admission and excluding the day of discharge. If admission and discharge occur on the same day, one (1) client day shall be charged.

~~D~~ 5. Client or Consumer means an individual, referred by COUNTY or enrolled in CONTRACTOR’s program for services under the Agreement, who is dealing with a chronic mental illness.

~~E~~ 6. Diagnosis means the definition of the nature of the client's disorder. When formulating the diagnosis of client, CONTRACTOR shall use the diagnostic codes and axis as specified in the most current edition of the DSM published by the American Psychiatric Association.

~~F~~ 7. LPS ~~means~~ refers to the Act that went into effect July 1, 1972 in California. The Act in effect ended all hospital commitments by the judiciary system, except in the case of criminal sentencing (e.g. convicted sexual offenders) and those who were "gravely disabled" defined as unable to obtain food, clothing, or shelter. It expanded the evaluative power of psychiatrists and created provisions and criteria for involuntary detentions.

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8. HIPAA refers to the federal law that establishes standards for the privacy and security of health information, as well as standards for electronic data interchange of health information. HIPAA law has two main goals, as its name implies: making health insurance more portable when persons change employers, and making the health care system more accountable for costs-trying especially to reduce waste and fraud.

9. Medical Necessity means the requirements as defined in the ~~MHP~~ Mental Health Plan Medical Necessity for Medi-Cal reimbursed Specialty Mental Health Services that includes Diagnosis, Impairment Criteria and Intervention Related Criteria.

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

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

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

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

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

11. MHSA ~~means~~ refers to the law that provides funding for expanded community mental health services. It is also known as "Proposition 63."

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

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

~~E~~ 14. PHI means refers to individually identifiable health information usually transmitted by electronic media, maintained in any medium as defined in the regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is created or received by a covered entity and relates to the past, present, or future physical or mental health or condition of an individual, provision of health care to an individual, or the past, present, or future payment for health care provided to an individual.

~~M~~ 15. Psychiatrist means an individual who meets the minimum professional and licensure requirements set forth in Title 9, CCR, Section 623.

~~N~~ 16. Psychologist means an individual who meets the minimum professional and licensure requirements set forth in Title 9, CCR, Section 624.

17. Recovery is a “process of change through which individuals improve their health and wellness, live a self-directed life and strive to reach their full potential,” and identifies four major dimensions to support recovery in life:

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

b. Home: A stable and safe place to live

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

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

~~18. O. Recovery means a “deeply personal, unique process of changing one’s attitudes, values, feelings, goals, skills and/or roles. It is a way of living a satisfying, hopeful and contributing life even with limitations caused by the illness. Recovery involves the development of new meaning and purpose in one’s life as one grows beyond the catastrophic effects of mental illness. Ultimately, because recovery is a personal and unique process, everyone with a psychiatric illness develops his or her own definition of recovery. However, certain concepts or factors are common to recovery.” (William Anthony, 1993).~~

~~—P. Referral means providing the effective linkage of a client to another service, when indicated; with follow up to be provided within five (5) working days to assure that the client has made contact with the referred service.~~

~~Q~~ 19. SNF/STP means refers to a facility certified by the DHCS to a facility that provides twenty-four (24)-hour/day skilled nursing care and supervision and at least twenty-seven (27) hours of programming to clients with a primary psychiatric diagnosis, who may also have co-existing medical conditions. In most cases, clients are conserved under LPS.

~~R~~ 20. SSI means income from a United States government program that provides stipends/SSP refers to ~~low-income people who are either aged (65~~ revenue resources paid to an eligible client, or ~~older), blind, or disabled.~~

~~S. SSP means additional cash benefits to supplement the client's payee, by the federal SSI payment Social Security Administration.~~

~~T. Unit of Service~~ 21. UOS means one (1) calendar day during which CONTRACTOR provides all of the ~~SNF-STP~~ services described hereunder, which day shall begin at twelve o'clock midnight. The number of billable ~~Units of Service~~ UOS shall include the day of admission and exclude the day of discharge unless admission and discharge occur on the same day.

~~U. HIPAA means the federal law that establishes standards for the privacy and security of health information, as well as standards for electronic data interchange of health information. HIPAA law has two main goals, as its name implies: making health insurance more portable when persons change employers, and making the health care system more accountable for costs trying especially to reduce waste and fraud.~~

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

II. ISSUE RESOLUTION

A. CONTRACTOR agrees that for resolution of issues between COUNTY and CONTRACTOR, with respect to the implementation and operation of the Agreement or COUNTY's P&P regarding services described herein, the following sequential steps will be followed:

1. CONTRACTOR shall routinely utilize all informal communication processes and methods with ADMINISTRATOR including, but not limited to, telephone, email, and fax communication, written correspondence and meetings, to resolve any issues or problems regarding the implementation and operation of the Agreement or ADMINISTRATOR's P&P regarding services described herein.

2. CONTRACTOR agrees that if the parties are unable to resolve the issue, CONTRACTOR shall give written notice to ADMINISTRATOR setting forth, in specific terms, the existence and nature of any unresolved matter or concern related to the purposes and obligations of the Agreement. ADMINISTRATOR shall be given fifteen (15) calendar days following such notice to obtain resolution of any issue(s) identified in this manner. CONTRACTOR agrees that by mutual consent this period of time may be extended to thirty (30) calendar days.

3. CONTRACTOR agrees that if the parties are still unable to obtain resolution of the issue, they shall submit a joint written statement describing the facts of the issue, within thirty (30) calendar days after the written notice described above to COUNTY's Director of Behavioral Health, or designee, for final resolution.

B. The rights and remedies provided by this paragraph are in addition to those provided by law to either party.

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

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III. PATIENTS' RIGHTS

A. CONTRACTOR shall post the current California DHCS Patients' Rights poster as well as the local MHP Complaint and Grievance posters in all threshold languages in locations readily available to patients and staff and have complaint forms and complaint envelopes readily accessible to patients.

B. In addition to those processes provided by COUNTY, CONTRACTOR shall have complaint resolution and grievance processes approved by ADMINISTRATOR, to which the beneficiary shall have access.

1. CONTRACTOR's complaint resolution processes shall emphasize informal, easily understood steps designed to resolve disputes as quickly and simply as possible in all threshold languages.

2. CONTRACTOR's complaint resolution and grievance processes shall incorporate COUNTY's and the resident County's grievance, patients' rights, and utilization management guidelines and procedures.

C. Complaint Resolution and Grievance Process - COUNTY shall support complaint and grievance procedures in concert with the resident County that shall include the components outlined below. The resident County will handle such complaints that may include allegations of denial of rights, dissatisfaction with services or with the quality of care, or dissatisfaction with the condition of the physical plant. COUNTY will handle such complaints regarding access to care or regarding COUNTY's Public Administrator/Public Guardian Office services.

1. Complaint Resolution. This process will specifically address and attempt to resolve client complaints and concerns at CONTRACTOR's facility.

2. Formal Grievance. When the client's complaint is not resolved at CONTRACTOR's facility and the client or client representative requests it, the complaint becomes a formal grievance. The request is made to the respective Resident County or ADMINISTRATOR and represents the first step in the formal grievance process.

3. Title IX Rights Advocacy. This process may be initiated by a client who registers a statutory rights violation or a denial or abuse complaint with COUNTY Patients' Rights Office. The Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall apply, which involve COUNTY Behavioral Health Director and the State Patients' Rights Office.

D. CONTRACTOR agrees that clients have recourse to initiate a complaint to CONTRACTOR, appeal to the respective resident County or COUNTY's Patients' Rights Office, to file a formal grievance, file a Title IX complaint. The Patients' Advocate shall advise and assist the client, investigate the cause of the complaint or grievance, and attempt to resolve the matter.

E. CONTRACTOR agrees that no provision of the Agreement shall be construed to replace or conflict with the duties of COUNTY Patients' Rights Office pursuant to WIC Section 5500.

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

PAYMENTS**IV. PAYMENTS**

A. For all services provided pursuant to the Agreement, COUNTY shall pay CONTRACTOR monthly, in arrears at the rate of \$155<<RATE>> per client bed day; provided, however, the total of all such payments to CONTRACTOR during Period One, Period Two, and Period ~~Two~~Three shall not exceed the Maximum Obligation for each Period as specified in the Referenced Contract Provisions of the Agreement. Reimbursement shall be made only for services provided to clients who are certified by ADMINISTRATOR as eligible to receive services.

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

2. CONTRACTOR shall collect SSI/SSP revenue, additional income sources and all other revenues due the client, conservator/guardian, or legally responsible person to determine a client share of cost. CONTRACTOR shall ensure that the client share of cost is clearly stated on the CONTRACTOR's invoice. CONTRACTOR shall deduct the client's share of costs from the amount owed to CONTRACTOR by the COUNTY.

a. ADMINISTRATOR shall review and approve client's revenue and share of cost. ADMINISTRATOR may adjust CONTRACTOR's monthly invoice if the appropriate revenue is not stated and/or the share of cost has not been appropriately deducted from the amount due from the COUNTY.

b. ADMINISTRATOR may authorize CONTRACTOR to use a portion of the revenue for non-covered costs such as personal and/or incidental costs for the client's care or personal needs. ADMINISTRATOR shall monitor such costs and may adjust the invoice to ensure that the appropriate costs are deducted from the amount due from the COUNTY.

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

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

V. REPORTS

A. CONTRACTOR shall report all special incidents to ADMINISTRATOR and shall submit a written special incident report referred to as "Notable Incident Form" in accordance with the Notices Paragraph of this Exhibit A to the Agreement. Special incidents shall include, but are not limited to, client's suicide or attempted suicide, elopement or absence without leave, serious injury, death, criminal behavior including arrests with or without conviction, positive test results for substance abuse from

urine screenings, or any other incident which may expose COUNTY or CONTRACTOR to liability.

B. STAFFING – CONTRACTOR shall submit to ADMINISTRATOR, on a quarterly basis, a list of individuals who provide services under the Agreement and their job descriptions. The staff list shall state the employee name, job title, professional degree, and license number, if applicable.

C. PROGRAMMATIC – CONTRACTOR shall submit monthly programmatic reports to ADMINISTRATOR, which shall be received no later than fourteen (14) days following the end of the month being reported. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall evaluate each client’s participation and functioning in CONTRACTOR’s psycho-social rehabilitation program.

D. CONTRACTOR shall provide ADMINISTRATOR a copy of the annual State Community Care licensing audit within sixty (60) calendar days of the exit interview. CONTRACTOR shall provide ADMINISTRATOR copies of plans of correction in order to determine the quality and nature of services provided hereunder. ADMINISTRATOR will allow thirty (30) calendar days for CONTRACTOR to respond.

E. CONTRACTOR shall provide census data weekly to the ADMINISTRATOR. CONTRACTOR shall notify ADMINISTRATOR by telephone whenever a client is sent out for acute psychiatric or general medical hospital care. CONTRACTOR will notify ADMINISTRATOR in writing whether the client will be accepted back as soon as the client is stabilized and ready for return.

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

SERVICES
VI. SERVICES

A. FACILITY

1. CONTRACTOR shall provide a licensed Community Care Facility dedicated for the care of those clients referred by COUNTY. Such beds shall be located at the following address or other facility approved in advance and in writing by ADMINISTRATOR. Facility shall provide for a safe and secure treatment setting appropriate to the level of care of its treatment population.

~~2457 Endicott Street~~
~~Los Angeles, CA, 90032~~

«ADDRESS»
«CITY STATE ZIP»

- 2. CONTRACTOR’s facility shall include the following:
 - a. Private or semi-private rooms for each client;
 - b. Kitchen area including refrigerator, stove, and sink;

c. Dining area;

d. Central living area or group room(s) with an appropriate capacity for group meetings, occupational and vocational therapy, activities, or visitors.

3. CONTRACTOR's facility shall be located where it is readily accessible by public transportation.

4. CONTRACTOR shall make available appropriate office space for confidential medical examinations and client interviews.

5. CONTRACTOR shall maintain an environment conducive to the total care and treatment of persons who are mentally ill.

6. CONTRACTOR shall maintain well-groomed landscaping and a well maintained facility appearance.

B. PERSONS TO BE SERVED

1. CONTRACTOR shall serve clients, as defined by WIC Section 5903, who are referred by COUNTY and authorized for services under the Agreement. CONTRACTOR shall admit clients with a DSM-IV-TR diagnosis in need of twenty-four (24)-hour residential care services. These clients may include persons who have histories of, or are at risk for, combativeness, suicide, and excessive verbal abusiveness.

2. CONTRACTOR may deny admission of a client based upon lack of availability of beds. CONTRACTOR may deny admission of a client if the number of COUNTY clients receiving services pursuant to the Agreement in CONTRACTOR's facility exceeds the number of beds specified in Subparagraph III.C.1. of this Exhibit A to the Agreement.

C. SERVICES PROVIDED

1. CONTRACTOR shall ~~provide a minimum~~ serve an average of ~~three (3) to four (4) client bed-days monthly~~ six (6) consumers per day or a minimum of ~~one~~ two thousand ~~ninety-five (1,095) one hundred forty-three (2,143)~~ client bed days annually, dedicated for the care of those clients referred by COUNTY.

2. CONTRACTOR shall provide a specialized intensive residential program seven (7) days per week with an emphasis on structured client-centered rehabilitative and treatment services.

a. The overall goal of this program shall be to increase the functional levels of clients, enabling them to transition to less restrictive levels of intervention, including independent living.

b. ADMINISTRATOR, in conjunction with CONTRACTOR, shall develop a Treatment Plan for each client which includes goals identified by the client and steps the client needs to take in order to reach these goals.

3. CONTRACTOR shall provide a program consistent with the State mandate to place clients in the least restrictive level of care possible. Determination regarding discharge of a client to a lower level of care shall be made by ADMINISTRATOR in conjunction with the facility treatment team.

//

1 4. CONTRACTOR shall identify behaviors that present barriers to placement at lower levels
2 of care and shall focus on treatment that addresses these behaviors.

3 5. CONTRACTOR shall provide a recovery-based structured psycho-social rehabilitation
4 program that will assist clients to move along the rehabilitative continuum so that daily living skills are
5 learned and reinforced each day. The program shall consist of one-to-one interaction between
6 CONTRACTOR's staff and clients, as well as a minimum of five (5) planned and structured group
7 activities each week led by CONTRACTOR's case management staff. CONTRACTOR services shall
8 include, but not be limited to, the following:

9 a. All basic services required of a Community Care Facility licensed by the State
10 Department of Social Services as set forth in CCR, Title 22, including twenty-four (24) hour awake
11 supervision of clients;

12 b. Behavior management services to improve clients' social skills and interpersonal
13 relationships;

14 c. Training in independent living skills to facilitate clients' transition to a more
15 independent living arrangement; this includes daily education and training in the use of public
16 transportation, grooming, hygiene, laundry, care of personal belongings, cleanliness of personal and
17 community rooms, cooking, and money management skills;

18 d. Vocational and pre-vocational activities that will help clients to develop self-confidence
19 and work-related skills, thereby increasing their chances of obtaining paid employment; vocational
20 activities may include kitchen help, gardening, facility maintenance, woodworking, temporary
21 employment, volunteer work and full-time employment;

22 e. A daily physical activity or exercise program designed to enhance the physical
23 well-being of clients;

24 f. Individual and small group recreational outings designed to help the client use
25 community resources;

26 g. Establishing positive working relationships with clients, their families, friends, and
27 Care Coordinators to plan and implement client driven goals;

28 h. Transportation of clients to essential appointments.

29 6. CONTRACTOR shall provide Medication Support Services which shall include, but not be
30 limited to, the following:

31 a. Encouraging clients to take their medication and helping them to recognize the side
32 effects of their medications;

33 b. Medication education in group and individual settings so that clients understand the
34 need for medication related to their psychiatric condition, the signs of decompensation, and how to
35 implement an appropriate corrective action plan;

36 c. Monitoring and encouraging clients' medication compliance and working cooperatively
37 and effectively with their prescribing physicians;

1 d. Providing in-service staff training in effects and side effects of psychotropic
2 medications. CONTRACTOR shall make sure that all staff have knowledge of and familiarity with this
3 important element of treatment.

4 7. CONTRACTOR shall use a program that identifies and rewards targeted behaviors and
5 skills as appropriate for each client. CONTRACTOR shall document individual client progress in
6 achieving the goals of their ~~Service and Coordination~~ Treatment Plan and provide special recognition for
7 clients functioning at advanced levels. CONTRACTOR shall not provide cigarettes or other tobacco
8 products as rewards for targeted behaviors.

9 8. CONTRACTOR shall meet the requirements of CCR, Title 22, Division 6 as it pertains to
10 the following:

11 a. Maintaining client records, including documentation of Tuberculosis clearance;

12 b. Providing secure storage of clients' valuables, including medications:

13 1) Medication shall be kept in a safe and locked place that is not accessible to persons
14 other than employees responsible for the supervision of centrally stored medications;

15 2) Medication shall be stored in its originally received container. No medication shall
16 be transferred between containers;

17 c. Maintaining a record of daily occupancy;

18 d. Protecting clients' rights to privacy and confidentiality;

19 e. Providing basic life support and other support services, including food, housekeeping,
20 laundry, excluding personal items, and arrangements for emergency and non-emergency medical
21 services.

22 9. CONTRACTOR shall maintain the following and ensure that clients are made aware of
23 them:

24 a. House rules

25 b. Residents' rights

26 c. Policies regarding resident fees

27 10. CONTRACTOR shall assist clients in establishing and maintaining a client oriented facility
28 council in accordance with CCR, Title 22, Division 6. The client-run council provides opportunity for
29 client input into the operations of the facility, including but not limited to, activities, house rules, and
30 resolution of disputes/disagreements.

31 11. CONTRACTOR shall establish an admission policy that states that all COUNTY client
32 admissions shall result from referrals from the ADMINISTRATOR. CONTRACTOR and
33 ADMINISTRATOR shall communicate and coordinate any action which impacts a client's continued
34 eligibility for program services and which might otherwise result in discharge from the program.

35 12. CONTRACTOR shall work cooperatively with ADMINISTRATOR in placing clients in
36 other appropriate facilities, including clients released from LPS conservatorship.

37 //

1 13. CONTRACTOR shall notify ADMINISTRATOR within three (3) business days when
2 Conservatorship terminates.

3 14. CONTRACTOR shall notify ADMINISTRATOR within two (2) hours by telephone and
4 one (1) working day in writing of any change in census, e.g. transfers to acute psychiatric and medical
5 hospitals, clients discharged to a lower level of care, clients on unauthorized leave AWOL and voluntary
6 clients discharged AMA.

7 15. CONTRACTOR shall complete and submit discharge information on
8 ADMINISTRATOR's ~~LTC~~ Long Term Care Discharge Form within one (1) business day of discharge.
9 CONTRACTOR shall also notify the ADMINISTRATOR of the discharge by telephone call.

10 16. If a client is sent to an acute psychiatric or medical hospital, CONTRACTOR shall notify
11 ADMINISTRATOR ~~of~~ and indicate the intent related to ~~accept~~ acceptance of the client back following
12 hospital discharge. _____

13 17. CONTRACTOR shall provide psychiatrist time and services regarding conservatorship
14 issues. This includes the annual filing of court documents to renew conservatorship, as well as LPS
15 Conservatorship Court appearances/testimony as requested by COUNTY. CONTRACTOR shall
16 provide medical and psychiatric records as needed for all Court appearances.

17 18. CONTRACTOR shall attend COUNTY sponsored or recommended training, as
18 appropriate, for the purpose of increasing familiarity with COUNTY guidelines and providing more
19 effective services.

20 D. QUALITY IMPROVEMENT AND PERFORMANCE OUTCOMES

21 1. The overall goal of ~~the SNF/STP~~ these services ~~program~~ is to increase the functional levels
22 of clients, enabling them to transition to less restrictive levels of intervention, including independent
23 living.

24 2. CONTRACTOR shall develop and maintain a plan for quality improvement, the overall
25 goal of which is the maintenance of high quality care and effective utilization of services offered. This
26 plan shall include utilization review, peer review, and medication monitoring as mandated by the
27 California DHCS. This plan will contain measurable outcomes and focus on personal growth and
28 recovery for clients who are functionally impaired by psychiatric symptoms with a path to treatment in
29 less restrictive levels of care and a return to community living.

30 ~~3. CONTRACTOR shall submit to the ADMINISTRATOR, on a quarterly basis, the number~~
31 ~~of discharges, excluding AWOL status or AMA, for the purpose of establishing a baseline of successful~~
32 ~~discharges against which future performance outcomes will be measured. A successful discharge shall~~
33 ~~mean the number of clients who discharged to a less restrictive level of care and who remained stable for~~
34 ~~ninety (90) calendar days post-discharge without requiring acute psychiatric hospitalization. For all~~
35 services proposed, the selected applicant shall be required to meet the following performance objectives
36 annually:

37 ~~4. CONTRACTOR shall provide services to more clients without increasing the total number~~

1 of beds by decreasing the average length of stay by ten percent (10%).

2 ~~5. CONTRACTOR shall increase service to client's families by increasing the number of~~
3 ~~family contacts by ten percent (10%).~~

4 a. To increase the client's motivation and skills toward self-restoration by involving
5 clients in directing their own treatment programs and ensuring the use of the most effective and newest
6 psychiatric and medical pharmacological treatments and methods.

7 b. To assist the County in efficiently and effectively managing limited resources by
8 providing an alternative to utilization of state hospital days and acute hospital administrative days.

9 c. To prevent the need for re-hospitalization in acute psychiatric or medical facilities by
10 maintaining clients in a stable environment and assisting clients to maintain or improve functioning and
11 decrease symptoms.

12 6. CONTRACTOR shall cooperate with COUNTY in meeting quality improvement and
13 utilization review standards.

14 7. CONTRACTOR shall provide assistance to COUNTY in conducting its utilization and
15 reporting functions, and medical necessity determination.

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

18
19 **VII. STAFFING PATIENTS' RIGHTS**

20 ~~A. CONTRACTOR shall post the current DHCS Patients' Rights poster as well as the local MHP~~
21 ~~Complaint and Grievance posters in all threshold languages: English, Spanish, Vietnamese and Farsi in~~
22 ~~locations readily available to patients and staff and have complaint forms and complaint envelopes~~
23 ~~readily accessible to patients.~~

24 ~~B. In addition to those processes provided by COUNTY, CONTRACTOR shall have complaint~~
25 ~~resolution and grievance processes approved by ADMINISTRATOR, to which the beneficiary shall have~~
26 ~~access.~~

27 ~~1. CONTRACTOR's complaint resolution processes shall emphasize informal, easily~~
28 ~~understood steps designed to resolve disputes as quickly and simply as possible in all threshold~~
29 ~~languages.~~

30 ~~2. CONTRACTOR's complaint resolution and grievance processes shall incorporate~~
31 ~~COUNTY's and the resident County's grievance, patients' rights, and utilization management guidelines~~
32 ~~and procedures.~~

33 ~~C. Complaint Resolution and Grievance Process~~ COUNTY shall support complaint and grievance
34 ~~procedures in concert with the resident County that shall include the components outlined below. The~~
35 ~~resident County will handle such complaints that may include allegations of denial of rights,~~
36 ~~dissatisfaction with services or with the quality of care, or dissatisfaction with the condition of the~~
37 ~~physical plant. COUNTY will handle such complaints regarding access to care or regarding COUNTY's~~

~~Public Administrator/Public Guardian Office services:~~

~~1. Complaint Resolution. This process will specifically address and attempt to resolve client complaints and concerns at CONTRACTOR's facility.~~

~~2. Formal Grievance. When the client's complaint is not resolved at CONTRACTOR's facility and the client or client representative requests it, the complaint becomes a formal grievance. The request is made to the respective Resident County or ADMINISTRATOR and represents the first step in the formal grievance process.~~

~~3. Title IX Rights Advocacy. This process may be initiated by a client who registers a statutory rights violation or a denial or abuse complaint with COUNTY Patients' Rights Office. The Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall apply, which involve COUNTY Behavioral Health Director and the State Patients' Rights Office.~~

~~D. CONTRACTOR agrees that clients have recourse to initiate a complaint to CONTRACTOR, appeal to the respective resident County or COUNTY's Patients' Rights Office, to file a formal grievance, file a Title IX complaint. The Patients' Advocate shall advise and assist the client, investigate the cause of the complaint or grievance, and attempt to resolve the matter.~~

~~E. CONTRACTOR agrees that no provision of the Agreement shall be construed to replace or conflict with the duties of COUNTY Patients' Rights Office pursuant to WIC Section 5500.~~

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

V. ISSUE RESOLUTION

~~A. CONTRACTOR agrees that for resolution of issues between COUNTY and CONTRACTOR, with respect to the implementation and operation of the Agreement or COUNTY's P&P regarding services described herein, the following sequential steps will be followed:~~

~~1. CONTRACTOR shall routinely utilize all informal communication processes and methods with ADMINISTRATOR including, but not limited to, telephone, email, and fax communication, written correspondence and meetings, to resolve any issues or problems regarding the implementation and operation of the Agreement or ADMINISTRATOR's P&P regarding services described herein.~~

~~2. CONTRACTOR agrees that if the parties are unable to resolve the issue, CONTRACTOR shall give written notice to ADMINISTRATOR setting forth, in specific terms, the existence and nature of any unresolved matter or concern related to the purposes and obligations of the Agreement. ADMINISTRATOR shall be given fifteen (15) calendar days following such notice to obtain resolution of any issue(s) identified in this manner. CONTRACTOR agrees that by mutual consent this period of time may be extended to thirty (30) calendar days.~~

~~3. CONTRACTOR agrees that if the parties are still unable to obtain resolution of the issue, they shall submit a joint written statement describing the facts of the issue, within thirty (30) calendar days after the written notice described above to COUNTY's Director of Behavioral Health, or designee,~~

1 ~~for final resolution.~~

2 ~~— B. The rights and remedies provided by this paragraph are in addition to those provided by law to~~
3 ~~either party.~~

4 ~~— C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing to modify the Issue~~
5 ~~Resolution Paragraph of this Exhibit A to the Agreement. VI. Staffing~~

6 A. CONTRACTOR shall provide staffing patterns and policies that meet the following
7 requirements:

8 1. Provision of shelter, food services, and supportive services provided directly by the program
9 in accordance with the guidelines outlined in the Services Paragraph of this Exhibit A to the Agreement.

10 2. Provision for twenty-four (24)-hour on-site management of the facility, including night
11 supervision in accordance with CCR, Title 22, Division 6;

12 3. Provision of licensed staff responsible for the planning, implementation, and day-to-day
13 supervision of all treatment services. All therapeutic treatment activities shall be carried out by
14 personnel with appropriate specialized mental health training;

15 4. Provision of Case Managers/Case Manager Supervisors to implement structured individual
16 and group psycho-social rehabilitative services;

17 5. Documentation of employee qualifications and job descriptions for each position which
18 include duties and responsibilities, bilingual/bicultural requirements, and proof of licensure, where
19 applicable;

20 6. A written policy for the use of volunteers and part-time student interns which may augment
21 paid staff.

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

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

30
31 **VII. REPORTS**

32 ~~— A. CONTRACTOR shall report all special incidents to ADMINISTRATOR and shall submit a~~
33 ~~written special incident report referred to as “Notable Incident Form” in accordance with the Notices~~
34 ~~Paragraph of this Exhibit A to the Agreement. Special incidents shall include, but are not limited to,~~
35 ~~client's suicide or attempted suicide, elopement or absence without leave, serious injury, death, criminal~~
36 ~~behavior including arrests with or without conviction, positive test results for substance abuse from~~
37 ~~urine screenings, or any other incident which may expose COUNTY or CONTRACTOR to liability.~~

~~B. STAFFING~~ CONTRACTOR shall submit to ADMINISTRATOR, on a quarterly basis, a list of individuals who provide services under the Agreement and their job descriptions. The staff list shall state the employee name, job title, professional degree, and license number, if applicable.

~~C. PROGRAMMATIC~~ CONTRACTOR shall submit monthly programmatic reports to ADMINISTRATOR, which shall be received no later than fourteen (14) days following the end of the month being reported. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall evaluate each client's participation and functioning in CONTRACTOR's psycho-social rehabilitation program.

~~D.~~ CONTRACTOR shall provide ADMINISTRATOR a copy of the annual State Community Care licensing audit within sixty (60) calendar days of the exit interview. CONTRACTOR shall provide ADMINISTRATOR copies of plans of correction in order to determine the quality and nature of services provided hereunder. ADMINISTRATOR will allow thirty (30) calendar days for CONTRACTOR to respond.

~~E.~~ CONTRACTOR shall provide census data weekly to the ADMINISTRATOR. CONTRACTOR shall notify ADMINISTRATOR by telephone whenever a client is sent out for acute psychiatric or general medical hospital care. CONTRACTOR will notify ADMINISTRATOR in writing whether the client will be accepted back as soon as the client is stabilized and ready for return.

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

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EXHIBIT B
TO AGREEMENT FOR PROVISION OF
ADULT MENTAL HEALTH INTENSIVE RESIDENTIAL SERVICES
BETWEEN
COUNTY OF ORANGE
AND
«UC_PROVIDER»
«UC_DBA»
JULY 1, 2014 THROUGH JUNE 30, 2017

I. BUSINESS ASSOCIATE CONTRACT

A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

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 45
36 CFR § 160.103.

37 6. "Health Care Operations" shall have the meaning given to such term under the HIPAA

1 Privacy Rule in 45 CFR § 164.501.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business

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

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

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

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

14 6. CONTRACTOR agrees to ensure that ~~all staff are trained and have a clear understanding of~~
 15 ~~all~~ any Subcontractors that create, receive, maintain, or transmit PHI on behalf of CONTRACTOR agree
 16 to the same restrictions and conditions that apply through this Business Associate Contract to
 17 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&P~~-Ps,
 28 relating to the use and disclosure of PHI received from, or created or received by CONTRACTOR on
 29 behalf of, COUNTY available to COUNTY and the Secretary in a time and manner as determined by
 30 COUNTY or as designated by the Secretary for purposes of the Secretary determining COUNTY's
 31 compliance with the HIPAA Privacy Rule.

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

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

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

13. If CONTRACTOR receives Social Security data from COUNTY provided to COUNTY by a state agency, upon request by COUNTY, CONTRACTOR shall provide ~~signature confirmation of the P&P training for each staff member and placed in their personnel files~~ COUNTY with a list of all employees, subcontractors, and agents who have access to the Social Security data, including employees, agents, subcontractors, and agents of its subcontractors.

~~B. CONTRACTOR will be responsible for ensuring monthly evaluation of members using the MORS.~~

~~C. CONTRACTOR shall obtain a NPI.~~

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

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

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

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

~~F. CONTRACTOR shall provide effective administrative management of the budget, staffing, recording, and reporting portion of the Agreement with the COUNTY. If administrative responsibilities are delegated to subcontractors, CONTRACTOR must ensure that any subcontractor(s) possesses the qualifications and capacity to perform all delegated responsibilities. Responsibilities include but are not limited to the following:~~

~~1. Designate the responsible position(s) in your organization for managing the funds allocated~~

1 to this program;

2 ~~2. Maximize the use of the allocated funds;~~

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

4 ~~4. Maintain appropriate staffing levels;~~

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

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

7 ~~7. Track and report expenditures electronically;~~

8 ~~8. Maintain electronic and telephone communication between key staff and the Contract and~~
9 ~~Program Administrators; and~~

10 ~~9. Act quickly to identify and solve problems.~~

11 ~~G. ADMINISTRATOR shall assist CONTRACTOR in monitoring CONTRACTOR's program to~~
12 ~~ensure compliance with workload standards and productivity.~~

13 ~~H. ADMINISTRATOR shall review and approve all admissions, discharges from the program and~~
14 ~~extended stays in the program.~~

15 ~~I. ADMINISTRATOR shall monitor CONTRACTOR's completion of corrective action plans.~~

16 ~~J. ADMINISTRATOR shall monitor CONTRACTOR's compliance with ADMINISTRATOR's~~
17 ~~P&P.~~

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

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

33 ~~16. The Parties acknowledge that federal and state laws relating to electronic data security and~~
34 ~~privacy are rapidly evolving and that amendment of this Business Associate Contract may be required to~~
35 ~~provide for procedures to ensure compliance with such developments. The Parties specifically agree to~~
36 ~~take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH~~
37 ~~Act, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon~~

COUNTY's request, CONTRACTOR agrees to promptly enter into negotiations with COUNTY concerning an amendment to this Business Associate Contract embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable laws. COUNTY may terminate the Agreement upon thirty (30) days written notice in the event:

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

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

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

D. SECURITY RULE

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

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

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

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

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

c. Providing a level and scope of security that is at least comparable to the level and scope of security established by the OMB in OMB Circular No. A-130, Appendix III - Security of Federal

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1 Automated Information Systems, which sets forth guidelines for automated information systems in
2 Federal agencies;

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

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

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

12 E. DATA SECURITY REQUIREMENTS

13 1. Personal Controls

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

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

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

32 d. Background Check. Before a member of the workforce may access PHI COUNTY
33 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
34 COUNTY, a background screening of that worker must be conducted. The screening should be
35 commensurate with the risk and magnitude of harm the employee could cause, with more thorough
36 screening being done for those employees who are authorized to bypass significant technical and
37 //

1 operational security controls. The CONTRACTOR shall retain each workforce member's background
2 check documentation for a period of three (3) years.

3 2. Technical Security Controls

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

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

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

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

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

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

35 g. User IDs and Password Controls. All users must be issued a unique user name for
36 accessing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
37 or transmits on behalf of COUNTY. Username must be promptly disabled, deleted, or the password

1 changed upon the transfer or termination of an employee with knowledge of the password, at maximum
 2 within twenty-four (24) hours. Passwords are not to be shared. Passwords must be at least eight
 3 characters and must be a non-dictionary word. Passwords must not be stored in readable format on the
 4 computer. Passwords must be changed every ninety (90) days, preferably every sixty (60) days.
 5 Passwords must be changed if revealed or compromised. Passwords must be composed of characters
 6 from at least three (3) of the following four (4) groups from the standard keyboard:

7 1) Upper case letters (A-Z)

8 2) Lower case letters (a-z)

9 3) Arabic numerals (0-9)

10 4) Non-alphanumeric characters (punctuation symbols)

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

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

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

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

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

35 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
 36 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
 37 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is

128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website access, file transfer, and E-Mail.

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

3. Audit Controls

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

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

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

4. Business Continuity/Disaster Recovery Control

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

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

5. Paper Document Controls

a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left

1 unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means
2 that information is not being observed by an employee authorized to access the information. Such PHI
3 in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in
4 baggage on commercial airplanes.

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

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

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

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

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

26 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

1 a health plan for payment or health care operations purposes if the PHI pertains solely to a health care
2 item or service for which the health care provider involved has been paid out of pocket in full and the
3 individual requests such restriction, in accordance with 42 USC § 17935(a) and 45 CFR § 164.522(a).

4 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
5 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
6 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by 42 USC §
7 17935(d)(2).

8 I. OBLIGATIONS OF COUNTY

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

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

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

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

20 J. ~~ADMINISTRATOR may mutually agree, in writing to modify the Responsibilities Paragraph of~~
21 BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

35 c. In the event that CONTRACTOR determines that returning or destroying the PHI is not
36 feasible, CONTRACTOR shall provide to COUNTY notification of the conditions that make return or
37 destruction infeasible. Upon determination by COUNTY that return or destruction of PHI is infeasible,

1 CONTRACTOR shall extend the protections of this Business Associate Contract to such PHI and limit
2 further Uses and Disclosures of such PHI to those purposes that make the return or destruction
3 infeasible, for as long as CONTRACTOR maintains such PHI.

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

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EXHIBIT C
TO AGREEMENT FOR PROVISION OF
ADULT MENTAL HEALTH INTENSIVE RESIDENTIAL SERVICES
BETWEEN
COUNTY OF ORANGE
AND
«UC_PROVIDER»
«UC_DBA»
JULY 1, 2014 THROUGH JUNE 30, 2017

I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT

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

A. DEFINITIONS

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

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

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

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

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

6. "Notice-triggering Personal Information" shall mean the personal information 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,

1 and a civil or an authorized investigative demand. It also includes Medicare conditions of participation
2 with respect to health care providers participating in the program, and statutes or regulations that require
3 the production of information, including statutes or regulations that require such information if payment
4 is sought under a government program providing public benefits.

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

8 **B. TERMS OF AGREEMENT**

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

14 **2. Responsibilities of CONTRACTOR**

15 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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