

1 AGREEMENT FOR PROVISION OF  
2 TOBACCO CESSATION SERVICES

3 BETWEEN  
4 COUNTY OF ORANGE

5 AND  
6 AHMC ANAHEIM REGIONAL MEDICAL CENTER LP

7 JULY 1, 2017 THROUGH JUNE 30, 2020  
8

9 THIS AGREEMENT entered into this 1st day of July 2017 (effective date), is by and between the  
10 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and AHMC  
11 ANAHEIM REGIONAL MEDICAL CENTER, a California limited partnership (CONTRACTOR).  
12 COUNTY and CONTRACTOR may sometimes be referred to herein individually as "Party" or  
13 collectively as "Parties". This Agreement shall be administered by the County of Orange Health Care  
14 Agency (ADMINISTRATOR).  
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16 **W I T N E S S E T H:**  
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18 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of  
19 Tobacco Cessation Services described herein to the residents of Orange County; and

20 WHEREAS, COUNTY has a commitment to residents of Orange County to reduce smoking  
21 prevalence and address emerging tobacco issues in a proactive manner amongst Orange County adults  
22 and youth; and

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

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

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**REFERENCED CONTRACT PROVISIONS**

**Term:** July 1, 2017 through June 30, 2020

Period One means the period from July 1, 2017 through June 30, 2018

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

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

**Maximum Obligation:** \$1,500,000

Period One Maximum Obligation: \$ 500,000

Period Two Maximum Obligation: 500,000

Period Three Maximum Obligation: 500,000

TOTAL MAXIMUM OBLIGATION: \$1,500,000

**Basis for Reimbursement:** Actual Cost

**Payment Method:** Payment in Arrears

**CONTRACTOR DUNS Number:** 07-930-5167

**CONTRACTOR TAX ID Number:** 90-0454894

**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: AHMC Anaheim Regional Medical Center LP  
1111 W. La Palma Ave.  
Anaheim, CA 92801  
Attn: Mr. Richard Castro, CEO  
Richard.Castro@ahmchealth.com

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## I. ACRONYMS

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

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4	A. AA	Alcoholics Anonymous
5	B. AB 109	Assembly Bill 109, 2011 Public Safety Realignment
6	C. ABC	Allied Behavioral Care
7	D. ACH	Acute Care Hospital
8	E. ADAS	Alcohol and Drug Abuse Services
9	F. ADEPT	Alcohol and Drug Education and Prevention Team
10	G. ADL	Activities of Daily Living
11	H. ADP	Alcohol and Drug Program
12	I. AES	Advanced Encryption Standard
13	J. AFLP	Adolescent Family Life Program
14	K. AIDS	Acquired Immune Deficiency Syndrome
15	L. AIM	Access for Infants and Mothers
16	M. AMHS	Adult Mental Health Services
17	N. AOD	Alcohol and Other Drugs
18	O. ARRA	American Recovery and Reinvestment Act of 2009
19	P. ASAM PPC	American Society of Addiction Medicine Patient Placement Criteria
20	Q. ASI	Addiction Severity Index
21	R. ASIST	Applied Suicide Intervention Skills Training
22	S. ASO	Administrative Services Organization
23	T. ASRS	Alcohol and Drug Programs Reporting System
24	U. BBS	Board of Behavioral Sciences
25	V. BCP	Business Continuity Plan
26	W. BH	Base Hospital
27	X. BHS	Behavioral Health Services
28	Y. CalOMS	California Outcomes Measurement System
29	Z. CalOMS Pv	California Outcome Measurement Service for Prevention
30	AA. CalWORKs	California Work Opportunity and Responsibility for Kids
31	AB. CAP	Corrective Action Plan
32	AC. CAT	Centralized Assessment Team
33	AD. CCC	California Civil Code
34	AE. CCLD	(California) Community Care Licensing Division
35	AF. CCR	California Code of Regulations
36	AG. CDCR	California Department of Corrections and Rehabilitation
37	AH. CDSS	California Department of Social Services

1	AI. CERC	Children's Emergency Receiving Center
2	AJ. CESI	Client Evaluation of Self at Intake
3	AK. CEST	Client Evaluation of Self and Treatment
4	AL. CFDA	Catalog of Federal Domestic Assistance
5	AM. CFR	Code of Federal Regulations
6	AN. CHDP	Child Health and Disability Prevention
7	AO. CHHS	California Health and Human Services Agency
8	AP. CHPP	COUNTY HIPAA Policies and Procedures
9	AQ. CHS	Correctional Health Services
10	AR. CIPA	California Information Practices Act
11	AS. CMPPA	Computer Matching and Privacy Protection Act
12	AT. COI	Certificate of Insurance
13	AU. CPA	Certified Public Accountant
14	AV. CSAP	Center for Substance Abuse Prevention
15	AW. CSI	Client and Services Information
16	AX. CSW	Clinical Social Worker
17	AY. CYBHS	Children and Youth Behavioral Health Services
18	AZ. DATAR	Drug Abuse Treatment Access Report
19	BA. DCR	Data Collection and Reporting
20	BB. DD	Dually Diagnosed
21	BC. DEA	Drug Enforcement Agency
22	BD. DHCS	California Department of Health Care Services
23	BE. D/MC	Drug/Medi-Cal
24	BF. DMV	California Department of Motor Vehicles
25	BG. DoD	US Department of Defense
26	BH. DPFS	Drug Program Fiscal Systems
27	BI. DRC	Probation's Day Reporting Center
28	BJ. DRP	Disaster Recovery Plan
29	BK. DRS	Designated Record Set
30	BL. DSM	Diagnostic and Statistical Manual of Mental Disorders
31	BM. DSM-IV	Diagnostic and Statistical Manual of Mental Disorders. 4 <sup>th</sup> Edition
32	BN. DSM-V	Diagnostic and Statistical Manual of Mental Disorders. 5 <sup>th</sup> Edition
33	BO. EBP	Evidence-Based Practice
34	BP. EDN	Electronic Disease Notification System
35	BQ. EEOC	Equal Employment Opportunity Commission
36	BR. EHR	Electronic Health Records
37	BS. ePHI	Electronic Protected Health Information

1	BT. EPSDT	Early and Periodic Screening, Diagnosis, and Treatment
2	BU. ERC	Emergency Receiving Center
3	BV. FBO	Faith-Based Organization
4	BW. FFS	Fee For service
5	BX. FIPS	Federal Information Processing Standards
6	BY. FQHC	Federally Qualified Health Center
7	BZ. FSP	Full Service Partnership
8	CA. FTE	Full Time Equivalent
9	CB. GAAP	Generally Accepted Accounting Principles
10	CC. HAB	Federal HIV/AIDS Bureau
11	CD. HCA	County of Orange Health Care Agency
12	CE. HHS	Federal Health and Human Services Agency
13	CF. HIPAA	Health Insurance Portability and Accountability Act of 1996,
14		Public Law 104-191
15	CG. HITECH	Health Information Technology for Economic and Clinical Health
16		Act, Public Law 111-005
17	CH. HIV	Human Immunodeficiency Virus
18	CI. HRSA	Federal Health Resources and Services Administration
19	CJ. HSC	California Health and Safety Code
20	CK. IBNR	Incurred But Not Reported
21	CL. ID	Identification
22	CM. IEA	Information Exchange Agreement
23	CN. IMD	Institute for Mental Disease
24	CO. IOM	Institute of Medicine
25	CP. IRIS	Integrated Records and Information System
26	CQ. ISO	Insurance Services Office
27	CR. ITC	Indigent Trauma Care
28	CS. LCSW	Licensed Clinical Social Worker
29	CT. LGBTQI	Lesbian, Gay, Bisexual, Transgender, Questioning, and Intersex
30	CU. LPS	Lanterman/Petris/Short (Act)
31	CV. LPT	Licensed Psychiatric Technician
32	CW. MAT	Medication Assisted Treatment
33	CX. MEDS	Medi-Cal Eligibility Determination System
34	CY. MFT	Marriage and Family Therapist
35	CZ. MH	Mental Health
36	DA. MHIS	Mental Health Inpatient Services
37	DB. MIHS	Medical and Institutional Health Services

1	DC. MHP	Mental Health Plan
2	DD. MHRC	Mental Health Rehabilitation Centers
3	DE. MHS	Mental Health Specialist
4	DF. MHSA	Mental Health Services Act
5	DG. MORS	Milestones of Recovery Scale
6	DH. MS	Mandatory Supervision
7	DI. MSN	Medical Safety Net
8	DJ. MTP	Master Treatment Plan
9	DK. NA	Narcotics Anonymous
10	DL. NIATx	Network Improvement of Addiction Treatment
11	DM. NIH	National Institutes of Health
12	DN. NIST	National Institute of Standards and Technology
13	DO. NOA	Notice of Action
14	DP. NP	Nurse Practitioner
15	DQ. NPDB	National Provider Data Bank
16	DR. NPI	National Provider Identifier
17	DS. NPP	Notice of Privacy Practices
18	DT. OCEMS	Orange County Emergency Medical Services
19	DU. OCJS	Orange County Jail System
20	DV. OC-MEDS	Orange County Medical Emergency Data System
21	DW. OCPD	Orange County Probation Department
22	DX. OCR	Federal Office for Civil Rights
23	DY. OCSD	Orange County Sheriff's Department
24	DZ. OIG	Federal Office of Inspector General
25	EA. OMB	Federal Office of Management and Budget
26	EB. OPM	Federal Office of Personnel Management
27	EC. ORR	Federal Office of Refugee Resettlement
28	ED. P&P	Policy and Procedure
29	EE. PA DSS	Payment Application Data Security Standard
30	EF. PAF	Partnership Assessment Form
31	EG. PAR	Prior Authorization Request
32	EH. PBM	Pharmaceutical Benefits Management
33	EI. PC	California Penal Code
34	EJ. PCI DSS	Payment Card Industry Data Security Standard
35	EK. PCP	Primary Care Provider
36	EL. PCS	Post-Release Community Supervision
37	EM. PHI	Protected Health Information



1	EN. PI	Personal Information
2	EO. PII	Personally Identifiable Information
3	EP. PRA	California Public Records Act
4	EQ. PSAI/ACT	Perinatal Substance Abuse Services Initiative/Assessment and
5		Coordination Team
6	ER. PSC	Professional Services Contract
7	ES. PTRC	Paramedic Trauma Receiving Center
8	ET. QI	Quality Improvement
9	EU. QIC	Quality Improvement Committee
10	EV. RHAP	Refugee Health Assessment Program
11	EW. RHEIS	Refugee Health Electronic Information System
12	EX. RN	Registered Nurse
13	EY. RSA	Remote Site Access
14	EZ. SAPTBG	Substance Abuse Prevention and Treatment Block Grant
15	FA. SD/MC	Short-Doyle Medi-Cal
16	FB. SIR	Self-Insured Retention
17	FC. SMA	Statewide Maximum Allowable (rate)
18	FD. SNF	Skilled Nursing Facility
19	FE. SR	Supervised Release
20	FG. SRP	Supervised Release Participant
21	FH. SSA	County of Orange Social Services Agency
22	FI. SSI	Supplemental Security Income
23	FJ. STP	Special Treatment Program
24	FK. SUD	Substance Use Disorder
25	FL. TA	Technical Assistance
26	FM. TAR	Treatment Authorization Request
27	FN. TAY	Transitional Age Youth
28	FO. TB	Tuberculosis
29	FP. TBS	Therapeutic Behavioral Services
30	FQ. TRC	Therapeutic Residential Center
31	FR. TTY	Teletypewriter
32	FS. TUPP	Tobacco Use Prevention Program
33	FT. UMDAP	Uniform Method of Determining Ability to Pay
34	FU. UOS	Units of Service
35	FV. USC	United States Code
36	FW. VOLAGs	Volunteer Agencies
37	FX. W&IC	California Welfare and Institutions Code

1 FY. WIC Women, Infants and Children

2  
3 **II. ALTERATION OF TERMS**

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

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

11  
12 **III. ASSIGNMENT OF DEBTS**

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

20  
21 **IV. COMPLIANCE**

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

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

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

- 34 a. Designation of a Compliance Officer and/or compliance staff.
- 35 b. Written standards, policies and/or procedures.
- 36 c. Compliance related training and/or education program and proof of completion.
- 37 d. Communication methods for reporting concerns to the Compliance Officer.

- e. Methodology for conducting internal monitoring and auditing.
- f. Methodology for detecting and correcting offenses.
- g. Methodology/Procedure for enforcing disciplinary standards.

3. If CONTRACTOR does not provide proof of its own Compliance program to ADMINISTRATOR, CONTRACTOR shall acknowledge to comply with ADMINISTRATOR's Compliance Program and Code of Conduct, the CONTRACTOR shall submit to the ADMINISTRATOR within thirty (30) calendar days of execution of this Agreement a signed acknowledgement that CONTRACTOR shall comply with ADMINISTRATOR's Compliance Program and Code of Conduct.

4. If CONTRACTOR elects to have its own Compliance Program, Code of Conduct and any Compliance related policies and procedures review by ADMINISTRATOR, then CONTRACTOR shall submit a copy of its compliance Program, code of Conduct and all relevant policies and procedures to ADMINISTRATOR within thirty (30) calendar days of execution of this Agreement. ADMINISTRATOR's Compliance Officer, or designee, shall review said documents within a reasonable time, which shall not exceed forty five (45) calendar days, and determine if CONTRACTOR's proposed compliance program and code of conduct contain all required elements to the ADMINISTRATOR's satisfaction as consistent with the HCA's Compliance Program and Code of Conduct. ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and CONTRACTOR shall revise its compliance program and code of conduct to meet ADMINISTRATOR's required elements within thirty (30) calendar days after ADMINISTRATOR's Compliance Officer's determination and resubmit the same for review by the ADMINISTRATOR.

5. Upon written confirmation from ADMINISTRATOR's Compliance Officer that the CONTRACTOR's compliance program, code of conduct and any Compliance related policies and procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of CONTRACTOR's compliance program, code of conduct, related policies and procedures and contact information for the ADMINISTRATOR's Compliance Program.

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

1. For purposes of this Paragraph IV (COMPLIANCE), Covered Individuals includes all employees, interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items or services or who perform billing or coding functions on behalf of

1 ADMINISTRATOR. Notwithstanding the above, this term does not include part-time or per-diem  
2 employees, contractors, subcontractors, agents, and other persons who are not reasonably expected to  
3 work more than one hundred sixty (160) hours per year; except that any such individuals shall become  
4 Covered Individuals at the point when they work more than one hundred sixty (160) hours during the  
5 calendar year. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are  
6 made aware of ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and  
7 procedures (or CONTRACTOR's own compliance program, code of conduct and related policies and  
8 procedures if CONTRACTOR has elected to use its own).

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

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

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

15 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.  
16 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this  
17 Agreement.

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

24 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any  
25 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.  
26 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing  
27 services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an  
28 Ineligible Person.

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

35 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or  
36 entity is currently excluded, suspended or debarred, or is identified as such after being sanction  
37 screened. Such individual or entity shall be immediately removed from participating in any activity

1 associated with this Agreement. ADMINISTRATOR will determine appropriate repayment from, or  
2 sanction(s) to CONTRACTOR for services provided by Ineligible Person or individual.  
3 CONTRACTOR shall promptly return any overpayments within forty-five (45) business days after the  
4 overpayment is verified by ADMINISTRATOR.

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

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

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

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

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

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

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

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

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

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

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

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

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

34 1. CONTRACTOR shall take reasonable precaution to ensure that the coding of health care  
35 claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner  
36 and are consistent with federal, state and county laws and regulations. This includes compliance with  
37 federal and state health care program regulations and procedures or instructions otherwise

1 communicated by regulatory agencies including the Centers for Medicare and Medicaid Services or  
2 their agents.

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

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

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

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

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

19  
20 **V. CONFIDENTIALITY**

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

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

31  
32 **VI. COST REPORT**

33 A. CONTRACTOR shall submit separate Cost Reports for Period One, Period Two, and Period  
34 Three, or for a portion thereof, to COUNTY no later than sixty (60) calendar days following the period  
35 for which they are prepared or termination of this Agreement. CONTRACTOR shall prepare the Cost  
36 Report in accordance with all applicable federal, state and COUNTY requirements, GAAP and the  
37 Special Provisions Paragraph of this Agreement. CONTRACTOR shall allocate direct and indirect

1 costs to and between programs, cost centers, services, and funding sources in accordance with such  
2 requirements and consistent with prudent business practice, which costs and allocations shall be  
3 supported by source documentation maintained by CONTRACTOR, and available at any time to  
4 ADMINISTRATOR upon reasonable notice.

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

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

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

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

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

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

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

36 D. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to  
37 this Agreement, less applicable revenues and late penalty, are lower than the aggregate of interim

1 monthly payments to CONTRACTOR, CONTRACTOR shall remit the difference to COUNTY. Such  
2 reimbursement shall be made, in cash, or other authorized form of payment, with the submission of the  
3 Cost Report. If such reimbursement is not made by CONTRACTOR within thirty (30) calendar days  
4 after submission of the Cost Report, COUNTY may, in addition to any other remedies, reduce any  
5 amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

1 **VIII. EMPLOYEE ELIGIBILITY VERIFICATION**

2 CONTRACTOR warrants that it shall fully comply with all federal and state statutes and  
 3 regulations regarding the employment of aliens and others and to ensure that employees, subcontractors,  
 4 and consultants performing work under this Agreement meet the citizenship or alien status requirements  
 5 set 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 **IX. EQUIPMENT**

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

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

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

34 D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part  
 35 with funds paid through this Agreement, including date of purchase, purchase price, serial number,  
 36 model and type of Equipment. Such inventory shall be available for review by ADMINISTRATOR,  
 37 //

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

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

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

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

14 H. CONTRACTOR shall maintain and administer a sound business program for ensuring the  
15 proper use, maintenance, repair, protection, insurance, and preservation of COUNTY Equipment.  
16

17 **X. FACILITIES, PAYMENTS AND SERVICES**

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

23 B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or  
24 supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Maximum Obligation  
25 for the appropriate Period(s) as well as the Total Maximum Obligation. The reduction to the Maximum  
26 Obligation for the appropriate Period(s) as well as the Total Maximum Obligation shall be in an amount  
27 proportionate to the number of days in which CONTRACTOR was determined to be unable to provide  
28 services, staffing, facilities or supplies.  
29

30 **XI. INDEMNIFICATION AND INSURANCE**

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

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

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

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

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

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

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

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

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

37 //

1 constitute a breach of CONTRACTOR’s obligation hereunder and ground for COUNTY to terminate  
 2 this Agreement.

3 F. QUALIFIED INSURER

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

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

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

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

34 H. REQUIRED COVERAGE FORMS

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

37 //

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

3 I. REQUIRED ENDORSEMENTS

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

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

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

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

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

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

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

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

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

32 M. If CONTRACTOR’s Professional Liability and Network Security & Privacy Liability are  
33 “Claims Made” policies, CONTRACTOR shall agree to maintain coverage for two (2) years following  
34 the completion of the Agreement.

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

37 //

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

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

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

13 R. SUBMISSION OF INSURANCE DOCUMENTS

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

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

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

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

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

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

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

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

37 //

**XII. INSPECTIONS AND AUDITS**

1  
2 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative  
3 of the State of California, the Secretary of the United States Department of Health and Human Services,  
4 the Comptroller General of the United States, or any other of their authorized representatives, shall have  
5 access to any books, documents, and records, including but not limited to, financial statements, general  
6 ledgers, relevant accounting systems, medical and client records, of CONTRACTOR that are directly  
7 pertinent to this Agreement, for the purpose of responding to a beneficiary complaint or conducting an  
8 audit, review, evaluation, or examination, or making transcripts during the periods of retention set forth  
9 in the Records Management and Maintenance Paragraph of this Agreement. Such persons may at all  
10 reasonable times inspect or otherwise evaluate the services provided pursuant to this Agreement, and the  
11 premises in which they are provided.

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

16 C. AUDIT RESPONSE

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

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

29 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare and file  
30 with ADMINISTRATOR, an annual, independent, organization-wide audit of related expenditures as  
31 may be required during the term of this Agreement.

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

36 //

37 //



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

1  
2 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout  
3 the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates,  
4 accreditations, waivers, and exemptions necessary for the provision of the services hereunder and  
5 required by the laws, regulations and requirements of the United States, the State of California,  
6 COUNTY, and all other applicable governmental agencies. CONTRACTOR shall notify  
7 ADMINISTRATOR immediately and in writing of its inability to obtain or maintain, irrespective of the  
8 pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers  
9 and exemptions. Said inability shall be cause for termination of this Agreement.

#### B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

10  
11 1. CONTRACTOR agrees to furnish to ADMINISTRATOR within thirty (30) calendar days  
12 of the award of this Agreement:

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

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

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

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

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

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

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

34 1. ARRA of 2009.

35 2. Code of Federal Regulations, Title 42, Public Health.

36 3. Public Law 107-110, No Child Left Behind Act of 2001.

37 4. 42 CFR, Public Health 20 USC §7183, Pro-Children Act of 1994.

1 5. PC §11164 et seq., Child Abuse and Neglect Reporting Act.  
2

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

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

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

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

22 D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement  
23 by COUNTY, unless ADMINISTRATOR consents thereto in writing.  
24

25 **XV. MAXIMUM OBLIGATION**

26 The Total Maximum Obligation of COUNTY for services provided in accordance with this  
27 Agreement, and the separate Maximum Obligations for each period under this Agreement, are as  
28 specified in the Referenced Contract Provisions of this Agreement.  
29

30 **XVI. MINIMUM WAGE LAWS**

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

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

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

8  
9 **XVII. NONDISCRIMINATION**

10 **A. EMPLOYMENT**

11 1. During the term of this Agreement, CONTRACTOR and its Covered Individuals shall not  
12 unlawfully discriminate against any employee or applicant for employment because of his/her race,  
13 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,  
14 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual  
15 orientation, or military and veteran status. Additionally, during the term of this Agreement,  
16 CONTRACTOR and its Covered Individuals shall require in its subcontracts that subcontractors shall  
17 not unlawfully discriminate against any employee or applicant for employment because of his/her race,  
18 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,  
19 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual  
20 orientation, or military and veteran status.

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

25 3. CONTRACTOR shall not discriminate between employees with spouses and employees  
26 with domestic partners, or discriminate between domestic partners and spouses of those employees, in  
27 the provision of benefits.

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

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

37 //

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

6           B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not  
 7 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities  
 8 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental  
 9 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender  
 10 expression, age, sexual orientation, or military and veteran status in accordance with Title IX of the  
 11 Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights  
 12 Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division  
 13 4, Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations; and Title II of the  
 14 Genetic Information Nondiscrimination Act of 2008, 42 USC 2000ff, et seq. as applicable, and all other  
 15 pertinent rules and regulations promulgated pursuant thereto, and as otherwise provided by state law and  
 16 regulations, as all may now exist or be hereafter amended or changed. For the purpose of this  
 17 Nondiscrimination paragraph, Discrimination includes, but is not limited to the following based on one  
 18 or more of the factors identified above:

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

28           C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all clients  
 29 through a written statement that CONTRACTOR's and/or subcontractor's clients may file all  
 30 complaints alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and  
 31 ADMINISTRATOR or the U.S. Department of Health and Human Services' OCR.

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

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

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

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

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

## 17 **XVIII. NOTICES**

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

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

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

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

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

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

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

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

**XX. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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

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

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

G. CONTRACTOR may be required to retain all records involving litigation proceedings and settlement of claims for a longer term as directed by ADMINISTRATOR.

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

**XXI. RESEARCH AND PUBLICATION**

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

//

**XXII. SEVERABILITY**

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

**XXIII. SPECIAL PROVISIONS**

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

- 1. Making cash payments to intended recipients of services through this Agreement.
- 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use of appropriated funds to influence certain federal contracting and financial transactions).
- 3. Fundraising.
- 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR’s staff, volunteers, or members of the Board of Directors or governing body.
- 5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing body for expenses or services.
- 6. Making personal loans to CONTRACTOR’s staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or governing body, or its designee or authorized agent, or making salary advances or giving bonuses to CONTRACTOR’s staff.
- 7. Paying an individual salary or compensation for services at a rate in excess of the current Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule may be found at [www.opm.gov](http://www.opm.gov).
- 8. Severance pay for separating employees.
- 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building codes and obtaining all necessary building permits for any associated construction.
- 10. Purchasing or improving land, including constructing or permanently improving any building or facility, except for tenant improvements.
- 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds (matching).
- 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.
- 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or alcohol.
- 14. Promoting the legalization of any drug or other substance included in Schedule 1 of the Controlled Substance Act (21 USC 812).

1 15. Distributing or aiding in the distribution of sterile needles or syringes for the hypodermic  
2 injection of any illegal drug.

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

4 17. Providing inpatient hospital services or purchasing major medical equipment.

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

7 1. Funding travel or training (excluding mileage or parking).

8 2. Making phone calls outside of the local area unless documented to be directly for the  
9 purpose of client care.

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

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

13 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
14 CONTRACTOR's clients.

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

19  
20 **XXIV. STATUS OF CONTRACTOR**

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

32  
33 **XXV. TERM**

34 A. The term of this Agreement shall commence as specified in the Referenced Contract Provisions  
35 of this Agreement or the execution date, whichever is later. This Agreement shall terminate as specified  
36 in the Referenced Contract Provisions of this Agreement unless otherwise sooner terminated as provided  
37 in this Agreement; provided, however, CONTRACTOR shall be obligated to perform such duties as



1 would normally extend beyond this term, including but not limited to, obligations with respect to  
2 confidentiality, indemnification, audits, reporting and accounting.

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

5  
6 **XXVI. TERMINATION**

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

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

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

15 1. The loss by CONTRACTOR of legal capacity.

16 2. Cessation of services.

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

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

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

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

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

29 **D. CONTINGENT FUNDING**

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

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

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

35 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,  
36 terminate or renegotiate this Agreement upon thirty (30) calendar days' written notice given  
37 //

1 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated  
2 funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.

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

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

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

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

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

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

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

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

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

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

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

32  
33 **XXVII. THIRD PARTY BENEFICIARY**

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

37 //

**XXVIII. WAIVER OF DEFAULT OR BREACH**

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

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

3  
4 AHMC ANAHEIM REGIONAL MEDICAL CENTER

5  
6 DocuSigned by:  
7 BY: Richard A Castro \_\_\_\_\_ DATED: 4/5/2017  
8 776C5CF150F44A2...  
9 TITLE: Chief Executive Officer

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11  
12 BY: \_\_\_\_\_ DATED: \_\_\_\_\_  
13  
14 TITLE: \_\_\_\_\_  
15  
16  
17

18 COUNTY OF ORANGE

19  
20  
21 BY: \_\_\_\_\_ DATED: \_\_\_\_\_  
22 HEALTH CARE AGENCY

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

28  
29 DocuSigned by:  
30 BY: Eric Divine \_\_\_\_\_ DATED: 4/5/2017  
31 C4E3886C1E6D4FD...  
32 DEPUTY

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

EXHIBIT A  
 TO AGREEMENT FOR PROVISION OF  
 TOBACCO CESSATION SERVICES  
 BETWEEN  
 COUNTY OF ORANGE  
 AND  
 AHMC ANAHEIM REGIONAL MEDICAL CENTER LP  
 JULY 1, 2017 THROUGH JUNE 30, 2020

**I. SERVICE AREA IDENTIFICATION**

CONTRACTOR agrees to provide Tobacco Cessation Services throughout Orange County (OC), California. The OC Region is defined in the TUPP Cessation Provider Manual.

**II. BUDGET**

A. The following budget is per period and set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

	<u>PERIOD</u>	<u>PERIOD</u>	<u>PERIOD</u>	<u>TOTAL</u>
	<u>ONE</u>	<u>TWO</u>	<u>THREE</u>	
PROGRAM				
Salaries	\$288,182	\$288,182	\$288,182	\$ 864,546
Benefits	109,509	109,509	109,509	328,527
Services and Supplies	80,600	80,600	80,600	241,800
Professional Services	<u>21,708</u>	<u>21,708</u>	<u>21,708</u>	<u>65,124</u>
SUBTOTAL PROGRAM COST	\$500,000	\$500,000	\$500,000	\$1,500,000
TOTAL COST	\$500,000	\$500,000	\$500,000	\$1,500,000
REVENUE				
TSR	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$1,500,000</u>
TOTAL REVENUE	\$500,000	\$500,000	\$500,000	\$1,500,000
MAXIMUM OBLIGATION	\$500,000	\$500,000	\$500,000	\$1,500,000

B. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds between budgeted line items within a program, for the purpose of meeting specific program needs or for providing continuity of care to its participants, by utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing

1 Modification Request to ADMINISTRATOR for consideration, in advance, which shall include a  
 2 justification narrative specifying the purpose of the request, the amount of said funds to be shifted, and  
 3 the sustaining annual impact of the shift as may be applicable to the current contract period and/or future  
 4 contract periods. CONTRACTOR shall obtain written approval of any Budget/Staffing Modification  
 5 Request(s) from ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of  
 6 CONTRACTOR to obtain written approval from ADMINISTRATOR for any proposed Budget/Staffing  
 7 Modification Request(s) may result in disallowance of those costs.

8 C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget  
 9 Paragraph to this Exhibit A to the Agreement.

### 11 **III. DEFINITIONS**

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

14 1. Action Plan means a plan that clearly describes how performance outcomes will be  
 15 achieved. The Action Plan includes, at minimum, performance outcomes, strategies, activities and  
 16 evaluation; it documents strategies and action steps that will be used to create change in any identified  
 17 issues area.

18 2. TUPP Provider Manual means the manual developed by ADMINISTRATOR to describe  
 19 the specific services to be performed by CONTRACTOR. The TUPP Provider Manual provides  
 20 guidance, goals, objectives, terminology, and evaluation components.

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

### 24 **IV. PAYMENTS**

25 A. COUNTY shall pay CONTRACTOR monthly, in arrears, for the actual costs of providing  
 26 services described hereunder, less revenues which are actually received by CONTRACTOR. All  
 27 payments are interim payments only and are subject to Final Settlement in accordance with the Cost  
 28 Report Paragraph of the Agreement for which CONTRACTOR shall be reimbursed for the actual cost of  
 29 providing the services; hereunder provided, however, the total of such payments does not exceed  
 30 COUNTY's Total Maximum Obligation and, provided further, CONTRACTOR's costs are reimbursable  
 31 pursuant to County, State and/or Federal regulations. ADMINISTRATOR may, at its discretion, pay  
 32 supplemental billings for any month in which the interim payment amount specified above has not been  
 33 fully paid.

34 1. In support of the monthly billing, CONTRACTOR shall submit an Expenditure and  
 35 Revenue Report, which shall have other information including but not limited to, staffing, units of  
 36 service, and any other information requested by ADMINISTRATOR, as specified in the Reports  
 37 Paragraph of this Exhibit A to the Agreement. ADMINISTRATOR shall use the Expenditure and

1 Revenue Report to determine payment to CONTRACTOR as specified in Subparagraphs A.2. and A.3.,  
2 below.

3 2. If, at any time, CONTRACTOR’s Expenditure and Revenue Reports indicate that the  
4 monthly interim payments exceed the actual cost of providing services, ADMINISTRATOR may reduce  
5 COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the year-to-  
6 date interim payment amount to CONTRACTOR and the year-to-date actual cost incurred by  
7 CONTRACTOR.

8 3. If, at any time, CONTRACTOR’s Expenditure and Revenue Reports indicate that the  
9 interim payment amounts are less than the actual cost of providing services, ADMINISTRATOR may  
10 authorize a supplemental payment to CONTRACTOR by an amount not to exceed the difference  
11 between the year-to-date interim payment amount to CONTRACTOR and the year-to-date actual cost  
12 incurred by CONTRACTOR.

13 B. CONTRACTOR’s invoices shall be on a form approved or supplied by COUNTY and include  
14 such information as is required by ADMINISTRATOR. Invoices are due the twentieth (20th) calendar  
15 day of each month and payments to CONTRACTOR should be released by COUNTY no later than  
16 twenty-one (21) calendar days after receipt of the correctly completed invoice.

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

20 D. At ADMINISTRATOR’s sole discretion, ADMINISTRATOR may withhold or delay all or a  
21 part of any payment if CONTRACTOR fails to comply with any provision of the Agreement.

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

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

27  
28 **V. REPORTS**

29 **A. FISCAL**

30 1. Expenditure-Revenue Report – CONTRACTOR shall submit Expenditure and Revenue  
31 Reports to ADMINISTRATOR in support of the monthly invoice. These reports shall be on a form  
32 approved or provided by ADMINISTRATOR, and shall report actual costs and revenue for each of the  
33 CONTRACTOR’s program(s) or cost center(s) described in the Services Paragraph of this Exhibit A to  
34 the Agreement. These reports are due to ADMINISTRATOR by the twentieth (20th) calendar day of  
35 each month following the end of the month being reported.

36 2. Year-End Projection Reports – CONTRACTOR shall provide monthly, year-end  
37 projections that shall include year-to-date actual costs and revenues, and anticipated year-end actual

1 costs and revenues for CONTRACTOR's program described in the Services Paragraph of this Exhibit A  
2 to the Agreement, and shall be on a form approved or provided by ADMINISTRATOR. Year-End  
3 Projection Reports will be submitted in conjunction with the monthly Expenditure and Revenue Reports  
4 and are due to ADMINISTRATOR by the twentieth (20th) calendar day of each month following the  
5 end of the month being reported.

6 3. Staffing Report – CONTRACTOR shall submit Staffing Reports to ADMINISTRATOR in  
7 support of the monthly invoice. These reports shall be on a form approved or provided by  
8 ADMINISTRATOR and shall, at a minimum include actual hours worked by each staff member. These  
9 reports are due to ADMINISTRATOR by twentieth (20th) calendar day of each month following the end  
10 of the month being reported and are to be submitted in conjunction with the monthly Expenditure and  
11 Revenue and Year-End Projection Reports.

## 12 B. PROGRAMMATIC

13 1. CUMULATIVE PROGRAMMATIC REPORTS – CONTRACTOR shall submit quarterly  
14 cumulative programmatic reports to ADMINISTRATOR. These reports shall be on a form provided by  
15 ADMINISTRATOR. The final programmatic report shall include a process evaluation that shall  
16 contain, but not be limited to, an analysis of the effectiveness of strategies used in conducting outreach  
17 and tobacco use prevention activities, the overall effectiveness of the program, and  
18 changes/recommendations for future projects. The due dates for these reports are identified in the TUPP  
19 Provider Manual.

20 2. INTERVENTION REPORT FORM (IRF) – CONTRACTOR shall submit on a format  
21 provided by ADMINISTRATOR, a monthly intervention report form documenting progress toward  
22 Tobacco Cessation project performance outcomes. These reports are due to ADMINISTRATOR by the  
23 tenth (10th) calendar day of the month following the report month.

24 3. MONTHLY NARRATIVE REPORTS – CONTRACTOR shall submit a monthly narrative  
25 report documenting progress toward project performance outcomes set forth in the TUPP Provider  
26 Manual, project successes, and plans for the following month. These reports are due to  
27 ADMINISTRATOR by the fifth (5th) calendar day of each month following the end of the month being  
28 reported. CONTRACTOR shall use the monthly Tobacco Settlement Revenue narrative format  
29 provided by ADMINISTRATOR. The first monthly narrative report is due to ADMINISTRATOR by  
30 August 5, 2017.

31 C. ADDITIONAL REPORTS - CONTRACTOR shall make additional reports as required by  
32 ADMINISTRATOR concerning CONTRACTOR's activities as they affect the services hereunder.  
33 These reports shall be on forms approved or provided by ADMINISTRATOR. ADMINISTRATOR  
34 shall be specific as to the nature of the information requested and, when possible, shall allow thirty (30)  
35 calendar days for CONTRACTOR to respond.

36 D. CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely  
37 completion, and coordination of all reports and services provided pursuant to this Agreement.



1 CONTRACTOR shall review the reasonableness and accuracy of information prior to making any  
2 recommendation, or incorporating such data into any report required hereunder.

3 E. All reports, drawings, specifications, data, and other incidental work or materials furnished by  
4 CONTRACTOR hereunder shall become and remain the property of COUNTY, and may be used by  
5 COUNTY as it may require, without any additional cost to COUNTY.

6 F. CONTRACTOR shall not use reports produced as the result of providing Tobacco Cessation  
7 Services or data obtained for the purpose of producing such reports without the express written consent  
8 of ADMINISTRATOR. All reports shall indicate that the County of Orange Health Care Agency –  
9 Tobacco Use Prevention Program funds CONTRACTOR’s services.

10 G. EVALUATION TOOLS - ADMINISTRATOR shall provide all evaluation tools to  
11 CONTRACTOR and train CONTRACTOR staff on protocols for implementation of evaluation tools.

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

14  
15 **VI. SERVICES**

16 A. CONTRACTOR shall provide Tobacco Cessation Services in accordance with this Exhibit A to  
17 the Agreement, and in support of the COUNTY’s cessation plan and goals as defined in the TUPP  
18 Provider Manual provided by ADMINISTRATOR. ADMINISTRATOR reserves the right to revise and  
19 update the TUPP Provider Manual as needed. ADMINISTRATOR shall notify CONTRACTOR of  
20 changes to the TUPP Provider Manual within three (3) business days of said changes.

21 B. PERFORMANCE OBJECTIVES-YEAR ONE - CONTRACTOR shall meet the following  
22 performance objectives and complete the detailed activities specified in the TUPP Provider Manual for  
23 cessation services by June 30, 2018:

24 1. Adult Services:

25 a. At least seven hundred fifteen (715) adult tobacco users from Orange County will  
26 participate in an in-person individualized cessation counseling session that is sixty (60) minutes in  
27 length. Each individual counseling session will involve an initial scheduling call and a follow-up call, in  
28 addition to the thirty (30) calendar day and one hundred eighty (180) calendar day follow-up calls.  
29 Thirty three percent (33%) of the seven hundred fifteen (715) participants shall report an abstinence  
30 from tobacco use six (6) months after completing the service. No more than thirty percent (30%) of total  
31 participants shall be from Anaheim Regional Medical Center (ARMC).

32 b. At least four hundred eighty (480) adult tobacco users from Orange County shall  
33 participate in a one-time seminar that is one and a half (1 ½) hours in length, or two (2) seminars that are  
34 each forty-five (45) minutes in length. Each participant shall receive a scheduling call and two (2)  
35 follow-up calls at thirty (30) calendar days and one hundred eighty (180) calendar days after completing  
36 the service. Thirty-three percent (33%) of the four hundred eighty (480) participants shall report  
37 //

1 abstinence from tobacco use six (6) months after completing the service. No more than thirty percent  
2 (30%) of total participants shall be from Anaheim Regional Medical Center (ARMC).

3 c. At least one hundred twenty-five (125) adult tobacco users from Orange County shall  
4 participate in a series of five (5), sixty (60) minute cessation sessions. An individual must attend at least  
5 three (3) cessation classes to be counted as a participant. Each participant shall receive a follow-up call  
6 at thirty (30) and one hundred eighty (180) calendar days after completing the service. Thirty-three  
7 percent (33%) of the one hundred twenty-five (125) participants shall report abstinence from tobacco use  
8 six (6) months after completing the service. No more than thirty percent (30%) of total participants shall  
9 be from Anaheim Regional Medical Center (ARMC).

10 d. At least five hundred and five (505) adult tobacco users from Orange County shall  
11 participate in a series of either five (5) cessation classes, one time seminar that is one and a half (1 ½)  
12 hours in length, or two (2) seminars that are each forty-five (45) minutes in length, that focuses on those  
13 adults living in sober living facilities or treatment facilities. An individual must attend all seminar  
14 sessions, or at least three (3) of the five (5) cessation classes to be counted as a participant.

15 2. Youth Services:

16 a. At least one hundred five (105) youth tobacco users from Orange County shall  
17 participate in a series of five (5) cessation sessions, which are at least forty-five (45) minutes in length.  
18 An individual has to attend at least three (3) cessation classes to be counted as a participant. Each  
19 participant shall receive an initial scheduling call and two (2) follow-up calls at thirty (30) and one  
20 hundred eighty (180) calendar days after completing the service. Thirty-three percent (33%) of the one  
21 hundred and five (105) youth served shall report abstinence from tobacco use six (6) months after  
22 completing the service.

23 b. At least two hundred eighty-five (285) youth tobacco users from Orange County shall  
24 participate in a one-time seminar that is at least one (1) hour long. Each participant shall receive an  
25 initial scheduling call and two (2) follow-up calls at thirty (30) and one hundred eighty (180) calendar  
26 days after completing the service. Thirty-three percent (33%) of the two hundred eighty-five (285)  
27 youth shall report abstinence from tobacco use six (6) months after completing the service.

28 3. Cessation Promotion Services:

29 a. The NEW LUNG Line shall be maintained to receive tobacco cessation calls in five (5)  
30 languages: English, Spanish, Vietnamese, Korean, and Farsi. Cessation services offered include: 1)  
31 one-on-one, in-person counseling; 2) cessation seminars; and 3) five (5) cessation sessions. The line will  
32 be available during regular business hours, Monday through Friday, from 8:00 a.m. to 5:00 p.m. All  
33 missed calls shall be returned within forty-eight (48) business hours. Calls shall be tracked by using a  
34 "Cessation Line Caller Track Form" to build a database of all calls received by the helpline.

35 b. Recruit and maintain at least four hundred (400) locations to provide cessation materials  
36 and/or referrals to 1-866-NEW-LUNG line. Locations may include, but are not limited to: health care  
37 professionals and/or allied health care professionals, educational institutions, work sites, veteran's

1 organizations, and lesbian, gay, bisexual, transgender, questioning, intersex (LGBTQI) serving  
2 organizations, and youth sites. At least two hundred (200) of these locations shall be located in high  
3 smoking prevalence areas in Orange County.

4 c. Recruit and maintain at least three hundred (300) businesses, community organizations,  
5 and medical facilities that provide services to mothers and/or expectant mothers who use tobacco to  
6 provide their clients with cessation materials and/or referrals to 1-866-NEW-LUNG line. Examples of  
7 these facilities include, but are not limited to: WIC, Planned Parenthood, family planning organizations,  
8 and OBGYNs. At least one hundred (100) of the overall outreach sites will be located in high smoking  
9 prevalence areas in Orange County.

10 d. Pilot the NEW LUNG Texting Service as a strategy to reinforce and bolster cessation  
11 services. Participants who voluntarily enroll in the texting service shall receive text messages for six (6)  
12 months after receiving cessation services. Texts include: motivational quotes, quit tips, and other  
13 material covered in cessation classes. Participants can opt out of receiving texts at any time.

14 e. Purchase and disseminate a minimum of twenty-two (22) promotional and incentive  
15 materials focusing on promotion of the 1-866-NEW-LUNG line and increasing quit attempts of tobacco  
16 use. These materials shall support the promotion of the other objectives focused on adults and youth.

17 C. PERFORMANCE OBJECTIVES – PERIODS TWO AND THREE

18 1. The performance objectives and complete actions plans for periods two and three shall be  
19 developed in coordination with TUPP staff and will be based upon period one process outcomes to  
20 ensure program’s quality and effectiveness. Performance objectives and complete action plans for  
21 Period Two and Period Three shall be included in the TUPP Manual.

22 D. MEETINGS

23 1. CONTRACTOR and ADMINISTRATOR shall meet at least once a month to discuss  
24 program and strategic issues. ADMINISTRATOR and CONTRACTOR shall agree to the meeting dates  
25 in writing.

26 2. CONTRACTOR shall invite ADMINISTRATOR to all regional meetings scheduled by  
27 CONTRACTOR.

28 3. CONTRACTOR’s Executive Director, Project Coordinator, or designee who has authority  
29 to make decisions, shall participate in meetings related to the provision of services pursuant to this  
30 Agreement, when requested by ADMINISTRATOR.

31 E. PATENTS AND COPYRIGHT MATERIALS

32 1. Unless otherwise expressly provided in this Agreement, CONTRACTOR shall be solely  
33 responsible for clearing the right to use any patented or copyrighted materials in the performance of this  
34 Agreement.

35 2. CONTRACTOR agrees that any and all "works of authorship," as defined in  
36 17 United States Code Annotated (U.S.C.A.), Section 102(a) which are created, produced, developed, or  
37 delivered as part of this Agreement, whether or not published, which can be considered "works made for

1 hire" per 17 U.S.C.A., Section 101, shall be considered works made for hire. CONTRACTOR also  
 2 agrees that the copyright to any and all such works made for hire under this Agreement, whether  
 3 published or unpublished, belongs to COUNTY from the moment of creation as that term is defined in  
 4 17 U.S.C.A., Section 101. CONTRACTOR agrees that COUNTY shall have a royalty-free, non-  
 5 exclusive right to use, reproduce, and disseminate all such material.

6 3. CONTRACTOR agrees and does hereby grant to COUNTY for all purposes a royalty-free,  
 7 non-exclusive and irrevocable license throughout the world to reproduce, to prepare derivative works, to  
 8 distribute copies, to perform, to display or to otherwise use, duplicate, or dispose of any work, data or  
 9 material in any manner, which is created, produced, developed, or delivered as part of this Agreement,  
 10 but which is not considered a "work made for hire." CONTRACTOR agrees that the COUNTY shall  
 11 have authority to grant such license to others.

12 4. CONTRACTOR agrees that if CONTRACTOR enters into any agreements with other  
 13 parties to perform the work required under this Agreement, that CONTRACTOR shall require that each  
 14 agreement include clauses granting COUNTY:

15 a. A copyright interest in any works created, produced, developed, or delivered as "works  
 16 made for hire", and

17 b. A royalty-free, non-exclusive, and irrevocable license throughout the world to  
 18 reproduce, to prepare derivative works, to distribute copies, to perform, to display or to otherwise use,  
 19 duplicate, or dispose of "works made for hire" or, any work, data or material "not made for hire" under  
 20 this Agreement.

21 F. CONTRACTOR shall collaborate with tobacco prevention providers funded by COUNTY to  
 22 promote the activities and services described within this Agreement.

23 G. ADMINISTRATOR may conduct periodic reviews of CONTRACTOR to evaluate performance  
 24 in meeting the terms of this Agreement. ADMINISTRATOR will notify CONTRACTOR in writing of  
 25 any issue(s) or concern(s) related to the provision of services pursuant to this Agreement, and may  
 26 request a plan of corrective action. Corrective action plans may address, but are not limited to  
 27 performance outcomes, preventative strategies, and/or action plans. CONTRACTOR shall submit a  
 28 written plan of corrective action for approval within two (2) weeks of request by ADMINISTRATOR.  
 29 CONTRACTOR may request in advance and in writing, an extension to the due date for a corrective  
 30 action plan. Approval of the request shall be at the sole discretion of ADMINISTRATOR.

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

36 I. SOCIAL MEDIA - If a project related to social media is to be used, CONTRACTOR shall  
 37 develop necessary policies and procedures and keep them on file.

1 J. CONTRACTOR agrees to comply with the terms and requirements as directed in the  
2 Cessation/Prevention Provider Manual.

3 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
4 Services Paragraph to this Exhibit A to the Agreement.

5  
6 **VII. STAFFING**

7 A. CONTRACTOR shall provide services pursuant to this Agreement by recruiting, hiring, and  
8 maintaining administrative and program staff who have the requisite qualifications and experience to  
9 provide tobacco cessation services under this Agreement.

10 B. CONTRACTOR shall perform a pre-employment screening of any person who will provide  
11 services pursuant to this Agreement. All staff, including volunteers and interns, shall meet the following  
12 requirements prior to providing any service pursuant to this Agreement:

13 1. No person, within the preceding two (2) years, shall have been convicted of any criminal  
14 offense other than a traffic violation.

15 2. No person, within the preceding two (2) years, shall have been found guilty of any crime  
16 related to the use of drugs or alcohol.

17 3. No person, at any time, shall have been found guilty of any crime involving moral turpitude  
18 by a court of law.

19 4. No person shall be on parole or probation.

20 C. All individuals working directly with youth must submit fingerprints and pass a background  
21 check, prior to providing services pursuant to this Agreement. CONTRACTOR shall submit to  
22 ADMINISTRATOR copies of the results for each individual that has successfully passed the  
23 background check. CONTRACTOR shall keep copies for its records.

24 D. All individuals working directly with youth shall obtain an Activity Supervisor Clearance  
25 Certificate issued by the Commission on Teacher Credentialing, prior to assuming a paid or volunteer  
26 position to supervise, direct, or coach a pupil activity program sponsored by or affiliated with a school  
27 district. The application to obtain a certificate is available at the Commission on Teacher Credentialing  
28 website at <http://www.ctc.ca.gov/credentials/apply.html>. CONTRACTOR shall submit to  
29 ADMINISTRATOR copies of the certificates for each individual who has successfully obtained an  
30 Activity Supervisor Clearance Certificate. Contractor shall keep copies for its records.

31 E. Separate from the Code of Conduct specified in the Compliance Paragraph of this Agreement,  
32 CONTRACTOR shall establish a written Code of Conduct for employees, subcontractors, volunteers,  
33 interns, and the Board of Directors which shall include, but not be limited to, standards related to the use  
34 of drugs and/or alcohol; staff-participant relationships; prohibition of sexual conduct with participants;  
35 and conflict of interest. Prior to providing any services pursuant to this Agreement, all employees,  
36 subcontractors, volunteers, interns, and the Board of Directors shall agree in writing to maintain the  
37 standards set forth in the Code of Conduct.

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

G. CONTRACTOR shall, at a minimum, provide the following paid staffing expressed in Full-Time Equivalent (FTEs), which shall be equal to an average of forty (40) hours of work per week:

<u>POSITION</u>	<u>FTEs</u>
<b>PROGRAM STAFF</b>	
Tobacco Cessation Coordinator	1.00
Tobacco Cessation Nurse	1.00
Tobacco Cessation Specialists	4.20
Tobacco Cessation Outreach Specialist	1.00
Tobacco Cessation Associate	<u>0.60</u>
<b>TOTAL FTEs</b>	<b>7.80</b>

H. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours, of any staffing changes; including vacancies associated with termination, resignation, and/or notice of resignation; leaves of absence; promotions; temporary FTE changes; and internal or external temporary staffing assignment requests that occur during the term of the Agreement. CONTRACTOR's notification to ADMINISTRATOR shall provide appropriate information regarding the staffing change, such as but not limited to employee name(s), position title(s), date(s) of resignation/separation, date(s) of hire/promotion, FTE adjustments, leave timeframes/estimates, internships, jobs duties, and description of recruitment activity for replacement staff.

I. CONTRACTOR may augment the above paid staff with volunteers and/or part-time student interns; provided, however, CONTRACTOR shall provide supervision as specified in the respective job descriptions or work contracts.

J. CONTRACTOR shall maintain personnel files for each paid or unpaid staff member, both administrative and programmatic, which shall include as appropriate and applicable, but not be limited to, an application for employment, qualifications for the positions, job description, documentation of bicultural/bilingual capabilities, pay rate, evaluations justifying pay increases, and copies of pertinent training certifications pursuant to the terms of this Agreement.

K. EVALUATION – CONTRACTOR shall collaborate with ADMINISTRATOR for the development of evaluation design, evaluation tools, and to create databases.

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

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EXHIBIT B  
TO AGREEMENT FOR PROVISION OF  
TOBACCO CESSATION SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
AHMC ANAHEIM REGIONAL MEDICAL CENTER LP  
JULY 1, 2017 THROUGH JUNE 30, 2020

**I. BUSINESS ASSOCIATE CONTRACT**

**A. GENERAL PROVISIONS AND RECITALS**

1. The parties agree that the terms used, but not otherwise defined below in Paragraph B, shall have the same meaning given to such terms under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“the HITECH Act”), and their implementing regulations at 45 CFR Parts 160 and 164 (“the HIPAA regulations”) as they may exist now or be hereafter amended.

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

3. The COUNTY wishes to disclose to CONTRACTOR certain information pursuant to the terms of the Agreement, some of which may constitute Protected Health Information (“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 a 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 paragraph (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. "Designated Record Set" shall have the meaning given to such term under the HIPAA  
34 Privacy Rule in 45 CFR § 164.501.

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

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

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

6 8. “Physical Safeguards” are physical measures, policies, and procedures to protect  
7 CONTRACTOR’s electronic information systems and related buildings and equipment, from natural  
8 and environmental hazards, and unauthorized intrusion.

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

11 10. “Protected Health Information” or “PHI” shall have the meaning given to such term under  
12 the HIPAA regulations in 45 CFR § 160.103.

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

15 12. “Secretary” shall mean the Secretary of the Department of Health and Human Services or  
16 his or her designee.

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

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

24 15. “Subcontractor” shall have the meaning given to such term under the HIPAA regulations in  
25 45 CFR § 160.103.

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

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

32 18. “Use” shall have the meaning given to such term under the HIPAA regulations in 45 CFR §  
33 160.103.

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

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

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

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

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

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

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

18 7. CONTRACTOR agrees to provide access, within fifteen (15) calendar days of receipt of a  
19 written request by COUNTY, to PHI in a Designated Record Set, to COUNTY or, as directed by  
20 COUNTY, to an Individual in order to meet the requirements under 45 CFR § 164.524.

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

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

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

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

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

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

11 D. SECURITY RULE

12 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish  
13 and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR  
14 § 164.308, § 164.310, § 164.312, and § 164.316 with respect to electronic PHI COUNTY discloses to  
15 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.  
16 CONTRACTOR shall follow generally accepted system security principles and the requirements of the  
17 HIPAA Security Rule pertaining to the security of electronic PHI.

18 2. CONTRACTOR shall ensure that any subcontractors that create, receive, maintain, or  
19 transmit electronic PHI on behalf of CONTRACTOR agree through a contract with CONTRACTOR to  
20 the same restrictions and requirements contained in this Paragraph D of this Business Associate  
21 Contract.

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

25 E. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

2           a. The identification of each Individual whose Unsecured PHI has been, or is reasonably

3 believed by CONTRACTOR to have been, accessed, acquired, used, or disclosed during the Breach;

4           b. Any other information that COUNTY is required to include in the notification to

5 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or

6 promptly thereafter as this information becomes available, even after the regulatory sixty (60) day

7 period set forth in 45 CFR § 164.410 (b) has elapsed, including:

8           1) A brief description of what happened, including the date of the Breach and the date

9 of the discovery of the Breach, if known;

10           2) A description of the types of Unsecured PHI that were involved in the Breach (such

11 as whether full name, social security number, date of birth, home address, account number, diagnosis,

12 disability code, or other types of information were involved);

13           3) Any steps Individuals should take to protect themselves from potential harm

14 resulting from the Breach;

15           4) A brief description of what CONTRACTOR is doing to investigate the Breach, to

16 mitigate harm to Individuals, and to protect against any future Breaches; and

17           5) Contact procedures for Individuals to ask questions or learn additional information,

18 which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

19           4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in

20 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the

21 COUNTY.

22           5. In the event that CONTRACTOR is responsible for a Breach of Unsecured PHI in violation

23 of the HIPAA Privacy Rule, CONTRACTOR shall have the burden of demonstrating that

24 CONTRACTOR made all notifications to COUNTY consistent with this Paragraph E and as required by

25 the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or disclosure

26 of PHI did not constitute a Breach.

27           6. CONTRACTOR shall maintain documentation of all required notifications of a Breach or

28 its risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur.

29           7. CONTRACTOR shall provide to COUNTY all specific and pertinent information about the

30 Breach, including the information listed in Section E.3.b.(1)-(5) above, if not yet provided, to permit

31 COUNTY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as

32 practicable, but in no event later than fifteen (15) calendar days after CONTRACTOR’s initial report of

33 the Breach to COUNTY pursuant to Subparagraph E.2 above.

34           8. CONTRACTOR shall continue to provide all additional pertinent information about the

35 Breach to COUNTY as it may become available, in reporting increments of five (5) business days after

36 the last report to COUNTY. CONTRACTOR shall also respond in good faith to any reasonable

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1 requests for further information, or follow-up information after report to COUNTY, when such request  
2 is made by COUNTY.

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

7 F. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

17 1) The Disclosure is required by law; or

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

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

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

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

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

32 G. OBLIGATIONS OF COUNTY

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

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

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

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

9 H. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

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