

11 AGREEMENT FOR PROVISION OF  
 22 ADULT MENTAL HEALTH CRISIS RESIDENTIAL SERVICES  
 33 BETWEEN  
 44 COUNTY OF ORANGE  
 55 AND  
 66 TELECARE CORPORATION  
 77 JULY 1, ~~2014~~2015 THROUGH JUNE 30, ~~2015~~2016

88  
 99 THIS AGREEMENT entered into this 1st day of July ~~2014~~2015, which date is enumerated for  
 100 purposes of reference only, is by and between the COUNTY OF ORANGE (COUNTY) and  
 111 TELECARE CORPORATION, a California for profit corporation (CONTRACTOR). This Agreement  
 122 shall be administered by the County of Orange Health Care Agency (ADMINISTRATOR).

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 144 **W I T N E S S E T H:**

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 166 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of  
 177 Adult Mental Health Crisis Residential Services described herein to the residents of Orange County; and  
 188 WHEREAS, CONTRACTOR is agreeable to the rendering of such services on the terms and  
 199 conditions hereinafter set forth:

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

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**REFERENCED CONTRACT PROVISIONS**

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**Term:** July 1, ~~2014~~2015 through June 30, ~~2015~~2016

**Maximum Obligation:** \$1,741,168

**Basis for Reimbursement:** Actual Cost

**Payment Method:** ~~Provisional Amount~~ Monthly in Arrears

**CONTRACTOR DUNS Number:** 07-654-7363

**CONTRACTOR TAX ID Number:** 94-1735271

**Notices to COUNTY and CONTRACTOR:**

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

CONTRACTOR: Telecare Corporation  
1080 Marina Village Parkway, Suite 100  
Alameda, CA 94501  
Contact Name: Marshall Langfeld, Senior Vice President, Chief Financial Officer  
Contact E-mail: mlangfeld@telecarecorp.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:

<del>1</del> <u>2</u>	A. ARRA	American Recovery and Reinvestment Act
<del>5</del> <u>6</u>	B. ASRS	Alcohol and Drug Programs Reporting System
<del>6</del> <u>7</u>	C. AES	Advanced Encryption Standard
<del>7</del> <u>8</u>	D. BCP	Business Continuity Plan
<del>8</del> <u>9</u>	E. CCC	California Civil Code
<del>9</del> <u>10</u>	F. CCR	California Code of Regulations
<del>10</del> <u>11</u>	G. CD/DVD	Compact Disc/Digital Video or Versatile Disc
<del>11</del> <u>12</u>	H. CEO	County Executive Office
<del>12</del> <u>13</u>	I. CFR	Code of Federal Regulations
<del>13</del> <u>14</u>	J. CIPA	California Information Practices Act
<del>14</del> <u>15</u>	K. CHPP	COUNTY HIPAA Policies and Procedures
<del>15</del> <u>16</u>	L. CHS	Correctional Health Services
<del>16</del> <u>17</u>	M. CMPPA	Computer Matching and Privacy Protection Act
<del>17</del> <u>18</u>	N. COI	Certificate of Insurance
<del>18</del> <u>19</u>	O. D/MC	Drug/Medi-Cal
<del>19</del> <u>20</u>	P. DHCS	Department of Health Care Services
<del>20</del> <u>21</u>	Q. DoD	US Department of Defense
<del>21</del> <u>22</u>	R. DPFS	Drug Program Fiscal Systems
<del>22</del> <u>23</u>	S. DRP	Disaster Recovery Plan
<del>23</del> <u>24</u>	T. DRS	Designated Record Set
<del>24</del> <u>25</u>	U. <u>DSM</u>	<u>Diagnostic and Statistical Manual of Mental Disorders</u>
<del>25</del> <u>26</u>	V. <u>DSM-IV</u>	<u>Diagnostic and Statistical Manual of Mental Disorders. 4<sup>th</sup> Edition</u>
<del>26</del> <u>27</u>	W. <u>DSM-V</u>	<u>Diagnostic and Statistical Manual of Mental Disorders. 5<sup>th</sup> Edition</u>
<del>27</del> <u>28</u>	X. <u>FTE</u>	<u>Full Time Equivalent</u>
<del>28</del> <u>29</u>	Y. E-Mail	Electronic Mail
<del>29</del> <u>30</u>	<del>VZ</del> <u>EHR</u>	Electronic Health Records
<del>30</del> <u>31</u>	<del>WA</del> <u>ePHI</u>	Electronic Protected Health Information
<del>31</del> <u>32</u>	<del>XB</del> <u>FIPS</u>	Federal Information Processing Standards
<del>32</del> <u>33</u>	<del>YC</del> <u>GAAP</u>	Generally Accepted Accounting Principles
<del>33</del> <u>34</u>	<del>ZAD</del> <u>HCA</u>	Health Care Agency
<del>34</del> <u>35</u>	<del>AA</del> <u>HHS</u>	Health and Human Services
<del>35</del> <u>36</u>	<del>AB</del> <u>HIPAA</u>	Health Insurance Portability and Accountability Act of 1996, Public Law 104-191
<del>36</del> <u>37</u>	<del>AC</del> <u>HSC</u>	California Health and Safety Code

<u>11</u>	<del>AD</del> AH.	ID	Identification
<u>22</u>	<del>AE</del> AI.	IEA	Information Exchange Agreement
<u>33</u>	<del>AF</del> AJ.	IRIS	Integrated Records and Information System
<u>44</u>	<del>AK</del> ISO		Insurance Services Office
<u>55</u>	<del>AG</del> AL.	MHP	Mental Health Plan
<u>66</u>	<del>AH</del> AM.	NIST	National Institute of Standards and Technology
<u>77</u>	<del>AI</del> AN.	NPI	National Provider Identifier
<u>88</u>	<del>AO</del> NPP		Notice of Privacy Practices
<u>99</u>	<del>AP</del> OCJS		Orange County Jail System
<u>100</u>	<del>AJ</del> AQ.	OCPD	Orange County Probation Department
<u>111</u>	<del>AK</del> AR.	OCR	Office for Civil Rights
<u>122</u>	<del>AL</del> AS.	OCSD	Orange County Sheriff's Department
<u>133</u>	<del>AM</del> AT.	OIG	Office of Inspector General
<u>144</u>	<del>AN</del> AU.	OMB	Office of Management and Budget
<u>155</u>	<del>AO</del> AV.	OPM	Federal Office of Personnel Management
<u>166</u>	<del>AP</del> AW.	PA DSS	Payment Application Data Security Standard
<u>177</u>	<del>AQ</del> AX.	PC	State of California Penal Code
<u>188</u>	<del>AR</del> AY.	PCI DSS	Payment Card Industry Data Security Standard
<u>199</u>	<del>AS</del> AZ.	PHI	Protected Health Information
<u>200</u>	<del>AT</del> BA.	PI	Personal Information
<u>211</u>	<del>AU</del> BB.	PII	Personally Identifiable Information
<u>222</u>	<del>AV</del> BC.	P&P	Policy and Procedure
<u>233</u>	<del>BD</del> PRA		Public Record Act
<u>244</u>	<del>AW</del> BE.	SIR	Self-Insured Retention
<u>255</u>	<del>AX</del> BF.	The HITECH Act	The Health Information Technology for Economic and Clinical
<u>266</u>			Health
<u>277</u>			Act, Public Law 111-005
<u>288</u>	<del>AY</del> BG.	USC	United States Code
<u>299</u>	<del>AZ</del> BH.	UOS	Units of Service
<u>300</u>	<del>BL</del> WIC		State of California Welfare and Institutions Code

## II. ALTERATION OF TERMS

333 A. This Agreement, together with Exhibits A, B, and C attached hereto and incorporated herein,  
344 fully expresses the complete understanding of COUNTY and CONTRACTOR with respect to the  
355 subject matter of this Agreement.

366 B. Unless otherwise expressly stated in this Agreement, no addition to, or alteration of the terms of  
377 this Agreement or any Exhibits, whether written or verbal, made by the parties, their officers, employees

14 or agents shall be valid unless made in the form of a written amendment to this Agreement, which has  
 22 been formally approved and executed by both parties.

### 44 **III. ASSIGNMENT OF DEBTS**

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

### 133 **IV. COMPLIANCE**

144 A. ADMINISTRATOR has established a Compliance Program for the purpose of ensuring  
 155 adherence to all rules and regulations related to federal and state health care programs.

166 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the relevant HCA  
 177 policies and procedures relating to HCA's Compliance Program, HCA's Code of Conduct and General  
 188 Compliance Trainings.

199 2. CONTRACTOR has the option to adhere to HCA's Compliance Program and Code of  
 200 Conduct or establish its own, provided CONTRACTOR's Compliance Program and Code of Conduct  
 211 have been verified to include all required elements by ADMINISTRATOR's Compliance Officer as  
 222 described in subparagraphs below.

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

277 4. If CONTRACTOR elects to have its own Compliance Program and Code of Conduct then it  
 288 shall submit a copy of its Compliance Program, Code of Conduct and relevant policies and procedures  
 299 to ADMINISTRATOR within thirty (30) calendar days of award of this Agreement.  
 300 ADMINISTRATOR's Compliance Officer shall determine if ~~CONTRACTOR~~ CONTRACTOR'S  
 311 Compliance Program and Code of Conduct contains all required elements. CONTRACTOR shall take  
 322 necessary action to meet said standards or shall be asked to acknowledge and agree to ~~the~~ HCA's  
 333 Compliance Program and Code of Conduct if the CONTRACTOR's Compliance Program and Code of  
 344 Conduct does not contain all required elements.

355 5. Upon written confirmation from ADMINISTRATOR's Compliance Officer that the  
 366 ~~CONTRACTOR~~ CONTRACTOR'S Compliance Program and Code of Conduct contains all required  
 377 elements,



14 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of  
 22 CONTRACTOR's Compliance Program, Code of Conduct and related policies and procedures.

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

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

144 1. Covered Individuals includes all contractors, subcontractors, agents, and other persons who  
 155 provide health care items or services or who perform billing or coding functions on behalf of  
 166 ADMINISTRATOR. Notwithstanding the above, this term does not include part-time or per-diem  
 177 employees, contractors, subcontractors, agents, and other persons who are not reasonably expected to  
 188 work more than one hundred sixty (160) hours per year; except that any such individuals shall become  
 199 Covered Individuals at the point when they work more than one hundred sixty (160) hours during the  
 200 calendar year. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are  
 211 made aware of ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and  
 222 procedures.

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

299 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.  
 300 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this  
 311 Agreement.

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

14 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any  
 22 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.  
 33 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing  
 44 services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an  
 55 Ineligible Person.

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

122 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or  
 133 entity is currently excluded, suspended or debarred, or is identified as such after being sanction  
 144 screened. Such individual or entity shall be immediately removed from participating in any activity  
 155 associated with this Agreement. ADMINISTRATOR will determine appropriate repayment from, or  
 166 sanction(s) to CONTRACTOR for services provided by ineligible person or individual.  
 177 CONTRACTOR shall promptly return any overpayments within forty-five (45) business days after the  
 188 overpayment is verified by ~~the~~ ADMINISTRATOR.

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

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

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

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

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

#### 300 D. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

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

11 #

12 **V. CONFIDENTIALITY**

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

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

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

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

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

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## VI. COST REPORT

14  
22 A. CONTRACTOR shall submit a Cost Report to COUNTY no later than sixty (60) calendar days  
33 following termination of this Agreement. CONTRACTOR shall prepare the Cost Report in accordance  
44 with all applicable federal, state and COUNTY requirements, GAAP and the Special Provisions  
55 Paragraph of this Agreement. CONTRACTOR shall allocate direct and indirect costs to and between  
66 programs, cost centers, services, and funding sources in accordance with such requirements and  
77 consistent with prudent business practice, which costs and allocations shall be supported by source  
88 documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon  
99 reasonable notice. In the event CONTRACTOR has multiple Agreements for mental health services  
100 that are administered by HCA, consolidation of the individual Cost Reports into a single consolidated  
111 Cost Report may be required, as stipulated by ADMINISTRATOR. CONTRACTOR shall submit a  
122 consolidated Cost Report to COUNTY no later than five (5) business days following approval by  
133 ADMINSTRATOR of all individual Cost Reports to be incorporated into a consolidated Cost Report.

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

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

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

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

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

344 B. The individual and/or consolidated Cost Report shall be the final financial and statistical report  
355 submitted by CONTRACTOR to COUNTY, and shall serve as the basis for final settlement to  
366 CONTRACTOR. CONTRACTOR shall document that costs are reasonable and allowable and directly  
377 //

11 or indirectly related to the services to be provided hereunder. ~~The~~ The individual and/or consolidated  
22 Cost Report shall be the final financial record for subsequent audits, if any.

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

133 D. Unless approved by ADMINISTRATOR, costs that exceed the ~~State~~ Statewide Maximum  
144 Allowance (SMA) rates per Medi-Cal Unit of Services, as determined by the ~~State~~ DHCS, shall be  
155 unreimbursable to CONTRACTOR.

166 E. In the event that CONTRACTOR is authorized to retain unanticipated revenues as described in  
177 the Budget Paragraph of Exhibit A to this Agreement, CONTRACTOR shall specify, in the individual  
188 and/or consolidated Cost Report, the services rendered with such revenues.

199 F. All individual and/or consolidated Cost Reports shall contain the following attestation, which  
200 may be typed directly on or attached to the individual and/or consolidated Cost Report:

211  
222 "I HEREBY CERTIFY that I have executed the accompanying individual and/or  
233 consolidated Cost Report and supporting documentation prepared by \_\_\_\_\_ for  
244 the individual and/or consolidated Cost Report period beginning \_\_\_\_\_ and  
255 ending \_\_\_\_\_ and that, to the best of my knowledge and belief, costs  
266 reimbursed through this Agreement are reasonable and allowable and directly or  
277 indirectly related to the services provided and that this individual and/or consolidated  
288 Cost Report is a true, correct, and complete statement from the books and records of  
299 (provider name) in accordance with applicable instructions, except as noted. I also  
300 hereby certify that I have the authority to execute the accompanying individual and/or  
311 consolidated Cost Report.

322  
333 Signed \_\_\_\_\_  
344 Name \_\_\_\_\_  
355 Title \_\_\_\_\_  
366 Date \_\_\_\_\_"

## **VII. DEBARMENT AND SUSPENSION**

A. CONTRACTOR certifies that it and its principals:

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

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

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

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

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

6. Shall include without modification, the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction," (i.e., transactions with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in accordance with 2 CFR Part 376.

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

## **VIII. DELEGATION, ASSIGNMENT AND SUBCONTRACTS**

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

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

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

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

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

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

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

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

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

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

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

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

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

## IX. EMPLOYEE ELIGIBILITY VERIFICATION

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

## X. EQUIPMENT

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

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

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

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



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

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

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

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

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

166

177 **XI. EXPENDITURE AND REVENUE REPORT. FACILITIES, PAYMENTS AND SERVICES**

188 ~~— A. No later than sixty (60) calendar days following termination of this Agreement,~~  
 199 ~~CONTRACTOR shall submit to ADMINISTRATOR, for informational purposes only, an Expenditure~~  
 200 ~~and Revenue Report for the preceding fiscal year, or portion thereof. Such report shall be prepared in~~  
 211 ~~accordance with the procedure that is provided by ADMINISTRATOR and GAAP.~~

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

244

255

**XI. FACILITIES, PAYMENTS AND SERVICES**

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

311 **B.** In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or  
 322 supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Maximum Obligation.  
 333 The reduction to the Maximum Obligation shall be in an amount proportionate to the number of days in  
 344 which CONTRACTOR was determined to be unable to provide services, staffing, facilities or supplies.

355

366

377

**XII. INDEMNIFICATION AND INSURANCE**

14 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,  
 22 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  
 44 (COUNTY INDEMNITEES) harmless from any claims, demands, including defense costs, or liability  
 55 of any kind or nature, including but not limited to personal injury or property damage, arising from or  
 66 related to the services, products or other performance provided by CONTRACTOR pursuant to this  
 77 Agreement. If judgment is entered against CONTRACTOR and COUNTY by a court of competent  
 88 jurisdiction because of the concurrent active negligence of COUNTY or COUNTY INDEMNITEES,  
 99 CONTRACTOR and COUNTY agree that liability will be apportioned as determined by the court.  
 100 Neither party shall request a jury apportionment.

111 B. COUNTY agrees to indemnify, defend and hold CONTRACTOR, its officers, employees,  
 122 agents, directors, members, shareholders and/or affiliates harmless from any claims, demands, including  
 133 defense costs, or liability of any kind or nature, including but not limited to personal injury or property  
 144 damage, arising from or related to the services, products or other performance provided by COUNTY  
 155 pursuant to this Agreement. If judgment is entered against COUNTY and CONTRACTOR by a court  
 166 of competent jurisdiction because of the concurrent active negligence of CONTRACTOR, COUNTY  
 177 and CONTRACTOR agree that liability will be apportioned as determined by the court. Neither party  
 188 shall request a jury apportionment.

199 C. Each party agrees to provide the indemnifying party with written notification of any claim  
 200 related to services provided by either party pursuant to this Agreement within thirty (30) calendar days  
 211 of notice thereof, and in the event the indemnifying party is subsequently named party to the litigation,  
 222 each party shall cooperate with the indemnifying party in its defense.

233 D. Without limiting CONTRACTOR's indemnification, CONTRACTOR warrants that it is self-  
 244 insured or shall maintain in force at all times during the term of this Agreement, the policy or policies of  
 255 insurance covering its operations placed with reputable insurance companies in amounts as specified in  
 266 the Referenced Contract Provisions of this Agreement. Upon request by ADMINISTRATOR,  
 277 CONTRACTOR shall provide evidence of such insurance.

288 ~~E. All insurance policies except Workers' Compensation and Employer's Liability shall contain  
 299 the following clauses:~~

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

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

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

377 ~~F. Certificates of Insurance and endorsements evidencing the above coverages and clauses shall be~~

~~11 mailed to COUNTY as referenced in the Referenced Contract Provisions of this Agreement.~~

~~22 — G. COUNTY warrants that it is self insured or maintains policies of insurance placed with  
33 reputable insurance companies licensed to do business in the State of California which insures the perils  
44 of bodily injury, medical, professional liability, and property damage. Upon request by  
55 CONTRACTOR, COUNTY shall provide evidence of such insurance.~~

66 E. CONTRACTOR shall ensure that all subcontractors performing work on behalf of  
77 CONTRACTOR pursuant to this Agreement shall be covered under CONTRACTOR’s insurance as an  
88 Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for  
99 CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less  
100 than the level of coverage required by COUNTY from CONTRACTOR under this Agreement. It is the  
111 obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor  
122 and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of  
133 insurance must be maintained by CONTRACTOR through the entirety of this Agreement for inspection  
144 by COUNTY representative(s) at any reasonable time.

155 F. All SIRs and deductibles shall be clearly stated on the COI. If no SIRs or deductibles apply,  
166 indicate this on the COI with a zero (0) by the appropriate line of coverage. Any SIR or deductible in an  
177 amount in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by the  
188 CEO/Office of Risk Management upon review of CONTRACTOR’s current audited financial report.

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

~~211 —~~ **H. QUALIFIED INSURER**

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

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

300 I. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum  
311 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

14	Automobile Liability including coverage	\$1,000,000 per occurrence
22	for owned, non-owned and hired vehicles	
33		
44	Workers' Compensation	Statutory
55		
66	Employers' Liability Insurance	\$1,000,000 per occurrence
77		
88	Professional Liability Insurance	\$1,000,000 per claims made
99	<del>or per occurrence</del>	
100		<u>\$1,000,000 aggregate</u>

111		
122	Sexual Misconduct Liability	\$1,000,000 per occurrence

133

144 **J. REQUIRED COVERAGE FORMS**

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

177 2. The Business ~~Auto~~Automobile Liability coverage shall be written on ISO form CA 00 01,  
188 CA 00 05, CA ~~0012~~00 12, CA 00 20, or a substitute form providing coverage at least as broad.

199 **K. REQUIRED ENDORSEMENTS** – The Commercial General Liability policy shall contain the  
200 following endorsements, which shall accompany the COI:

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

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

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

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

333 ~~M. All insurance policies required by this Agreement~~ **N.** CONTRACTOR shall give notify  
344 COUNTY in writing within thirty (30) ~~calendar~~-days ~~notice in the event~~ of any policy cancellation and  
355 ten (10) ~~calendar~~-days ~~notice~~ for non-payment of premium. ~~This shall be evidenced by policy~~  
366 ~~provisions or an endorsement separate from~~ and provide a copy of the cancellation notice to COUNTY.  
377 Failure to provide written notice of cancellation may constitute a material breach of the ~~COI~~ Agreement.

14 upon which the COUNTY may suspend or terminate this Agreement.

22 ~~NO~~. If CONTRACTOR's Professional Liability policy is a "claims made" policy,  
33 CONTRACTOR shall agree to maintain Professional Liability coverage for two (2) years following  
44 completion of Agreement.

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

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

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

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

199 ~~ST~~. SUBMISSION OF INSURANCE DOCUMENTS

- 200 1. The COI and endorsements shall be provided to COUNTY as follows:
- 211 a. Prior to the start date of this Agreement.
- 222 b. No later than the expiration date for each policy.
- 233 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding  
244 changes to any of the insurance types as set forth in Subparagraph ~~FG~~. of this Agreement.
- 255 2. The COI and endorsements shall be provided to the COUNTY at the address as  
266 ~~referenced~~ specified in the Referenced Contract Provisions of this Agreement.
- 277 3. If CONTRACTOR fails to submit the COI and endorsements that meet the insurance  
288 provisions stipulated in this Agreement by the above specified due dates, ADMINISTRATOR shall  
299 have sole discretion to impose one or both of the following:
- 300 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR  
311 pursuant to any and all Agreements between COUNTY and CONTRACTOR until such time that the  
322 required COI and endorsements that meet the insurance provisions stipulated in this Agreement are  
333 submitted to ADMINISTRATOR.
- 344 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late  
355 COI or endorsement for each business day, pursuant to any and all Agreements between COUNTY and  
366 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance  
377 provisions stipulated in this Agreement are submitted to ADMINISTRATOR.

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

33 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any  
 44 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid  
 55 ~~COI's~~COIs and endorsements, or in the interim, an insurance binder as adequate evidence of insurance  
 66 coverage.

### 88 **XIII. INSPECTIONS AND AUDITS**

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

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

#### 233 **C. AUDIT RESPONSE**

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

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

366 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare ~~and file~~  
 377 ~~with ADMINISTRATOR, an annual, independent, organization wide audit of related expenditures as~~

~~11 may be required during the term of this Agreement~~ an annual Single Audit as required by 31 USC 7501 –  
 22 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform Administrative  
 33 Requirements, Cost Principles, and Audit Requirements for Federal Awards. CONTRACTOR shall  
 44 forward the Single Audit to ADMINISTRATOR within fourteen (14) calendar days of receipt.

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

#### 100 **XIV. LICENSES AND LAWS**

111 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout  
 122 the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates,  
 133 accreditations, waivers, and exemptions necessary for the provision of the services hereunder and  
 144 required by the laws, regulations and requirements of the United States, the State of California,  
 155 COUNTY, and all other applicable governmental agencies. CONTRACTOR shall notify  
 166 ADMINISTRATOR immediately and in writing of its inability to obtain or maintain, irrespective of the  
 177 pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers  
 188 and exemptions. Said inability shall be cause for termination of this Agreement. ~~CONTRACTOR shall  
 199 notify ADMINISTRATOR immediately and in writing of its inability to obtain or maintain, irrespective  
 200 of the pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations,  
 211 waivers and exemptions. Said inability shall be cause for termination of this Agreement.~~

#### 222 **B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS**

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

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

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

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

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

344 2. Failure of CONTRACTOR to timely submit the data and/or certifications required by  
 355 Subparagraphs 1.a., 1.b., 1.c., or 1.d. above, or to comply with all federal and state employee reporting  
 366 requirements for child support enforcement, or to comply with all lawfully served Wage and Earnings  
 377 Assignment Orders and Notices of Assignment, shall constitute a material breach of this Agreement;

1 and failure to cure such breach within sixty (60) calendar days of notice from COUNTY shall constitute  
2 grounds for termination of this Agreement.

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

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

- 9 1. ARRA of 2009.
- 10 2. WIC, Division 5, Community Mental Health Services.
- 11 3. WIC, Division 6, Admissions and Judicial Commitments.
- 12 4. WIC, Division 7, Mental Institutions.
- 13 5. HSC, §§1250 et seq., Health Facilities.
- 14 6. PC, §§11164-11174.3, Child Abuse and Neglect Reporting Act.
- 15 7. CCR, Title 9, Rehabilitative and Developmental Services.
- 16 8. CCR, Title 17, Public Health.
- 17 9. CCR, Title 22, Social Security.
- 18 10. CFR, Title 42, Public Health.
- 19 11. CFR, Title 45, Public Welfare.
- 20 12. USC Title 42, Public Health and Welfare.
- 21 13. Federal Social Security Act, Title XVIII and Title XIX Medicare and Medicaid.
- 22 14. 42 USC §12101 et seq., Americans with Disabilities Act of 1990.
- 23 15. 42 USC §1857, et seq., Clean Air Act.
- 24 16. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.
- 25 17. 31 USC 7501.70, Federal Single Audit Act of 1984.
- 26 18. Policies and procedures set forth in Mental Health Services Act.
- 27 19. Policies and procedures set forth in DHCS Letters.
- 28 20. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.
- 29 21. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,  
30 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for  
31 Federal Awards.

32 D. CONTRACTOR shall at all times be capable and authorized by the State of California to  
33 provide treatment and bill for services provided to Medi-Cal eligible clients while working under the  
34 terms of this Agreement.

## 35 **XV. LITERATURE AND ADVERTISEMENTS**

36 A. Any written information or literature, including educational or promotional materials,  
37



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

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

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

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

## 20 XVI. MAXIMUM OBLIGATION

21 The Maximum Obligation of COUNTY for services provided in accordance with this Agreement is  
 22 as specified in the Referenced Contract Provisions of this Agreement.  
 23 //

## 24 XVII. NONDISCRIMINATION

### 25 A. EMPLOYMENT

26 1. During the term of this Agreement, CONTRACTOR and its Covered Individuals shall not  
 27 unlawfully discriminate against any employee or applicant for employment because of his/her ~~ethnic~~  
 28 ~~group identification, race, religion, ancestry, religious creed, color, creed, sex, marital status,~~ national  
 29 ~~origin, age (40 and over), sexual orientation, medical condition, or ancestry,~~ physical or ~~disability,~~  
 30 ~~mental disability, medical condition, genetic information, marital status, sex, gender, gender identity,~~  
 31 ~~gender expression, age, sexual orientation, or military and veteran status.~~ Additionally, during the term  
 32 of this Agreement, CONTRACTOR and its Covered Individuals shall require in its subcontracts that  
 33 subcontractors shall not unlawfully discriminate against any employee or applicant for employment  
 34 because of his/her ~~ethnic group identification, race, religion, ancestry, color, creed, sex, marital status,~~  
 35 ~~national origin, age (40 and over), sexual orientation, medical condition, or physical or mental~~  
 36 ~~disability, race.~~

14 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,  
 22 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual  
 33 orientation, or military and veteran status.

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

88 3. CONTRACTOR shall not discriminate between employees with spouses and employees  
 99 with domestic partners, or discriminate between domestic partners and spouses of those employees, in  
 100 the provision of benefits.

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

144 5. All solicitations or advertisements for employees placed by or on behalf of  
 155 CONTRACTOR and/or subcontractor shall state that all qualified applicants will receive consideration  
 166 for employment without regard to ~~ethnic group identification, race, religion, ancestry, religious creed,~~  
 177 ~~color, creed, sex, marital status,~~ national origin, ~~age (40 and over), sexual orientation, medical condition,~~  
 188 ~~or ancestry,~~ physical ~~or disability,~~ mental disability, ~~medical condition, genetic information, marital~~  
 199 ~~status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran~~  
 200 ~~status.~~ Such requirements shall be deemed fulfilled by use of the term EOE.

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

266 B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not  
 277 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities  
 288 on the basis of ~~ethnic group identification, race, religion, ancestry, religious creed,~~ color, ~~creed, sex,~~  
 299 ~~marital status,~~ national origin, ~~age (40 and over), sexual orientation, medical condition, or ancestry,~~  
 300 physical ~~or disability,~~ mental disability, ~~medical condition, genetic information, marital status, sex,~~  
 311 ~~gender, gender identity, gender expression, age, sexual orientation, or military and veteran status~~ in  
 322 accordance with Title IX of the Education Amendments of 1972 as they relate to 20 USC §1681 -  
 333 §1688; Title VI of the Civil Rights Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975  
 344 (42 USC §6101); ~~and~~ Title 9, Division 4, Chapter 6, Article 1 (§10800, et seq.) of the California Code of  
 355 Regulations; ~~and~~ Title II of the Genetic Information Nondiscrimination Act of 2008, 42 USC 2000ff, et  
 366 ~~seq.~~ as applicable, and all other pertinent rules and regulations promulgated pursuant thereto, and as  
 377 otherwise provided by state law and regulations, as all may now exist or be hereafter amended or

14 changed. For the purpose of this Nondiscrimination paragraph, Discrimination includes, but is not  
 22 limited to the following based on one or more of the factors identified above:

- 33 1. Denying a client or potential client any service, benefit, or accommodation.
- 44 2. Providing any service or benefit to a client which is different or is provided in a different  
 55 manner or at a different time from that provided to other clients.
- 66 3. Restricting a client in any way in the enjoyment of any advantage or privilege enjoyed by  
 77 others receiving any service or benefit.
- 88 4. Treating a client differently from others in satisfying any admission requirement or  
 99 condition, or eligibility requirement or condition, which individuals must meet in order to be provided  
 100 any service or benefit.
- 111 5. Assignment of times or places for the provision of services.

122 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all clients  
 133 through a written statement that ~~CONTRACTOR~~ CONTRACTOR's and/or subcontractor's clients may  
 144 file all complaints alleging discrimination in the delivery of services with CONTRACTOR,  
 155 subcontractor, and ADMINISTRATOR; or COUNTY's Patient's Patient Rights Office.

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

200 a. COUNTY shall establish a formal resolution and grievance process in the event  
 211 informal processes do not yield a resolution.

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

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

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

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

11 enforce rights secured by federal or state law.

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

66

77

## **XVIII. NOTICES**

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

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

133 2. When faxed, transmission confirmed;

144 3. When sent by Email; or

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

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

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

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

277

288

## **XIX. NOTIFICATION OF DEATH**

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

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

344 1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by  
355 telephone immediately upon becoming aware of the death due to non-terminal illness of any person  
366 served pursuant to this Agreement; provided, however, weekends and holidays shall not be included for  
377 purposes of computing the time within which to give telephone notice and, notwithstanding the time

14 limit herein specified, notice need only be given during normal business hours.

22 2. WRITTEN NOTIFICATION

33 a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send  
44 via encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming  
55 aware of the death due to non-terminal illness of any person served pursuant to this Agreement.

66 b. TERMINAL ILLNESS – CONTRACTOR shall notify ADMINISTRATOR by written  
77 report hand delivered, faxed, sent via encrypted email, and/or postmarked and sent via U.S. Mail within  
88 forty-eight (48) hours of becoming aware of the death due to terminal illness of any person served  
99 pursuant to this Agreement.

100 C. If there are any questions regarding the cause of death of any person served pursuant to this  
111 Agreement who was diagnosed with a terminal illness, or if there are any unusual circumstances related  
122 to the death, CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with this  
133 Notification of Death Paragraph.

144

155 **XX. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

233

244 **XXI. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

300 ~~C~~ B. CONTRACTOR shall implement and maintain administrative, technical and physical  
311 safeguards to ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of  
322 PHI in violation of the HIPAA, federal and state regulations and/or CHPP. CONTRACTOR shall  
333 mitigate to the extent practicable, the known harmful effect of any use or disclosure of PHI made in  
344 violation of federal or state regulations and/or COUNTY policies.

355 #

366 #

377 ~~D~~ C. CONTRACTOR’s participant, client, and/or patient records shall be maintained in a secure

11 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish  
 22 and implement written record management procedures.

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

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

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

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

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

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

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

200 ~~F~~

211 H. CONTRACTOR may retain ~~participant~~, client, and/or patient documentation electronically in  
 222 accordance with the terms of this Agreement and common business practices. If documentation is  
 233 retained electronically, CONTRACTOR shall, in the event of an audit or site visit:

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

266 2. Provide auditor or other authorized individuals access to documents via a computer  
 277 terminal.

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

300 I. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and  
 311 security of PII and/or PHI. CONTRACTOR shall notify COUNTY immediately by telephone call plus  
 322 email or fax upon the discovery of a Breach of unsecured PHI and/or PII.

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

366 IK. CONTRACTOR shall retain all ~~participant~~, client, and/or patient medical records for seven (7)  
 377 years following discharge of the ~~participant~~, client and/or patient, with the exception of non-

14 emancipated minors for whom records must be kept for at least one (1) year after such minors have  
 22 reached the age of eighteen (18) years, or for seven (7) years after the last date of service, whichever is  
 33 longer.

44 ~~— J. CONTRACTOR shall ensure all appropriate state and federal standards of documentation,  
 55 preparation, and confidentiality of records related to participant, client and/or patient records are met at  
 66 all times.~~

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

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

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

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

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

## 211 **XXII. RESEARCH AND PUBLICATION**

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

## 266 **XXIII. REVENUE**

277 A. CLIENT FEES – CONTRACTOR shall charge, unless waived by ADMINISTRATOR, a fee to  
 288 clients to whom billable services, other than those amounts reimbursed by Medicare, Medi-Cal or other  
 299 third party health plans, are provided pursuant to this Agreement, their estates and responsible relatives,  
 300 according to their ability to pay as determined by the State Department of Health Care Services’  
 311 “Uniform Method of Determining Ability to Pay” (UMDAP) procedure or by any other payment  
 322 procedure as approved in advance, and in writing by ADMINISTRATOR; and in accordance with Title  
 333 9 of the California Code of Regulations. Such fee shall not exceed the actual cost of services provided.  
 344 No client shall be denied services because of an inability to pay.

355 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all  
 366 available third-party reimbursement for which persons served pursuant to this Agreement may be  
 377 eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR’s usual and customary

14 charges.

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

88 D. OTHER REVENUES – CONTRACTOR shall charge for services, supplies, or facility use by  
99 persons other than individuals or groups eligible for services pursuant to this Agreement.

100 #

#### 111 **XXIV. RIGHT TO WORK AND MINIMUM WAGE LAWS**

122 ~~— A. In accordance with the United States Immigration Reform and Control Act of 1986,~~  
133 ~~CONTRACTOR shall require its employees directly or indirectly providing service pursuant to this~~  
144 ~~Agreement, in any manner whatsoever, to verify their identity and eligibility for employment in the~~  
155 ~~United States. CONTRACTOR shall also require and verify that its contractors, subcontractors, or any~~  
166 ~~other persons providing services pursuant to this Agreement, in any manner whatsoever, verify the~~  
177 ~~identity of their employees and their eligibility for employment in the United States.~~

188 A. ~~— B.~~ Pursuant to the United States of America Fair Labor ~~Standard~~ Standards Act of 1938, as  
199 amended, and

200 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the  
211 federal or California Minimum Wage to all its employees that directly or indirectly provide services  
222 pursuant to this Agreement, in any manner whatsoever. CONTRACTOR shall require and verify that  
233 all its contractors or other persons providing services pursuant to this Agreement on behalf of  
244 CONTRACTOR also pay their employees no less than the greater of the federal or California Minimum  
255 Wage.

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

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

333

#### 344 **XXV. SEVERABILITY**

355 If a court of competent jurisdiction declares any provision of this Agreement or application thereof  
366 to any person or circumstances to be invalid or if any provision of this Agreement contravenes any  
377 federal, state or county statute, ordinance, or regulation, the remaining provisions of this Agreement or



14 the application thereof shall remain valid, and the remaining provisions of this Agreement shall remain  
 22 in full force and effect, and to that extent the provisions of this Agreement are severable.

### 44 **XXVI. SPECIAL PROVISIONS**

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

- 77 1. Making cash payments to intended recipients of services through this Agreement.
- 88 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications  
 99 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on  
 100 use of appropriated funds to influence certain federal contracting and financial transactions).
- 111 3. Fundraising.
- 122 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
 133 CONTRACTOR's staff, volunteers, or members of the Board of Directors or governing body.
- 144 5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing  
 155 body for expenses or services.
- 166 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,  
 177 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized  
 188 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
- 199 7. Paying an individual salary or compensation for services at a rate in excess of the current  
 200 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary  
 211 Schedule may be found at [www.opm.gov](http://www.opm.gov).
- 222 8. Severance pay for separating employees.
- 233 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building  
 244 codes and obtaining all necessary building permits for any associated construction.
- 255 10. Supplanting current funding for existing services.

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

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

14 funds (matching).

22 8. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
33 ~~CONTRACTOR's~~ CONTRATOR's clients.

44 #

55 **XXVII. STATUS OF CONTRACTOR**

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

177

188

**XXVIII. TERM**

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

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

277

288

**XXIX. TERMINATION**

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

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

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

377 1. The loss by CONTRACTOR of legal capacity.

- 14 2. Cessation of services.
- 22 3. The delegation or assignment of CONTRACTOR's services, operation or administration to  
33 another entity without the prior written consent of COUNTY.
- 44 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty  
55 required pursuant to this Agreement.
- 66 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of  
77 this Agreement.
- 88 6. The continued incapacity of any physician or licensed person to perform duties required  
99 pursuant to this Agreement.
- 100 7. Unethical conduct or malpractice by any physician or licensed person providing services  
111 pursuant to this Agreement; provided, however, COUNTY may waive this option if CONTRACTOR  
122 removes such physician or licensed person from serving persons treated or assisted pursuant to this  
133 Agreement.

#### 144 D. CONTINGENT FUNDING

- 155 1. Any obligation of COUNTY under this Agreement is contingent upon the following:
- 166 a. The continued availability of federal, state and county funds for reimbursement of  
177 COUNTY's expenditures, and
- 188 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)  
199 approved by the Board of Supervisors.
- 200 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,  
211 terminate or renegotiate this Agreement upon thirty (30) calendar ~~days~~ days' written notice given  
222 //
- 233 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated  
244 funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.

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

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

- 311 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which  
322 is consistent with recognized standards of quality care and prudent business practice.
- 333 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract  
344 performance during the remaining contract term.
- 355 3. Until the date of termination, continue to provide the same level of service required by this  
366 Agreement.
- 377 4. If clients are to be transferred to another facility for services, furnish ADMINISTRATOR,

11 upon request, all client information and records deemed necessary by ADMINISTRATOR to effect an  
22 orderly transfer.

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

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

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

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

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

177

188 **XXX. THIRD PARTY BENEFICIARY**

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

222 //

233 **XXXI. WAIVER OF DEFAULT OR BREACH**

244 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any  
255 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this  
266 Agreement shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any  
277 default or any breach by CONTRACTOR shall not be considered a modification of the terms of this  
288 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 TELECARE CORPORATION

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

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

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16 COUNTY OF ORANGE

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

20 HEALTH CARE AGENCY

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

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

30 DEPUTY

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

EXHIBIT A  
 TO AGREEMENT FOR PROVISION OF  
 ADULT MENTAL HEALTH CRISIS RESIDENTIAL SERVICES  
 BETWEEN  
 COUNTY OF ORANGE  
 AND  
 TELECARE CORPORATION  
 JULY 1, ~~2014~~2015 THROUGH JUNE 30, ~~2015~~2016

**I. COMMON TERMS AND DEFINITIONS**

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

1. Active and Ongoing Case Load means documentation, by CONTRACTOR, of completion of the entry and evaluation documents into IRIS and documentation that the Consumers are receiving services at a level and frequency and duration that is consistent with each Consumer's level of impairment and treatment goals and consistent with individualized, solution-focused, evidenced-based practices.

2. ADL means Activities of Daily Living and refers to diet, personal hygiene, clothing care, grooming, money and household management, personal safety, symptom monitoring, etc.

3. Admission means documentation, by CONTRACTOR, of completion of the entry and evaluation documents into IRIS.

4. Benefits Specialist means a specialized position that would primarily be responsible for coordinating Consumer applications and appeals for State and Federal benefits.

5. Best Practices means a term that is often used inter-changeably with "evidence-based practice" and is best defined as an "umbrella" term for three levels of practice, measured in relation to Recovery-consistent mental health practices where the Recovery process is supported with scientific intervention that best meets the needs of the Consumer at this time.

a. EBP means Evidence-Based Practices and refers to the interventions utilized for which there is consistent scientific evidence showing they improved Consumer outcomes and meets the following criteria: it has been replicated in more than one geographic or practice setting with consistent results; it is recognized in scientific journals by one or more published articles; it has been documented and put into manual forms; it produces specific outcomes when adhering to the fidelity of the model.

b. Promising Practices means that experts believe the practices is likely to be raised to the next level when scientific studies can be conducted and is supported by some body of evidence, (evaluation studies or expert consensus in reviewing outcome data); it has been endorsed by recognized bodies of advocacy organizations and finally, produces specific outcomes.

//

14 c. Emerging Practices means that the practice(s) seems like a logical approach to  
 22 addressing a specific behavior which is becoming distinct, recognizable among Consumers and  
 33 clinicians in practice, or innovators in academia or policy makers; and at least one recognized expert,  
 44 group of researchers or other credible individuals have endorsed the practice as worthy of attention  
 55 based on outcomes; and finally, it produces specific outcomes.

66 6. Care Coordinator is a MHS, CSW, or MFT that provides mental health, crisis intervention  
 77 and case management services to those Consumers who seek services in the COUNTY operated  
 88 outpatient programs.

99 7. Case Management Linkage Brokerage means a process of identification, assessment of  
 100 need, planning, coordination and linking, monitoring and continuous evaluation of Consumers and of  
 111 available resources and advocacy through a process of casework activities in order to achieve the best  
 122 possible resolution to individual needs in the most effective way possible. This includes supportive  
 133 assistance to the Consumer in the assessment, determination of need and securing of adequate and  
 144 appropriate living arrangements.

155 8. CAT means Centralized Assessment Team and provides 24 hour mobile response services  
 166 to any adult who has a psychiatric emergency. This program assists law enforcement, social service  
 177 agencies, and families in providing crisis intervention services for the mentally ill. CAT is a multi-  
 188 disciplinary program that conducts risk assessments, initiates involuntary hospitalizations, and provides  
 199 case management, linkage, follow ups for individuals evaluated.

200 9. Certified Reviewer means an individual that obtains certification by completing all  
 211 requirements set forth in the Quality Improvement and Program Compliance Reviewer Training  
 222 Verification Sheet.

233 10. Client or Consumer means an individual, referred by COUNTY or enrolled in  
 244 CONTRACTOR's program for services under the Agreement, who experiences chronic mental illness.

255 11. Clinical Director means an individual who meets the minimum requirements set forth in  
 266 Title 9, CCR, and has at least two (2) years of full-time professional experience working in a mental  
 277 health setting.

288 12. ~~CSW means Clinical Social Worker and refers to an individual who meets the minimum~~  
 299 ~~professional and licensure requirements set forth in Title 9, CCR, Section 625, and has two (2) years of~~  
 300 ~~post master's clinical experience in a mental health setting.~~ Crisis Stabilization Unit (CSU) means a  
 311 psychiatric crisis stabilization program that operates 24 hours a day that serves Orange County residents,  
 322 aged 18 and older, who are experiencing a psychiatric crisis and need immediate evaluation. Clients  
 333 receive a thorough psychiatric evaluation, crisis stabilization treatment, and referral to the appropriate  
 344 level of continuing care. As a designated outpatient facility, the CSU may evaluate and treat clients for  
 355 no longer than 23 hours.

366 ~~13.~~ 13. CSW means Clinical Social Worker and refers to an individual who meets the  
 377 minimum professional and licensure requirements set forth in Title 9, CCR, Section 625, and has two

14 (2) years of post-master's clinical experience in a mental health setting.

14. Data Collection System means software designed for collection, tracking and reporting outcomes data for Consumers enrolled in the FSP Programs.

a. 3 M's means the Quarterly Assessment Form that is completed for each Consumer every three months in the approved data collection system.

b. Data Mining and Analysis Specialist means a person who is responsible for ensuring the program maintains a focus on outcomes, by reviewing outcomes, and analyzing data as well as working on strategies for gathering new data from the Consumers' perspective which will improve understanding of Consumers' needs and desires towards furthering their Recovery. This individual will provide feedback to the program and work collaboratively with the employment specialist, education specialist, benefits specialist, and other staff in the program in strategizing improved outcomes in these areas. This position will be responsible for attending all data and outcome related meetings and ensuring that program is being proactive in all data collection requirements and changes at the local and state level.

c. Data Certification means the process of reviewing State and COUNTY mandated outcome data for accuracy and signing the Certification of Accuracy of Data form indicating that the data is accurate.

d. KET means Key Event Tracking and refers to the tracking of a Consumer's movement or changes in the approved data collection system. A KET must be completed and entered accurately each time the CONTRACTOR is reporting a change from previous Consumer status in certain categories. These categories include: residential status, employment status, education and benefits establishment.

e. PAF means Partnership Assessment Form and refers to the baseline assessment for each Consumer that must be completed and entered into data collection system within thirty (30) days of the Partnership date.

15. Diagnosis means the definition of the nature of the Consumer's disorder. When formulating the Diagnosis of Consumer, CONTRACTOR shall use the diagnostic codes and axes as specified in the most current edition of the DSM published by the American Psychiatric Association. DSM diagnoses will be recorded on all IRIS documents, as appropriate.

16. DSH means Direct Service Hours and refers to a measure in minutes that a clinician spends providing Consumer services. DSH credit is obtained for providing mental health, case management, medication support and a crisis intervention service to any Consumer open in IRIS which includes both billable and non-billable services.

17. Engagement means the process by which a trusting relationship between worker and Consumer(s) is established with the goal to link the individual(s) to the appropriate services. Engagement of Consumer(s) is the objective of a successful Outreach.

18. Face-to-Face means an encounter between Consumer and provider where they are both



14 physically present.

22 ~~18~~

33 19. FSP

44 a. FSP means Full Service Partnership and refers to a type of program described by the  
 55 State in the requirements for the COUNTY plan for use of MHSA funds and which includes Consumers  
 66 being a full partner in the development and implementation of their treatment plan. A FSP is an  
 77 evidence-based and strength-based model, with the focus on the individual rather than the disease.  
 88 Multi-disciplinary teams will be established including the Consumer, Psychiatrist, and PSC. Whenever  
 99 possible, these multi-disciplinary teams will include a mental health nurse, marriage and family  
 100 therapist, clinical social worker, peer specialist, and family members. The ideal Consumer to staff ratio  
 111 will be in the range of fifteen to twenty (15 – 20) to one (1), ensuring relationship building and intense  
 122 service delivery. Services will include, but not be limited to, the following:

- 133 1) Crisis management;
- 144 2) Housing Services;
- 155 3) Twenty-four (24)-hours per day, seven (7) days per week intensive case  
 166 management;
- 177 4) Community-based Wraparound Recovery Services;
- 188 5) Vocational and Educational services;
- 199 6) Job Coaching/Developing;
- 200 7) Consumer employment;
- 211 8) Money management/Representative Payee support;
- 222 9) Flexible Fund account for immediate needs;
- 233 10) Transportation;
- 244 11) Illness education and self-management;
- 255 12) Medication Support;
- 266 13) Co-occurring Services;
- 277 14) Linkage to financial benefits/entitlements;
- 288 15) Family and Peer Support; and
- 299 16) Supportive socialization and meaningful community roles.

300 b. Consumer services are focused on Recovery and harm reduction to encourage the  
 311 highest level of Consumer empowerment and independence achievable. PSC's will meet with the  
 322 Consumer in their current community setting and will develop a supportive relationship with the  
 333 individual served. Substance abuse treatment will be integrated into services and provided by the  
 344 Consumer's team to individuals with a co-occurring disorder.

355 c. The FSP shall offer "whatever it takes" to engage seriously mentally ill adults,  
 366 including those who are dually diagnosed, in a partnership to achieve the individual's wellness and  
 377 Recovery goals. Services shall be non-coercive and focused on engaging people in the field. The goal

14 of FSP Programs is to assist the Consumer's progress through pre-determined quality of life outcome  
 22 domains (housing, decreased jail, decreased hospitalization, increased education involvement, increased  
 33 employment opportunities and retention, linkage to medical providers, etc.) and become more  
 44 independent and self-sufficient as Consumers move through the continuum of Recovery and evidence  
 55 by progressing to lower level of care or out of the "intensive case management need" category.

66 1920. Housing Specialist means a specialized position dedicated to developing the full array  
 77 of housing options for their program and monitoring their suitability for the population served in  
 88 accordance with the minimal housing standards policy set by the COUNTY for their program. This  
 99 individual is also responsible for assisting Consumers with applications to low income housing, housing  
 100 subsidies, senior housing, etc.

111 2021. Individual Services and Support Funds – Flexible Funds means funds intended for use  
 122 to provide Consumers and/or their families with immediate assistance, as deemed necessary, for the  
 133 treatment of their mental illness and their overall quality of life. Flexible Funds are generally  
 144 categorized as housing, Consumer transportation, food, clothing, medical and miscellaneous  
 155 expenditures that are individualized and appropriate to support Consumer's mental health treatment  
 166 activities.

177 2122. Intake means the initial meeting between a Consumer and CONTRACTOR's staff and  
 188 includes an evaluation to determine if the Consumer meets program criteria and is willing to seek  
 199 services.

200 2223. Intern means an individual enrolled in an accredited graduate program accumulating  
 221 clinically supervised work experience hours as part of field work, internship, or practicum requirements.  
 222 Acceptable graduate programs include all programs that assist the student in meeting the educational  
 233 requirements in becoming a MFT, a licensed CSW, or a licensed Clinical Psychologist.

244 2324. IRIS means Integrated Records Information System and refers to a collection of  
 255 applications and databases that serve the needs of programs within the COUNTY and includes  
 266 functionality such as registration and scheduling, laboratory information system, billing and reporting  
 277 capabilities, compliance with regulatory requirements, electronic medical records and other relevant  
 288 applications.

299 2425. Job Coach/Developer means a specialized position dedicated to cultivating and  
 300 nurturing employment opportunities for the Consumers and matching the job to the Consumer's  
 311 strengths, abilities, desires, and goals. This position will also integrate knowledge about career  
 322 development and job preparation to ensure successful job retention and satisfaction of both employer  
 333 and employee.

344 2526. Medical Necessity means the requirements as defined in the COUNTY MHP Medical  
 355 Necessity for Medi-Cal reimbursed Specialty Mental Health Services that includes Diagnosis,  
 366 Impairment Criteria and Intervention Related Criteria.

377 2627. Mental Health Specialist means an individual who has a Bachelor's Degree and four

14 years of experience in a mental health setting and who performs individual and group case management  
 22 studies.

33 ~~27~~

44 28. Member Advisory Board means a member-driven board which shall direct the activities,  
 55 provide recommendations for ongoing program development, and create the rules of conduct for the  
 66 program.

77 ~~28~~ 29. MFT means Marriage and Family Therapist and refers to an individual who meets the  
 88 minimum professional and licensure requirements set forth in CCR, Title 9, Section 625.

99 ~~29~~ 30. Mental Health Services means interventions designed to provide the maximum  
 100 reduction of mental disability and restoration or maintenance of functioning consistent with the  
 111 requirements for learning, development and enhanced self-sufficiency. Services shall include:

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

155 b. Collateral means a significant support person in a beneficiary's life and is used to  
 166 define services provided to them with the intent of improving or maintaining the mental health status of  
 177 the Consumer. The beneficiary may or may not be present for this service activity.

188 c. Co-Occurring Integrated Treatment Model. In evidence-based Integrated Treatment  
 199 programs, consumers receive combined treatment for mental illnesses and substance use disorders from  
 200 the same practitioner or treatment team.

211 d. Crisis Intervention means a service, lasting less than twenty-four (24) hours, to or on  
 222 behalf of a Consumer for a condition which requires more timely response than a regularly scheduled  
 233 visit. Service activities may include, but are not limited to, assessment, collateral and therapy.

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

311 f. Rehabilitation Service means an activity which includes assistance in improving,  
 322 maintaining, or restoring a Consumer's or group of Consumers' functional skills, daily living skills,  
 333 social and leisure skill, grooming and personal hygiene skills, meal preparation skills, support resources  
 344 and/or medication education.

355 g. Targeted Case Management means services that assist a beneficiary to access needed  
 366 medical, educational, social, prevocational, vocational, rehabilitative, or other community services. The  
 377 service activities may include, but are not limited to, communication, coordination and referral;

14 monitoring service delivery to ensure beneficiary access to service and the service delivery system;  
 22 monitoring of the beneficiary's progress; and plan development.

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

77 3031. Mental Health Worker means an individual that assists in planning, developing and  
 88 evaluating mental health services for Consumers; provides liaison between Consumers and service  
 99 providers; and has obtained a Bachelor's degree in a behavioral science field such as psychology,  
 100 counseling, or social work, or has two years of experience providing client related services to  
 111 Consumers experiencing mental health, drug abuse or alcohol disorders. Education in a behavioral  
 122 science field such as psychology, counseling, or social work may be substituted for up to one year of the  
 133 experience requirement.

144 3132. MHSA means Mental Health Services Act and refers to the law that provides funding  
 155 for expanded community Mental Health Services. It is also known as "Proposition 63."

166 3233. MORS means Milestones of Recovery Scale and refers to a Recovery scale that  
 177 COUNTY will be using for the Adult mental health programs in COUNTY. The scale will provide the  
 188 means of assigning Consumers to their appropriate level of care and replace the diagnostic and acuity of  
 199 illness-based tools being used today. MORS is ideally suited to serve as a Recovery-based tool for  
 200 identifying the level of service needed by participating members. The scale will be used to create a map  
 211 of the system by determining which milestone(s) or level of Recovery (based on the MORS) are the  
 222 target groups for different programs across the continuum of programs and services offered by  
 233 COUNTY.

244 3334. NPI means National Provider Identifier and refers to the standard unique health  
 255 identifier that was adopted by the Secretary of HHS under HIPAA for health care providers. All HIPAA  
 266 covered healthcare providers, individuals and organizations must obtain an NPI for use to identify  
 277 themselves in HIPAA standard transactions. The NPI is assigned for life.

288 3435. NOA-A means Notice of Action and refers to a Medi-Cal requirement that informs the  
 299 beneficiary that he/she is not entitled to any specialty mental health service. The COUNTY has  
 300 expanded the requirement for an NOA-A to all individuals requesting an assessment for services and  
 311 found not to meet the Medical Necessity criteria for specialty Mental Health Services.

322 3536. NPP means Notice of Privacy Practices and refers to a document that notifies  
 333 individuals of uses and disclosures of PHI that may be made by or on behalf of the health plan or health  
 344 care provider as set forth in HIPAA.

355 3637. Outreach means the Outreach to potential Consumers to link them to appropriate  
 366 Mental Health Services and may include activities that involve educating the community about the  
 377 services offered and requirements for participation in the programs. Such activities should result in the

14 CONTRACTOR developing their own Consumer referral sources for the programs they offer.

22 3738. Peer Recovery Specialist/Counselor means an individual who has been through the  
33 same or similar Recovery process as those he/she is now assisting to attain their Recovery goals while  
44 getting paid for this function by the program. A peer Recovery specialist practice is informed by his/her  
55 own experience.

66 3839. PSC means Personal Services Coordinator and refers to an individual who will be part  
77 of a multi-disciplinary team that will provide community based Mental Health Services to adults that are  
88 struggling with persistent and severe mental illness as well as homelessness, rehabilitation and Recovery  
99 principles. The PSC is responsible for clinical care and case management of assigned Consumer and  
100 families in a community, home, or program setting. This includes assisting Consumers with mental  
111 health, housing, vocational and educational needs. The position is also responsible for administrative  
122 and clinical documentation as well as participating in trainings and team meetings. The PSC shall be  
133 active in supporting and implementing the program's philosophy and its individualized, strength-based,  
144 culturally/linguistically competent and Consumer-centered approach.

155 3940. Pharmacy Benefits Manager means the organization that manages the medication  
166 benefits that are given to Consumers that qualify for medication benefits.

177 4041. Pre-Licensed Psychologist means an individual who has obtained a Ph.D. or Psy.D. in  
188 Clinical Psychology and is registered with the Board of Psychology as a registered Psychology Intern or  
199 Psychological Assistant, acquiring hours for licensing and waived in accordance with Welfare and  
200 Institutions Code section 575.2. The waiver may not exceed five (5) years.

211 4142. Pre-Licensed Therapist means an individual who has obtained a Master's Degree in  
222 Social Work or Marriage and Family Therapy and is registered with the BBS as an Associate CSW or  
233 MFT Intern acquiring hours for licensing. An individual's registration is subject to regulations adopted  
244 by the BBS.

255 4243. Program Director means an individual who has complete responsibility for the day to  
266 day function of the program. The Program Director is the highest level of decision making at a local,  
277 program level.

288 4344. Promotora de Salud Model means a model where trained individuals, Promotores, work  
299 towards improving the health of their communities by linking their neighbors to health care and social  
300 services, educating their peers about mental illness, disease and injury prevention.

311 4445. Promotores means individuals who are members of the community who function as  
322 natural helpers to address some of their communities' unmet mental health, health and human service  
333 needs. They are individuals who represent the ethnic, socio-economic and educational traits of the  
344 population he/she serves. Promotores are respected and recognized by their peers and have the pulse of  
355 the community's needs.

366 4546. PHI means individually identifiable health information usually transmitted by  
377 electronic media, maintained in any medium as defined in the regulations, or for an entity such as a

14 health plan, transmitted or maintained in any other medium. It is created or received by a covered entity  
 22 and relates to the past, present, or future physical or mental health or condition of an individual,  
 33 provision of health care to an individual, or the past, present, or future payment for health care provided  
 44 to an individual.

55 4647. Psychiatrist means an individual who meets the minimum professional and licensure  
 66 requirements set forth in Title 9, CCR, Section 623.

77 4748. Psychologist means an individual who meets the minimum professional and licensure  
 88 requirements set forth in Title 9, CCR, Section 624.

99 4849. QIC means Quality Improvement Committee and refers to a committee that meets  
 100 quarterly to review one percent (1%) of all “high-risk” Medi-Cal Consumers to monitor and evaluate the  
 111 quality and appropriateness of services provided. At a minimum, the committee is comprised of one (1)  
 122 CONTRACTOR administrator, one (1) Clinician and one (1) Physician who are not involved in the  
 133 clinical care of the cases.

144 4950. Recovery means a process of change through which individuals improve their health  
 155 and wellness, live a self-directed life, and strive to reach their full potential, and identifies four major  
 166 dimensions to support Recovery in life:

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

199 b. Home: A stable and safe place to live;

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

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

255 5051. Referral means providing the effective linkage of a Consumer to another service, when  
 266 indicated; with follow-up to be provided within five (5) working days to assure that the Consumer has  
 277 made contact with the referred service.

288 5152. Supportive Housing PSC means a person who provides services in a supportive housing  
 299 structure. This person will coordinate activities which will include, but not be limited to: independent  
 300 living skills, social activities, supporting communal living, assisting residents with conflict resolution,  
 311 advocacy, and linking Consumers with the assigned PSC for clinical issues. Supportive Housing PSC  
 322 will consult with the multidisciplinary team of Consumers assigned by the program. The PSCs will be  
 333 active in supporting and implementing a full service partnership philosophy and its individualized,  
 344 strengths-based, culturally appropriate, and Consumer-centered approach.

355 5253. Supervisory Review means ongoing clinical case reviews in accordance with  
 366 procedures developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and  
 377 treatment and to monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting

14 standards. Supervisory review is conducted by the program/clinic director or designee.

22 ~~53~~54. Token means the security device which allows an individual user to access the  
33 COUNTY's computer based IRIS.

44 ~~54~~//

55 ~~55~~55. UMDAP means the Uniform Method of Determining Ability to Pay and refers to the  
66 method used for determining the annual Consumer liability for Mental Health Services received from  
77 the COUNTY mental health system and is set by the State of California.

88 ~~55~~56. Vocational/Educational Specialist means a person who provides services that range  
99 from pre-vocational groups, trainings and supports to obtain employment out in the community based on  
100 the Consumers' level of need and desired support. The Vocational/Educational Specialist will provide  
111 "one on one" vocational counseling and support to Consumers to ensure that their needs and goals are  
122 being met. The overall focus of Vocational/Educational Specialist is to empower Consumers and  
133 provide them with the knowledge and resources to achieve the highest level of vocational functioning  
144 possible.

155 ~~56~~57. WRAP means Wellness Recovery Action Plan and refers to a Consumer self-help  
166 technique for monitoring and responding to symptoms to achieve the highest possible levels of wellness,  
177 stability, and quality of life.

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

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**II. BUDGET**

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

11		
12	CLIENT DAY	
13	ADMINISTRATIVE COST	
14	Indirect Costs	\$ <u>204,114</u>
15	SUBTOTAL ADMINISTRATIVE COST	\$ 204,114
16		
17	PROGRAM COST	
18	Salaries	<del>\$906,074</del> <u>918,407</u>
19	Benefits	<del>258,588</del> <u>260,622</u>
20	Services and Supplies	<del>196,097</del> <u>181,730</u>
21	SUBTOTAL PROGRAM COST	\$1,360,759
22		
23	TOTAL CLIENT DAY COST	\$1,564,873
24		
25	MEDICATION SUPPORT	
26	ADMINISTRATIVE COST	
27	Indirect Costs	\$ <u>22,995</u>
28	SUBTOTAL ADMINISTRATIVE COST	\$ 22,995
29		
30	PROGRAM COST	
31	Subcontractor	\$ <u>153,300</u>
32	SUBTOTAL PROGRAM COST	\$ 153,300
33		
34	TOTAL MEDICATION SUPPORT COST	\$ 176,295
35		
36	REVENUE	
37	Federal Medi-Cal	\$ <del>250</del> <u>472,000</u>
38	<u>MHSA Medi-Cal</u>	<u>328,000</u>
39	MHSA	<del>1,491</del> <u>941,168</u>
40	TOTAL REVENUE	\$1,741,168
41		
42	TOTAL MAXIMUM OBLIGATION	\$1,741,168



14 B. CONTRACTOR and ADMINISTRATOR mutually agree that the Total Budget identified in  
 22 Subparagraph II.A. of this Exhibit A to the Agreement includes Indirect Costs not to exceed fifteen  
 33 percent (15%) of Direct Costs, and which may include operating income estimated at two percent (2%).  
 44 Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may  
 55 include operating income.

66 C. In the event CONTRACTOR collects fees and insurance, including Medicare, for services  
 77 provided pursuant to the Agreement, CONTRACTOR may make written application to  
 88 ADMINISTRATOR to retain such revenues; provided, however, the application must specify that the  
 99 fees and insurance will be utilized exclusively to provide mental health services. ADMINISTRATOR  
 100 may, at its sole discretion, approve any such retention of revenues. Approval by ADMINISTRATOR  
 111 shall be in writing to CONTRACTOR and will specify the amount of said revenues to be retained and  
 122 the quantity of services to be provided by CONTRACTOR. Fees received from private resources on  
 133 behalf of Medi-Cal clients shall not be eligible for retention by CONTRACTOR.

144 D. The parties agree that the above budget reflects an average Medi-Cal client case load of  
 155 approximately ten percent (10%) to be maintained by CONTRACTOR. CONTRACTOR agrees to  
 166 accept COUNTY referrals that may result in an increase in this average.

177 E. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds  
 188 between programs, or between budgeted line items within a program, for the purpose of meeting  
 199 specific program needs or for providing continuity of care to its members, by utilizing a Budget/Staffing  
 200 Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly  
 211 completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance,  
 222 which will include a justification narrative specifying the purpose of the request, the amount of said  
 233 funds to be shifted, and the sustaining annual impact of the shift as may be applicable to the current  
 244 contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any  
 255 Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by  
 266 CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for  
 277 any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.

288 F. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete  
 299 financial records of its cost and operating expenses. Such records will reflect the actual cost of the type  
 300 of service for which payment is claimed. Any apportionment of or distribution of costs, including  
 311 indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will  
 322 be made in accordance with GAAP, and Medicare regulations. The client eligibility determination and  
 333 fee charged to and collected from clients, together with a record of all billings rendered and revenues  
 344 received from any source, on behalf of clients treated pursuant to the Agreement, must be reflected in  
 355 CONTRACTOR'S financial records.

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

### III. PAYMENTS

14  
 22 A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the provisional amount of  
 33 \$145,097 per month. All payments are interim payments only and are subject to Final Settlement in  
 44 accordance with the Cost Report Paragraph of the Agreement for which CONTRACTOR shall be  
 55 reimbursed for the actual cost of providing the services, which may include Indirect Administrative  
 66 Costs, as identified in Subparagraph II.A. of this Exhibit A to the Agreement; provided, however, the  
 77 total of such payments does not exceed COUNTY's Maximum Obligation for each period as specified  
 88 in the Referenced Contract provisions of the Agreement and, provided further, CONTRACTOR's costs  
 99 are reimbursable pursuant to COUNTY, State and/or Federal regulations. ADMINISTRATOR may, at  
 100 its discretion, pay supplemental billings for any month for which the provisional amount specified above  
 111 has not been fully paid.

122 1. In support of the monthly invoices, CONTRACTOR shall submit an Expenditure and  
 133 Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Agreement.  
 144 ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to  
 155 CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.

166 2. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the  
 177 provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may  
 188 reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the  
 199 year-to-date provisional amount payments to CONTRACTOR's and the year-to-date actual cost  
 200 incurred by CONTRACTOR.

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

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

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

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

366 //

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

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

#### 77 **IV. SERVICES**

88 A. FACILITY – CONTRACTOR shall maintain a facility which meets the minimum requirements  
 99 for Medi-Cal and Medicare eligibility for the provisions of an Adult Short Term Crisis Residential  
 100 Program, for exclusive use by COUNTY at the following location, or any other location approved, in  
 111 advance, in writing, by ADMINISTRATOR:

122  
 133 401 S. Tustin Avenue, Bldg. D  
 144 Orange, California 92866

- 155  
 166 1. The facility shall meet the standards of the applicable sections of:  
 177 a. HSC Code 1520 et seq;  
 188 b. CCR, Title 22. Social Security, Division 6. Licensing of Community Care Facilities,  
 199 Chapter 1, General Licensing Requirements, and Chapter 2, Social Rehabilitation Facilities;  
 200 Subchapter 1, Article 7;  
 211 c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of  
 222 Social Rehabilitation Programs;  
 233 d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670.5;  
 244 e. Section 504 of the Rehabilitation Act of 1973 -- (29 U.S.C. 794 et seq., as implemented  
 255 in 45 CFR 84.1 et seq.);  
 266 f. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.)  
 277 2. The facility shall have a capacity of fifteen (15) beds and include adequate physical space  
 288 to support the services identified within the Agreement.  
 299 3. The facility shall be open for regular admissions between the hours of 8:00 a.m. and  
 300 8:00 p.m. Monday through Sunday, and will maintain the ability to accept an admission outside of these  
 311 hours as may be required. Services to clients in this program will be provided on a twenty-four (24)  
 322 hour, seven (7) day per week, three hundred sixty-five (365) day per year basis.  
 333 4. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday schedule  
 344 unless otherwise approved, in advance and in writing, by ADMINISTRATOR.

355 B. INDIVIDUALS TO BE SERVED – CONTRACTOR shall provide short term crisis residential  
 366 services to clients referred by COUNTY. CONTRACTOR shall not provide walk-in evaluation and  
 377

14 admission services unless mutually agreed upon, in writing, between CONTRACTOR and  
 22 ADMINISTRATOR. ADMINISTRATOR will serve as the principal sources to authorize admissions of  
 33 clients who meet the following criteria:

- 44 1. Adult between ages eighteen and fifty-nine (18 and 59 with exception noted below);
- 55 2. COUNTY resident;
- 66 3. Diagnosed with a mental illness and who may have a co-occurring disorder;
- 77 4. In crisis and at the risk of hospitalization and could safely benefit from this level of care;
- 88 and
- 99 5. Willing to seek services voluntarily.

100 CONTRACTOR may admit clients over sixty (60) years of age whose needs are compatible with those  
 111 of other clients if they require the same level of care and supervision and all Community Care Licensing  
 122 requirements can be met.

133 C. ADULT CRISIS RESIDENTIAL PROGRAM – The focus of the program will be client-  
 144 centered and recovery-focused and will underscore the concept of personal responsibility for the client's  
 155 illness and independence. The program will support a social rehabilitation model, which is designed to  
 166 enhance an individual's social connection with family or community so that they can move back into the  
 177 community and prevent an inpatient stay. Services shall be delivered in the spirit of recovery, and  
 188 tailored to the unique strengths of each individual resident. The program will offer an environment  
 199 where residents have the power to make decisions and are supported as they look at their own life  
 200 experiences, set their own paths toward recovery and work towards the fulfillment of their hopes and  
 211 dreams.

222 1. CONTRACTOR shall operate the program in such a manner that meets or exceeds the  
 233 following regulations:

- 244 a. HSC 1520 et.seq;
- 255 b. CCR, Title 22. Social Security, Division 6. Licensing of Community Care Facilities,  
 266 Chapter 1. General Licensing Requirements and Chapter 2 Social Rehabilitation Facilities;
- 277 c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of  
 288 Social Rehabilitation Programs, Section 531-535; and
- 299 d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670, 5670.5 and 5671.

300 2. CONTRACTOR shall provide short term crisis residential program services as follows:

- 311 a. Admission Services:  
 322 1) CONTRACTOR shall admit clients who have been determined to meet admission  
 333 criteria and will have the client sign an admission agreement describing the services to be provided,  
 344 client rights, and the expectations of the client regarding house rules and involvement in the program.  
 355 2) CONTRACTOR shall complete a mental health assessment and psychiatric  
 366 evaluation within twenty-four (24) hours of admission.

377 //

14 3) CONTRACTOR shall obtain or complete a medical history within three (3) days of  
22 admission.

33 4) CONTRACTOR shall be responsible for client's TB testing upon admission if  
44 client has not completed the test prior to admission to the program.

55 5) CONTRACTOR shall not refuse client referrals if CONTRACTOR has available  
66 space and appropriate staffing, unless mutually agreed upon by CONTRACTOR and  
77 ADMINISTRATOR.

88 6) CONTRACTOR and client will together develop a written treatment/service plan  
99 specifying goals and objectives aligned with a recovery focused, client-directed approach within  
100 seventy-two (72) hours of admission. CONTRACTOR shall involve the client's family and support  
111 persons or document attempts to obtain consent until consent is obtained or the client is discharged.

122 b. Therapeutic Services:

133 1) CONTRACTOR shall provide structured day and evening services seven days a  
144 week which will include individual and group therapy.

155 2) CONTRACTOR will also provide therapeutic individual and group counseling  
166 sessions on a daily basis to assist clients in developing skills that enable them to progress towards self-  
177 sufficiency and to reside in less intensive levels of care. Topics may include, but not be limited to: self-  
188 advocacy, personal identity, goal setting, developing hope, coping alternatives, conflict resolution  
199 relationship management, proper nutrition, personal hygiene and grooming, household management,  
200 personal safety, symptom monitoring, etc.

211 3) CONTRACTOR shall support a culture of "recovery" which focuses on personal  
222 responsibility for a client's illness management and independence, and fosters client empowerment,  
233 hope, and an expectation of recovery from mental illness.

244 4) CONTRACTOR's program will be designed to enhance client motivation to  
255 actively participate in treatment, provide clients with intensive assistance in accessing community  
266 resources, and assist clients developing strategies to maintain independent living in the community and  
277 improve their overall quality of life.

288 5) CONTRACTOR shall assist the client in developing and working on a WRAP  
299 throughout their stay at the program and will promote client recovery on a daily basis via individual  
300 and/or group sessions. This will assist clients in monitoring and responding to their symptoms in order  
311 to achieve the highest possible level of wellness, stability and quality of life. Topics may include but  
322 not be limited to: building a wellness toolbox or resource list, symptom monitoring, triggers and early  
333 warning signs of symptoms, identifying a crisis plan, etc.

344 6) CONTRACTOR shall engage both the client and family/support persons in the  
355 program whenever possible. CONTRACTOR shall document contact with family/support persons or  
366 document why such contact is not possible or not advisable.

377 //

14 7) CONTRACTOR shall support a Dual Disorders Integrated Treatment Model that  
 22 is non-confrontational, follows behavioral principles, considers interactions between mental illness and  
 33 substance abuse and has gradual expectations of abstinence. CONTRACTOR shall provide, on a  
 44 regularly scheduled basis, education via individual and/or group sessions to clients on the effects of  
 55 alcohol and other drug abuse, triggers, relapse prevention, and community recovery resources.

66 8) CONTRACTOR shall assist clients in developing prevocational and vocational  
 77 plans to achieve gainful employment and/or perform volunteer work if identified as a goal in the service  
 88 plan.

99 9) CONTRACTOR shall provide crisis intervention and crisis management services  
 100 designed to enable the client to cope with the crisis at hand while maintaining his/her functioning status  
 111 within the community and to prevent further decompensation or hospitalization.

122 10) CONTRACTOR shall provide assessments for involuntary hospitalization when  
 133 necessary. This service must be available twenty four (24) hours per day, seven (7) days per week.

144 11) CONTRACTOR will provide information, support, advocacy education, and  
 155 assistance with including the client's natural support system in treatment and services.

166 12) CONTRACTOR shall sustain a culture that supports Peer Recovery  
 177 Specialist/Counselors in providing supportive socialization for clients that will assist clients in their  
 188 recovery, self-sufficiency and in seeking meaningful life activities and relationships.

199 13) CONTRACTOR shall provide close supervision and be aware of clients'  
 200 whereabouts at all times to ensure the safety of all clients. CONTRACTOR shall provide routine room  
 211 checks in the evening and document observations.

222 c. Case Management / Discharge Services:

233 1) CONTRACTOR shall actively engage in discharge planning from the day of  
 244 admission, instructing and assisting clients with successful linkage to community resources such as  
 255 outpatient mental health clinics, substance abuse treatment programs, housing, FSP, physical health  
 266 care, and government entitlement programs.

277 2) Within seventy-two (72) hours of admission, CONTRACTOR shall establish a  
 288 discharge date in concert with the client and their family/support system. The targeted discharge date  
 299 will be within fourteen (14) days after admission.

300 3) CONTRACTOR shall collaborate proactively with client's Mental Health Plan  
 311 Provider when such is required to link clients to county or contracted housing services which may  
 322 include continued temporary housing, permanent supported housing, interim placement, or other  
 333 community housing options.

344 4) CONTRACTOR shall ~~provide~~ assist coordination of timely follow-up  
 355 with appointment(s) between client and their mental health service provider following discharge to  
 366 ensure that appropriate linkage has been successful. Services shall be documented in the client record.

377 //

14 5) CONTRACTOR shall coordinate treatment with physical health providers as  
 22 appropriate and assist clients with accessing medical and dental services, and providing transportation to  
 33 those services as needed.

44 6) CONTRACTOR shall obtain prior approval from the ADMINISTRATOR for  
 55 clients who are deemed necessary to stay in the program for more than fourteen (14) days.  
 66 CONTRACTOR shall obtain prior written approval from the ADMINISTRATOR for clients who are  
 77 deemed necessary to stay in the program for more than thirty (30) days.

88 7) Unplanned discharges will be avoided at all costs and only after all other  
 99 interventions have failed. If, at any time, a resident presents as a serious danger to themselves or others,  
 100 CONTRACTOR shall assess the safety needs of all concerned and may have the client assessed for  
 111 voluntary or involuntary hospitalization utilizing ADMINISTRATOR protocols. If a client is seriously  
 122 or repetitively non-compliant with the program, CONTRACTOR may discharge the client if deemed  
 133 necessary and only following a multi-disciplinary case conference which will include the  
 144 ADMINISTRATOR. CONTRACTOR shall be in compliance with eviction procedures following the  
 155 CCR, Title 22, Section 81068.5, and Title 9, Section 532.3, and will provide an unusual occurrence  
 166 report to ADMINISTRATOR no later than the following business day.

177 8) In the event a client leaves the program without permission, CONTRACTOR shall  
 188 hold clients' bed open for twenty-four (24) hours unless otherwise mutually agreed upon by  
 199 ADMINISTRATOR and CONTRACTOR.

200 9) In the event a client is transferred for crisis stabilization to the COUNTY ETS,  
 211 CONTRACTOR shall hold a client's bed open for twenty-four (24) unless otherwise mutually agreed  
 222 upon by ADMINISTRATOR and CONTRACTOR.

233 d. Medication Support Services:

244 1) CONTRACTOR shall provide medications, as clinically appropriate, to all clients  
 255 regardless of funding.

266 2) CONTRACTOR shall educate clients on the role of medication in their recovery  
 277 plan, and how the client can take an active role in their own recovery process. CONTRACTOR shall  
 288 provide education to clients on medication choices, risks, benefits, alternatives, side effects and how  
 299 these can be managed. Client education will be provided on a regularly scheduled basis via individual  
 300 and group sessions.

311 3) CONTRACTOR shall obtain signed medication consent forms for each  
 322 psychotropic medication prescribed.

333 4) Medications will be dispensed by a physician's order by licensed and qualified  
 344 staff in accordance with CCR, Title 9, Div. 1, Chapter 3, Article 3.5, Section 532.1, as well as  
 355 CCL Requirements.

366 5) Licensed staff authorized to dispense medication will document the client's  
 377 response to their medication, as well as any side effects to that medication, in the client's record.

14 6) CONTRACTOR shall insure all medications are securely locked in a designated  
 22 storage area with access limited to only those personnel authorized to prescribe, dispense, or administer  
 33 medication.

44 7) CONTRACTOR shall not utilize sample medications in the program without first  
 55 establishing policies and procedures for the use of sample medications consistent with State regulatory  
 66 requirements.

77 8) CONTRACTOR shall provide a medication follow-up visit by a psychiatrist at a  
 88 frequency necessary to manage the acute symptoms to allow the client to safely stay at the Crisis  
 99 Residential Program and to prepare the client to transition to outpatient level of care upon discharge. At  
 100 a minimum, CONTRACTOR shall provide an initial psychiatric evaluation by a psychiatrist within  
 111 twenty-four (24) hours after admission and will have a psychiatrist available as needed for medication  
 122 follow-up twice per week thereafter.

133 9) Upon discharge, CONTRACTOR shall make available a sufficient supply of  
 144 current psychiatric medications to which the client has responded, to meet the clients' needs until they  
 155 can be seen in an outpatient clinic ~~after discharge from the program.~~ This may be a combination of new  
 166 prescriptions, the client's specific medications remaining at the Crisis Residential Program, and/or  
 177 additional sample medications with patient labels, ~~or new prescriptions.~~

188 10) CONTRACTOR shall utilize the COUNTY PBM to supply medications for  
 199 unfunded clients.

200 e. Transportation Services: CONTRACTOR shall provide transportation services for  
 211 program related activities which may include, but not be limited to, transportation to appointments  
 222 deemed necessary for medical or dental care or activities related to and in support of preparation for  
 233 discharge and/or community integration.

244 f. Food Service: CONTRACTOR shall meet meal service and food supply requirements  
 255 per Community Care Licensing regulations which shall include, but not be limited to:

266 1) Meals shall be served in the dining room and tray service provided on emergency  
 277 need only so as to encourage community food preparation, eating and clean-up activities.

288 2) CONTRACTOR shall maintain required supplies of non-perishable foods at  
 299 required temperatures.

300 D. PROGRAM DIRECTOR/ QI RESPONSIBILITIES – The Program Director will have ultimate  
 311 responsibility for the program and will ensure the following:

322 1. CONTRACTOR shall maintain adequate records on each resident which shall  
 333 include all required forms and evaluations, a written treatment/rehabilitation plan specifying goals,  
 344 objectives, and responsibilities, on-going progress notes, and records of service provided by various  
 355 personnel in sufficient detail to permit an evaluation of services.

366 2. A COUNTY certified reviewer completes one hundred percent (100%) audit of client charts  
 377 regarding clinical documentation, insuring all charts are in compliance with medical necessity and



14 Medi-Cal and Medicare chart compliance. Charts will be reviewed within one day of admission to  
 22 ensure that all initial charting requirements are met and at the time of discharge. ~~CONTRACTOR shall~~  
 33 ~~conduct Supervisory Reviews at a minimum of twice per week in accordance with procedures developed~~  
 44 ~~by ADMINISTRATOR.~~ CONTRACTOR shall ensure that all chart documentation complies with all  
 55 federal, state and local guidelines and standards. CONTRACTOR shall ensure that all chart  
 66 documentation is completed within the appropriate timelines.

77 ~~\_\_\_\_\_2~~

88 ~~\_\_\_\_\_~~ 3. Provide clinical direction and training to staff on all clinical documentation and treatment  
 99 plans;

100 ~~\_\_\_\_\_3. Become~~ 4. Retain on staff, a certified reviewer trained by the ADMINISTRATOR's  
 111 Authority and Quality Improvement unit ~~within sixty (60) days after hire;~~

122 45. Oversee all aspects of the clinical services of the recovery program;

133 56. Coordinate with in-house clinicians, psychiatrist and/or nurse regarding client treatment  
 144 issues, professional consultations, or medication evaluations;

155 67. Review and approve all quarterly logs submitted to ADMINISTRATOR, (e.g. medication  
 166 monitoring and utilization review); and

177 ~~7. Participate in~~ 8. Facilitate on-going program development and ~~interact with other~~ provide or  
 188 ensure appropriate and timely supervision and guidance to staff regarding difficult cases and psychiatric  
 199 emergencies.

200 E. QUALITY IMPROVEMENT:

221 1. CONTRACTOR shall agree to adopt and comply with the written Quality Improvement  
 222 Implementation Plan and procedures provided by ADMINISTRATOR which describe the requirements  
 233 for quality improvement, supervisory review and medication monitoring.

244 2. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR  
 255 Documentation Manual or its equivalent, and any State requirements, as provided by  
 266 ADMINISTRATOR, which describes, but is not limited to, the requirements for Medi-Cal, Medicare  
 277 and ADMINISTRATOR charting standards.

288 3. CONTRACTOR shall regularly review their charting, IRIS data input and billing systems  
 299 to ensure compliance with COUNTY and state P&Ps and establish mechanisms to prevent inaccurate  
 300 claim submissions.

311 4. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality  
 322 improvement meetings and processes. Such records and minutes will also be subject to regular review  
 333 by ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and  
 344 ADMINISTRATOR's P&P.

355 5. CONTRACTOR shall allow ADMINISTRATOR to attend, and if necessary conduct, QIC  
 366 and medication monitoring meetings.

377 6. CONTRACTOR shall allow the COUNTY to periodically review the quantity and quality

14 of services provided pursuant to this Agreement. This review will be conducted at CONTRACTOR's  
 22 facility and will consist of a review of medical and other records of Consumers provided services  
 33 pursuant to the Agreement.

44 F. CONTRACTOR shall attend meetings as requested by COUNTY including but not limited to:

55 1. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical  
 66 care and implement any recommendations made by COUNTY to improve client care.

77 2. Monthly COUNTY management meetings with ADMINISTRATOR to discuss contractual  
 88 and other issues related to, but not limited to whether it is or is not progressing satisfactorily in  
 99 achieving all the terms of the Agreement, and if not, what steps will be taken to achieve satisfactory  
 100 progress, compliance with P&Ps, review of statistics and clinical services;

111 3. Clinical staff training for individuals conducted by CONTRACTOR and/or  
 122 ADMINISTRATOR.

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

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

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

199 d. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following  
 200 conditions:

- 211 1) Token of each staff member who no longer supports this Agreement;
- 222 2) Token of each staff member who no longer requires access to the HCA IRIS;
- 233 3) Token of each staff member who leaves employment of CONTRACTOR;
- 244 4) Token is malfunctioning; or
- 255 5) Termination of Agreement.

266 e. CONTRACTOR shall reimburse the COUNTY for Tokens lost, stolen, or damaged  
 277 through acts of negligence.

288 f. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice.  
 299 All statistical data used to monitor CONTRACTOR shall be compiled using only IRIS reports, if  
 300 available, and if applicable.

311 G. CONTRACTOR shall obtain a NPI – The standard unique health identifier adopted by the  
 322 Secretary of HHS under HIPAA of 1996 for health care providers.

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

355 2. CONTRACTOR, including each employee that provides services under the Agreement,  
 366 will obtain a NPI upon commencement of the Agreement or prior to providing services under the  
 377 Agreement. CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by

14 ADMINISTRATOR, all NPI as soon as they are available.

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

77 I. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to  
88 conduct research activity on COUNTY clients without obtaining prior written authorization from  
99 ADMINISTRATOR.

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

155 K. CONTRACTOR shall maintain all requested and required written policies, and provide to  
166 ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps  
177 and program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include  
188 but not limited to the following:

- 199 1. Admission Criteria and Admission Procedure;
- 200 2. Assessments and Individual Service Plans;
- 211 3. Crisis Intervention/Evaluation for Involuntary Holds;
- 222 4. Handling Non-Compliant Clients/Unplanned Discharges;
- 233 5. Medication Management and Medication Monitoring;
- 244 6. Recovery Program/Rehabilitation Program;
- 255 7. Community Integration/Case Management/Discharge Planning;
- 266 8. Documentation Standards;
- 277 9. Quality Management/Performance Outcomes;
- 288 10. Resident Rights;
- 299 11. Personnel/In service Training;
- 300 12. Unusual Occurrence Reporting;
- 311 13. Code of Conduct/Compliance; and
- 322 14. Mandated Reporting.

333 L. CONTRACTOR shall provide initial and on-going training and staff development that includes  
344 but is not limited to the following:

- 355 1. Orientation to the program's goals, and P&Ps;
- 366 2. Training on subjects as required by state regulations;
- 377 3. Orientation to the services section, as outlined in the Services Section of this Exhibit A to

14 the Agreement;

- 22 4. Recovery philosophy and client empowerment;
- 33 5. Crisis intervention and de-escalation;
- 44 6. Substance abuse and dependence; and
- 55 7. Motivational interviewing.

66 M. PERFORMANCE OUTCOMES:

77 1. CONTRACTOR shall be required to achieve, track and report Performance Outcome  
88 Objectives, on a quarterly basis as outlined below:

- 99 a. maintain an occupancy rate of at least eighty five percent (85%);
- 100 b. maintain an average length of stay of fourteen (14) days or less;
- 111 c. discharge at least ninety percent (90%) of clients to a lower level of care;
- 122 d. link at least ninety percent (90%) of clients to outpatient services at discharge. Linkage  
133 will be defined as keeping outpatient appointment within five (5) business days after discharge;
- 144 e. ensure at least ninety-five percent (95%) of clients do not require inpatient  
155 hospitalization within forty-eight (48) hours of discharge;
- 166 f. ensure at least ninety percent (90%) of clients do not readmit within ~~thirty (30) days of~~  
177 ~~discharges~~ forty-eight (48) hours of discharge; and

188 ~~g. ensure at least ninety percent (90%) of clients do not readmit within~~  
199 ~~fourteen (14) days of discharge; and~~

200 ~~h. maintain an overall client satisfaction score of at least four (4.0) out of five (5.0).~~

211 2. CONTRACTOR shall coordinate distribution and collection of Client Satisfaction surveys  
222 and provide summary results to ADMINISTRATOR on a quarterly basis. CONTRACTOR shall also  
233 discuss the results of these surveys with all staff members in the program and develop plans to address  
244 areas of concern that may result from the surveys.

255 N. DATA CERTIFICATION

266 1. CONTRACTOR shall certify the accuracy of their data and maintain an accurate and  
277 complete Client database for all Clients served under this Agreement. The Client database shall be  
288 certified upon monthly submission and uploaded to an approved File Transfer Protocol by the tenth  
299 (10<sup>th</sup>) of every month. If CONTRACTOR's current database copy cannot be submitted via Microsoft  
300 Access file format, the data must be made available in an HCA approved database file type. If  
311 CONTRACTOR's system is web-based, CONTRACTOR shall allow ADMINISTRATOR accessibility  
322 for monitoring, reporting, and allowing accessibility to view, run, print, and export Client  
333 records/reports.

344 2. CONTRACTOR shall, within two (2) weeks of notice by COUNTY, correct Database  
355 errors.

366 3. CONTRACTOR shall, on a monthly basis, provide a separate file comprised of required  
377 data elements provided by COUNTY as outlined in Subparagraph IV.D of this Exhibit A with

14 verification that outcome data is correct.

22 4. CONTRACTOR shall, on a quarterly basis, report the Performance Outcome Objectives as  
33 outlined in Subparagraph IV.L. of this Exhibit A to the Agreement with verification that outcome data is  
44 correct.

55 O. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
66 Services Paragraph of this Exhibit A to the Agreement.

## 88 V. STAFFING

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

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

244 C. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all  
255 P&Ps. CONTRACTOR shall provide signature confirmation of the P&P training for each staff member  
266 and placed in their personnel files.

277 D. CONTRACTOR shall ensure that all new clinical and supervisory staff complete the  
288 COUNTY's New Provider Training.

299 E. CONTRACTOR shall ensure that all staff complete the COUNTY's Annual Provider Training  
300 and Annual Compliance Training. ADMINISTRATOR shall provide, or cause to be provided,  
311 training and ongoing consultation to CONTRACTOR's staff to assist CONTRACTOR in ensuring  
322 compliance with ADMINISTRATOR Standards of Care practices, P&Ps, documentation standards and  
333 any state regulatory requirements.

344 F. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours, of  
355 any staffing vacancies that occur during the term of the Agreement.

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~~1~~ ~~1~~ G. A limited number of clinical staff shall be qualified and designated by COUNTY to  
~~2~~ perform  
~~3~~ evaluations pursuant to Section 5150, WIC.

~~4~~ H. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in FTEs  
~~5~~ continuously throughout the term of the Agreement. One (1) FTE will be equal to an average of forty  
~~6~~ (40) hours work per week.

PROGRAM	FTEs
Regional Director of Operations	0.10
Program <del>Director</del> Administrator	1.00
Business Office Manager	1.00
Administrative Assistant/HR	
<del>Assistant</del> Receptionist	1.00
Clinical Director	1.00
Clinician (Licensed/Waivered)	1.80
Clinician (On-Call)	0.42
Licensed Vocational Nurse (LVN)	2.80
Licensed Vocational Nurse (LVN) (On-Call)	<del>0.42</del> 4.1
PSC II	1.00
Residential Counselor	<del>9.80</del> 10.00
Residential Counselor (On-Call)	2.14
<b>SUBTOTAL PROGRAM</b>	<b><del>22.48</del></b>
<b>SUBCONTRACTOR</b>	
Psychiatrist (Subcontract)	0.53
<b>TOTAL CONTRACT FTEs</b>	<b><del>23.01</del> 20</b>

~~30~~ H. WORKLOAD STANDARDS

- ~~31~~ 1. One (1) DSH will be equal to sixty (60) minutes of direct client service.
- ~~32~~ 2. ~~The~~ CONTRACTOR shall provide seven hundred eleven (711) DSHs per year of direct  
~~33~~ physician time which will include medication support services which are inclusive of both billable and  
~~34~~ non-billable services.
- ~~35~~ 3. CONTRACTOR shall ensure physician services are available a minimum of three (3) hours  
~~36~~ per day, seven (7) days a week.
- ~~37~~ ~~4~~ 4. CONTRACTOR shall provide four thousand five hundred and sixty-three (4,563)

14 client bed days per year, which are inclusive of both billable and non-billable services.

22 5. CONTRACTOR shall, during the term of the Agreement provide client related services,  
33 tracking the number of individual counseling sessions and number of educational groups provided with  
44 a minimum of three (3) groups and ~~two (2)~~ one (1) individual session per day.

55 IJ. Staffing levels and qualifications will meet the requirements as stated in CCR Title 22,  
66 Division 6, Chapters 1 and 2; Title 9, Division 1, Chapter 3, Article 3.5; as well as the WIC Division 5,  
77 Part 2, Chapter 2.5, Article 1; and the HSC Division 2, Chapter 3, Article 2, and/or other certification  
88 standards for a Social Rehabilitation Facility as well as for a Short Term Crisis Residential, as  
99 appropriate to the services being provided. A sufficient number of clinical staff will be licensed in order  
100 to meet all State requirements. COUNTY shall not reimburse CONTRACTOR for services provided by  
111 clinical staff who do not meet these requirements.

122 JK. A limited number of clinical staff will be qualified and designated by COUNTY to perform  
133 evaluations pursuant to Section 5150, WIC.

144 KL. CONTRACTOR may augment the above paid staff with volunteers or interns upon written  
155 approval of ADMINISTRATOR.

166 1. CONTRACTOR shall provide a minimum of two (2) hours per week supervision to each  
177 student intern providing mental health services and one (1) hour of supervision for each ten (10) hours  
188 of treatment for student interns providing substance abuse services. Supervision will be in accordance  
199 to that set by the BBS. CONTRACTOR shall provide supervision to volunteers as specified in the  
200 respective job descriptions or work contracts.

211 2. An intern is an individual enrolled in an accredited graduate program accumulating  
222 clinically supervised work experience hours as part of field work, internship, or practicum requirements.  
233 Acceptable graduate programs include all programs that assist the student in meeting the educational  
244 requirements in becoming a MFT, or a LCSW.

255 3. Student intern services shall not comprise more than twenty percent (20%) of total services  
266 provided.

277 LM. CONTRACTOR shall maintain personnel files for each staff member, including the  
288 Executive Director and other administrative positions, which will include, but not be limited to, an  
299 application for employment, qualifications for the position, documentation of bicultural/bilingual  
300 capabilities (if applicable), pay rate and evaluations justifying pay increases.

311 MN. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
322 Staffing Paragraph of this Exhibit A to the Agreement.

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## VI. REPORTS

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

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B. FISCAL

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

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

C. STAFFING - CONTRACTOR shall submit monthly Staffing Reports to ADMINISTRATOR. These reports will be on a form acceptable to, or provided by, ADMINISTRATOR and will, at a minimum, report the actual FTEs of the positions stipulated in the Staffing Paragraph of this Exhibit A to the Agreement and will include the employees' names, licensure status, monthly salary, hire and/or termination date and any other pertinent information as may be required by ADMINISTRATOR. The reports will be received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month being reported. If an extension is approved by ADMINISTRATOR, the total extension will not exceed more than five (5) calendar days.

#### D. PROGRAMMATIC

1. CONTRACTOR shall submit programmatic reports to ADMINISTRATOR, as indicated below, on a form acceptable to or provided by ADMINISTRATOR, which will be received by ADMINISTRATOR no later than the twentieth (20th) calendar day following the end of the month/quarter being reported unless otherwise specified. Programmatic reports will include the following:

a. On a daily basis, CONTRACTOR will report the daily census to the ADMINISTRATOR and ensure that ADMINISTRATOR has a current status of open beds at all times.

b. On a monthly basis, CONTRACTOR shall report the following information to ADMINISTRATOR:

- 1) current schedule of groups and activities
- 2) a description of chart compliance activities as well as the outcome of chart reviews
- 3) number of admissions;
- 4) referral source upon admission;
- 5) type of funding upon admission;



- 11 6) average length of stay;  
 22 7) number of admissions by funding (Medi-Cal, unfunded, etc.);  
 33 8) average daily census;  
 44 9) number of discharges;  
 55 10) type of residence on discharge (independent, home with family, Sober Living, etc.);  
 66 11) voluntary and involuntary hospitalizations that occur during client's stay or within  
 77 forty-eight (48) hours of discharge;  
 88 12) readmissions within ~~thirty (30)~~ forty-eight (48) hours and within fourteen (14) days  
 99 of discharge;  
 100 13) number of individual counseling sessions per month;  
 111 14) number of educational groups provided to clients per month;  
 122 15) number of attendees to ~~each of~~ the groups per month; ~~and~~  
 133 ~~16~~ 16) percentage of residents attending groups; and  
 144 17) Description of CONTRACTOR's progress in implementing the provisions of this  
 155 Agreement. CONTRACTOR shall state whether it is or is not progressing satisfactorily in achieving all  
 166 the terms of this Agreement, and if not, will specify what steps will be taken to achieve satisfactory  
 177 progress.
- 188 c. On a quarterly basis, CONTRACTOR shall report the Performance Outcome  
 199 Objectives as outlined in Subparagraph IV.F. of this Exhibit A to the Agreement.
- 200 2. ADMINISTRATOR and CONTRACTOR may mutually agree, in advance and in writing,  
 211 to adjust the items to be included in the monthly programmatic reports based on the needs of the  
 222 COUNTY, the clients, and a commitment to quality services.
- 233 3. CONTRACTOR shall document all adverse incidents affecting the physical and/or  
 244 emotional welfare of clients, including but not limited to serious physical harm to self or others, serious  
 255 destruction of property, developments, etc., and which may raise liability issues with COUNTY.  
 266 CONTRACTOR shall notify COUNTY and CCL within twenty-four (24) hours of any such serious  
 277 adverse incident.
- 288 E. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issues  
 299 that adversely affect the quality or accessibility of client-related services provided by, or under contract  
 300 with, the COUNTY as identified in ADMINISTRATOR's P&Ps.
- 311 F. ADDITIONAL REPORTS – Upon ADMINISTRATOR's request, CONTRACTOR shall make  
 322 such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as  
 333 they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information  
 344 requested and allow up to thirty (30) calendar days for CONTRACTOR to respond.
- 355 G. CONTRACTOR shall provide effective Administrative management of the budget, staffing,  
 366 recording, and reporting portion of the Agreement with the COUNTY. If administrative responsibilities  
 377 are delegated to subcontractors, CONTRACTOR must ensure that any subcontractor(s) possess the

1 qualifications and capacity to perform all delegated responsibilities. These responsibilities include, but  
2 not limited to the following:

- 3 1. Designate the responsible position(s) in your organization for managing the funds allocated  
4 to this program;
- 5 2. Maximize the use of the allocated funds;
- 6 3. Ensure timely and accurate reporting of monthly expenditures;
- 7 4. Maintain appropriate staffing levels;
- 8 5. Request budget and/or staffing modifications to the Agreement;
- 9 6. Effectively communicate and monitor the program for its success;
- 10 7. Track and report expenditures electronically;
- 11 8. Maintain electronic and telephone communication between key staff and the Contract and  
12 Program Administrators; and
- 13 9. Act quickly to identify and solve problems.

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

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EXHIBIT B  
 TO AGREEMENT FOR PROVISION OF  
 ADULT MENTAL HEALTH CRISIS RESIDENTIAL SERVICES  
 BETWEEN  
 COUNTY OF ORANGE  
 AND  
 TELECARE CORPORATION  
 JULY 1, ~~2014~~2015 THROUGH JUNE 30, ~~2015~~2016

**I. BUSINESS ASSOCIATE CONTRACT**

A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

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

#### 44 B. DEFINITIONS

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

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

##### 111 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

33 7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in  
44 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance  
55 with 45 CFR § 164.502(g).

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

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

111 10. "PHI" shall have the meaning given to such term under the HIPAA regulations in 45 CFR §  
122 160.103.

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

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

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

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

244 15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in  
255 45 CFR § 160.103.

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

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

322 18. "Use" shall have the meaning given to such term under the HIPAA regulations in 45 CFR §  
333 160.103.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### 99 D. SECURITY RULE

100 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish  
111 and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR  
122 § 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to  
133 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.  
144 CONTRACTOR shall develop and maintain a written information privacy and security program that  
155 includes Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of  
166 CONTRACTOR's operations and the nature and scope of its activities.

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

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

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

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

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

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

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

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

#### 77 E. DATA SECURITY REQUIREMENTS

##### 88 1. Personal Controls

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

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

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

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

##### 344 2. Technical Security Controls

355 a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY  
 366 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of

14 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which  
 22 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the  
 33 COUNTY.

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

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

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

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

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

300 g. User IDs and Password Controls. All users must be issued a unique user name for  
 311 accessing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,  
 322 or transmits on behalf of COUNTY. Username must be promptly disabled, deleted, or the password  
 333 changed upon the transfer or termination of an employee with knowledge of the password, at maximum  
 344 within twenty-four (24) hours. Passwords are not to be shared. Passwords must be at least eight  
 355 characters and must be a non-dictionary word. Passwords must not be stored in readable format on the  
 366 computer. Passwords must be changed every ninety (90) days, preferably every sixty (60) days.

377 //

1 Passwords must be changed if revealed or compromised. Passwords must be composed of characters  
2 from at least three (3) of the following four (4) groups from the standard keyboard:

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

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

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

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

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

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

31 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to  
32 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY  
33 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is  
34 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files  
35 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as  
36 website access, file transfer, and E-Mail.

37 //

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

### 55 3. Audit Controls

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

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

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

### 199 4. Business Continuity/Disaster Recovery Control

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

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

### 322 5. Paper Document Controls

333 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR  
 344 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left  
 355 unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means

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14 that information is not being observed by an employee authorized to access the information. Such PHI  
 22 in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in  
 33 baggage on commercial airplanes.

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

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

d. Removal of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR  
 100 creates, receives, maintains, or transmits on behalf of COUNTY must not be removed from the premises  
 111 of the CONTRACTOR except with express written permission of COUNTY.  
 122

e. Faxing. Faxes containing PHI COUNTY discloses to CONTRACTOR or  
 133 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall not be left  
 144 unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement  
 155 notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the  
 166 intended recipient before sending the fax.  
 177

f. Mailing. Mailings containing PHI COUNTY discloses to CONTRACTOR or  
 188 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall be sealed and  
 199 secured from damage or inappropriate viewing of PHI to the extent possible. Mailings which include  
 200 five hundred (500) or more individually identifiable records containing PHI COUNTY discloses to  
 211 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY in  
 222 a single package shall be sent using a tracked mailing method which includes verification of delivery  
 233 and receipt, unless the prior written permission of COUNTY to use another method is obtained.  
 244

#### 255 F. BREACH DISCOVERY AND NOTIFICATION

1. Following the discovery of a Breach of Unsecured PHI, CONTRACTOR shall notify  
 266 COUNTY of such Breach, however both parties agree to a delay in the notification if so advised by a  
 277 law enforcement official pursuant to 45 CFR § 164.412.  
 288

a. A Breach shall be treated as discovered by CONTRACTOR as of the first day on which  
 299 such Breach is known to CONTRACTOR or, by exercising reasonable diligence, would have been  
 300 known to CONTRACTOR.  
 311

b. CONTRACTOR shall be deemed to have knowledge of a Breach, if the Breach is  
 322 known, or by exercising reasonable diligence would have known, to any person who is an employee,  
 333 officer, or other agent of CONTRACTOR, as determined by federal common law of agency.  
 344

2. CONTRACTOR shall provide the notification of the Breach immediately to the COUNTY  
 355 Privacy Officer. CONTRACTOR's notification may be oral, but shall be followed by written  
 366 notification within 24 hours of the oral notification.  
 377

- 14 3. CONTRACTOR's notification shall include, to the extent possible:
- 22 a. The identification of each Individual whose Unsecured PHI has been, or is reasonably
- 33 believed by CONTRACTOR to have been, accessed, acquired, used, or disclosed during the Breach;
- 44 b. Any other information that COUNTY is required to include in the notification to
- 55 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or
- 66 promptly thereafter as this information becomes available, even after the regulatory sixty (60) calendar
- 77 or business day period set forth in 45 CFR § 164.410 (b) has elapsed, including:
- 88 1) A brief description of what happened, including the date of the Breach and the date
- 99 of the discovery of the Breach, if known;
- 100 2) A description of the types of Unsecured PHI that were involved in the Breach (such
- 111 as whether full name, social security number, date of birth, home address, account number, diagnosis,
- 122 disability code, or other types of information were involved);
- 133 3) Any steps Individuals should take to protect themselves from potential harm
- 144 resulting from the Breach;
- 155 4) A brief description of what CONTRACTOR is doing to investigate the Breach, to
- 166 mitigate harm to Individuals, and to protect against any future Breaches; and
- 177 5) Contact procedures for Individuals to ask questions or learn additional information,
- 188 which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.
- 199 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in
- 200 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the
- 211 COUNTY.
- 222 5. In the event that CONTRACTOR is responsible for a Breach of Unsecured PHI in violation
- 233 of the HIPAA Privacy Rule, CONTRACTOR shall have the burden of demonstrating that
- 244 CONTRACTOR made all notifications to COUNTY consistent with this Subparagraph F and as
- 255 required by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or
- 266 disclosure of PHI did not constitute a Breach.
- 277 6. CONTRACTOR shall maintain documentation of all required notifications of a Breach or
- 288 its risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur.
- 299 7. CONTRACTOR shall provide to COUNTY all specific and pertinent information about the
- 300 Breach, including the information listed in Section E.3.b.(1)-(5) above, if not yet provided, to permit
- 311 COUNTY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as
- 322 practicable, but in no event later than fifteen (15) calendar days after CONTRACTOR's initial report of
- 333 the Breach to COUNTY pursuant to Subparagraph F.2 above.
- 344 8. CONTRACTOR shall continue to provide all additional pertinent information about the
- 355 Breach to COUNTY as it may become available, in reporting increments of five (5) business days after
- 366 //
- 377 //

14 the last report to COUNTY. CONTRACTOR shall also respond in good faith to any reasonable  
 22 requests for further information, or follow-up information after report to COUNTY, when such request  
 33 is made by COUNTY.

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

#### 88 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

188 1) The Disclosure is required by law; or

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

244 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to  
 255 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of  
 266 CONTRACTOR.

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

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

311 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as  
 322 required by law.

#### 333 H. PROHIBITED USES AND DISCLOSURES

344 1. CONTRACTOR shall not disclose PHI COUNTY discloses to CONTRACTOR or  
 355 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY about an individual to  
 366 a health plan for payment or health care operations purposes if the PHI pertains solely to a health care  
 377

14 item or service for which the health care provider involved has been paid out of pocket in full and the  
22 individual requests such restriction, in accordance with 42 USC § 17935(a) and 45 CFR § 164.522(a).

33 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI  
44 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on  
55 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by 42 USC §  
66 17935(d)(2).

#### 77 I. OBLIGATIONS OF COUNTY

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

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

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

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

#### 199 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

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EXHIBIT C  
 TO AGREEMENT FOR PROVISION OF  
 ADULT MENTAL HEALTH CRISIS RESIDENTIAL SERVICES  
 BETWEEN  
 COUNTY OF ORANGE  
 AND  
 TELECARE CORPORATION  
 JULY 1, ~~2014~~2015 THROUGH JUNE 30, ~~2015~~2016

**I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT**

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

**A. DEFINITIONS**

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

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

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

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

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

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

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

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

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

14 participation with respect to health care providers participating in the program, and statutes or  
 22 regulations that require the production of information, including statutes or regulations that require such  
 33 information if payment is sought under a government program providing public benefits.

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

#### 77 B. TERMS OF AGREEMENT

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

#### 122 2. Responsibilities of CONTRACTOR

133 CONTRACTOR agrees:

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

177 b. Safeguards. To implement appropriate and reasonable administrative, technical, and  
 188 physical safeguards to protect the security, confidentiality and integrity of DHCS PI and PII, to protect  
 199 against anticipated threats or hazards to the security or integrity of DHCS PI and PII, and to prevent use  
 200 or disclosure of DHCS PI or PII other than as provided for by this Personal Information Privacy and  
 211 Security Contract. CONTRACTOR shall develop and maintain a written information privacy and  
 222 security program that include administrative, technical and physical safeguards appropriate to the size  
 233 and complexity of CONTRACTOR's operations and the nature and scope of its activities, which  
 244 incorporate the requirements of subparagraph (c), below. CONTRACTOR will provide COUNTY with  
 255 its current policies upon request.

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

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

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

355 3) If the data obtained by CONTRACTOR from COUNTY includes PII,  
 366 CONTRACTOR shall also comply with the substantive privacy and security requirements in the  
 377 CMPPA Agreement between the SSA and the CHHS and in the Agreement between the SSA and

14 DHCS, known as the IEA. The specific sections of the IEA with substantive privacy and security  
 22 requirements to be complied with are Sections E, F, and G, and in Attachment 4 to the IEA, Electronic  
 33 Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local  
 44 Agencies Exchanging Electronic Information with the SSA. CONTRACTOR also agrees to ensure that  
 55 any of CONTRACTOR's agents or subcontractors, to whom CONTRACTOR provides DHCS PII agree  
 66 to the same requirements for privacy and security safeguards for confidential data that apply to  
 77 CONTRACTOR with respect to such information.

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

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

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

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

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

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

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