

1 AGREEMENT FOR PROVISION OF  
2 ADULT SUPPORTED EMPLOYMENT SERVICES  
3 BETWEEN  
4 COUNTY OF ORANGE  
5 AND  
6 GOODWILL INDUSTRIES OF ORANGE COUNTY  
7 JULY 1, 2019 THROUGH JUNE 30, 2020  
8

9 THIS AGREEMENT entered into this 1st day of July 2019 (effective date), is by and between the  
10 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and GOODWILL  
11 INDUSTRIES OF ORANGE COUNTY, a California nonprofit corporation (CONTRACTOR).  
12 COUNTY and CONTRACTOR may sometimes be referred to herein individually as "Party" or  
13 collectively as "Parties." This Agreement shall be administered by the County of Orange Health Care  
14 Agency (ADMINISTRATOR).

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16 **W I T N E S S E T H:**  
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18 WHEREAS, COUNTY issued a Request for Proposal for Adult Supported Employment Services on  
19 January 16, 2014; and

20 WHEREAS, CONTRACTOR was selected as the sole respondent; and

21 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of  
22 Adult Supported Employment Services described herein to the residents of Orange County; and

23 WHEREAS, COUNTY and CONTRACTOR wish to extend the current agreement for one  
24 additional year;

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

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

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| 1  | <b><u>TABLE OF CONTENTS</u></b>                        |                    |
|----|--|--------------------|
| 2  | <b><u>PARAGRAPH</u></b>                                | <b><u>PAGE</u></b> |
| 3  | Title Page.....  | 1                  |
| 4  | Table of Contents .....                                | 2                  |
| 5  | Referenced Contract Provisions .....                   | 4                  |
| 6  | I. Acronyms .....                                      | 5                  |
| 7  | II. Alteration of Terms .....                          | 6                  |
| 8  | III. Assignment of Debts.....                          | 6                  |
| 9  | IV. Compliance .....                                   | 7                  |
| 10 | V. Confidentiality.....                                | 11                 |
| 11 | VI. Conflict of Interest .....                         | 11                 |
| 12 | VII. Cost Report.....                                  | 12                 |
| 13 | VIII. Delegation, Assignment and Subcontracts.....     | 14                 |
| 14 | IX. Dispute Resolution.....                            | 16                 |
| 15 | X. Employee Eligibility Verification .....             | 17                 |
| 16 | XI. Equipment .....                                    | 17                 |
| 17 | XII. Facilities, Payments and Services.....            | 18                 |
| 18 | XIII. Indemnification and Insurance .....              | 18                 |
| 19 | XIV. Inspections and Audits.....                       | 22                 |
| 20 | XV. Licenses and Laws .....                            | 23                 |
| 21 | XVI. Literature, Advertisements and Social Media.....  | 25                 |
| 22 | XVII. Maximum Obligation.....                          | 25                 |
| 23 | XVIII. Minimum Wage Laws .....                         | 26                 |
| 24 | XIX. Nondiscrimination.....                            | 26                 |
| 25 | XX. Notices.....                                       | 28                 |
| 26 | XXI. Notification of Death .....                       | 29                 |
| 27 | XXII. Notification of Public Events and Meetings ..... | 30                 |
| 28 | XXIII. Records Management and Maintenance .....        | 30                 |
| 29 | XXIV. Research and Publication.....                    | 32                 |
| 30 | XXV. Revenue .....                                     | 32                 |
| 31 | XXVI. Severability.....                                | 32                 |
| 32 | XXVII. Special Provisions .....                        | 33                 |
| 33 | XXVIII. Status of Contractor .....                     | 34                 |
| 34 | XXIX. Term .....                                       | 34                 |
| 35 | XXX. Termination .....                                 | 34                 |
| 36 | XXXI. Third Party Beneficiary .....                    | 36                 |
| 37 | XXXII. Waiver of Default or Breach.....                | 36                 |



**REFERENCED CONTRACT PROVISIONS**

**Term:** July 1, 2019 through June 30, 2020

**Maximum Obligation:** \$1,371,262

**Basis for Reimbursement:** Actual Cost

**Payment Method:** Monthly in Arrears

**CONTRACTOR DUNS Number:** 07-815-6551

**CONTRACTOR TAX ID Number:** 95-1644018

**Notices to COUNTY and CONTRACTOR:**

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

**CONTRACTOR:** Goodwill Industries of Orange County  
410 North Fairview  
Santa Ana, CA 92703  
Contact Name: Donald J. Voska, Chief Financial Officer  
Contact Email: [donv@ocgoodwill.org](mailto:donv@ocgoodwill.org)

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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:

- 1 A. ARRA American Recovery and Reinvestment Act of 2009
- 2 B. AES Advanced Encryption Standard
- 3 C. ASRS Alcohol and Drug Programs Reporting System
- 4 D. BCP Business Continuity Plan
- 5 E. CCC California Civil Code
- 6 F. CCR California Code of Regulations
- 7 G. CD/DVD Compact Disc/Digital Video or Versatile Disc
- 8 H. CEO County Executive Office
- 9 I. CFR Code of Federal Regulations
- 10 J. CHHS California Health and Human Services Agency
- 11 K. CHPP COUNTY HIPAA Policies and Procedures
- 12 L. CHS Correctional Health Services
- 13 M. CIPA California Information Practices Act
- 14 N. CMPPA Computer Matching and Privacy Protection Act
- 15 O. COI Certificate of Insurance
- 16 P. D/MC Drug/Medi-Cal
- 17 Q. DHCS California Department of Health Care Services
- 18 R. DoD US Department of Defense
- 19 S. DPFS Drug Program Fiscal Systems
- 20 T. DRP Disaster Recovery Plan
- 21 U. DRS Designated Record Set
- 22 V. E-Mail Electronic Mail
- 23 W. EHR Electronic Health Records
- 24 X. ePHI Electronic Protected Health Information
- 25 Y. FIPS Federal Information Processing Standards
- 26 Z. GAAP Generally Accepted Accounting Principles
- 27 AA. HCA Health Care Agency
- 28 AB. HHS Health and Human Services
- 29 AC. HIPAA Health Insurance Portability and Accountability Act of 1996, Public  
30 Law 104-191
- 31 AD. HITECH Act Health Information Technology for Economic and Clinical Health  
32 Act, Public Law 111-005
- 33 AE. HSC California Health and Safety Code
- 34 AF. ID Identification

|    |             |  |
|----|-------------|--|
| 1  | AG. IEA     | Information Exchange Agreement                 |
| 2  | AH. ISO     | Insurance Services Office                      |
| 3  | AI. MHP     | Mental Health Plan                             |
| 4  | AJ. NIST    | National Institute of Standards and Technology |
| 5  | AK. OCJS    | Orange County Jail System                      |
| 6  | AL. OCPD    | Orange County Probation Department             |
| 7  | AM. OCR     | Federal Office for Civil Rights                |
| 8  | AN. OCSD    | Orange County Sheriff's Department             |
| 9  | AO. OIG     | Federal Office of Inspector General            |
| 10 | AP. OMB     | Federal Office of Management and Budget        |
| 11 | AQ. OPM     | Federal Office of Personnel Management         |
| 12 | AR. PA DSS  | Payment Application Data Security Standard     |
| 13 | AS. PC      | California Penal Code                          |
| 14 | AT. PCI DSS | Payment Card Industry Data Security Standard   |
| 15 | AU. PHI     | Protected Health Information                   |
| 16 | AV. PI      | Personal Information                           |
| 17 | AW. PII     | Personally Identifiable Information            |
| 18 | AX. PRA     | California Public Record Act                   |
| 19 | AY. SIR     | Self-Insured Retention                         |
| 20 | AZ. USC     | United States Code                             |
| 21 | BA. W&IC    | California Welfare and Institutions Code       |

**II. ALTERATION OF TERMS**

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

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

**III. ASSIGNMENT OF DEBTS**

Unless this Agreement is followed without interruption by another Agreement between the parties hereto for the same services and substantially the same scope, at the termination of this Agreement, CONTRACTOR shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of persons receiving services pursuant to this Agreement. CONTRACTOR shall immediately notify by mail each of these persons, specifying the date of assignment, the County of Orange as assignee, and the

1 address to which payments are to be sent. Payments received by CONTRACTOR from or on behalf of  
2 said persons, shall be immediately given to COUNTY.

3  
4 **IV. COMPLIANCE**

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

8 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the policies and  
9 procedures relating to ADMINISTRATOR’s Compliance Program, Code of Conduct and access to  
10 General Compliance and Annual Provider Trainings.

11 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own  
12 compliance program, code of conduct and any compliance related policies and procedures.  
13 CONTRACTOR’s compliance program, code of conduct and any related policies and procedures shall  
14 be verified by ADMINISTRATOR’s Compliance Department to ensure they include all required  
15 elements by ADMINISTRATOR’s Compliance Officer as described in this Compliance Paragraph to  
16 this Agreement. These elements include:

- 17 a. Designation of a Compliance Officer and/or compliance staff.
- 18 b. Written standards, policies and/or procedures.
- 19 c. Compliance related training and/or education program and proof of completion.
- 20 d. Communication methods for reporting concerns to the Compliance Officer.
- 21 e. Methodology for conducting internal monitoring and auditing.
- 22 f. Methodology for detecting and correcting offenses.
- 23 g. Methodology/Procedure for enforcing disciplinary standards.

24 3. If CONTRACTOR does not provide proof of its own compliance program to  
25 ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR’s Compliance  
26 Program and Code of Conduct, the CONTRACTOR shall submit to the ADMINISTRATOR within  
27 thirty (30) calendar days of execution of this Agreement a signed acknowledgement that  
28 CONTRACTOR will internally comply with ADMINISTRATOR’s Compliance Program and Code of  
29 Conduct. CONTRACTOR shall have as many Covered Individuals it determines necessary complete  
30 ADMINISTRATOR’s annual compliance training to ensure proper compliance.

31 4. If CONTRACTOR elects to have its own compliance program, code of conduct and any  
32 Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR  
33 shall submit a copy of its compliance program, code of conduct and all relevant policies and procedures  
34 to ADMINISTRATOR within thirty (30) calendar days of execution of this Agreement.  
35 ADMINISTRATOR’s Compliance Officer, or designee, shall review said documents within a  
36 reasonable time, which shall not exceed forty-five (45) calendar days, and determine if contractor’s  
37 proposed compliance program and code of conduct contain all required elements to the

1 ADMINISTRATOR's satisfaction as consistent with the HCA's Compliance Program and Code of  
 2 Conduct. ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and  
 3 CONTRACTOR shall revise its compliance program and code of conduct to meet  
 4 ADMINISTRATOR's required elements within thirty (30) calendar days after ADMINISTRATOR's  
 5 Compliance Officer's determination and resubmit the same for review by the ADMINISTRATOR.

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

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

18 1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees,  
 19 interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items  
 20 or services or who perform billing or coding functions on behalf of ADMINISTRATOR.  
 21 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of  
 22 ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures (or  
 23 CONTRACTOR's own compliance program, code of conduct and related policies and procedures if  
 24 CONTRACTOR has elected to use its own).

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

31 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.  
 32 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this  
 33 Agreement.

34 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors monthly to  
 35 ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that its  
 36 subcontractors use their best efforts to verify that they are eligible to participate in all federal and State  
 37 of California health programs and have not been excluded or debarred from participation in any federal



1 or state health care programs, and to further represent to CONTRACTOR that they do not have any  
2 Ineligible Person in their employ or under contract.

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

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

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

21 C. GENERAL COMPLIANCE TRAINING - ADMINISTRATOR shall make General  
22 Compliance Training available to Covered Individuals.

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

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

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

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

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

36 D. SPECIALIZED PROVIDER TRAINING - ADMINISTRATOR shall make Specialized  
37 Provider Training, where appropriate, available to Covered Individuals.

1 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered  
 2 Individuals relative to this Agreement. This includes compliance with federal and state healthcare  
 3 program regulations and procedures or instructions otherwise communicated by regulatory agencies;  
 4 including the Centers for Medicare and Medicaid Services or their agents.

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

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

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

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

14 E. MEDI-CAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

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

31 6. CONTRACTOR shall meet the HCA MHP Quality Management Program Standards and  
 32 participate in the quality improvement activities developed in the implementation of the Quality  
 33 Management Program.

34 7. CONTRACTOR shall comply with the provisions of the ADMINISTRATOR's Cultural  
 35 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural  
 36 Competency Plan and submit the updates to the State for review and approval annually.  
 37 (CCR, Title 9, §1810.410.subds.(c)-(d).

1 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a  
2 breach of the Agreement on the part of CONTRACTOR and grounds for COUNTY to terminate the  
3 Agreement. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty  
4 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this  
5 Compliance Paragraph prior to ADMINISTRATOR’s right to terminate this Agreement on the basis of  
6 such default.

7  
8 **V. CONFIDENTIALITY**

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

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

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

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

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

31  
32 **VI. CONFLICT OF INTEREST**

33 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions  
34 that could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation  
35 shall apply to CONTRACTOR’s employees, agents, and subcontractors associated with the provision of  
36 goods and services provided under this Agreement. CONTRACTOR’s efforts shall include, but not be  
37 limited to establishing rules and procedures preventing its employees, agents, and subcontractors from

1 providing or offering gifts, entertainment, payments, loans or other considerations which could be  
2 deemed to influence or appear to influence COUNTY staff or elected officers in the performance of  
3 their duties.

4  
5 **VII. COST REPORT**

6 A. CONTRACTOR shall submit an individual and/or consolidated Cost Report to COUNTY no  
7 later than sixty (60) calendar days following termination of this Agreement. CONTRACTOR shall  
8 prepare the individual and/or consolidated Cost Report in accordance with all applicable federal, state  
9 and COUNTY requirements, GAAP and the Special Provisions Paragraph of this Agreement.  
10 CONTRACTOR shall allocate direct and indirect costs to and between programs, cost centers, services,  
11 and funding sources in accordance with such requirements and consistent with prudent business  
12 practice, which costs and allocations shall be supported by source documentation maintained by  
13 CONTRACTOR, and available at any time to ADMINISTRATOR upon reasonable notice. In the event  
14 CONTRACTOR has multiple Agreements for mental health services that are administered by HCA,  
15 consolidation of the individual Cost Reports into a single consolidated Cost Report may be required, as  
16 stipulated by ADMINISTRATOR. CONTRACTOR shall submit the consolidated Cost Report to  
17 COUNTY no later than five (5) business days following approval by ADMINISTRATOR of all  
18 individual Cost Reports to be incorporated into a consolidated Cost Report.

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

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

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

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

34 3. In the event that CONTRACTOR does not submit an accurate and complete individual  
35 and/or consolidated Cost Report within one hundred and eighty (180) calendar days following the  
36 termination of this Agreement, and CONTRACTOR has not entered into a subsequent or new  
37 //

1 agreement for any other services with COUNTY, then all amounts paid to CONTRACTOR by  
2 COUNTY during the term of the Agreement shall be immediately reimbursed to COUNTY.

3 B. The individual and/or consolidated Cost Report shall be the final financial and statistical report  
4 submitted by CONTRACTOR to COUNTY, and shall serve as the basis for final settlement to  
5 CONTRACTOR. CONTRACTOR shall document that costs are reasonable and allowable and directly  
6 or indirectly related to the services to be provided hereunder. The individual and/or consolidated Cost  
7 Report shall be the final financial record for subsequent audits, if any.

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

18 D. If the individual and/or consolidated Cost Report indicates the actual and reimbursable costs of  
19 services provided pursuant to this Agreement, less applicable revenues and late penalty, are lower than  
20 the aggregate of interim monthly payments to CONTRACTOR, CONTRACTOR shall remit the  
21 difference to COUNTY. Such reimbursement shall be made, in cash, or other authorized form of  
22 payment, with the submission of the individual and/or consolidated Cost Report. If such reimbursement  
23 is not made by CONTRACTOR within thirty (30) calendar days after submission of the individual  
24 and/or consolidated Cost Report, COUNTY may, in addition to any other remedies, reduce any amount  
25 owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

26 E. If the individual and/or consolidated Cost Report indicates the actual and reimbursable costs of  
27 services provided pursuant to this Agreement, less applicable revenues and late penalty, are higher than  
28 the aggregate of interim monthly payments to CONTRACTOR, COUNTY shall pay CONTRACTOR  
29 the difference, provided such payment does not exceed the Maximum Obligation of COUNTY.

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

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

Signed \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_"

**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 agrees that if there is a change or transfer in ownership of CONTRACTOR's business prior to completion of this Agreement, and COUNTY agrees to an assignment of the Agreement, the new owners shall be required under the terms of sale or other instruments of transfer to assume CONTRACTOR's duties and obligations contained in this Agreement and complete them to the satisfaction of COUNTY. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the prior written consent of COUNTY.

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

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

1 | delegation in derogation of this subparagraph shall be void.

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

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

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

15 | 6. COUNTY reserves the right to immediately terminate the Agreement in the event  
16 | COUNTY determines, in its sole discretion, that the assignee is not qualified or is otherwise  
17 | unacceptable to COUNTY for the provision of services under the Agreement.

18 | C. CONTRACTOR’s obligations undertaken pursuant to this Agreement may be carried out by  
19 | means of subcontracts, provided such subcontractors are approved in advance by ADMINISTRATOR,  
20 | meet the requirements of this Agreement as they relate to the service or activity under subcontract,  
21 | include any provisions that ADMINISTRATOR may require, and are authorized in writing by  
22 | ADMINISTRATOR prior to the beginning of service delivery.

23 | 1. After approval of the subcontractor, ADMNISTRATOR may revoke the approval of the  
24 | subcontractor upon five (5) calendar days’ written notice to CONTRACTOR if the subcontractor  
25 | subsequently fails to meet the requirements of this Agreement or any provisions that  
26 | ADMINISTRATOR has required. ADMINISTRATOR may disallow subcontractor expenses reported  
27 | by CONTRACTOR.

28 | 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY  
29 | pursuant to this Agreement.

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

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

35 | D. CONTRACTOR shall notify COUNTY in writing of any change in the CONTRACTOR’s  
36 | status with respect to name changes that do not require an assignment of the Agreement.  
37 | CONTRACTOR is also obligated to notify COUNTY in writing if the CONTRACTOR becomes a party

1 to any litigation against COUNTY, or a party to litigation that may reasonably affect the  
2 CONTRACTOR's performance under the Contract, as well as any potential conflicts of interest between  
3 CONTRACTOR and County that may arise prior to or during the period of Agreement performance.  
4 While CONTRACTOR will be required to provide this information without prompting from COUNTY  
5 any time there is a change in CONTRACTOR's name, conflict of interest or litigation status,  
6 CONTRACTOR must also provide an update to COUNTY of its status in these areas whenever  
7 requested by COUNTY.

8  
9 **IX DISPUTE RESOLUTION**

10 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the  
11 dispute concerning a question of fact arising under the terms of this Agreement is not disposed of in a  
12 reasonable period of time by the CONTRACTOR and the ADMINISTRATOR, such matter shall be  
13 brought to the attention of the COUNTY Purchasing Agency by way of the following process:

14 1. CONTRACTOR shall submit to the COUNTY Purchasing Agency a written demand for a  
15 final decision regarding the disposition of any dispute between the Parties arising under, related to, or  
16 involving this Agreement, unless COUNTY, on its own initiative, has already rendered such a final  
17 decision.

18 2. CONTRACTOR's written demand shall be fully supported by factual information, and, if  
19 such demand involves a cost adjustment to the Agreement, CONTRACTOR shall include with the  
20 demand a written statement signed by an authorized representative indicating that the demand is made in  
21 good faith, that the supporting data are accurate and complete, and that the amount requested accurately  
22 reflects the Agreement adjustment for which CONTRACTOR believes COUNTY is liable.

23 B. Pending the final resolution of any dispute arising under, related to, or involving this  
24 Agreement, CONTRACTOR agrees to proceed diligently with the performance of services secured via  
25 this Agreement, including the delivery of goods and/or provision of services. CONTRACTOR's failure  
26 to proceed diligently shall be considered a material breach of this Agreement.

27 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and  
28 shall be signed by a COUNTY Deputy Purchasing Agent or designee. If COUNTY fails to render a  
29 decision within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed  
30 a final decision adverse to CONTRACTOR's contentions.

31 D. This Agreement has been negotiated and executed in the State of California and shall be  
32 governed by and construed under the laws of the State of California. In the event of any legal action to  
33 enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent  
34 jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit  
35 to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the  
36 Parties specifically agree to waive any and all rights to request that an action be transferred for  
37 adjudication to another county.



**X. EMPLOYEE ELIGIBILITY VERIFICATION**

CONTRACTOR attests 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 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.

**XI. 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,

//

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

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

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

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

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

16  
17 **XII. FACILITIES, PAYMENTS AND SERVICES**

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

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

27  
28 **XIII. INDEMNIFICATION AND INSURANCE**

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

37 //

1 COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall  
2 request a jury apportionment.

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

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

19 D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand  
20 dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of  
21 CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved,  
22 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this  
23 Agreement, agrees to all of the following:

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

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

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

33 E. If CONTRACTOR fails to maintain insurance acceptable to the COUNTY for the full term of  
34 this Agreement, the COUNTY may terminate this Agreement.

35 F. QUALIFIED INSURER

36 1. The policy or policies of insurance must be issued by an insurer with a minimum rating of  
37 A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current

1 | edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is  
 2 | preferred, but not mandatory, that the insurer be licensed to do business in the state of California  
 3 | (California Admitted Carrier).

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

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

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

23 | H. REQUIRED COVERAGE FORMS

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

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

28 | I. REQUIRED ENDORSEMENTS

29 | 1. The Commercial General Liability policy shall contain the following endorsements, which  
 30 | shall accompany the COI:

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

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

1 2. The Network Security and Privacy Liability policy shall contain the following  
2 endorsements which shall accompany the COI:

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

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

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

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

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

20 M. If CONTRACTOR’s Professional Liability, Technology Errors & Omissions and/or Network  
21 Security & Privacy Liability are “Claims -Made” policies, CONTRACTOR shall agree to maintain  
22 coverage for two (2) years following the completion of the Agreement.

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

25 O. Insurance certificates should be forwarded to the agency/department address listed on the  
26 solicitation.

27 P. If the Contractor fails to provide the insurance certificates and endorsements within seven (7)  
28 days of notification by CEO/Purchasing or the agency/department purchasing division, award may be  
29 made to the next qualified vendor.

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

34 R. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If  
35 CONTRACTOR does not deposit copies of acceptable Certificate of Insurance and endorsements with  
36 COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice, this  
37 //

1 Agreement may be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled  
2 to all legal remedies.

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

6 T. SUBMISSION OF INSURANCE DOCUMENTS

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

- 8 a. Prior to the start date of this Agreement.
- 9 b. No later than the expiration date for each policy.
- 10 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding  
11 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

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

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

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

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

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

27 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any  
28 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs  
29 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.  
30

31 **XIV. INSPECTIONS AND AUDITS**

32 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative  
33 of the State of California, the Secretary of the United States Department of Health and Human Services,  
34 the Comptroller General of the United States, or any other of their authorized representatives, shall to  
35 the extent permissible under applicable law have access to any books, documents, and records, including  
36 but not limited to, financial statements, general ledgers, relevant accounting systems, medical and Client  
37 records, of CONTRACTOR that are directly pertinent to this Agreement, for the purpose of responding

1 to a beneficiary complaint or conducting an audit, review, evaluation, or examination, or making  
 2 transcripts during the periods of retention set forth in the Records Management and Maintenance  
 3 Paragraph of this Agreement. Such persons may at all reasonable times inspect or otherwise evaluate  
 4 the services provided pursuant to this Agreement, and the premises in which they are provided.

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

9 C. AUDIT RESPONSE

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

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

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

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

29  
 30 **XV. LICENSES AND LAWS**

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

37 //

1 pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers  
2 and exemptions. Said inability shall be cause for termination of this Agreement.

3 B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

4 1. CONTRACTOR certifies it is in full compliance with all applicable federal and State  
5 reporting requirements regarding its employees and with all lawfully served Wage and Earnings  
6 Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the  
7 term of the Agreement with the County of Orange. Failure to comply shall constitute a material breach  
8 of the Agreement and failure to cure such breach within sixty (60) calendar days of notice from the  
9 COUNTY shall constitute grounds for termination of the Agreement.

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

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

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

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

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

- 23 1. ARRA of 2009.
- 24 2. Trafficking Victims Protection Act of 2000.
- 25 3. WIC, Division 5, Community Mental Health Services.
- 26 4. WIC, Division 6, Admissions and Judicial Commitments.
- 27 5. WIC, Division 7, Mental Institutions.
- 28 6. HSC, §§1250 et seq., Health Facilities.
- 29 7. PC, §§11164-11174.3, Child Abuse and Neglect Reporting Act.
- 30 8. CCR, Title 9, Rehabilitative and Developmental Services.
- 31 9. CCR, Title 17, Public Health.
- 32 10. CCR, Title 22, Social Security.
- 33 11. CFR, Title 42, Public Health.
- 34 12. CFR, Title 45, Public Welfare.
- 35 13. USC Title 42. Public Health and Welfare.
- 36 14. Federal Social Security Act, Title XVIII and Title XIX Medicare and Medicaid.
- 37 15. 42 USC §12101 et seq., Americans with Disabilities Act of 1990.



- 1 16. 42 USC §1857, et seq., Clean Air Act.
- 2 17. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.
- 3 18. 31 USC 7501.70, Federal Single Audit Act of 1984.
- 4 19. Policies and procedures set forth in Mental Health Services Act.
- 5 20. Policies and procedures set forth in DHCS Letters.
- 6 21. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.
- 7 22. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,
- 8 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

9  
10 **XVI. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

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

31  
32 **XVII. MAXIMUM OBLIGATION**

33 The Maximum Obligation of COUNTY for services provided in accordance with this Agreement is  
34 as specified in the Referenced Contract Provisions of this Agreement.

35 B. ADMINISTRATOR may amend the Maximum Obligation by an amount not to exceed ten  
36 percent (10%) of funding for this Agreement.

37 //

**XVIII. MINIMUM WAGE LAWS**

1  
2 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and  
3 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the  
4 federal or California Minimum Wage to all its Covered Individuals (as defined within the “Compliance”  
5 paragraph of this Agreement) that directly or indirectly provide services pursuant to this Agreement, in  
6 any manner whatsoever. CONTRACTOR shall require and verify that all of its Covered Individuals  
7 providing services pursuant to this Agreement be paid no less than the greater of the federal or  
8 California Minimum Wage.

9 B. CONTRACTOR shall comply and verify that its Covered Individuals comply with all other  
10 federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor  
11 standards pursuant to providing services pursuant to this Agreement.

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

**XIX. NONDISCRIMINATION**

18 A. EMPLOYMENT

19 1. During the term of this Agreement, CONTRACTOR and its Covered Individuals (as  
20 defined in the “Compliance” paragraph of this Agreement) shall not unlawfully discriminate against any  
21 employee or applicant for employment because of his/her race, religious creed, color, national origin,  
22 ancestry, physical disability, mental disability, medical condition, genetic information, marital status,  
23 sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status.  
24 Additionally, during the term of this Agreement, CONTRACTOR and its Covered Individuals shall  
25 require in its subcontracts that subcontractors shall not unlawfully discriminate against any employee or  
26 applicant for employment because of his/her race, religious creed, color, national origin, ancestry,  
27 physical disability, mental disability, medical condition, genetic information, marital status, sex, gender,  
28 gender identity, gender expression, age, sexual orientation, or military and veteran status.

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

33 3. CONTRACTOR shall not discriminate between employees with spouses and employees  
34 with domestic partners, or discriminate between domestic partners and spouses of those employees, in  
35 the provision of benefits.

36 //  
37 //

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

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

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

15 B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not  
16 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities  
17 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental  
18 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender  
19 expression, age, sexual orientation, or military and veteran status in accordance with Title IX of the  
20 Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights  
21 Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division  
22 4, Chapter 6, Article 1 (§10800, et seq.) of the CCR; and Title II of the Genetic Information  
23 Nondiscrimination Act of 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent rules and  
24 regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all  
25 may now exist or be hereafter amended or changed. For the purpose of this Nondiscrimination  
26 paragraph, discrimination includes, but is not limited to the following based on one or more of the  
27 factors identified above:

- 28 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 29 2. Providing any service or benefit to a Client which is different or is provided in a different  
30 manner or at a different time from that provided to other Clients.
- 31 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by  
32 others receiving any service and/or benefit.
- 33 4. Treating a Client differently from others in satisfying any admission requirement or  
34 condition, or eligibility requirement or condition, which individuals must meet in order to be provided  
35 any service and/or benefit.
- 36 5. Assignment of times or places for the provision of services.

37 //

1 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all Clients  
2 through a written statement that CONTRACTOR’s and/or subcontractor’s Clients may file all  
3 complaints alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and  
4 ADMINISTRATOR.

5 1. Whenever possible, problems shall be resolved at the point of service. CONTRACTOR  
6 shall establish an internal informal problem resolution process for Clients not able to resolve such  
7 problems at the point of service. Clients may initiate a grievance or complaint directly with  
8 CONTRACTOR either orally or in writing.

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

11 b. Throughout the problem resolution and grievance process, Client rights shall be  
12 maintained, including access to the COUNTY’s Patients’ Rights Office at any point in the process.  
13 Clients shall be informed of their right to access the COUNTY’s Patients’ Rights Office at any time.

14 2. Within the time limits procedurally imposed, the complainant shall be notified in writing as  
15 to the findings regarding the alleged complaint and, if not satisfied with the decision, has the right to  
16 request a State Fair Hearing.

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

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

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

33  
34 **XX. NOTICES**

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

37 //

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

4 2. When faxed, transmission confirmed;

5 3. When sent by Email; or

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

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

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

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

18  
19 **XXI. NOTIFICATION OF DEATH**

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

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

25 1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by  
26 telephone immediately upon becoming aware of the death due to non-terminal illness of any person  
27 served pursuant to this Agreement; notice need only be given during normal business hours.

28 2. WRITTEN NOTIFICATION

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

32 b. TERMINAL ILLNESS – CONTRACTOR shall notify ADMINISTRATOR by written  
33 report hand delivered, faxed, sent via encrypted email, within forty-eight (48) hours of becoming aware  
34 of the death due to terminal illness of any person served pursuant to this Agreement.

35 c. When notification via encrypted email is not possible or practical CONTRACTOR may  
36 hand deliver or fax to a known number said notification.

37 //

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

5  
6 **XXII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

14  
15 **XXIII. RECORDS MANAGEMENT AND MAINTENANCE**

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

19 1. CONTRACTOR shall maintain records that are adequate to substantiate the services for  
20 which claims are submitted for reimbursement under this Agreement and the charges thereto. Such  
21 records shall include, but not be limited to, individual patient charts and utilization review records.

22 2. CONTRACTOR shall keep and maintain records of each service rendered to each MSN  
23 Patient, the identity of the MSN Patient to whom the service was rendered, the date the service was  
24 rendered, and such additional information as ADMINISTRATOR or DHCS may require.

25 3. CONTRACTOR shall maintain books, records, documents, accounting procedures and  
26 practices, and other evidence sufficient to reflect properly all direct and indirect cost of whatever nature  
27 claimed to have been incurred in the performance of this Agreement and in accordance with Medicare  
28 principles of reimbursement and GAAP.

29 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747  
30 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical  
31 necessity of the service, and the quality of care provided. Records shall be maintained in accordance  
32 with §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

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

1 C. CONTRACTOR’s participant, client, and/or patient records shall be maintained in a secure  
2 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish  
3 and implement written record management procedures.

4 D. CONTRACTOR shall retain all financial records for a minimum of ten (10) years from the  
5 termination of the contract, unless a longer period is required due to legal proceedings such as litigations  
6 and/or settlement of claims.

7 E. CONTRACTOR shall retain all client and/or patient medical records for ten (10) years  
8 following discharge of the participant, client and/or patient.

9 F. CONTRACTOR shall make records pertaining to the costs of services, participant fees, charges,  
10 billings, and revenues available at one (1) location within the limits of the County of Orange. If  
11 CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR may provide  
12 written approval to CONTRACTOR to maintain records in a single location, identified by  
13 CONTRACTOR.

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

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

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

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

- 29 1. Have documents readily available within twenty-four (24) hour notice of a scheduled audit  
30 or site visit.
- 31 2. Provide auditor or other authorized individuals access to documents via a computer terminal.
- 32 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if requested.

33 J. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and  
34 security of PII and/or PHI. CONTRACTOR shall, upon discovery of a Breach of privacy and/or  
35 security of PII and/or PHI by CONTRACTOR, notify federal and/or state authorities as required by law  
36 or regulation, and copy ADMINISTRATOR on such notifications.

37 //

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

5 **XXIV. RESEARCH AND PUBLICATION**

6 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out  
7 of, or developed, as a result of this Agreement for the purpose of personal or professional research, or  
8 for publication.  
9

10 **XXV. REVENUE**

11 A. CLIENT FEES – CONTRACTOR shall charge, unless waived by ADMINISTRATOR, a fee to  
12 Clients to whom billable services, other than those amounts reimbursed by Medicare, Medi-Cal or other  
13 third party health plans, are provided pursuant to this Agreement, their estates and responsible relatives,  
14 according to their ability to pay as determined by the State Department of Health Care Services’  
15 “Uniform Method of Determining Ability to Pay” procedure or by any other payment procedure as  
16 approved in advance, and in writing by ADMINISTRATOR; and in accordance with Title 9 of the CCR.  
17 Such fee shall not exceed the actual cost of services provided. No Client shall be denied services  
18 because of an inability to pay.

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

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

29 D. OTHER REVENUES – CONTRACTOR shall charge for services, supplies, or facility use by  
30 persons other than individuals or groups eligible for services pursuant to this Agreement.  
31

32 **XXVI. SEVERABILITY**

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



**XXVII. SPECIAL PROVISIONS**

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

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

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

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

//

1 8. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
2 CONTRACTOR's Clients.

3  
4 **XXVIII. STATUS OF CONTRACTOR**

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

16  
17 **XXIX. TERM**

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

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

26  
27 **XXX. TERMINATION**

28 A. Either Party may terminate this Agreement, without cause, upon ninety (90) calendar days'  
29 written notice given the other Party.

30 B. CONTRACTOR shall be responsible for meeting all programmatic and administrative  
31 contracted objectives and requirements as indicated in this Agreement. CONTRACTOR shall be  
32 subject to the issuance of a CAP for the failure to perform to the level of contracted objectives,  
33 continuing to not meet goals and expectations, and/or for non-compliance. If CAPs are not completed  
34 within timeframe as determined by ADMINISTRATOR notice, payments may be reduced or withheld  
35 until CAP is resolved and/or the Agreement could be terminated.

36 C. Unless otherwise specified in this Agreement, COUNTY may terminate this Agreement upon  
37 five (5) calendar days' written notice if CONTRACTOR fails to perform any of the terms of this

1 Agreement. At ADMINISTRATOR's sole discretion, CONTRACTOR may be allowed up to thirty  
2 (30) calendar days for corrective action.

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

5 1. The loss by CONTRACTOR of legal capacity.

6 2. Cessation of services.

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

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

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

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

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

19 E. CONTINGENT FUNDING

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

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

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

25 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,  
26 terminate or renegotiate this Agreement upon thirty (30) calendar days' written notice given  
27 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated  
28 funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.

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

33 G. In the event this Agreement is terminated by either Party pursuant to Subparagraphs B., C., or  
34 D. above, CONTRACTOR shall do the following:

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

37 //

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

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

5 4. If Clients are to be transferred to another facility for services, furnish ADMINISTRATOR,  
6 upon request, all Client information and records deemed necessary by ADMINISTRATOR to effect an  
7 orderly transfer.

8 5. Assist ADMINISTRATOR in effecting the transfer of Clients in a manner consistent with  
9 Client's best interests.

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

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

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

20 9. Provide written notice of termination of services to each Client being served under this  
21 Agreement, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of  
22 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendars  
23 day period.

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

26  
27 **XXXI. THIRD PARTY BENEFICIARY**

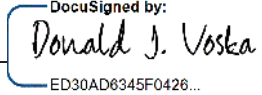
28 Neither Party hereto intends that this Agreement shall create rights hereunder in third parties  
29 including, but not limited to, any subcontractors or any Clients provided services pursuant to this  
30 Agreement.

31  
32 **XXXII. WAIVER OF DEFAULT OR BREACH**

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

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

3  
4 GOODWILL INDUSTRIES OF ORANGE COUNTY

5  
6 BY:  \_\_\_\_\_ DATED: 4/18/2019  
7  
8 ED30AD6345F0426...

9 TITLE: CFO \_\_\_\_\_

10  
11  
12 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

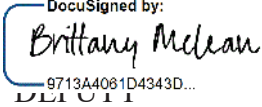
13  
14 TITLE: \_\_\_\_\_

15  
16  
17 COUNTY OF ORANGE

18  
19  
20 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

21 HEALTH CARE AGENCY

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

27  
28  
29 BY:  \_\_\_\_\_ DATED: 4/19/2019  
30  
31 9713A4081D4343D...  
32  
33

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

1 EXHIBIT A  
2 AGREEMENT FOR PROVISION OF  
3 ADULT SUPPORTED EMPLOYMENT SERVICES  
4 BETWEEN  
5 COUNTY OF ORANGE  
6 AND  
7 GOODWILL INDUSTRIES OF ORANGE COUNTY  
8 JULY 1, 2019 THROUGH JUNE 30, 2020  
9

10 **I. COMMON TERMS AND DEFINITIONS**

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

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

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

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

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

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

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

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

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

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

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

16 8. Certified Reviewer means an individual that obtains certification by completing all  
 17 requirements set forth in the Quality Improvement and Program Compliance Reviewer Training  
 18 Verification Sheet.

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

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

24 11. CSW means Clinical Social Worker and refers to an individual who meets the minimum  
 25 professional and licensure requirements set forth in Title 9, CCR, Section 625, and has two (2) years of  
 26 post-master's clinical experience in a mental health setting.

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

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

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

34 c. Data Mining and Analysis Specialist means a person who is responsible for ensuring  
 35 the program maintains a focus on outcomes, by reviewing outcomes, and analyzing data as well as  
 36 working on strategies for gathering new data from the Consumers' perspective which will improve  
 37 understanding of Consumers' needs and desires towards furthering their Recovery. This individual will

1 provide feedback to the program and work collaboratively with the employment specialist, education  
 2 specialist, benefits specialist, and other staff in the program in strategizing improved outcomes in these  
 3 areas. This position will be responsible for attending all data and outcome related meetings and  
 4 ensuring that program is being proactive in all data collection requirements and changes at the local and  
 5 state level.

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

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

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

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

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

25 16. Face-to-Face means an encounter between Consumer and provider where they are both  
 26 physically present.

27 17. FSP

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

37 //



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

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

c. The FSP shall offer “whatever it takes” to engage seriously mentally ill adults, including those who are dually diagnosed, in a partnership to achieve the individual’s wellness and Recovery goals. Services shall be non-coercive and focused on engaging people in the field. The goal of FSP Programs is to assist the Consumer’s progress through pre-determined quality of life outcome domains (housing, decreased jail, decreased hospitalization, increased education involvement, increased employment opportunities and retention, linkage to medical providers, etc.) and become more independent and self-sufficient as Consumers move through the continuum of Recovery and evidence by progressing to lower level of care or out of the “intensive case management need” category. expenditures that are individualized and appropriate to support Consumer’s mental health treatment activities.

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

1 19. Individual Services and Support Funds – Flexible Funds means funds intended for use to  
2 provide Consumers and/or their families with immediate assistance, as deemed necessary, for the  
3 treatment of their mental illness and their overall quality of life. Flexible Funds are generally  
4 categorized as housing, Consumer transportation, food, clothing, medical and miscellaneous  
5 expenditures that are individualized and appropriate to support Consumer’s mental health treatment  
6 activities.

7 20. Intake means the initial meeting between a Consumer and CONTRACTOR’s staff and  
8 includes an evaluation to determine if the Consumer meets program criteria and is willing to seek  
9 services.

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

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

18 23. Job Coach/Developer means a specialized position dedicated to cultivating and nurturing  
19 employment opportunities for the Consumers and matching the job to the Consumer’s strengths,  
20 abilities, desires, and goals. This position will also integrate knowledge about career development and  
21 job preparation to ensure successful job retention and satisfaction of both employer and employee.

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

25 25. Member Advisory Board means a member-driven board which shall direct the activities,  
26 provide recommendations for ongoing program development, and create the rules of conduct for the  
27 program.

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

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

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

37 //

1 c. Co-Occurring Integrated Treatment Model means, in evidence-based Integrated  
2 Treatment programs, Consumers who receive a combined treatment for mental illness and substance  
3 abuse disorders from the same practitioner or treatment team.

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

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

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

18 g. Targeted Case Management means services that assist a beneficiary to access needed  
19 medical, educational, social, prevocational, vocational, rehabilitative, or other community services. The  
20 service activities may include, but are not limited to, communication, coordination and referral;  
21 monitoring service delivery to ensure beneficiary access to service and the service delivery system;  
22 monitoring of the beneficiary's progress; and plan development.

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

27 27. Mental Health Worker means an individual that assists in planning, developing and  
28 evaluating mental health services for Consumers; provides liaison between Consumers and service  
29 providers; and has obtained a Bachelor's degree in a behavioral science field such as psychology,  
30 counseling, or social work, or has two years of experience providing Client related services to  
31 Consumers experiencing mental health, drug abuse or alcohol disorders. Education in a behavioral  
32 science field such as psychology, counseling, or social work may be substituted for up to one year of the  
33 experience requirement.

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

36 //

37 //

1 29. MHS means Mental Health Specialist and refers to an individual who has a Bachelor’s  
2 Degree and four years of experience in a mental health setting and who performs individual and group  
3 case management studies.

4 30. MHSA means Mental Health Services Act and refers to the law that provides funding for  
5 expanded community Mental Health Services. It is also known as “Proposition 63.”

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

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

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

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

24 35. Outreach means the Outreach to potential Consumers to link them to appropriate Mental  
25 Health Services and may include activities that involve educating the community about the services  
26 offered and requirements for participation in the programs. Such activities should result in the  
27 CONTRACTOR developing their own Consumer referral sources for the programs they offer.

28 36. Peer Recovery Specialist/Counselor means an individual who has been through the same or  
29 similar Recovery process as those he/she is now assisting to attain their Recovery goals while getting  
30 paid for this function by the program. A Peer Recovery Specialist/Counselor’s practice is informed by  
31 his/her own experience.

32 37. Pharmacy Benefits Manager means the organization that manages the medication benefits  
33 that are given to Consumers that qualify for medication benefits.

34 38. PHI means individually identifiable health information usually transmitted by electronic  
35 media, maintained in any medium as defined in the regulations, or for an entity such as a health plan,  
36 transmitted or maintained in any other medium. It is created or received by a covered entity and relates  
37 //

1 to the past, present, or future physical or mental health or condition of an individual, provision of health  
2 care to an individual, or the past, present, or future payment for health care provided to an individual.

3 39. Plan Coordinator is a MHS, CSW, or MFT that provides mental health, crisis intervention  
4 and case management services to those Consumers who seek services in the COUNTY operated  
5 outpatient programs.

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

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

14 42. Program Director means an individual who has complete responsibility for the day to day  
15 function of the program. The Program Director is the highest level of decision making at a local,  
16 program level.

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

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

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

34 46. Psychiatrist means an individual who meets the minimum professional and licensure  
35 requirements set forth in Title 9, CCR, Section 623.

36 47. Psychologist means an individual who meets the minimum professional and licensure  
37 requirements set forth in Title 9, CCR, Section 624.

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

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

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

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

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

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

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

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

27 52. Supervisory Review means ongoing clinical case reviews in accordance with procedures  
28 developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to  
29 monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards.  
30 Supervisory review is conducted by the program/clinic director or designee.

31 53. Token means the security device which allows an individual user to access the COUNTY’s  
32 computer based IRIS.

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

36 55. Vocational/Educational Specialist means a person who provides services that range from  
37 pre-vocational groups, trainings and supports to obtain employment out in the community based on the

1 Consumers’ level of need and desired support. The Vocational/Educational Specialist will provide “one  
 2 on one” vocational counseling and support to Consumers to ensure that their needs and goals are being  
 3 met. The overall focus of Vocational/Educational Specialist is to empower Consumers and provide  
 4 them with the knowledge and resources to achieve the highest level of vocational functioning possible.

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

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

10  
 11 **II. BUDGET**

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

|                              | <u>Total</u>       |
|------------------------------|--------------------|
| ADMINISTRATIVE COSTS         |                    |
| Indirect Costs               | \$ 130,496         |
| SUBTOTAL ADMINISTRATIVE COST | \$ 130,496         |
| PROGRAM COST                 |                    |
| Salaries                     | \$ 843,830         |
| Benefits                     | 211,527            |
| Services and Supplies        | 177,060            |
| Flexible Funds               | <u>8,349</u>       |
| SUBTOTAL PROGRAM COST        | \$1,240,766        |
| GROSS COST                   | \$1,371,262        |
| REVENUE                      |                    |
| MHSA                         | <u>\$1,371,262</u> |
| TOTAL REVENUE                | \$1,371,262        |
| TOTAL BUDGET                 | \$1,371,262        |

34  
 35 B. CONTRACTOR shall make written application to ADMINISTRATOR, in advance, to shift  
 36 funds between programs, or between budgeted line items within a program, for the purpose of meeting  
 37 specific program needs or for providing continuity of care to its Clients. CONTRACTOR’s application

1 shall include a narrative specifying the purpose of the request, the amount of said funds to be shifted,  
2 and the sustaining impact of the shift as may be applicable to future years. Approval by  
3 ADMINISTRATOR shall be in writing to CONTRACTOR prior to implementation by  
4 CONTRACTOR.

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

7  
8 **III. PAYMENTS**

9 A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the provisional amount of  
10 \$114,271 per month for the period of July 1, 2019 through June 30, 2020. All payments are interim  
11 payments only, and subject to Final Settlement in accordance with the Cost Report Paragraph of the  
12 Agreement for which CONTRACTOR shall be reimbursed for the actual cost of providing the services  
13 hereunder; provided, however, the total of such payments does not exceed the Maximum Obligation for  
14 each Period as stated in the Referenced Contract Provisions of the Agreement, and, provided further,  
15 CONTRACTOR's costs are reimbursable pursuant to federal, state and COUNTY regulations.  
16 ADMINISTRATOR may, at its discretion, pay supplemental billings for any month for which the  
17 provisional amount specified above has not been fully paid.

18 1. In support of the monthly invoice, CONTRACTOR shall submit a monthly Expenditure  
19 and Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Agreement.  
20 ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to  
21 CONTRACTOR as specified in Subparagraphs A.2. and A.3. below.

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

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

32 B. CONTRACTOR's invoices shall be on a form approved or supplied by COUNTY and provide  
33 such information as is required by ADMINISTRATOR. Invoices are due the tenth (10th) day of the  
34 month. Invoices received after the due date may not be paid within the same month. Payments to  
35 CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of  
36 the correctly completed invoice.

37 //



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

4 D. ADMINISTRATOR may withhold or delay any payment, if CONTRACTOR fails to comply  
5 with any provision of the Agreement.

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

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

11  
12 **IV. SERVICES**

13 **A. FACILITIES**

14 1. CONTRACTOR shall maintain two (2) facilities at the following locations or any other  
15 locations approved by ADMINISTRATOR:

16  
17 North Region

18 2250 S. Yale St., #A  
19 Santa Ana, CA 92704

20  
21 South Region

22 23871 Via Fabricante, Suite 401  
23 Mission Viejo, CA 92691

24 2. CONTRACTOR shall maintain regularly scheduled service hours, five (5) days a week  
25 throughout the year, and maintain the capability to provide services during evening hours on weekdays,  
26 and on weekends, when necessary, in order to accommodate Clients. CONTRACTOR's holiday  
27 schedule shall be consistent with COUNTY's holiday schedule unless otherwise approved in writing by  
28 ADMINISTRATOR.

29 B. PERSONS TO BE SERVED – Seriously and persistently mentally ill adults eighteen (18) years  
30 and older who are legally residing in Orange County and who require job assistance to obtain  
31 competitive or volunteer employment. Direct referrals shall be made to the Supported Employment  
32 Program from COUNTY and contracted Outpatient and Recovery programs, Full Service Partnerships,  
33 and select Prevention and Intervention and Innovations programs. Clients referred to and enrolled in the  
34 Supported Employment program must be engaged in mental health services during their entire  
35 enrollment in the program, and must have an assigned Plan Coordinator or Personal Services  
36 Coordinator who will collaborate with the Supported Employment staff to assist with behavioral or  
37 treatment issues that may arise with their Clients.

38 **C. SERVICES**

39 1. CONTRACTOR shall provide Supported Employment Services for individuals who require  
40 job assistance to obtain competitive or volunteer employment, utilizing a team approach, comprised of

1 Employment Specialists and Peer Support Specialists, to be referred to as the Employment Team.

2 a. The Employment Specialist (ES) will be responsible for providing time limited, one-  
3 on-one vocational support, which will include job related and/or volunteer instructional strategies,  
4 assistance with production demands, mobility training, quality assurance, role modeling, behavior  
5 intervention, business interactions, problem resolution, and advocacy. The ES will also work closely  
6 with Clients on productivity level, work competencies and perfecting business etiquette, and shall  
7 provide, in conjunction with the Peer Support Specialist, daily coaching on grooming, time  
8 management, and strategies for coping with work performance anxiety.

9 b. The Peer Support Specialist (PSS) shall be an individual with lived experience from the  
10 recovery of behavioral health and substance use challenges, plus skills learned in formal training, and/or  
11 professional roles, to deliver services in a behavioral health setting to promote mind-body recovery and  
12 resiliency. The PSS, as part of the Employment Team, will work with Clients who are working and/or  
13 volunteering in the community, in developing job skills through sharing his/her lived experiences,  
14 within the principles of hope, equality, respect, personal responsibility, and self-determination. The PSS  
15 works with the ES in helping the client identify areas of need for development. The PSS may use  
16 techniques such as role modeling, field mentoring, mutual support, and others that foster independence.  
17 The PSS will also be responsible for working with Clients in preparing for job placement, ensuring job  
18 retention, ensuring the quality of work at job sites, promoting Goodwill's brand, and strengthening  
19 partnerships with employers and referring clinics.

20 2. Supported Employment Services shall include, but are not limited to:

21 a. Vocational Services: CONTRACTOR shall provide an array of vocational services and  
22 job training to prepare Clients for part-time or full-time competitive employment or education services,  
23 and in some cases for volunteer work. CONTRACTOR shall encourage Clients to engage in a number  
24 of activities, such as General Education Degree (GED) preparation using established computer  
25 programs, linkage to colleges, vocational, and adult schools. Peer Support Specialists may be used to  
26 work with the client in a specific goal that would address the Client's hesitation in pursuing the Clients  
27 continuing educational goals. CONTRACTOR shall develop an individual plan with each Client and  
28 shall provide the Clients with information that consists of workbook exercises, videos, classroom  
29 instruction, and exercises in order for them to learn and/or improve their job seeking and interpersonal  
30 communication skills. Vocational services shall include, but not be limited to the following:

31 1) Interviewing Techniques – Develop resumes, cover letter and references,  
32 interviewing assistance, positive word/phrases for presentation, interview questions, interviewing  
33 exercises, video presentations, verbal and nonverbal communication during interviews, self-marketing  
34 techniques, and appreciation correspondence;

35 2) Job Search Techniques – Employment Specialists shall meet regularly with Clients  
36 and provide training that includes, but is not limited to: setting occupational goals, job search methods,  
37 job leads and follow-ups, telephone training, applications and faxing;

1 3) Life Skills – Provide training to Clients to develop skills on dependability, making  
2 emergency arrangements, time management, and financial management;

3 4) Interpersonal Communication Skills – Work with Clients on appropriate  
4 communication, positive attitudes and relationships, listening skills, decision-making, goal-setting,  
5 stress management, anger management and constructive feedback;

6 5) Job Placement – CONTRACTOR shall place Clients in either volunteer, or  
7 competitive employment jobs that best reflect their interests, aptitudes, transportation needs, work  
8 schedule and access requirements. Prior to entering the competitive employment arena,  
9 CONTRACTOR may place Clients in volunteer positions to “try out” employment roles while being  
10 supported by the Employment Team. CONTRACTOR shall identify volunteer positions that offer  
11 flexible work schedules as an additional incentive of getting Clients to work, or back to work.  
12 CONTRACTOR shall train Clients as needed on how to use resources such as: newspapers; browse,  
13 print and record job leads from various web sites on the Internet. Clients will record their job leads and  
14 provide it to their assigned Employment Specialist;

15 6) Group support and tutorial classes – Provide GED and keyboarding classes;

16 7) Community Employer Outreach - Work with Clients and potential employers in the  
17 community, and in all regions of the County to locate potential volunteer and paid employment  
18 positions;

19 8) On-the-Job Support – Each Client placed shall receive ongoing support from the  
20 Employment Team which shall include, but not be limited to: modeling appropriate behavior;  
21 participating in the training of the Client to ensure a foundational grasp of job responsibilities;  
22 communicating regularly with job site staff to recognize and address Client successes and challenges;  
23 providing consistent encouragement; and practicing conflict resolution; and

24 9) Graduation – Upon successful placement in either volunteer or competitive  
25 employment for at least 90 days, Clients will be given the opportunity to consult with their employers,  
26 Employment Team, and other support persons to determine if they are ready to graduate from  
27 CONTRACTOR’s program and no longer receive supported employment services. If the Client and  
28 other involved parties agree that the Client is able and willing to proceed with employment without the  
29 support of the Employment Team, Client shall be eligible to graduate from the program and  
30 CONTRACTOR shall hold periodic graduation ceremonies and present them with a certification of  
31 completion. If the Client is graduating from the program after successfully completing placement in a  
32 volunteer position, they are automatically eligible for enrollment and training for a competitive  
33 employment position without the need for an additional referral from their Plan Coordinator or PSC.  
34 For any Client that completes the 90-day period in a volunteer placement and does not wish to continue  
35 into competitive employment, the Client would graduate from the program and may re-enroll at a later  
36 time for competitive employment. If the Client continues on to competitive employment after

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1 completing the 90-day volunteer placement, the Client would graduate once at the end of the 90-day  
2 employment placement.

3 The ES shall contact the Plan Coordinator or PSC and inform them of the Client’s decision to pursue  
4 competitive employment.

5 10) Post-Graduation – Within six (6) months of graduation from the program, from  
6 either a volunteer or competitive placement, if the Client would like to or is deemed in need of further  
7 Supported Employment services to maintain their employment, the Client may be re-enrolled in the  
8 program, with approval from applicable staff and their assigned Plan Coordinator or PSC, without the  
9 need for a new referral. Client must continue to be receiving mental health services to be eligible to re-  
10 enroll in the program. After six (6) months post-graduation, the Client may only return to the program  
11 and re-enroll to receive Supported Employment services with approval and re-referral by their assigned  
12 Plan Coordinator or PSC.

13 a. Work Experience/Adjustment/Hardening (WEAH) Program/Job Preparation Services:

14 CONTRACTOR shall make placements available to Clients who require additional supports with job  
15 skills training and work experience in the WEAH program. CONTRACTOR shall place Client at work  
16 sites where they may work under the guidance of a work area supervisor with the support of an  
17 Employment Specialist that will assist them in developing appropriate work skills, tolerances and  
18 strategies for coping with a daily work schedule, and behaviors needed in a “real work” environment.  
19 CONTRACTOR shall provide actual jobs in training areas including, but not limited to, janitorial,  
20 package and assembly, shipping and receiving, maintenance, processing, retail sales, stocking, computer  
21 assembly, clerical, accounting and document destruction. CONTRACTOR shall provide actual work  
22 areas for Clients to experience the “world of work” prior to moving into supported employment and then  
23 competitive employment and shall assist to build confidence and self-esteem while working to enhance  
24 productivity and work stamina. WEAH job preparation shall include, but not be limited to the  
25 following:

- 26 1) Identifying individual Client skills and interests;
- 27 2) Teaching workplace responsibilities and expectations;
- 28 3) Disseminating information on communication skills;
- 29 4) Managing symptoms and stress in the workplace;
- 30 5) Grooming and dressing for success; and
- 31 6) Writing resumes and successful job application techniques.

32 2. CONTRACTOR shall provide program presentations to all County and contractor-operated  
33 clinics, Recovery Centers, Full Service Partnerships, Prevention and Intervention, and Innovation  
34 programs as identified by County. As a follow-up to program presentations, CONTRACTOR shall, at a  
35 minimum, communicate directly with Service Chiefs or Program Directors from referring agencies on a  
36 monthly basis, to discuss status of referrals and to strategize how to maintain or increase the level of  
37 //

1 referrals to the Supported Employment program, and how the programs can best support each other and  
2 their Clients in the area of employment.

3 3. CONTRACTOR shall track and monitor, on a monthly basis, the number of newly enrolled  
4 Clients, carryover Clients from previous months, successful competitive and volunteer placements both  
5 full and part-time, types of placements (clerical, customer service, etc.), number of days able to maintain  
6 employment pre- and post- enrollment, and average wage.

7 4. CONTRACTOR shall identify the specific reasons for Client disenrollment and discharge  
8 from the program prior to graduation, and identify the steps taken with each Client to maintain their  
9 enrollment in the program.

10 5. CONTRACTOR shall provide a weekly Referral Log that includes, but is not limited to, the  
11 following: Client name; date of birth; referral date; referral source and contact; date Client contacted for  
12 enrollment; enrollment, placement, graduation, inactive, and discharge date; including the reason for  
13 discharge

14 D. CONTRACTOR shall maintain regular communication with Client’s Plan Coordinator or PSC  
15 and facilitate coordination of services.

16 E. ADMINISTRATOR shall periodically review individual Client employment plans and their  
17 progress to assist CONTRACTOR in ensuring compliance with ADMINISTRATOR P&Ps and any  
18 documentation requirements.

19 F. ADMINISTRATOR shall review and approve all pending discharges from the program.

20 G. ADMINISTRATOR shall monitor CONTRACTOR's completion of corrective action plans.

21 H. ADMINISTRATOR shall monitor CONTRACTOR’s compliance with COUNTY P&Ps.

22 I. PERFORMANCE OUTCOMES

23 1. CONTRACTOR shall enroll and provide Supported Employment Services to a minimum of  
24 one hundred seventy-five (175) Clients in the North Region program and one hundred (100) Client in  
25 the South Region program.

26 2. CONTRACTOR shall achieve greater than seventy-five percent (75%) retention rate for  
27 Clients enrolled in the program by utilizing a thorough screening process and support from the Peer  
28 Support Specialists to ensure that Clients are not discharged from the program for non-participation  
29 prior to obtaining either volunteer or competitive employment.

30 3. CONTRACTOR shall ensure that a minimum of thirty-five (35%) percent of the combined  
31 two hundred seventy-five (275) Clients referred to and enrolled in the program are successfully placed  
32 in either volunteer or competitive employment during the term of the Agreement. CONTRACTOR  
33 understands and agrees that this is a minimum requirement, and shall make every effort to exceed this  
34 minimum.

35 4. CONTRACTOR shall maintain an average time-to-placement into employment as follows:

- 36 a. Volunteer Employment – eight (8) weeks from the time of enrollment.
- 37 b. Competitive Employment – sixteen (16) weeks from the time of enrollment.

1 5. CONTRACTOR shall implement a Satisfaction Survey to assess the effectiveness of the  
 2 program and to ensure the needs of the Clients enrolled in the program are met. Survey results shall be  
 3 analyzed to identify both strengths and weaknesses of the program, and be used to refine program  
 4 structure as required to ensure the most effective and appropriate services are being provided.

5 6. Ninety-five percent (95%) of the Clients who have successfully graduated from the  
 6 program shall report an improved quality of life.

7 J. FLEXIBLE FUNDS

8 1. CONTRACTOR shall ensure that utilization of Flexible Funds is individualized and  
 9 appropriate for the treatment of Client's mental illness and overall quality of life;

10 2. CONTRACTOR shall report the utilization of their Flexible Funds monthly on a form  
 11 approved by ADMINISTRATOR. The Flexible Funds report shall be submitted with  
 12 CONTRACTOR's monthly Expenditure and Revenue Report;

13 3. CONTRACTOR shall develop a P&P, or revise an existing P&P, regarding Flexible Funds  
 14 and submit to ADMINISTRATOR no later than twenty (20) calendar days from the start of the  
 15 Agreement. ADMINISTRATOR and CONTRACTOR shall finalize and approve the P&P, in writing,  
 16 no later than thirty (30) days from the start of the Agreement. If the Flexible Funds P&P has not been  
 17 approved after thirty (30) days from the start of the Agreement, any subsequent Flexible Funds  
 18 expenditures may be disallowed by ADMINISTRATOR;

19 4. CONTRACTOR shall ensure that all staff is trained and has a clear understanding of the  
 20 approved Flexible Funds P&P. CONTRACTOR will provide signature confirmation of the Flexible  
 21 Funds P&P training for each staff member that utilizes Flexible Funds for a Client; and

22 5. CONTRACTOR shall ensure the Flexible Funds P&P will include, but not be limited to:

23 a. Purpose for which Flexible Funds are to be utilized. This shall include a description of  
 24 what type of expenditures are appropriate, reasonable, and justified, and that expenditure of Flexible  
 25 Funds shall be individualized according to Client's needs. Include a sample listing of certain  
 26 expenditures that are allowable, unallowable, or require discussion with ADMINISTRATOR;

27 b. Identification of specific CONTRACTOR staff designated to authorize Flexible Funds  
 28 expenditures, and the mechanism used to ensure this staff has timely access to Flexible Funds. This  
 29 may include procedures for check requests/petty cash, or other methods of access to these funds;

30 c. Identification of the process for documenting and accounting for all Flexible Funds  
 31 expenditures, which shall include, but not be limited to, retention of comprehensible source  
 32 documentation such as receipts, copy of Client's lease/rental agreements, general ledgers, and needs  
 33 documented in Client's master treatment plans;

34 d. Statement indicating that Flexible Funds may be utilized when other community  
 35 resources such as family/friends, food banks, shelters, charitable organizations, etc., are not available in  
 36 a timely manner, or are not appropriate for a Client's situation. CONTRACTOR will assist Clients in  
 37 exploring other available resources, whenever possible, prior to utilizing Flexible Funds;

1 e. Statement indicating that no single Flexible Funds expenditure, in excess of \$1,000,  
2 shall be made without prior written approval of ADMINISTRATOR. In emergency situations,  
3 CONTRACTOR may exceed the \$1,000 limit, if appropriate and justified, and shall notify  
4 ADMINISTRATOR the next business day of such an expense. Said notification shall include total costs  
5 and a justification for the expense. Failure to notify ADMINISTRATOR within the specified timeframe  
6 may result in disallowance of the expenditure;

7 f. Statement that pre-purchases shall only be for food, transportation, and clothing, as  
8 required and appropriate;

9 g. Statement indicating that pre-purchases of food, transportation, and clothing vouchers  
10 and/or gift cards shall be limited to a combined, \$5,000 supply on-hand at any given time, and that all  
11 voucher and/or gift card purchases and disbursement shall be tracked and logged by designated  
12 CONTRACTOR staff. Vouchers and/or gift cards shall be limited in monetary value to less than  
13 twenty-five (\$25) each;

14 h. Statement indicating that Flexible Funds are not to be used for housing for Clients;

15 i. Statement indicating that Flexible Funds shall not be given in the form of cash to any  
16 Clients either enrolled or in the outreach and engagement phase of the CONTRACTOR's program; and

17 j. Identification of procedure to ensure secured storage and documented disbursement of  
18 gift cards and vouchers for Clients, including end of year process accounting for gift cards still in staff  
19 possession.

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

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

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V. STAFFING

A. CONTRACTOR shall provide the following staffing, expressed in FTEs, which shall be equal to an average of forty (40) hours per week, to provide Supported Employment services:

| DIRECT PROGRAM               | <u>FTEs</u> |
|------------------------------|-------------|
| Program Manager              | 1.00        |
| Administrative Assistant     | 2.75        |
| Employment Coordinator       | 1.00        |
| Senior Employment Specialist | 2.00        |
| Employment Specialist        | 9.00        |
| Peer Support Specialist      | <u>3.00</u> |
| Data Analyst                 | <u>0.25</u> |
| TOTAL PROGRAM FTEs           | 19.00       |

B. WORKLOAD STANDARDS

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

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

3. COUNTY shall provide, or cause to be provided, training and ongoing consultation to CONTRACTOR's staff to assist CONTRACTOR in ensuring compliance with Standards of Care practices, P&Ps, documentation standards and any state regulatory requirements.

4. ADMINISTRATOR shall assist CONTRACTOR in monitoring compliance with staff workload standards and productivity.

5. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold languages as determined by ADMINISTRATOR. Salary savings resulting from vacant positions may not be used to cover costs other than salaries and employee benefits unless otherwise authorized in writing, in advance, by ADMINISTRATOR.

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

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1 7. CONTRACTOR shall recruit, hire, train and maintain staff, as applicable, who are Clients,  
2 former Clients or family members and who are qualified for the position(s) sought. Documentation may  
3 include, but not be limited to, the following: records attesting to efforts made in recruitment and hiring  
4 practices, and identification of measures taken to enhance accessibility for potential staff in these  
5 categories.

6 8. CONTRACTOR may augment the above paid staff with volunteers or student interns upon  
7 written approval of ADMINISTRATOR.

8 9. CONTRACTOR shall maintain personnel files for each staff person, which shall include,  
9 but not be limited to, an application for employment, qualifications for the position, results of  
10 background checks, applicable licenses, waivers, registrations, documentation of bicultural/bilingual  
11 capabilities, status as a Clients, former Client or family member, pay rate, training, and evaluations  
12 justifying pay increases.

13 10. All positions are required to maintain a log delineating hours worked and allocated to each  
14 program of CONTRACTOR.

15 11. CONTRACTOR shall provide training to service staff covering suicide assessment and  
16 crisis intervention, developing safety plans, maintaining healthy boundaries, reporting child abuse,  
17 dealing with difficult Clients, meeting facilitation and mediation, confidentiality, identification of  
18 strengths, promoting life skills and such other topics identified or provided by ADMINISTRATOR.

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

21  
22 **VI. REPORTS**

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

25 1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to  
26 ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by,  
27 ADMINISTRATOR and shall report actual costs and revenues for CONTRACTOR's program(s) or cost  
28 center(s) described in the Services Paragraph of Exhibit A to the Agreement. Such reports shall include  
29 number of Clients by program. The reports shall be received by ADMINISTRATOR no later than  
30 twenty (20) calendar days following the end of the month reported.

31 2. CONTRACTOR shall submit Year-End Expenditure and Revenue Projection Reports to  
32 ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by,  
33 ADMINISTRATOR and shall report anticipated year-end actual costs and revenues for  
34 CONTRACTOR's program(s) or cost center(s) described in the Service Paragraph of this Exhibit A to  
35 the Agreement. Such reports shall include actual monthly costs and revenue to date and anticipated  
36 monthly costs and revenue to the end of the fiscal year. The reports shall also include the number of  
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1 successful job placements and the number of Clients enrolled in the program. Year-End Projection  
2 Reports shall be submitted in conjunction with the monthly Expenditure and Revenue Reports.

3 B. STAFFING – CONTRACTOR shall submit monthly Staffing Reports to ADMINISTRATOR.  
4 These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR, and shall, at a  
5 minimum, report the actual FTE’s of the positions stipulated in the Staffing subparagraph of this Exhibit  
6 A to the Agreement, and shall include the employees' names, licensure status, monthly salary, and hire  
7 and/or termination date, and any other pertinent information as may be required by ADMINISTRATOR.  
8 The reports shall be received by ADMINISTRATOR no later than twenty (20) calendar days following  
9 the end of the month being reported.

10 C. PROGRAMMATIC – CONTRACTOR shall submit monthly programmatic reports to  
11 ADMINISTRATOR, which shall be received by ADMINISTRATOR no later than twenty (20) calendar  
12 days following the end of the month being reported. Programmatic reports shall include a description of  
13 CONTRACTOR's progress in implementing the provisions of this Agreement and report the status of  
14 each of the specified Performance Outcomes identified in the Services Paragraph of Exhibit A to the  
15 Agreement. CONTRACTOR shall state whether it is or is not progressing satisfactorily in achieving all  
16 the terms of the Agreement.

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

22 E. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issues  
23 that adversely affect the quality or accessibility of Client-related services provide by, or under contract  
24 with the COUNTY.

25 F. ADDITIONAL REPORTS – Upon ADMINISTRATOR’s request, CONTRACTOR shall make  
26 such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as  
27 they affect the services hereunder. ADMINISTRATOR will be specific as to the nature of information  
28 requested and allow thirty (30) calendar days for CONTRACTOR to respond.

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

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1 EXHIBIT B  
2 AGREEMENT FOR PROVISION OF  
3 ADULT SUPPORTED EMPLOYMENT SERVICES  
4 BETWEEN  
5 COUNTY OF ORANGE  
6 AND  
7 GOODWILL INDUSTRIES OF ORANGE COUNTY  
8 JULY 1, 2019 THROUGH JUNE 30, 2020  
9

10 **I. BUSINESS ASSOCIATE CONTRACT**

11 A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

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

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

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

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

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

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

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

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

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

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

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

33 4. "DRS" shall have the meaning given to such term under the HIPAA Privacy Rule in  
34 45 CFR § 164.501.

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

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

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

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

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

11 10. "PHI" shall have the meaning given to such term under the HIPAA regulations in  
12 45 CFR § 160.103.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

37 //

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

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

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

9 D. SECURITY RULE

10 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish  
11 and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with  
12 45 CFR § 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to  
13 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.  
14 CONTRACTOR shall develop and maintain a written information privacy and security program that  
15 includes Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of  
16 CONTRACTOR’s operations and the nature and scope of its activities.

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

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

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

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

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

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

37 //



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

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

7 E. DATA SECURITY REQUIREMENTS

8 1. Personal Controls

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

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

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

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

34 2. Technical Security Controls

35 a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY  
36 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of  
37 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which

1 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the  
2 COUNTY.

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

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

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

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

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

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

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

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

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

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

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

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

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

n. Intrusion Detection. All systems involved in accessing, holding, transporting, and protecting PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,

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1 or transmits on behalf of COUNTY that are accessible via the Internet must be protected by a  
2 comprehensive intrusion detection and prevention solution.

3 3. Audit Controls

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

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

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

17 4. Business Continuity/Disaster Recovery Control

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

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

30 5. Paper Document Controls

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

37 //

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

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

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

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

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

## 22 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

16 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in  
17 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the  
18 COUNTY.

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

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

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

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

36 9. If the Breach is the fault of CONTRACTOR, CONTRACTOR shall bear all expense or  
37 other costs associated with the Breach and shall reimburse COUNTY for all expenses COUNTY incurs

1 in addressing the Breach and consequences thereof, including costs of investigation, notification,  
2 remediation, documentation or other costs associated with addressing the Breach.

3 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

13 1) The Disclosure is required by law; or

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

19 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to  
20 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of  
21 CONTRACTOR.

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

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

26 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as  
27 required by law.

28 H. PROHIBITED USES AND DISCLOSURES

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

34 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI  
35 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on  
36 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by  
37 42 USC § 17935(d)(2).

1 I. OBLIGATIONS OF COUNTY

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

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

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

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

13 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

35 //

36 //

37 //



EXHIBIT C  
AGREEMENT FOR PROVISION OF  
ADULT SUPPORTED EMPLOYMENT SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
GOODWILL INDUSTRIES OF ORANGE COUNTY  
JULY 1, 2019 THROUGH JUNE 30, 2020

**I. PERSONAL INFORMATION AND SECURITY CONTRACT**

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

A. DEFINITIONS

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

2. "Breach of the security of the system" shall have the meaning given to such term under the CIPA, Civil Code § 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 California Civil Code § 1798.29(e) whose unauthorized access may trigger notification requirements under California Civil Code § 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 California Civil Code § 1798.3(a).

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

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

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

7 B. TERMS OF AGREEMENT

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

12 2. Responsibilities of CONTRACTOR

13 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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

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

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Agenda Item



**AGENDA STAFF REPORT**

ASR Control 19-000496

**MEETING DATE:** 05/21/19  
**LEGAL ENTITY TAKING ACTION:** Board of Supervisors  
**BOARD OF SUPERVISORS DISTRICT(S):** 3, 4  
**SUBMITTING AGENCY/DEPARTMENT:** Health Care Agency (Pending)  
**DEPARTMENT CONTACT PERSON(S):** Annette Mugrditchian (714) 834-5026  
 Jeff Nagel (714) 834-7024

**SUBJECT:** Renewal Agreement for Adult Supported Employment Services

|                                     |  |   |
|-------------------------------------|--|---|
| <b>CEO CONCUR</b><br>Pending Review | <b>COUNTY COUNSEL REVIEW</b><br>Pending Review | <b>CLERK OF THE BOARD</b><br>Discussion<br>3 Votes Board Majority |
|-------------------------------------|--|---|

**Budgeted:** N/A                                      **Current Year Cost:** N/A                                      **Annual Cost:** FY 2019-20  
 \$1,371,262

**Staffing Impact:** No                                      **# of Positions:**                                      **Sole Source:** N/A  
**Current Fiscal Year Revenue:** N/A  
**Funding Source:** State: 100% (Mental Health                                      **County Audit in last 3 years:** No  
 Services Act/Prop 63)

**Prior Board Action:** 03/28/2017, #17, 05/20/2014, #36

**RECOMMENDED ACTION(S):**

1. Approve the renewal of the Agreement with Goodwill Industries of Orange County for provision of Adult Supported Employment Services for period July 1, 2019, through June 30, 2020, for \$1,371,262, for a revised cumulative total amount not to exceed \$7,527,882.
2. Authorize the Health Care Agency Director, or designee, to exercise a contingency contract cost increase not to exceed 10 percent of the first year funding of the Agreement with Goodwill Industries of Orange County to be used over the entire term of the Agreement and within the scope of work set forth in the Agreement, pursuant to Contract Policy Manual Section 3.4-114. The contingency provision would be exercised in the event there is an increase in the projected services needed for the clients being served.
3. Authorize the Health Care Agency Director, or designee, to execute the Agreement as referenced in the Recommended Action above.

**SUMMARY:**

Approval of the renewal of the Agreement with Goodwill Industries of Orange County will provide Adult Supported Employment Services for seriously mentally ill individuals who require job assistance to obtain competitive or volunteer employment.

**BACKGROUND INFORMATION:**

Goodwill Industries of Orange County (Goodwill) was the only respondent to a solicitation released on January 16, 2014. As a result of the solicitation, your Honorable Board of Supervisors (Board) approved the Agreement with Goodwill for provision of Adult Supported Employment Services for the period of July 1, 2014, through June 30, 2017, in the amount of \$3,414,096 on May 20, 2014. On March 28, 2017, the Board approved the Agreement with Goodwill for provision of Adult Supported Employment Services for the period of July 1, 2017, through June 30, 2019 in the amount of \$2,742,524.

The current Agreement will end on June 30, 2019. The renewal of the Agreement will have a maximum obligation of \$1,371,262 and will allow services to continue through June 30, 2020. The Health Care Agency (HCA) will release a new solicitation inviting all interested parties to submit a proposal at the start of the new fiscal year. The Contractor's performance has been confirmed as satisfactory. HCA has verified there are no concerns that must be addressed with respect to Contractor's ownership/name, litigation status or conflicts with County interests.

Request for Proposal (RFP) for Adult Supported Employment Services was released on November 27, 2018, and subsequently canceled in its entirety pursuant to Section I.H. of the solicitation.

Supported Employment Services are provided to seriously mentally ill Orange County adults, 18 years of age and older, including those with co-occurring substance abuse disorders, and who require assistance obtaining competitive or volunteer employment. Goodwill Supported Employment Services are provided by an Employment Team consisting of experienced Employment Specialists and Peer Support Specialists who are individuals with lived experience with behavioral health and substance use challenges. The Peer Support Specialists will work closely with Employment Specialists and will use techniques with participants such as role modeling, field mentoring, mutual support, and others that foster independence. Goodwill will continue to offer services at two locations, one in North Orange County and one in South Orange County.

Each individual enrolled in the program shall receive a comprehensive screening comprised of multiple categories that include personal characteristics, hard skills, education level, and work history, as well as a vocational screening to determine each individuals' vocational preferences and skills, which outline the goals for job placement and will be incorporated into each individuals' Supported Employment Plan. Goodwill offers services in vocational and educational training in job search methods, resume writing, interview techniques, dressing for success, time management, interpersonal communications, and job preparation and placement. Additionally, Goodwill will provide job preparation and placement, and supportive services to assist participants in obtaining and maintaining employment. Not all clients referred for Supported Employment services will be enrolled into the program for ongoing job placement due to multiple factors including, but not limited to: client readiness and lack of participation, mental health symptoms, hospitalizations, and others. Every effort will be made to engage individuals who are referred for job placement assistance, and Goodwill will consult with referring clinical staff should issues arise with clients that become barriers to successfully enrolling in the program and obtaining either voluntary or competitive job placement.

The anticipated Performance Outcomes for the Supported Employment Programs are identified below, and the program's performance will be measured against these metrics.

| Contracted Outcomes  | FY 2017-18<br>Actual Outcomes | FY 2018-19<br>(Jul 2018-Feb 2019)<br>Actual Outcomes | FY 2019-20<br>Proposed Outcomes  |
|--|-------------------------------|--|--|
| Enroll a minimum of 275 clients annually                                     | 334                           | 229  | *Enroll a minimum of 275 clients annually                                    |
| Achieve 75% or greater retention rate in the program                         | 280<br>(83.8%)                | 204<br>(89.09%)                                      | Achieve 75% or greater retention rate in the program                         |
| 35% of clients, or more, are placed into Volunteer or Competitive employment | 263<br>(78.74%)               | 117<br>(53.9%)                                       | 35% of clients, or more, are placed into Volunteer or Competitive employment |

\*Goodwill is on track to enroll 275 clients into the program by June 30, 2019.

HCA requests the Board authorize the HCA Director, or designee, to exercise a contingency contract cost increase not to exceed 10 percent of the first year funding of the Agreement with Goodwill Industries of Orange County, to be used over the entire term of the Agreement and within the scope of work set forth in the Agreement, pursuant to Contract Policy Manual Section 3.4-114. The contingency provision would be exercised in the event there is an increase in the projected services needed for the clients being served.

This Agreement does not currently include subcontractors or pass through to other providers. See Attachment C for Contract Summary Form.

Health Care Agency requests that the Board approve the renewal Agreement with Goodwill Industries of Orange County for provision of Adult Supported Employment Services as referenced in the Recommended Actions.

#### **FINANCIAL IMPACT:**

Appropriations for this Agreement are included in the FY 2019-20 budget.

Should services need to be reduced or terminated due to lack of funding, this Agreement contains language that allows HCA to give 30-days' notice to either terminate or renegotiate the level of services to be provided. The notice allows HCA adequate time to transition or terminate services to clients, if necessary.

#### **STAFFING IMPACT:**

N/A

**ATTACHMENT(S):**

Attachment A - Agreement for Provision of Adult Supported Employment Services

Attachment B - Redline to Attachment A

Attachment C - Contract Summary Form