

1 AGREEMENT FOR PROVISION OF
2 PERINATAL RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT SERVICES
3 BETWEEN
4 COUNTY OF ORANGE
5 AND
6 SOUTHERN CALIFORNIA OF ALCOHOL AND DRUG PROGRAMS, INC.
7 JULY 1, 2016 THROUGH JUNE 30, 2019

8
9 THIS AGREEMENT entered into this 1st day of July 2016, which date is enumerated for purposes
10 of reference only, is by and between the COUNTY OF ORANGE (COUNTY) and
11 SOUTHERN CALIFORNIA ALCOHOL AND DRUG PROGRAMS, INC., a California non-profit
12 corporation (CONTRACTOR). This Agreement shall be administered by the County of Orange Health
13 Care Agency (ADMINISTRATOR).

14
15 **WITNESSETH:**

16
17 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of
18 Perinatal Residential Substance Use Disorder Treatment Services described herein to the residents of
19 Orange County; and

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

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

23 //
24 //
25 //
26 //
27 //
28 //
29 //
30 //
31 //
32 //
33 //
34 //
35 //
36 //
37 //

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
Title Page.....	1
Table of Contents	2
Referenced Contract Provisions	4
I. Acronyms	5
II. Alteration of Terms	9
III. Assignment of Debts.....	10
IV. Compliance	10
V. Confidentiality.....	13
VI. Cost Report.....	14
VII. Debarment and Suspension Certification	15
VIII. Delegation, Assignment and Subcontracts.....	16
IX. Employee Eligibility Verification	17
X. Equipment	18
XI. Facilities, Payments and Services.....	19
XII. Indemnification and Insurance	19
XIII. Inspections and Audits.....	23
XIV. Licenses and Laws	24
XV. Literature, Advertisements, and Social Media.....	27
XVI. Maximum Obligation.....	27
XVII. Minimum Wage Laws	27
XVIII. Nondiscrimination.....	28
XIX. Notices.....	30
XX. Notification of Death	31
XXI. Notification of Public Events and Meetings	32
XXII. Payment Card Compliance	32
XXIII. Records Management and Maintenance	32
XXIV. Research and Publication.....	34
XXV. Revenue	34
XXVI. Severability.....	34
XXVII. Special Provisions	34
XXVIII. Status of Contractor	36
XXIX. Term	36
XXX. Termination	36
XXXI. Third Party Beneficiary	38
XXXII. Waiver of Default or Breach.....	38
Signature Page.....	39

TABLE OF CONTENTS

1		
2	<u>EXHIBIT A</u>	<u>PAGE</u>
3	I. Common Terms and Definitions	1
4	II. Budget	4
5	III. Payments	5
6	IV. Records	6
7	V. Reports.....	7
8	VI. Services	8
9	VII. Staffing	23
10		
11	<u>EXHIBIT B</u>	
12	I. Business Associate Contract.....	1
13		
14	<u>EXHIBIT C</u>	
15	I. Personal Information Privacy and Security Contract.....	1
16	//	
17	//	
18	//	
19	//	
20	//	
21	//	
22	//	
23	//	
24	//	
25	//	
26	//	
27	//	
28	//	
29	//	
30	//	
31	//	
32	//	
33	//	
34	//	
35	//	
36	//	
37	//	

REFERENCED CONTRACT PROVISIONS

Term: July 1, 2016 through June 30, 2019

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

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

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

Maximum Obligation:

Period One Maximum Obligation: \$ 1,358,172

Period Two Maximum Obligation: 1,358,172

Period Three Maximum Obligation 1,358,172

TOTAL MAXIMUM OBLIGATION: \$ 4,074,516

Basis for Reimbursement: Actual Cost

Payment Method: Monthly In Arrears

CONTRACTOR DUNS Number: 06-067-8189

CONTRACTOR TAX ID Number: 23-7228780

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: Southern California Alcohol and Drug Programs, Inc.
11500 Paramount Boulevard
Downey, CA 90241
Contact Name: Kimberly Hendrix, Assistant Director
Contact Email: khendrix@voala.org

//

//

I. ACRONYMS

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

1		
2		
3		
4	A. AA	Alcoholics Anonymous
5	B. AB 109	Assembly Bill 109, 2011 Public Safety Realignment
6	C. ABC	Allied Behavioral Care
7	D. ACH	Acute Care Hospital
8	E. ADAS	Alcohol and Drug Abuse Services
9	F. ADL	Activities of Daily Living
10	G. ADP	Alcohol and Drug Program
11	H. AES	Advanced Encryption Standard
12	I. AFLP	Adolescent Family Life Program
13	J. AIDS	Acquired Immune Deficiency Syndrome
14	K. AIM	Access for Infants and Mothers
15	L. AMHS	Adult Mental Health Services
16	M. ARRA	American Recovery and Reinvestment Act of 2009
17	N. ASAM PPC	American Society of Addiction Medicine Patient Placement Criteria
18	O. ASI	Addiction Severity Index
19	P. ASIST	Applied Suicide Intervention Skills Training
20	Q. ASO	Administrative Services Organization
21	R. ASRS	Alcohol and Drug Programs Reporting System
22	S. BBS	Board of Behavioral Sciences
23	T. BCP	Business Continuity Plan
24	U. BH	Base Hospital
25	V. BHS	Behavioral Health Services
26	W. CalOMS	California Outcomes Measurement System
27	X. CalWORKs	California Work Opportunity and Responsibility for Kids
28	Y. CAP	Corrective Action Plan
29	Z. CAT	Centralized Assessment Team
30	AA. CCC	California Civil Code
31	AB. CCLD	(California) Community Care Licensing Division
32	AC. CCR	California Code of Regulations
33	AD. CDCR	California Department of Corrections and Rehabilitation
34	AE. CDSS	California Department of Social Services
35	AF. CERC	Children's Emergency Receiving Center
36	AG. CESI	Client Evaluation of Self at Intake
37	AH. CEST	Client Evaluation of Self and Treatment

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

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

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

1	DM. PSC	Professional Services Contract
2	DN. PTRC	Paramedic Trauma Receiving Center
3	DO. QI	Quality Improvement
4	DP. QIC	Quality Improvement Committee
5	DQ. RHAP	Refugee Health Assessment Program
6	DR. RHEIS	Refugee Health Electronic Information System
7	DS. RN	Registered Nurse
8	DT. RSA	Remote Site Access
9	DU. SAPTBG	Substance Abuse Prevention and Treatment Block Grant
10	DV. SD/MC	Short-Doyle Medi-Cal
11	DW. SIR	Self-Insured Retention
12	DX. SMA	Statewide Maximum Allowable (rate)
13	DY. SNF	Skilled Nursing Facility
14	EZ. SR	Supervised Release
15	EA. SRP	Supervised Release Participant
16	EB. SSA	County of Orange Social Services Agency
17	EC. SSI	Supplemental Security Income
18	ED. STP	Special Treatment Program
19	EE. SUD	Substance Use Disorder
20	EF. TAR	Treatment Authorization Request
21	EG. TAY	Transitional Age Youth
22	EH. TB	Tuberculosis
23	EI. TBS	Therapeutic Behavioral Services
24	EJ. TRC	Therapeutic Residential Center
25	EK. TTY	Teletypewriter
26	EL. TUPP	Tobacco Use Prevention Program
27	EM. UMDAP	Uniform Method of Determining Ability to Pay
28	EN. UOS	Units of Service
29	EO. USC	United States Code
30	EP. VOLAGs	Volunteer Agencies
31	EQ. W&IC	California Welfare and Institutions Code
32	ER. WIC	Women, Infants and Children

II. ALTERATION OF TERMS

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

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

5
6 **III. ASSIGNMENT OF DEBTS**

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

14
15 **IV. COMPLIANCE**

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

18 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the relevant HCA
19 policies and procedures relating to HCA’s Compliance Program, HCA’s Code of Conduct and General
20 Compliance Trainings.

21 2. CONTRACTOR has the option to adhere to HCA’s Compliance Program and Code of
22 Conduct or establish its own, provided CONTRACTOR’s Compliance Program and Code of Conduct
23 have been verified to include all required elements by ADMINISTRATOR’s Compliance Officer as
24 described in subparagraphs below.

25 3. If CONTRACTOR elects to adhere to HCA’s Compliance Program and Code of Conduct;
26 the CONTRACTOR shall submit to the ADMINISTRATOR within thirty (30) calendar days of award
27 of this Agreement a signed acknowledgement that CONTRACTOR shall comply with HCA’s
28 Compliance Program and Code of Conduct.

29 4. If CONTRACTOR elects to have its own Compliance Program and Code of Conduct then it
30 shall submit a copy of its Compliance Program, Code of Conduct and relevant policies and procedures
31 to ADMINISTRATOR within thirty (30) calendar days of award of this Agreement.
32 ADMINISTRATOR’s Compliance Officer shall determine if CONTRACTOR’s Compliance Program
33 and Code of Conduct contains all required elements. CONTRACTOR shall take necessary action to
34 meet said standards or shall be asked to acknowledge and agree to HCA’s Compliance Program and
35 Code of Conduct if the CONTRACTOR’s Compliance Program and Code of Conduct does not contain
36 all required elements.

37 //

1 5. Upon written confirmation from ADMINISTRATOR’s Compliance Officer that the
2 CONTRACTOR’s Compliance Program and Code of Conduct contains all required elements,
3 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of
4 CONTRACTOR’s Compliance Program, Code of Conduct and related policies and procedures.

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

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

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

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

1 federal or state health care programs, and to further represent to CONTRACTOR that they do not have
2 any 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. COMPLIANCE TRAINING – ADMINISTRATOR shall make General Compliance Training
22 and Provider Compliance Training, where appropriate, available to Covered Individuals.

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

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

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

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

32 D. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

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

9
10 **V. CONFIDENTIALITY**

11 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any
12 audio and/or video recordings, in accordance with all applicable federal, state and county codes and
13 regulations, including 42 USC §290dd-2 (Confidentiality of Records), as they now exist or may
14 hereafter be amended or changed.

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

22 C. CONTRACTOR shall have in effect a system to protect participant records from inappropriate
23 disclosure in connection with activity funded under this Agreement. This system shall include
24 provisions for employee education on the confidentiality requirements, and the fact that disciplinary
25 action may occur upon inappropriate disclosure. CONTRACTOR agrees to implement administrative,
26 physical, and technical safeguards that reasonably and appropriately protect the confidentiality,
27 integrity, and availability of all confidential information that it creates, receives, maintains or transmits.
28 CONTRACTOR shall provide ADMINISTRATOR with information concerning such safeguards.

29 D. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known
30 to CONTRACTOR, or its subcontractors or agents in violation of the applicable state and federal
31 regulations regarding confidentiality.

32 E. CONTRACTOR shall monitor compliance with the above provisions on confidentiality and
33 security, and shall include them in all subcontracts.

34 F. CONTRACTOR shall notify ADMINISTRATOR within twenty-four (24) hours during a work
35 week, of any suspected or actual breach of its computer system.

36 //
37 //

VI. COST REPORT

A. CONTRACTOR shall submit a Cost Report to COUNTY no later than forty-five (45) calendar days following termination of this Agreement. CONTRACTOR shall prepare the Cost Report in accordance with all applicable federal, state and COUNTY requirements, GAAP and the Special Provisions Paragraph of this Agreement. CONTRACTOR shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in accordance with such requirements and consistent with prudent business practice, which costs and allocations shall be supported by source documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon reasonable notice.

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

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

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

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

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

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

C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder, less applicable revenues and any late penalty, not to exceed COUNTY's Maximum Obligation as set forth in the Referenced Contract Provisions of this Agreement. CONTRACTOR shall not claim expenditures to COUNTY which are not reimbursable pursuant to applicable federal, state and

COUNTY laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR, which is subsequently determined to have been for an unreimbursable expenditure or service, shall be repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30) calendar days of submission of the Cost Report or COUNTY may elect to reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

D. Costs of Medi-Cal services shall not exceed the D/MC rate caps per Medi-Cal Unit of Service, as determined by the California Department of Health Care Services.

E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to this Agreement, less applicable revenues and any late penalty, are higher than the aggregate of interim monthly payments to CONTRACTOR, then COUNTY shall pay CONTRACTOR the difference, provided such payment does not exceed the COUNTY's Total Maximum Obligation and separate non-Medi-Cal Maximum Obligation and Medi-Cal Maximum Obligation.

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

"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 _____"

VII. DEBARMENT AND SUSPENSION CERTIFICATION

A. CONTRACTOR certifies that it and its principals:

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

2. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of

1 embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or
2 receiving stolen property.

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

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

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

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

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

17
18 **VIII. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

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

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

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

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

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

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

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

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

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

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

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

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

29
30 **IX. EMPLOYEE ELIGIBILITY VERIFICATION**

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

1 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all
2 covered employees, subcontractors, and consultants for the period prescribed by the law.

3
4 **X. EQUIPMENT**

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

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

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

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

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

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

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

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

7 I. The total cost of all Equipment purchases shall not exceed \$50,000 annually.
8

9 **XI. FACILITIES, PAYMENTS AND SERVICES**

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

15 B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or
16 supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Maximum Obligation
17 for the appropriate Period as well as the Total Maximum Obligation. The reduction to the Maximum
18 Obligation for the appropriate Period as well as the Total Maximum Obligation shall be in an amount
19 proportionate to the number of days in which CONTRACTOR was determined to be unable to provide
20 services, staffing, facilities or supplies.
21

22 **XII. INDEMNIFICATION AND INSURANCE**

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

33 B. Prior to the provision of services under this Agreement, CONTRACTOR agrees to purchase all
34 required insurance at CONTRACTOR's expense and to submit to COUNTY the COI, including all
35 endorsements required herein, necessary to satisfy COUNTY that the insurance provisions of this
36 Agreement have been complied with and to maintain such insurance coverage with COUNTY during
37 the entire term of this Agreement. In addition, all subcontractors performing work on behalf of

1 CONTRACTOR pursuant to this Agreement shall obtain insurance subject to the same terms and
 2 conditions as set forth herein for CONTRACTOR.

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

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

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

18 F. QUALIFIED INSURER

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

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

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

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

1	Employers' Liability Insurance	\$1,000,000 per occurrence
2		
3	Network Security & Privacy	\$1,000,000 per claims made
4	Liability	
5		
6	Professional Liability Insurance	\$1,000,000 per claims made
7		or per occurrence
8		
9	Sexual Misconduct Liability	\$1,000,000 per occurrence

10
11 H. REQUIRED COVERAGE FORMS

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

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

16 I. REQUIRED ENDORSEMENTS

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

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

22 b. A primary non-contributing endorsement evidencing that the CONTRACTOR's
23 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be
24 excess and non-contributing.

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

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

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

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

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

1 L. CONTRACTOR shall notify COUNTY in writing within thirty (30) days of any policy
2 cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation
3 notice to COUNTY. Failure to provide written notice of cancellation may constitute a material breach
4 of the Agreement, upon which the COUNTY may suspend or terminate this Agreement.

5 M. If CONTRACTOR’s Professional Liability policy is a "claims made" policy, CONTRACTOR shall
6 agree to maintain Professional Liability coverage for two (2) years following completion of Agreement.

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

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

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

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

21 R. SUBMISSION OF INSURANCE DOCUMENTS

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

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

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

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

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

36 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late
37 COI or endorsement for each business day, pursuant to any and all Agreements between COUNTY and

1 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance
2 provisions stipulated in this Agreement are submitted to ADMINISTRATOR.

3 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from
4 CONTRACTOR’s monthly invoice.

5 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
6 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
7 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.
8

9 **XIII. INSPECTIONS AND AUDITS**

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

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

24 C. AUDIT RESPONSE

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

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

37 //

1 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare an annual
2 Single Audit as required by 31 USC 7501 – 7507, as well as its implementing regulations under
3 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
4 Federal Awards. CONTRACTOR shall forward the Single Audit to ADMINISTRATOR within
5 fourteen (14) calendar days of receipt.

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

10
11 **XIV. LICENSES AND LAWS**

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

20 **B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS**

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

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

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

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

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

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

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

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

- 7 1. ARRA of 2009.
- 8 2. CCC §§56 through 56.37, Confidentiality of Medical Information.
- 9 3. CCC §§1798.80 through 1798.84, Customer Records.
- 10 4. CCC §1798.85, Confidentiality of Social Security Numbers.
- 11 5. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social
12 Security.
- 13 6. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse
14 Master Plans.
- 15 7. HSC, §§11839 through 11839.22, Narcotic Treatment Programs.
- 16 8. HSC, §11876, Narcotic Treatment Programs.
- 17 9. HSC, §§123110 through 123149.5, Patient Access to Health Records.
- 18 10. Code of Federal Regulations, Title 42, Public Health.
- 19 11. 2 CFR 230, Cost Principles for Nonprofit Organizations.
- 20 12. 2 CFR 376, Nonprocurement, Debarment and Suspension.
- 21 13. 41 CFR 50, Public Contracts and Property Management.
- 22 14. 42 CFR 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
- 23 15. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse
24 prevention and treatment block grants and/or projects for assistance in transition from
25 homelessness grants.
- 26 16. 45 CFR 93, New Restrictions on Lobbying.
- 27 17. 45 CFR 96.127, Requirements regarding Tuberculosis.
- 28 18. 45 CFR 96.132, Additional Agreements.
- 29 19. 45 CFR 96.135, Restrictions on Expenditure of Grant.
- 30 20. 45 CFR 160, General Administrative Requirements.
- 31 21. 45 CFR 162, Administrative Requirements.
- 32 22. 45 CFR 164, Security and Privacy.
- 33 23. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
- 34 24. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.
- 35 25. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
36 Contracting and Financial Transactions.

37 //

- 1 26. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism;
- 2 National Institute on Drug Abuse.
- 3 27. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
- 4 Administration.
- 5 28. 42 USC §290dd-2, Confidentiality of Records.
- 6 29. 42 USC §1320(a), Uniform reporting systems for health services facilities and
- 7 organizations.
- 8 30. 42 USC §§1320d through 1320d-9, Administrative Simplification.
- 9 31. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
- 10 32. 42 USC §6101 et seq., Age Discrimination Act of 1975.
- 11 33. 42 USC §2000d, Civil Rights Act of 1964.
- 12 34. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,
- 13 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
- 14 Federal Awards.
- 15 35. U.S. Department of Health and Human Services, National Institutes of Health (NIH),
- 16 Grants Policy Statement (10/13).
- 17 36. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for
- 18 Co-Occurring Disorders, Mental Health Services Oversight and Accountability
- 19 Commission, 1/17/08.
- 20 37. State of California, Department of Alcohol and Drug Programs Audit Assistance Guide
- 21 Manual.
- 22 38. State of California, Department of Alcohol and Drug Programs, Alcohol and/or Other Drug
- 23 Program Certification Standards, March 2004.
- 24 39. 45 CFR 96.124(e), Certain Allocations (SAPTBG).
- 25 40. 45 CFR 96.131, Treatment Services for Pregnant Women.
- 26 41. HSC §11757.59, Perinatal State General Fund.
- 27 42. County of Orange, HCA, Alcohol Program and Drug Abuse Services D/MC Utilization.
- 28 43. Control Plan for Perinatal Residential Services.
- 29 44. State of California, Department of Alcohol and Drug Programs, Perinatal Services
- 30 Guidelines.
- 31 45. CCR, Title 22, §51341.1(h)(5)(A), Drug Medi-Cal Substance Abuse Services.
- 32 46. California Department of Health Care Services, Office of Women's and Perinatal Services,
- 33 Perinatal Services Network Guidelines 2014.
- 34 47. California Code of Regulations (CCR), Title 22, Division 3, Health Care Services.
- 35 48. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,
- 36 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
- 37 Federal Awards.

XV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA

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

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

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

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

E. CONTRACTOR shall also clearly explain through these materials that there shall be no unlawful use of drugs or alcohol associated with the services provided pursuant to this Agreement, as specified in HSC, §11999-11999.3.

XVI. MAXIMUM OBLIGATION

A. The Total Maximum Obligation of COUNTY for services provided in accordance with this Agreement, and the separate Maximum Obligations for each period under this Agreement, are as specified in the Referenced Contract Provisions of this Agreement, except as allowed for in Subparagraph B. below.

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

XVII. MINIMUM WAGE LAWS

A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the federal or California Minimum Wage to all its employees that directly or indirectly provide services

1 pursuant to this Agreement, in any manner whatsoever. CONTRACTOR shall require and verify that
2 all its contractors or other persons providing services pursuant to this Agreement on behalf of
3 CONTRACTOR also pay their employees no less than the greater of the federal or California Minimum
4 Wage.

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

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

12
13 **XVIII. NONDISCRIMINATION**

14 **A. EMPLOYMENT**

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

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

29 3. CONTRACTOR shall not discriminate between employees with spouses and employees
30 with domestic partners, or discriminate between domestic partners and spouses of those employees, in
31 the provision of benefits.

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

35 5. All solicitations or advertisements for employees placed by or on behalf of
36 CONTRACTOR and/or subcontractor shall state that all qualified applicants will receive consideration
37 for employment without regard to race, religious creed, color, national origin, ancestry, physical

1 disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender
2 identity, gender expression, age, sexual orientation, or military and veteran status. Such requirements
3 shall be deemed fulfilled by use of the term EOE.

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

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

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

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

- 35 1. Whenever possible, problems shall be resolved informally and at the point of service.
36 CONTRACTOR shall establish an internal informal problem resolution process for clients not able to

37 //

1 resolve such problems at the point of service. Clients may initiate a grievance or complaint directly with
2 CONTRACTOR either orally or in writing.

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

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

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

10 D. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply
11 with the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as
12 implemented in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 as amended
13 (42 USC 12101 et seq.; as implemented in 29 CFR 1630), as applicable, pertaining to the prohibition of
14 discrimination against qualified persons with disabilities in all programs or activities; and if applicable,
15 as implemented in Title 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended together
16 with succeeding legislation.

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

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

26
27 **XIX. NOTICES**

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

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

33 2. When faxed, transmission confirmed;

34 3. When sent by Email; or

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

37 //

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

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

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

11
12 **XX. NOTIFICATION OF DEATH**

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

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

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

23 2. WRITTEN NOTIFICATION

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

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

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

35 //
36 //
37 //

XXI. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS

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

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

XXII. PAYMENT CARD COMPLIANCE

Should CONTRACTOR conduct credit/debit card transactions in conjunction with their business with COUNTY, on behalf of COUNTY, or as part of the business that they conduct, CONTRACTOR covenants and warrants that it is currently PCI DSS and PA DSS compliant and will remain compliant during the entire duration of this Agreement. CONTRACTOR agrees to immediately notify COUNTY in the event CONTRACTOR should ever become non-compliant, and will take all necessary steps to return to compliance and shall be compliant within ten (10) business days of the commencement of any such interruption. Upon demand by COUNTY, CONTRACTOR shall provide to COUNTY written certification of CONTRACTOR's PCI DSS and/or PA DSS compliance.

XXIII. RECORDS MANAGEMENT AND MAINTENANCE

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

- 1. California Code of Regulations Title 22, §§70751(c), 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).
- 2. State of California, Department of Health Care Services ASRS Manual.
- 3. State of California, Department of Health Care Services DPFS Manual.
- 4. California Health and Safety Code §123145.
- 5. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j)

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

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

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

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

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

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

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

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

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

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

20 2. Provide auditor or other authorized individuals access to documents via a computer
21 terminal.

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

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

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

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

34 //
35 //
36 //
37 //

XXIV. RESEARCH AND PUBLICATION

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

XXV. REVENUE

A. CLIENT FEES – CONTRACTOR shall charge a fee to clients to whom services are provided pursuant to this Agreement, their estates and responsible relatives, in accordance with the fee system designated by ADMINISTRATOR. This fee shall be based upon the person's ability to pay for services, but it shall not exceed the actual cost of services provided. No person shall be denied services because of an inability to pay.

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

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

XXVI. SEVERABILITY

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

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.

1 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
2 CONTRACTOR's staff, volunteers, or members of the Board of Directors or governing body.

3 5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing
4 body for expenses or services.

5 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,
6 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
7 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.

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

11 8. Severance pay for separating employees.

12 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
13 codes and obtaining all necessary building permits for any associated construction.

14 10. Purchasing or improving land, including constructing or permanently improving any
15 building or facility, except for tenant improvements.

16 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal
17 funds (matching).

18 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.

19 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or
20 alcohol.

21 14. Promoting the legalization of any drug or other substance included in Schedule 1 of the
22 Controlled Substance Act (21 USC 812).

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

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

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

27 18. Supplanting current funding for existing services.

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

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

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

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

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

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

1 6. Purchasing or improving land, including constructing or permanently improving any
2 building or facility, except for tenant improvements.

3 7. Providing inpatient hospital services or purchasing major medical equipment.

4 8. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal
5 funds (matching).

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

10
11 **XXVIII. STATUS OF CONTRACTOR**

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

23
24 **XXIX. TERM**

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

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

33
34 **XXX. TERMINATION**

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

37 //

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

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

7 1. The loss by CONTRACTOR of legal capacity.

8 2. Cessation of services.

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

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

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

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

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

21 D. CONTINGENT FUNDING

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

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

25 **XXXI. THIRD PARTY BENEFICIARY**

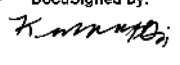
26 Neither party hereto intends that this Agreement shall create rights hereunder in third parties
27 including, but not limited to, any subcontractors or any clients provided services pursuant to this
28 Agreement.
29

30 **XXXII. WAIVER OF DEFAULT OR BREACH**

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

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

3
4 SOUTHERN CALIFORNIA ALCOHOL AND DRUG PROGRAMS, INC.

5 DocuSigned by:
6 BY:  _____ DATED: 4/21/2016
7 CA4C93A0C585454...

8
9 TITLE: Assistant Director
10 _____

11
12
13
14
15 COUNTY OF ORANGE

16
17
18 BY: _____ DATED: _____
19 HEALTH CARE AGENCY

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

27
28
29 BY:  _____ DATED: 4/19/16
30 DEPUTY

31
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 TO AGREEMENT FOR PROVISION OF
3 PERINATAL RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT SERVICES
4 BETWEEN
5 COUNTY OF ORANGE
6 AND
7 SOUTHERN CALIFORNIA ALCOHOL AND DRUG PROGRAMS, INC.
8 JULY 1, 2016 THROUGH JUNE 30, 2019
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. ASAM Criteria is a comprehensive set of guidelines for placement, continued stay and
14 transfer/discharge of patients with addiction and co-occurring conditions.

15 2. Bed Day means one (1) calendar day during which CONTRACTOR provides residential
16 treatment services as described in Exhibit A of the Agreement. A Bed Day will include the day of
17 admission; but, not the day of discharge. If admission and discharge occur on the same day, one (1) Bed
18 Day will be charged.

19 3. CalOMS is a statewide Participant-based data collection and outcomes measurement system
20 as required by the State to effectively manage and improve the provision of alcohol and drug treatment
21 services at the State, COUNTY, and provider levels.

22 4. CESI/CEST are self-administered survey instruments designed to assess Participants'
23 motivation for change, engagement in treatment, social and peer support, and other psychosocial
24 indicators of progress in recovery.

25 5. Co-Occurring is when a person has at least one substance use disorder and one mental
26 health disorder that can be diagnosed independently of the other.

27 6. CSU means a psychiatric crisis stabilization program that operates 24 hours a day that
28 serves Orange County residents, aged 18 and older, who are experiencing a psychiatric crisis and need
29 immediate evaluation. Participants receive a thorough psychiatric evaluation, crisis stabilization
30 treatment, and referral to the appropriate level of continuing care. As a designated outpatient facility, the
31 CSU may evaluate and treat Participants for no longer than 23 hours.

32 7. DATAR is the DHCS system used to collect data on SUD treatment capacity and waiting
33 lists.

34 8. Designated Beds means beds that are specifically reserved to provide timely linkage to
35 Participants who are coming directly from detoxification Services and are in need of Residential
36 Treatment.

37 //

1 9. Graduation or Participant Completion means the completion of the Residential Treatment
2 Services program (recovery) whereby the Participant has successfully completed all goals and objectives
3 documented in the Participant’s treatment plan within the maximum authorized length of stay authorized
4 by ADMINISTRATOR.

5 10. Intake means the initial face-to-face meeting between a Participant and CONTRACTOR
6 staff in which specific information about the Participant is gathered including the ability to pay,
7 determination of Medi-Cal eligibility, and standard admission forms pursuant to the Agreement and
8 CCR, Title 22.

9 11. IRIS is a collection of applications and databases that serve the needs of programs within
10 HCA and includes functionality such as registration and scheduling, laboratory information system,
11 invoices and reporting capabilities, compliance with regulatory requirements, electronic medical records
12 and other relevant applications.

13 12. Linkage means connecting Participant to ancillary services such as outpatient and/or
14 residential treatment and supportive services which may include self-help groups, social services,
15 rehabilitation services, vocational services, job training services, or other appropriate services.

16 13. Medication means those medications that are needed to maintain Participant’s health, and
17 without which there could be medical or mental health consequences to the Participant.

18 14. Methadone Maintenance Services means the administering and/or dispensing of methadone
19 as a maintenance substitute narcotic drug for Participants who are dependent on heroin or another
20 morphine-like drug. Services are inclusive of dosing, individual and group counseling, and are provided
21 three hundred and sixty five (365) days per year.

22 15. NIATX is a set of objectives used to measure the effectiveness of the treatment program.

23 16. Participant means a woman, eighteen (18) years and older, who is pregnant and/or has
24 custody of dependent children up to twelve (12) years of age, in her care; who has a primary problem of
25 substance use disorder, and who demonstrates a need for perinatal substance use disorder residential
26 treatment services.

27 17. Program Protocol means the written program description, goals, objectives, and policies
28 established by CONTRACTOR for the Residential Treatment Services program provided pursuant to
29 this Agreement.

30 18. Residential Perinatal Treatment Services means alcohol and other drug treatment services
31 that are provided to Participants at a twenty-four (24)-hour residential program. Services are provided
32 in an alcohol and drug free environment and support recovery from alcohol and/or other drug related
33 problems. These services are provided in a non-medical, residential setting that has been licensed and
34 certified by DHCS.

35 19. Resocialization/Re-Entry means applying and continuing treatment activities designed to
36 assist Participants in working on personal issues, cultivate support systems, and seek and/or obtain
37 education/vocational and/or volunteer opportunities.

1 20. Self-Help Meetings means a non-professional, peer participatory meeting formed by people
2 with a common problem or situation offering mutual support to each other towards a goal or healing or
3 recovery.

4 21. Structured Activities means services including Therapeutic Activity and Non-Therapeutic
5 Activity designed to meet treatment goals.

6 a. Therapeutic Activity means activities such as individual counseling, groups and self-
7 help groups, but excludes chores and recreational activities. These activities shall incorporate best
8 practices and evidence-based approaches.

9 b. Non-Therapeutic Activity includes work, school, and volunteer hours outside the
10 facility, chores, and recreation and socialization activities.

11 22. SUD means a condition in which the use of one or more substances leads to a clinically
12 significant impairment or distress per the DSM-5

13 23. Token means the security device which allows an individual user to access IRIS.

14 24. Unit of Service means one (1) calendar day during which services are provided to a
15 Participant pursuant to this Agreement.

16 //
17 //
18 //
19 //
20 //
21 //
22 //
23 //
24 //
25 //
26 //
27 //
28 //
29 //
30 //
31 //
32 //
33 //
34 //
35 //
36 //
37 //

II. BUDGET

A. The following budget for Period One, Period Two, and Period Three is set forth for informational purposes only.

ADMINISTRATIVE COSTS

Indirect	\$ 192,027
SUBTOTAL	\$ 192,027

PROGRAM COSTS

Salaries	\$ 736,814
Benefits	212,751
Services and Supplies	340,020
Subcontracts	<u>2,560</u>
SUBTOTAL	\$ 1,292,145

GROSS COST \$ 1,484,172

REVENUE

Participant Fees	\$ 74,000
Food Stamps	48,000
Donations	<u>4,000</u>
TOTAL REVENUE	\$ 126,000

NET COST (TOTAL MAXIMUM OBLIGATION) \$ 1,346,172

FUNDING SOURCES

MEDI-CAL	\$ 215,000
Federal Block Grant	<u>1,143,172</u>
TOTAL FUNDS	\$ 1,358,172

B. Any increases or decreases to the budget must be approved in advance and in writing, by ADMINISTRATOR.

C. CFDA Information

1. The Agreement includes federal funds paid to CONTRACTOR. The CFDA number and associated information for federal funds paid through the Agreement are specified below:

//

1 CFDA No.: 93.959
2 Program Title: Block Grants for Prevention and Treatment of Substance Abuse
3 Federal Agency: Department of Health and Human Services
4 Award Name: Negotiated Net Amount/Drug Medi-Cal Contract
5

6 2. CONTRACTOR may be required to have an audit conducted in accordance with federal
7 OMB Circular Number A-133. CONTRACTOR shall be responsible for complying with any federal
8 audit requirements within the reporting period specified by OMB Circular Number A-133.

9 3. ADMINISTRATOR may revise the CFDA information listed above, and shall notify
10 CONTRACTOR in writing of said revisions.

11 D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
12 Budget Paragraph of this Exhibit A to the Agreement.

13
14 **III. PAYMENTS**

15 A. BASIS FOR REIMBURSEMENT – COUNTY shall pay CONTRACTOR for the actual costs
16 of providing the services described hereunder, less revenues which are actually received by
17 CONTRACTOR; provided, however, that CONTRACTOR’s costs are allowable pursuant to county,
18 state, and federal regulations. Non-compliance will require the completion of CAP by CONTRACTOR.
19 If CAPs are not completed within timeframes as determined by ADMINISTRATOR, payments may be
20 reduced accordingly. Furthermore, if CONTRACTOR is ineligible to provide services due to non-
21 compliance with licensure and/or certification standards of the State, County or OCPD,
22 ADMINISTRATOR may elect to reduce County’s maximum obligation proportionate to the length of
23 time that CONTRACTOR is ineligible to provide services.

24 1. For Medi-Cal services provided pursuant to the Agreement, COUNTY shall claim
25 reimbursement to the State Medi-Cal unit on behalf of CONTRACTOR to the extent these services are
26 eligible.

27 2. CONTRACTOR shall submit appropriate Medi-Cal billing to ADMINISTRATOR on a
28 monthly basis. ADMINISTRATOR shall review billing and remit to Accounting for submission to the
29 State Medi-Cal unit.

30 3. CONTRACTOR shall assume responsibility for any audit disallowances or penalties
31 imposed on COUNTY by the State related to amounts or services claimed by COUNTY on behalf of
32 CONTRACTOR. CONTRACTOR shall reimburse COUNTY for any such disallowances or penalties
33 within thirty (30) days of written notification by COUNTY.

34 B. PAYMENT METHOD – COUNTY shall pay CONTRACTOR monthly in arrears the actual
35 cost of the services, less revenues that are actually received by CONTRACTOR provided, however, that
36 the total of such payments shall not exceed the COUNTY’s Maximum Obligation. CONTRACTOR’s
37 invoices shall be on a form approved or provided by ADMINISTRATOR and shall provide such

1 information as is required by ADMINISTRATOR. Invoices are due by the twentieth (20th) calendar
2 day of each month, and payments to CONTRACTOR should be released by COUNTY no later than
3 twenty-one (21) calendar days after receipt of the correctly completed invoice form.

4 C. Monthly payments are interim payments only, and subject to Final Settlement in accordance
5 with the Cost Report Paragraph of this Exhibit A to the Agreement. Invoices received after the due date
6 may not be paid in accordance with Subparagraph III.B. above.

7 D. All invoices to COUNTY shall be supported, at CONTRACTOR’s facility, by source
8 documentation including, but not limited to, ledgers, books, vouchers, journals, time sheets, payrolls,
9 appointment schedules, schedules for allocating costs, invoices, bank statements, canceled checks,
10 receipts, receiving records, and records of services provided.

11 E. In support of the monthly billing, CONTRACTOR shall submit an Expenditure and Revenue
12 Report as specified in the Reports Paragraph of this Exhibit A to the Agreement. ADMINISTRATOR
13 may use the Expenditure and Revenue Report to determine payment to CONTRACTOR.

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

16 G. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
17 and/or termination of the Agreement.

18 H. In conjunction with Subparagraph III.A. of this Exhibit A to the Agreement, CONTRACTOR
19 shall not enter units of service into the County IRIS system for services not rendered. If such
20 information has been entered, CONTRACTOR shall make corrections within ten (10) calendar days
21 from notification by ADMINISTRATOR.

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

24
25 **IV. RECORDS**

26 A. PARTICIPANT RECORDS – CONTRACTOR shall maintain adequate records in accordance
27 with the COUNTY Guidelines, the State Perinatal Services Network Guidelines, and CCR, Title 22,
28 related to DMC on each individual Participant and child in sufficient detail to permit an evaluation of
29 services, which shall include, but need not be limited to:

30 1. Treatment/recovery plans shall be completed and documented within fourteen (14) calendar
31 days in the Participant’s record from the date of admission. Medi-Cal eligible Participant’s must
32 document medical necessity as determined by a physician.

33 2. An admission record shall include documentation that residential treatment services for
34 substance use disorders are appropriate for the Participant. Such documentation, shall include a
35 completed ASAM Criteria indicating appropriate level of care for participant, and a comprehensive
36 psychosocial assessment completed within seven (7) calendar days of admission.

37 //

1 3. Records of evaluations for children who reside with their mother when she is a Participant
2 of this program.

3 B. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete
4 financial records of its costs and operating expenses. Such records shall reflect the actual costs of the
5 type of service for which payment is claimed in accordance with generally accepted accounting
6 principles.

7 1. Any apportionment of or distribution of costs, including indirect costs, to or between
8 programs or cost centers of CONTRACTOR shall be documented, and shall be made in accordance with
9 generally accepted accounting principles.

10 2. CONTRACTOR shall account for funds provided through the Agreement separately from
11 other funds, and maintain a clear audit trail for the expenditure of funds.

12 3. PARTICIPANT FEES – Proof of eligibility for Drug Medi-cal is payment in full for
13 treatment services rendered for Medi-cal beneficiaries. For all other participants the Participant
14 eligibility determination and fee charged to and collected from Participant, shall be according to the
15 COUNTY approved sliding scale fee schedule, together with a record of all invoice rendered and
16 revenues received from any source on behalf of Participant treated pursuant to the Agreement, must be
17 reflected in CONTRACTOR’s financial records.

18 C. COUNTY SLIDING FEE SCALE – CONTRACTOR shall utilize the sliding fee scale provided
19 by ADMINISTRATOR for non Medi-cal eligible participants CONTRACTOR must have a policy
20 describing the collection of Participant fees. No Participant shall be denied access to services due to an
21 inability to pay; however, Participants are responsible for paying their fees according to the provided fee
22 scale once an ability to pay is secured. The Participant’s failure to make a reasonable effort to pay the
23 assessed fee is cause for termination of services.

24 D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
25 Records Paragraph of this Exhibit A to the Agreement.

26
27 **V. REPORTS**

28 **A. MONTHLY PROGRAMMATIC**

29 1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR,
30 including information required and on a form approved or provided by ADMINISTRATOR, These
31 monthly programmatic reports should be received by ADMINISTRATOR no later than the tenth (10th)
32 calendar day of the month following the report month.

33 2. CONTRACTOR shall be responsible to include in the monthly programmatic report any
34 problems in implementing the provisions of the Agreement, pertinent facts or interim findings, staff
35 changes, status of license(s) and/or certification(s), changes in population served, and reasons for any
36 changes. Additionally, a statement that the CONTRACTOR is or is not progressing satisfactorily in
37 achieving all the terms of the Agreement shall be included.

1 B. FISCAL

2 1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to
3 ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by
4 ADMINISTRATOR and shall report actual costs and revenues for each of the CONTRACTOR's
5 program(s) or cost center(s) described in the Services Paragraph of this Exhibit A to the Agreement.
6 The reports shall be received by ADMINISTRATOR no later than twenty (20) calendar days following
7 the end of the month reported.

8 2. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR. These
9 reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report
10 anticipated year-end actual costs and revenues for CONTRACTOR's program(s) or cost center(s)
11 described in the Services Paragraph of this Exhibit A to the Agreement. Such reports shall include
12 actual monthly costs and revenue to date and anticipated monthly costs and revenue to the end of the
13 fiscal year. Year-End Projection Reports shall be submitted at the same time as the monthly
14 Expenditure and Revenue Reports.

15 C. MONTHLY IRIS – CONTRACTOR shall participate in COUNTY's IRIS and input all IRIS
16 and CalOMS data for the preceding month no later than the fifth (5th) calendar day of the month
17 following the report month.

18 D. CALOMS – CONTRACTOR shall complete a CalOMS encounter and a CalOMS admission
19 record in IRIS within seven (7) calendar days of participant admission. CONTRACTOR shall complete
20 a CalOMS discharge record in IRIS within seven (7) calendar days of participant discharge.
21 CONTRACTOR shall run a CalOMS error report and correct any errors within two (2) business days of
22 submitting the CalOMS admission or discharge, and continue to recheck until error free.

23 E. MONTHLY DATAR – CONTRACTOR shall provide reports under the DATAR, and/or any
24 other State Reporting System in a manner prescribed by ADMINISTRATOR, no later than the fifth
25 (5th) calendar day of the month following the report month.

26 F. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports as required by
27 ADMINISTRATOR concerning CONTRACTOR's activities as they affect the services hereunder.
28 ADMINISTRATOR will be specific as to the nature of the information requested and the timeframe the
29 information is needed.

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

32
33 **VI. SERVICES**

34 A. FACILITY – CONTRACTOR shall operate licensed and certified Perinatal Residential
35 Substance Use Disorder Residential Treatment programs to include services in accordance with the
36 standards established by the County and the State within the specifications stated below, unless
37 otherwise authorized by the ADMINISTRATOR. CONTRACTOR shall provide Perinatal Residential

1 Substance Use Disorder Treatment Services within a licensed and certified sixteen bed (16) beds
2 Perinatal Residential Substance Use Disorder Treatment facility at 2212 and 2218 Placentia Avenue,
3 Costa Mesa, California (Heritage House), and within a licensed and certified twenty-one (21) beds
4 Perinatal Residential Substance Use Disorder Treatment facility at 321 North State College Blvd,
5 Anaheim, California (Heritage House North), or at any other location approved in advance, in writing,
6 by ADMINISTRATOR. CONTRACTOR must obtain ASAM designation for each facility from DHCS.
7 Unless otherwise authorized in writing by ADMINISTRATOR, CONTRACTOR shall maintain service
8 hours, seven (7) days a week, twenty-four hours per day throughout the year.

9 B. PERSONS TO BE SERVED

10 1. CONTRACTOR shall only serve adult women, ages eighteen (18) years or older, who are
11 not in need of detoxification services, who are pregnant and/or have custody of their dependent children
12 up to twelve (12) years of age, in their care; who have abstained from substance use for at least
13 twenty-four (24) hours who have a problem of substance use disorder, and who demonstrate a need for
14 Perinatal Residential Substance Use Disorder Treatment Services based on ASAM Criteria. Heritage
15 House North shall also serve those women eighteen (18) years or older who are in the process of
16 reunification with their children. Prospective Participants with dependent children over the age of
17 twelve (12) years may be admitted upon written approval of ADMINISTRATOR.

18 C. UNITS OF SERVICE

19 1. CONTRACTOR shall provide a minimum of six thousand five hundred eighty-eight
20 (6,588) Perinatal Residential Substance Use Disorder Treatment Units of Service at the Heritage House
21 North (HHN) facility;

22 2. CONTRACTOR shall provide a minimum of five thousand five hundred forty-eight (5,548)
23 Perinatal Residential Substance Use Disorder Treatment Units of Service at the Heritage House (HH)
24 facility;

25 3. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to adjust the
26 units of service set forth in Subparagraph VI.C.1. and VI.C.2. above.

27 4. MEDI-CAL ELIGIBILITY – CONTRACTOR shall evaluate Participant for Medi-Cal
28 eligibility. Billing for Medi-Cal shall only be allowed for Participants of Heritage House. All Medi-Cal
29 eligible Participants of Heritage House shall be enrolled in Medi-Cal and services shall be billed to
30 Medi-Cal, as directed in Subparagraph III.A. of this Exhibit A.

31 5. ADMISSIONS

32 a. CONTRACTOR shall accept any person who is physically and mentally able to comply
33 with the program's rules and regulations. Said persons shall include persons with a concurrent diagnosis
34 of mental illness, i.e., those identified as having a co-occurring disorder. Persons with co-occurring
35 disorders and others who require prescribed medication, including methadone, shall not be precluded
36 from acceptance or admission solely based on their licit use of prescribed medications.

37 //

1 b. CONTRACTOR shall have a policy that requires Participant who shows signs of any
2 communicable disease, or through medical disclosure during the intake process, admit to a health related
3 problem that would put others at risk, to be cleared medically before services are provided.

4 c. Admission Policy – CONTRACTOR shall establish and make available to the public, a
5 written admission policy, which shall include, but not be limited to the following treatment priorities:

- 6 1) First priority for admission shall be given to pregnant injection drug users.
- 7 2) Second priority for admission is pregnant substance users.
- 8 3) Third priority for admission is women who are injection drug users with dependent
9 child(ren) birth to twelve (12) years of age.
- 10 4) Fourth priority is for all other female substance users who are not currently
11 pregnant and those who do not inject as a route of administration for drug use, are next in priority for
12 admission.

13 5) CONTRACTOR shall provide services for Participants in need of medication
14 assisted treatment.

15 d. Any woman who is pregnant upon admission or discovers she is pregnant after
16 admission, shall be under the care of a qualified physician and will have regular prenatal and post-
17 partum care for herself and her child(ren) through her Medi-Cal or her private health benefits.

18 e. Within two weeks of admission, any pregnant Participant admitted to the perinatal
19 program at Heritage House North shall be transferred to Heritage House if there are available openings.

20 1) If there are no available openings at Heritage House, the parties agree that such
21 Participants may remain at Heritage House North.

22 2) If such Participant transfers negatively affect the balance of at-risk women at
23 Heritage House, CONTRACTOR may request, in writing, that the Participant be kept at Heritage House
24 North.

25 f. CONTRACTOR’s Admission Policy shall reflect all applicable federal, state, and
26 county regulations.

27 g. CONTRACTOR shall grant priority in admissions to persons referred by
28 ADMINISTRATOR.

29 h. CONTRACTOR shall have the right to refuse admission of a person only in accordance
30 with its written admission policy; provided, however, CONTRACTOR shall comply with the
31 Nondiscrimination provisions of the Agreement.

32 5. TREATMENT AUTHORIZATION – Prior to admission, CONTRACTOR shall fax or
33 send in secured email a Treatment Authorization Form (TAF) request for treatment authorization to
34 ADMINISTRATOR, for an individual who fulfills the criteria in accordance to Subparagraph VI.B.
35 above. ADMINISTRATOR will authorize the individual’s immediate admission to treatment by
36 sending the treatment authorization to the CONTRACTOR. CONTRACTOR shall not admit any
37 individual into program without prior approval by ADMINISTRATOR. Within one business day of

1 Participant’s admission, CONTRACTOR shall fax a completed TAF containing date of admission and
2 CONTRACTOR signature to ADMINISTRATOR.

3 6. CONTRACTOR shall maintain a list of individuals who have requested SUD residential
4 treatment services and for whom a TAF has been submitted to the county residential treatment
5 gatekeeper.

6 7. County Gatekeeper shall send a monthly report on the status of individuals who have
7 requested SUD residential treatment services from the CONTRACTOR. CONTRACTOR shall record
8 date participant is enrolled by CONTRACTOR. This data shall be used to complete monthly DATAR
9 report.

10 8. INTERIM SERVICES – Pregnant women who are not admitted into a residential program
11 within 48 hours due to lack of capacity and who place their names on the waiting list for admission,
12 must be referred to another program or shall be provided or referred to interim services. Interim
13 Services shall be provided until an individual is admitted to a substance abuse treatment program. The
14 purposes of the services are to reduce the adverse health effects of such abuse, promote the health of the
15 individual, and reduce the risk of transmission of disease. At a minimum, interim services include
16 counseling and education about HIV and tuberculosis (TB), about the risks of needle-sharing, the risks
17 of transmission to sexual partners and infants, and about steps that can be taken to ensure that HIV and
18 TB transmission does not occur, as well as referral for HIV or TB treatment services if necessary.
19 Individuals, especially opiate users should be provided drug overdose education/information. For
20 pregnant women, interim services also includes counseling on the effects of alcohol and drug use on the
21 fetus, as well as referral for prenatal care. Provision of interim services shall be documented on the
22 DATAR and reported monthly to the State.

23 D. RESIDENTIAL TREATMENT SERVICES

24 1. CONTRACTOR shall provide to Participant a sixteen (16) bed substance use disorder
25 residential treatment program at Heritage House, and a nineteen (19) bed substance use disorder
26 residential treatment program at Heritage House North. CONTRACTOR shall provide twenty-four (24)
27 hour supervision with at least one (1) staff member on-site at all times. CONTRACTOR shall provide
28 services within the specifications stated below, unless otherwise authorized by ADMINISTRATOR.
29 Perinatal Residential Substance Use Disorder Treatment Services shall be no more than one hundred and
30 eighty (180) calendar days, without prior approval in writing by ADMINISTRATOR.

31 2. CO-OCCURRING DISORDERS – CONTRACTOR shall provide rehabilitative and
32 recovery services to Participants with co-occurring disorders and ensure that such services address the
33 relationship between the two diagnoses throughout treatment. Persons having a concurrent diagnosis of
34 mental illness will be served in accordance with Federal Substance Abuse Prevention and Treatment
35 Block Grant Program requirements and COUNTY guidelines.

36 3. Each Participant shall be restricted to the premises of the facilities listed within the
37 Agreement for a minimum of fourteen (14) calendar days of the program. Exceptions for restriction to

1 the premises shall be allowed for medical, outside meetings, mental health/substance use appointments
2 and/or emergencies. Uninsured Participants shall be provided assistance in securing Affordable Health
3 Care benefits. CONTRACTOR shall discharge Participants who are away from the facility for more
4 than three (3) calendar days, unless authorized by ADMINISTRATOR.

5 4. Perinatal Residential Substance Use Disorder Treatment program shall consist of the
6 following:

7 a. Screening – Appropriateness for services shall be assessed through use of the ASAM
8 criteria. A copy of the ASAM criteria shall be kept in the file. CONTRACTOR shall not admit any
9 Participant with outstanding warrants. Staff shall review OC Sheriff Department website for any
10 warrants in Orange County, prior to admission.

11 b. Program Orientation – During the first seventy-two (72) hours of a Participant’s
12 admission into the Program, CONTRACTOR shall provide an overview of the program. The Program
13 Orientation shall include, but not be limited to:

- 14 1) Overview of Program structure and schedules
- 15 2) Program rules and regulations
- 16 3) Policies regarding Participant fees
- 17 4) Participant rights
- 18 5) Assignment of a counselor
- 19 6) Staff Code of Conduct
- 20 7) Continuing care services

21 c. Assessment – Within seven (7) calendar days of admission CONTRACTOR shall
22 provide a standardized, comprehensive risk and needs assessment on each Participant which assesses
23 mental and emotional status, social, economic and family history, employment history, criminal history/
24 legal status, medical history, substance use history, previous treatment, and life skills. Program shall
25 also assess prenatal education, domestic violence, trauma, and safe housing needs. Assessment tools
26 shall be co-occurring capable, meet best practice standards and may include Addiction Severity Index
27 (ASI), CalOMS or other assessment tools that are approved by ADMINISTRATOR and completed and
28 signed by staff. If participant is a parenting mother, child/children shall be screened for physical,
29 developmental, social, emotional, and behavioral concerns and referred to appropriate resources. For
30 Medi-cal beneficiaries, program shall complete an assessment of the physical condition of the
31 beneficiary within 30 days of admission, pursuant to CCR, Title 22.

32 5. CESI/CEST – CONTRACTOR shall have all Participants complete the CESI at the time of
33 intake. The CEST shall be completed at mid-point and at completion, and information incorporated in
34 the formulation of treatment plan.

35 a. CONTRACTOR shall ensure that surveys are completed timely and accurately by
36 designated Participants. This includes, but is not limited to, ensuring surveys contain provider number,

37 //

1 Participant ID number, responses to all psychosocial questions, along with other important Participant
2 and CONTRACTOR information, and fields filled and/or marked appropriately.

3 b. CONTRACTOR shall photocopy the CESI and CEST surveys place in Participant files
4 and submit the originals to ADMINISTRATOR for the COUNTY, once a month, by the tenth (10th)
5 calendar day of each month.

6 c. CONTRACTOR shall adhere to all COUNTY CESI and CEST, reporting, and any
7 other guidelines, as stipulated by ADMINISTRATOR, as they may now exist or as they may be revised
8 and/or amended in the future, for the review, use and analysis of the CESI and CEST.

9 6. Treatment Plan – CONTRACTOR shall collaboratively develop an individualized
10 treatment plan with each Participant within fourteen (14) calendar days of admission. The client-
11 centered treatment plan shall be based upon the Participant’s needs identified in the assessment process
12 and shall include goals and objectives with specific measurable tasks outlining what the Participant is to
13 complete prior to successful completion of the treatment program. Participants and their counselor shall
14 collaborate on a treatment plan that shall include identification of a minimum of three (3) problem areas,
15 including a drug and/or alcohol problem, long and short term individualized goals for addressing the
16 identified needs with action steps, target dates and dates of resolution for each. As a part of their
17 treatment plan, Participants will be actively involved in outside activities. Participants’ treatment plan
18 shall clearly outline the expectations, responsibilities and steps taken to successfully earn
19 Resocialization/Re-Entry privileges. Every fourteen (14) calendar days, CONTRACTOR shall review
20 with the Participant, and document, in the progress notes, the Participant’s progress on the treatment
21 plan. CONTRACTOR shall update the treatment plan when a change in problem identification, focus of
22 recovery or treatment occurs, and/or, no later than ninety (90) calendar days after signing the initial
23 treatment plan, and no later than every ninety (90) calendar days thereafter, whichever comes first. For
24 Medi-Cal beneficiaries the treatment plan shall include a description of the services including type and
25 frequency of counseling as well as the assignment of a primary counselor. The physician shall review
26 the initial treatment plan and updates for medical necessity, pursuant to CCR, Title 22. If the physician
27 determines the services in the treatment plans and updates are medically necessary, the physician shall
28 type or legibly print their name, and sign and date the treatment plan within fifteen (15) calendar days of
29 signature by the therapist or counselor.

30 7. Structured Therapeutic Activities – Residential Treatment services shall consist of a
31 minimum of twenty (20) hours of structured activity per week of which Participants must engage in a
32 minimum of fourteen (14) hours of therapeutic activity per week, and shall include, at a minimum the
33 following:

34 a. Individual Counseling – CONTRACTOR shall provide individual counseling to
35 Participants.

36 b. Group Counseling – CONTRACTOR shall provide counseling and intervention within
37 a group setting to Participants. Group activities may include, but are not limited to process groups,

1 seminars and educational groups, house and community group meetings, self-help meetings and practical
 2 life and social skills. CONTRACTOR shall provide special sessions addressing the following areas:

- 3 1) Issues of domestic and sexual violence;
- 4 2) Parenting skills and child development;
- 5 3) Enhancement and development of skills in dealing with social, legal/judicial and
 6 employment services within Orange County presented in a format relevant to the needs of women with
 7 dependent children;
- 8 4) Issues targeted toward pregnant women which will educate them on prenatal care,
 9 the impact of alcohol and drug consumption to the child in-utero and after, during breast feeding and
 10 smoking cessation information;
- 11 5) Facilitation of obstetrical, gynecological, pediatric, and/or social services
 12 appointments;
- 13 6) Trauma-informed treatment.
- 14 7) Self-help meetings – CONTRACTOR shall provide access and exposure to on-site
 15 and off-site self-help support meetings, non-spiritual and spiritual, such as Alcohol Anonymous,
 16 Narcotics Anonymous, and Smart Recovery. For example, if a Big Book (AA) study is offered, then a
 17 Basic Text (NA) study must also be offered. If NA or AA meetings are primarily offered on-site, clients
 18 should also be given the opportunity, if possible, to attend NA or AA meetings off-site on those days.
 19 CONTRACTOR shall ensure that various self-help reading materials are provided on-site and easily
 20 accessible to Participants.

21 8. Structured Non-Therapeutic Activities – Contractor shall provide a minimum of six (6)
 22 hours of structured non-therapeutic activity per week that includes work, school, and volunteer hours
 23 outside the facility, chores, and recreation and socialization activities. Recreational and socialization
 24 activities may include, but not be limited to:

- 25 a. Teach the concepts of rules, teamwork and sportsmanship.
- 26 b. Provide guidance on use of recreational or leisure time.
- 27 9. Resocialization/Re-Entry
- 28 a. During Resocialization/Re-Entry, CONTRACTOR shall obtain documentation from
 29 Participants regarding efforts to obtain employment.
- 30 b. As part of the Resocialization/Re-Entry process, CONTRACTOR staff shall finalize
 31 exit plans with the Participant.
- 32 c. If Participant is not in resocialization process by ninety (90) calendar days,
 33 CONTRACTOR shall document reason why not and specify objective(s) needed to be accomplished to
 34 be involved in the resocialization process.

35 10. Case Management – CONTRACTOR shall provide Case Management services by
 36 contacting outside agencies and making referrals for services outside the scope of comprehensive
 37 substance use disorder treatment services as identified in the Participant's treatment/recovery plan as

1 necessary to the Participant’s recovery. Such services include academic education, vocational training,
2 medical and dental treatment, pediatric care, therapeutic services for children, pre-and post- counseling
3 and testing for infectious diseases, legal assistance, job search assistance, financial assistance, childcare,
4 and self-help programs such as twelve (12)-step programs. Said referrals and follow-up shall be
5 documented in the Participant’s file. Program must provide or arrange transportation for participant to
6 ensure that women and their children have access to treatment services, primary medical care, primary
7 pediatric care, therapeutic services for children, and to obtain employment.

8 11. Treatment Activities

9 a. CONTRACTOR shall design Treatment Activities to interrupt negative alcohol or
10 other drug abuse factors, address denial and personal/behavioral issues, and assist the Participant’s
11 adjustment to a sober environment.

12 b.) CONTRACTOR shall not encourage Participants to seek employment
13 opportunities during the first thirty (30) calendar days of their treatment.

14 12. Methadone Maintenance Services

15 a. Individual Counseling Services – CONTRACTOR shall provide transportation and/or
16 transport Participant to COUNTY contracted methadone provider for required individual counseling one
17 time per month at a minimum while receiving methadone maintenance services and as required for
18 dosing.

19 b. CONTRACTOR shall adhere to and comply with COUNTY contracted methadone
20 provider policies and requirements, which includes coordination of care, counseling and daily dosing of
21 methadone.

22 13. Successful Completion – CONTRACTOR shall consider all Participants to be graduated
23 upon completion of all their treatment plan goals.

24 14. Transition/Exit Planning – CONTRACTOR shall begin discharge planning immediately
25 after enrollment. CONTRACTOR shall develop a formal exit plan with the Participant no later than
26 fourteen (14) calendar days prior to Participant’s successful completion from the program. The
27 transition/exit plan shall be completed and signed by CONTRACTOR staff and Participant. The
28 transition/exit plan shall be documented in the Participant’s chart and include:

29 a. Participant’s achievements while in the Residential Treatment such as meeting or
30 progressing towards educational or vocational goals.

31 b. Linkage and transition of the Participant to support service(s) such as outpatient
32 treatment, ongoing recovery support services such as self-help groups, alumni groups, recovery
33 maintenance services, social services, other support services such as vocational rehabilitation, job
34 training and other services, if needed to assist the Participant in maintaining an alcohol and drug free
35 lifestyle.

36 //
37 //

1 15. Discharge Summary – CONTRACTOR shall develop written procedures regarding
2 Participant discharge. Written criteria for the discharge summary shall be completed within seven (7)
3 calendar days of discharge and shall include:

- 4 a. Reason for discharge
- 5 b. Description of treatment episodes or recovery services
- 6 c. Current substance use at discharge
- 7 d. Vocational and educational achievements
- 8 e. Legal status
- 9 f. Linkages and referrals made
- 10 g. Participants comments
- 11 h. Participant’s goals and achievement towards those goals as described in the
12 Participant’s treatment plan.

13 16. Food and Other Services – CONTRACTOR shall provide a clean, safe environment,
14 toiletries, clean linen, food service and storage.

15 17. Support Services – CONTRACTOR shall provide housekeeping, which may be done by
16 Participants; laundry access; and maintenance.

17 18. Outreach Activities – CONTRACTOR shall perform outreach activities for the purpose of
18 encouraging pregnant women and women whose injection drug use is in need of treatment services to
19 undergo such treatment. CONTRACTOR shall document such activities.

20 19. Health, Medical, Psychiatric and Emergency Services

21 a. CONTRACTOR shall ensure that all persons admitted for residential treatment services
22 have a health questionnaire completed using form DHCS 5103, or may develop their own form provided
23 it contains, at a minimum, the information requested in the DHCS 5103 form.

24 1) The health questionnaire is a Participant's self-assessment of his/her current health
25 status and shall be completed by Participant.

26 a) CONTRACTOR shall review and approve the health questionnaire form prior
27 to Participant's admission to the program. The completed health questionnaire shall be signed and dated
28 by CONTRACTOR and Participant.

29 b) A copy of the questionnaire shall be filed in the Participant's record.

30 2) CONTRACTOR shall, based on information provided by Participant on the health
31 questionnaire form, refer Participant to licensed medical professionals for physical and laboratory
32 examinations as appropriate.

33 a) CONTRACTOR shall obtain a copy of Participant's medical clearance or
34 release prior to Participant's admission to the program when applicable as listed in 17. A. 2).

35 b) A copy of the referral and clearance shall be filed in the Participant's file.

36 b. CONTRACTOR shall provide directly or by referral: HIV education, voluntary HIV
37 antibody testing and risk assessment and disclosure counseling.

1 c. The programs shall have written procedures for obtaining medical or psychiatric
2 evaluation and emergency and non-emergency services.

3 d. The programs shall post the name, address, and telephone number for the fire
4 department, a crisis program, local law enforcement, and ambulance service.

5 e. CONTRACTOR shall provide TB services directly to the Participants or by referral to
6 the COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar
7 days of admission. These TB services shall consist of the following:

8 1) Counseling with respect to TB;

9 2) Testing to determine whether the individual has been infected and to determine the
10 appropriate form of treatment;

11 3) Provision for, or referral of, infected Participants for medical evaluation, treatment,
12 and clearance. TB infected Participants will not receive treatment services until medically cleared.

13 20. Primary Medical Care – CONTRACTOR shall provide, directly or by referral:

14 a. Primary medical care for women, and child care while the women are receiving such
15 services;

16 b. Primary pediatric medical care, including immunizations, for the child(ren);

17 c. Therapeutic interventions for children which may address developmental needs, abuse,
18 and neglect; and

19 d. Case management and transportation to ensure that women and their children have
20 access to all of the above services.

21 21. Transportation Services

22 a. Emergency Medical Transportation – COUNTY shall only pay for medical ambulance
23 or medical van transportation to and from designated Residential Substance User Disorder Treatment
24 Programs or health facilities through the COUNTY’s Medical Transportation Agreement under the
25 following conditions:

26 1) Ambulance transportation shall be used for services requiring immediate attention
27 for a Participant due to any sudden or serious illness or injury requiring immediate medical attention,
28 where delay in providing such services may aggravate the medical condition or cause the loss of life.

29 2) When any Participant needs non-emergency transportation as identified in
30 Subparagraph 16.b. below, and CONTRACTOR cannot transport Participant due to unforeseen
31 circumstances including, but not limited to, staffing constraints, CONTRACTOR vehicle access within
32 a timely manner, or Participant’s physical condition and/or limitations.

33 3) CONTRACTOR shall utilize the COUNTY’s Ambulance Monthly Rotation Call
34 Log to request transportation services from Ambulance Providers designated for transportation within
35 the city of the CONTRACTOR’s facility for each said month as identified on the log.

36 //

37 //

1 4) CONTRACTOR shall use its best efforts to contact Ambulance Providers
2 identified on the Monthly Rotation Call Log as those providers who offer van transportation services if
3 and when an ambulance is not required.

4 5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider
5 for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered
6 service under the Services Paragraph of this Exhibit A to the Agreement by the COUNTY.

7 b. Non-Emergency Transportation

8 1) CONTRACTOR shall transport Participant, either in CONTRACTOR's own, or
9 COUNTY loaned, vehicle to locations that are considered necessary and/or important to the Participant's
10 recovery plan including, but not limited to, Social Security Administration offices for SSI benefits and
11 for non-emergency medical, methadone dosing or mental health services not identified in Subparagraph
12 VI.C.19.a. of this Exhibit A to the Agreement, that require treatment at a physician office, urgent care,
13 or emergency room when an ambulance provider is not necessary or required for transportation based on
14 the level of severity and/or services required by the Participant.

15 2) CONTRACTOR shall be responsible for providing supervised transportation to and
16 from COUNTY contracted NRT programs, and to other sources of medical or dental care not requiring
17 use of COUNTY's emergency transportation program. Such requirement may be waived for Participants
18 in Re-Entry and Externalization Phase of the residential treatment program, consistent with re-entry
19 planning as defined in the Program Protocol.

20 22. Other Services

21 a. Health education services which provide knowledge and skills to prevent the
22 transmission of HIV.

23 b. Collateral Family Counseling – CONTRACTOR shall provide as appropriate,
24 individual and group sessions for family members and significant others of the Participant and exclude
25 professionals such as employers or doctors. These services shall address varied systems dynamics,
26 which, could contribute to the Participant's relapse, and potential or actual use. Collateral Service shall
27 include the Participant unless determined inappropriate by the Counselor.

28 c. Relapse Prevention – Individual and group sessions to reinforce sobriety status and
29 education on opiate overdose prevention.

30 d. Information and Referral Services – Information referrals for Participant, regarding
31 community resources for substance use disorder prevention, treatment and HIV services.

32 e. Network and Support Building – Alumni support and networking through a peer, co-
33 facilitated graduate group, which includes social activities and events to keep alumni linked to available
34 services.

35 E. ALCOHOL AND/OR DRUG SCREENING

36 1. CONTRACTOR shall have a written policy and procedure statement regarding substance
37 use screening that includes random drug and/or alcohol screening at a minimum of one (1) time per

1 month for the first thirty (30) calendar days and two (2) times per month for the remaining term of
2 agreement for all Participants. All urine specimen collections shall be observed by same sex staff. This
3 policy shall be approved by ADMINISTRATOR. CONTRACTOR shall:

4 a. Establish procedures that protect against the falsification and/or contamination of any
5 body specimen sample collected for drug screening; and,

6 b. Document results of the drug screening in the Participant's record.

7 2. In the event CONTRACTOR wishes to utilize a COUNTY-contracted laboratory for drug
8 screening purposes, CONTRACTOR shall collect and label samples from Participants. Such testing
9 shall be provided at COUNTY's expense.

10 3. In the event that any Participant of CONTRACTOR receives a drug screening result
11 indicating any substance use, CONTRACTOR shall formulate and implement a plan of corrective action
12 which shall be documented in the Participant record. CONTRACTOR shall notify ADMINISTRATOR
13 within two (2) business days of receipt of such test results via incident report and the corrective action to
14 be taken by the Resident or Participant if the Participant is allowed to remain in the program.

15 F. PERFORMANCE OUTCOMES

16 1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance
17 Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR
18 recognizes that alterations may be necessary to the following services to meet the objectives, and,
19 therefore, revisions to objectives and services may be implemented by mutual agreement between
20 CONTRACTOR and ADMINISTRATOR.

21 2. Performance Outcome Objectives:

22 a. Objective 1: CONTRACTOR shall provide effective Perinatal Residential Substance
23 Use Disorder assessment, treatment, and counseling to adults with identified alcohol and/or drug
24 problems as measured by Retention and Completion Rates.

25 1) Retention Rates shall be calculated by using the number of Participants currently
26 enrolled in or successfully completing the treatment program divided by the total number of Participants
27 served during the evaluation period.

28 2) Completion Rates shall be calculated by using the number of Participants
29 successfully completing the treatment program divided by the total number of Participants discharged
30 during the evaluation period.

31 b. Objective 2: CONTRACTOR shall implement a process improvement project as
32 outlined in the NIATx model, targeting at least one of the following four (4) NIATx aims:

- 33 1) Reduce waiting times
- 34 2) Reduce no-shows
- 35 3) Increase admissions
- 36 4) Increase continuation in treatment

37 //

1 c. Objective 3: CONTRACTOR shall provide prenatal medical and therapeutic care to
2 pregnant Participants to ensure the birth of drug-free babies. Performance shall be measured by the
3 number of pregnant Participants served and the number of drug-free babies born.

4 G. CONTRACTOR will assure that each Participant mother is the primary caregiver of her
5 child(ren) while they are in the perinatal substance use disorder residential treatment program described
6 herein.

7 H. MEETINGS – CONTRACTOR’s Executive Director or designee shall participate, when
8 requested, in meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to
9 the Agreement.

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

17 J. POSTINGS - CONTRACTOR shall post the following in a prominent place within the facility:

- 18 1. State Licensure and Certification
- 19 2. Business License
- 20 3. Conditional Use Permit (if applicable)
- 21 4. Fire clearance
- 22 5. Participant rights
- 23 6. Grievance procedure
- 24 7. Employee Code of Conduct
- 25 8. Evacuation floor plan
- 26 9. Equal Employment Opportunity notices
- 27 10. Name, address, telephone number for fire department, crisis program, local law
28 enforcement, and ambulance service.
- 29 11. List of resources within community which shall include medical, dental, mental health,
30 public health, social services and where to apply for determination of eligibility for State, Federal or
31 county entitlement programs.
- 32 12. Information on self-help meetings. AA, NA, and non-12 step meetings shall be included.

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

1 L. AUTHORITY – CONTRACTOR shall recognize the authority of Orange County Probation
2 Department (OCPD) as officers of the court, and shall extend cooperation to OCPD within the
3 constraints of CONTRACTOR’s program of Perinatal Residential Substance Use Disorder Treatment
4 Services.

5 M. CONTRACTOR shall develop a tobacco prevention and cessation program based on "best
6 practices" for those consumers who use tobacco and are served by the program.

7 N. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy
8 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy
9 shall specify that the facility is “smoke free” and that designated smoking areas are outside the facility.

10 O. VISITATION POLICY – CONTRACTOR shall establish a written visitation policy, which
11 shall be reviewed and approved by ADMINISTRATOR, which shall include, but not be limited to, the
12 following:

- 13 1. Sign in logs;
- 14 2. Visitation hours; and
- 15 3. Designated visiting areas at the facility.

16 P. PARTICIPANT SIGN IN/OUT LOG AND SCHEDULE – CONTRACTOR shall maintain a
17 resident sign in/out log for all residents, which shall include, but not be limited to, the following:

- 18 1. Participant’s destination for treatment, work, education or other activities;
- 19 2. Location and telephone number where the Participant may be reached; and
- 20 3. Requirement for all Participants to notify the program of any change in his/her schedule.

21 Q. GOOD NEIGHBOR POLICY – CONTRACTOR shall establish a Good Neighbor Policy,
22 which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not be
23 limited to, staff training to deal with neighbor complaints, staff contact information available to
24 neighboring residents and complaint procedures.

25 R. MEDICATION POLICY – CONTRACTOR shall establish a written Medication Policy, which
26 shall be reviewed and approved by ADMINISTRATOR. The policy shall include but not be limited to
27 the securing, handling, and administration of Participant prescribed medication(s). Such policy shall
28 address medications that are prescribed for substance and mental health disorders and medications
29 disallowed by CONTRACTOR. Participants shall have medications during their stay with the program,
30 and/or to have the ability to get refill(s).

31 S. TRANSGENDER POLICY – CONTRACTOR shall establish a written Transgender Policy,
32 which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not limited
33 to, the following:

- 34 1. Admission
- 35 2. Housing arrangement
- 36 3. Bathroom privacy
- 37 4. Drug testing

1 T. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available
2 at each program site at minimum one Naloxone Nasal Spray for the treatment of known or suspected
3 opioid overdose. At least one staff per shift shall be trained in administering the Naloxone Nasal Spray.
4 Naloxone Nasal Spray is not a substitute for emergency medical care. CONTRACTOR shall always
5 seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid
6 emergency.

7 U. TOKENS – ADMINISTRATOR will provide CONTRACTOR the necessary number of Tokens
8 for appropriate individual staff to access IRIS at no cost to the CONTRACTOR.

9 1. CONTRACTOR recognizes Token is assigned to a specific individual staff member with a
10 unique password. Tokens and passwords shall not be shared with anyone.

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

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

15 4. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following
16 conditions:

- 17 a. Token of each staff member who no longer supports the Agreement.
- 18 b. Token of each staff member who no longer requires access to IRIS.
- 19 c. Token of each staff member who leaves employment of CONTRACTOR.
- 20 d. Tokens malfunctioning.

21 5. ADMINISTRATOR will issue Tokens for CONTRACTOR’s staff members who require
22 access to the IRIS upon initial training or as a replacement for malfunctioning Tokens. CONTRACTOR
23 shall reimburse the COUNTY for Tokens lost, stolen, or damaged through acts of negligence.

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

26 //
27 //
28 //
29 //
30 //
31 //
32 //
33 //
34 //
35 //
36 //
37 //

VII. STAFFING

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

PROGRAM STAFF	<u>FTEs</u>
Child Care Coordinator	2.00
Clinical Director	1.25
Counselor	4.00
House Manager	2.00
Program Aide	10.00
Program Manager	2.00
Administrative Coordinator	1.00
Administrative Assistant	1.00
Vocational Specialist	0.50
Vocational Aide	<u>0.50</u>
SUBTOTAL PROGRAM	24.25
TOTAL FTEs	24.25

1. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the staffing set forth in Subparagraph VII.A. above.

2. CONTRACTOR shall provide twenty-four (24) hour supervision with at least one (1) staff member on-site at all times. Co-ed residential programs shall require twenty-four (24)-hour awake supervision.

B. CONTRACTOR shall include bilingual/bicultural services to meet the needs of the population to be served under the Agreement. Whenever possible, bilingual/bicultural staff should be retained.

C. STAFF CERTIFICATION – SUD treatment staff shall meet the requirements of the State, DHCS Counselor Certification Standards for California. All staff providing treatment services shall be registered, licensed and/or certified in accordance with state requirements and professional guidelines as applicable. At minimum, one (1) licensed clinician must be hired full time to provide counseling services. Dual diagnosed Participants must be part of licensed staff caseload. The licensed clinician shall provide group counseling services, and provide supervision to non-licensed counseling staff.

D. VOLUNTEERS/INTERNS – CONTRACTOR may augment the above paid staff with volunteers or part-time student interns. Unless waived by ADMINISTRATOR, prior to providing services pursuant to the Agreement, interns shall be Master's Candidates in Counseling or Social Work or have a Bachelor's Degree in a related field or be participating in any state recognized counselor certification program. CONTRACTOR shall provide a minimum of one (1) hour supervision for each

1 ten (10) hours of work by interns or consistent with school or licensing Board requirements.
2 CONTRACTOR shall provide supervision to volunteers as specified in the respective job descriptions
3 or work contracts. Volunteer or student intern services may not comprise more than twenty percent
4 (20%) of the services provided, unless approved in advance by ADMINISTRATOR.

5 E. CONTRACTOR shall obtain a criminal record review, in accordance with HSC, Section 1522,
6 for all staff specified in Subparagraph VII.A. above, and interns or volunteers who replace or
7 supplement such staff in providing direct care and supervision of the adolescent Participants.

8 F. STAFF CONDUCT – CONTRACTOR shall establish written Policies and Procedures for
9 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be
10 limited to, standards related to the use of drugs and/or alcohol; staff-Participant relationships;
11 prohibition of sexual conduct with Participants; prohibition of forging or falsifying documents or drug
12 tests; and real or perceived conflict of interest. Situations that may be perceived as a conflict of interest
13 shall be brought to the ADMINISTRATOR’s attention prior to the occurrence. Prior to providing any
14 services pursuant to the Agreement all employees, volunteers, and interns shall agree in writing to
15 maintain the standards set forth in the said Policies and Procedures. A copy of the staff code of conduct
16 shall be posted in writing in a prominent place in the treatment facility and be updated annually by the
17 Board of Directors.

18 G. STAFF/VOLUNTEER/INTERN SCREENING – CONTRACTOR shall provide pre-
19 employment “live scan” screening of any staff person providing services pursuant to this Agreement.
20 All new staff, volunteers, and interns shall pass a one-time “live scan” finger printing background check
21 prior to employment. All staff shall be subject to sanction screening as referenced in the Compliance
22 paragraph on a bi-annual basis. All staff shall also be screened by Megan’s Law, OC Courts and OC
23 Sheriff’s Department on an annual basis. The results of the fingerprint checks will be sent directly from
24 the Department of Justice to CONTRACTOR. Results must remain in staff file.

- 25 1. All staff/volunteers/interns, prior to starting services, shall meet the following requirements:
- 26 a. No person shall have been convicted of a sex offense for which the person is required
- 27 to register as a sex offender under PC, Section 290;
- 28 b. No person shall have been convicted of an arson offense – Violation of PC,
- 29 Sections 451, 451.1, 451.5, 452, 45231, 453, 454, or 455;
- 30 c. No person shall have been convicted of any violent felony as defined in PC,
- 31 Section 667.5, which involves doing bodily harm to another person, for which the staff member was
- 32 convicted within five (5) years prior to employment;
- 33 d. No person shall be on parole or probation;
- 34 e. No person shall participate in the criminal activities of a criminal street gang and/or
- 35 prison gang; and
- 36 f. No person shall have prior employment history of improper conduct, including but not
- 37 limited to, forging or falsifying documents or drug tests, sexual assault or sexual harassment, or

1 | inappropriate behavior with staff or residents at another treatment facility.

2 | 2. Exceptions to staffing requirements set forth above, may be requested if CONTRACTOR
3 | deems the decision will benefit the program. Requests for exceptions shall be submitted in writing and
4 | approved in advance by ADMINISTRATOR.

5 | H. STAFF TRAINING – CONTRACTOR shall develop a written plan for staff training. All Staff
6 | training shall be documented and maintained as part of the training plan.

7 | 1. CONTRACTOR shall ensure that within the first (1st) year of employment, all program
8 | staff, including administrator, volunteers and interns having direct contact with Participants shall
9 | complete training on:

- 10 | a. infectious disease recognition,
- 11 | b. crisis intervention,
- 12 | c. recognizing physical and psychiatric symptoms that require appropriate referrals to
13 | other agencies.

14 | 2. CONTRACTOR shall ensure that on an annual basis, all program staff including
15 | administrator, volunteers and interns having direct contact with Participants shall complete:

- 16 | a. County Annual Provider Training,
- 17 | b. County Annual Compliance Training,
- 18 | c. Training on topics related to alcohol and drug use,
- 19 | d. Minimum one hour training in cultural competence.

20 | I. All personnel files shall be complete and made readily accessible to ADMINISTRATOR for
21 | purposes of audits and investigations or any other reason deemed necessary by ADMINISTRATOR.

22 | J. All personnel files shall be complete and made readily accessible to ADMINISTRATOR for
23 | purposes of audits and investigations or any other reason deemed necessary by ADMINISTRATOR.

24 | K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
25 | Staffing Paragraph of this Exhibit A to the Agreement.

26 | //
27 | //
28 | //
29 | //
30 | //
31 | //
32 | //
33 | //
34 | //
35 | //
36 | //
37 | //

1 EXHIBIT B
2 TO AGREEMENT FOR PROVISION OF
3 PERINATAL RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT SERVICES
4 BETWEEN
5 COUNTY OF ORANGE
6 AND
7 SOUTHERN CALIFORNIA ALCOHOL AND DRUG PROGRAMS, INC.
8 JULY 1, 2016 THROUGH JUNE 30, 2019
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 to the Agreement or in Subparagraph B below, shall have the same
14 meaning given to such terms under HIPAA, the HITECH Act, and their implementing regulations at 45
15 CFR Parts 160 and 164 HIPAA regulations as they may exist now or be hereafter amended.

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

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

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

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

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

1 with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed
2 pursuant to the Agreement.

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

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

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

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

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

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

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

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

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

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

33 4. "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.

37 //

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

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

6 8. "Physical Safeguards" are physical measures, policies, and procedures to protect
7 CONTRACTOR's electronic information systems and related buildings and equipment, from natural
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 45 CFR §
12 160.103.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Passwords must be composed of characters from at least three (3) of the following four (4) groups from
2 the standard keyboard:

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

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

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

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

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

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

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

37 //

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

5 3. Audit Controls

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

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

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

19 4. Business Continuity/Disaster Recovery Control

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

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

32 5. Paper Document Controls

33 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
34 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left
35 unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means
36 that information is not being observed by an employee authorized to access the information. Such PHI
37 //

1 in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in
2 baggage on commercial airplanes.

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

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

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

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

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

24 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

18 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in
19 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the
20 COUNTY.

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

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

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

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

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

5 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

15 1) The Disclosure is required by law; or

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

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

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

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

28 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
29 required by law.

30 H. PROHIBITED USES AND DISCLOSURES

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

36 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
37 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on

1 | behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
2 | 42 USC § 17935(d)(2).

3 | I. OBLIGATIONS OF COUNTY

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

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

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

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

15 | J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

26 | a. This provision shall apply to all PHI that is in the possession of Subcontractors or
27 | agents of CONTRACTOR.

28 | b. CONTRACTOR shall retain no copies of the PHI.

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

35 | 3. The obligations of this Business Associate Contract shall survive the termination of the
36 | Agreement.

37 | //

1 EXHIBIT C
2 TO AGREEMENT FOR PROVISION OF
3 PERINATAL RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT SERVICES
4 BETWEEN
5 COUNTY OF ORANGE
6 AND
7 SOUTHERN CALIFORNIA ALCOHOL AND DRUG PROGRAMS, INC.
8 JULY 1, 2016 THROUGH JUNE 30, 2019
9

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

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

13 A. DEFINITIONS

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

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

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

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

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

25 6. "Notice-triggering Personal Information" shall mean the personal information identified in
26 CCC § 1798.29(e) whose unauthorized access may trigger notification requirements under CCC
27 § 1709.29. For purposes of this provision, identity shall include, but not be limited to, name, identifying
28 number, symbol, or other identifying particular assigned to the individual, such as a finger or
29 voice print, a photograph or a biometric identifier. Notice-triggering PI includes PI in electronic, paper
30 or any other medium.

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

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

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

1 participation with respect to health care providers participating in the program, and statutes or
2 regulations that require the production of information, including statutes or regulations that require such
3 information if payment 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
30 E 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 effect
9 that is known to CONTRACTOR of a use or disclosure of DHCS PI or PII by CONTRACTOR or its
10 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 the
22 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.

35 //
36 //
37 //