

AGREEMENT FOR PROVISION OF  
SOBER LIVING SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND

«UC\_PROV»

JULY 1, ~~2014~~2016 THROUGH JUNE 30, ~~2016~~2018

THIS AGREEMENT entered into this 1st day of July ~~2014~~2016, which date is enumerated for purposes of reference only, is by and between the COUNTY OF ORANGE (COUNTY) and «UC\_PROV», a «CORP\_STAT» (CONTRACTOR). This Agreement shall be administered by the County of Orange Health Care Agency (ADMINISTRATOR).

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

WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Sober Living Services described herein to the residents of Orange County; and

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

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

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**TABLE OF CONTENTS**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37

| <b><u>PARAGRAPH</u></b>  | <b><u>PAGE</u></b>                                      |
|--|---|
| Title Page.....  | 1   |
| <u>Table of Contents</u> .....   | 2   |
| Referenced Contract Provisions.....  | <del>54</del>   |
| I. Acronyms .....  | 5   |
| II. Alteration of Terms .....  | 10  |
| III. Assignment of Debts .....   | 10  |
| IV. Compliance.....  | 10  |
| V. Confidentiality.....  | 13  |
| VI. Cost Report.....   | 14  |
| VII. Delegation, Assignment and Subcontracts .....                           | 16  |
| VIII. Employee Eligibility Verification .....                                | 17  |
| IX. Equipment .....  | 17  |
| X. Facilities, Payments and Services .....                                   | 18  |
| XI. Indemnification and Insurance.....                                       | 19  |
| XII. Inspections and Audits .....  | 23  |
| XIII. Licenses and Laws.....   | 23  |
| XIV. Literature, Advertisements and Social Media .....                       | 24  |
| XV. Maximum Obligation.....  | 25  |
| <u>XVI. Minimum Wage Laws.....</u>   | <u>25</u>   |
| <del>XVI.</del> <u>XVII.</u> Nondiscrimination.....                          | 26  |
| <del>XVII.</del> <u>XVIII.</u> .....   | Notices   |
| 28   |   |
| <del>XVIII.</del> <u>XIX.</u> .....  | Notification of Death                                   |
| 29   |   |
| <del>XIX.</del> <u>XX.</u> - Notification of Public Events and Meetings..... | 29  |
| <u>XXI. Payment Card Compliance .....</u>                                    | <u>30</u>   |
| <del>XX.</del> <u>XXII.</u> Records Management and Maintenance.....          | 30  |
| <del>XXI.</del> <u>XXIII.</u> .....  | Research and <del>Publications</del> <u>Publication</u> |
| 32   |   |
| <del>XXII.</del> <u>XXIV.</u> .....  | Revenue   |
| 32   |   |
| <del>XXIII. Right to Work and Minimum Wage Laws .....</del>                  | <del>25</del>   |
| <del>XXIV.</del> <u>XXV.</u> .....   | Severability  |
| 32   |   |

~~X:\CONTRACTS - 2014 - 2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~ 2 of 36

X:\ASR\SUD\ASR 16-000345 SOBER LIVING FY 16-18 LW REDLINE.DOCX      «C\_CODE» ~~MASLS01ADKK16~~ MASLS02SUDKK18

«LC\_PROV»  
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30

1 ~~XXXV~~.XXVI.....Special Provisions  
2 33  
3 ~~XXXVI~~.XXVII..... Status of Contractor  
4 34  
5 ~~XXXVII~~.XXVIII..... Term  
6 35  
7 ~~XXXVIII~~.XXIX..... Termination  
8 35  
9 ~~XXXIX~~.XXX..... Third Party Beneficiary  
10 37  
11 ~~XXX~~.XXXI..... Waiver of Default or Breach  
12 37  
13 XXXII. Signature Page..... 38

**CONTENTS**

**EXHIBIT A..... PAGE**

17 I. Common Terms and Definitions ..... 11  
18 II. Payments..... 22  
19 III- Performance Outcomes ..... 3  
20 IV. Records ..... 3  
21 V. Reports..... 4  
22 VI. Services..... 5  
23 VII. Staffing ..... 10

**EXHIBIT B..... PAGE**

26 I. Business Associate Contract ..... 11

**EXHIBIT C..... PAGE**

29 I. Personal Information Privacy and Security Contract ..... 11

30 //  
31 //  
32 //  
33 //  
34 //  
35 //  
36 //



**I. I. ACRONYMS**

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

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

~~X:\CONTRACTS 2014 2014 2016\ADAS\SOBER LIVING MASTER FY14-16 JCG.DOC~~ 5 of 36

X:\ASR\SUD\ASR 16-000345 SOBER LIVING FY 16-18 LW REDLINE.DOCX

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|----|-------------------|-----------------------------|---|
| 1  | AG.               | <u>CESI</u>                 | <u>Client Evaluation of Self at Intake</u>                                |
| 2  | AH.               | <u>CEST</u>                 | <u>Client Evaluation of Self and Treatment</u>                            |
| 3  | AI.               | <u>CFDA</u>                 | <u>Catalog of Federal Domestic Assistance</u>                             |
| 4  | AJ.               | <u>CFR</u>                  | <u>Code of Federal Regulations</u>  |
| 5  | AK.               | <u>CHDP</u>                 | <u>Child Health and Disability Prevention</u>                             |
| 6  | <del>AL</del>     | <del>G. <u>CD/DVD</u></del> | <del><u>Compact Disc/Digital Video or Versatile Disc</u></del>            |
| 7  | H.                | <del>CEO</del>              | <del>County Executive Office</del>  |
| 8  | <del>I.</del>     | CHHS                        | California Health and Human Services Agency                               |
| 9  | AM.               | J. <del>CIPA</del>          | <del>California Information Practices Act</del>                           |
| 10 | K.                | <del>CFR</del>              | <del>Code of Federal Regulations</del>                                    |
| 11 | L.                | CHPP                        | COUNTY HIPAA Policies and Procedures                                      |
| 12 | AN.               | <del>M.</del>               | CHS Correctional Health Services  |
| 13 | AO.               | <u>CIPA</u>                 | <u>California Information Practices Act</u>                               |
| 14 | AP.               | N. CMPPA                    | <del>Computer Matching and Privacy Protection Act</del>                   |
| 15 | AQ.               | O. COI                      | Certificate of Insurance  |
| 16 | AR.               | <u>CPA</u>                  | <u>Certified Public Accountant</u>  |
| 17 | AS.               | <u>CSI</u>                  | <u>Client and Services Information</u>                                    |
| 18 | AT.               | <u>CSW</u>                  | <u>Clinical Social Worker</u>   |
| 19 | AU.               | <u>CYBHS</u>                | <u>Children and Youth Behavioral Health Services</u>                      |
| 20 | AV.               | <u>DATAR</u>                | <u>Drug Abuse Treatment Access Report</u>                                 |
| 21 | AW.               | <u>DCR</u>                  | <u>Data Collection and Reporting</u>                                      |
| 22 | AX.               | <u>DD</u>                   | <u>Dually Diagnosed</u>   |
| 23 | AY.               | <u>DEA</u>                  | <u>Drug Enforcement Agency</u>  |
| 24 | AZ.               | <u>DHCS</u>                 | <u>California Department of Health Care Services</u>                      |
| 25 | BA.               | P. D/MC                     | Drug/Medi-Cal   |
| 26 | BB.               | Q. <del>DHCS</del>          | <del>DMV</del> <u>California Department of Health Care</u>                |
| 27 |                   | <del>Services</del>         | <u>Motor Vehicles</u>   |
| 28 | BC.               | <del>R.</del>               | <del>DoD</del> <del>US Department of Defense</del>                        |
| 29 | <u>BD.</u>        | S. DPFS                     | Drug Program Fiscal Systems   |
| 30 | <u>BE.</u>        | T. DRC                      | <u>Probation's Day Reporting</u> <del>Care</del> <u>Center</u>            |
| 31 | <u>BF.</u>        | U. DRP                      | <del>Disaster Recovery Plan</del>   |
| 32 | <u>BG.</u>        | V. DRS                      | Designated Record Set   |
| 33 | W. <del>EHR</del> | <u>BH.DSM</u>               | <u>Diagnostic and Statistical Manual of Mental</u>                        |
| 34 |                   |                             | <u>Disorders</u>  |
| 35 | <u>BI.</u>        | <u>DSM-IV</u>               | <u>Diagnostic and Statistical Manual of Mental Disorders. 4th Edition</u> |
| 36 | <u>BJ.</u>        | <u>DSM-V</u>                | <u>Diagnostic and Statistical Manual of Mental Disorders. 5th Edition</u> |

~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 6 of 36

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| 1  | <u>BK. EBP</u>                 | <u>Evidence-Based Practice</u>   |
| 2  | <u>BL. EDN</u>                 | <u>Electronic Disease Notification System</u>                              |
| 3  | <u>BM. EEOC</u>                | <u>Equal Employment Opportunity Commission</u>                             |
| 4  | <u>BN. EHR</u>                 | <u>Electronic Health Records</u>   |
| 5  | <del>X</del> <u>BO. ePHI</u>   | <u>Electronic Protected Health Information</u>                             |
| 6  | <u>BP. EPSDT</u>               | <u>Early and Periodic Screening, Diagnosis, and Treatment</u>              |
| 7  | <u>BQ. ERC</u>                 | <u>Emergency Receiving Center</u>  |
| 8  | <u>BR. FFS</u>                 | <u>Fee For service</u>   |
| 9  | <u>BS. Y. FIPS</u>             | <u>Federal Information Processing Standards</u>                            |
| 10 | <del>Z</del> <u>BT. FQHC</u>   | <u>Federally Qualified Health Center</u>                                   |
| 11 | <u>BU. FSP</u>                 | <u>Full Service Partnership</u>  |
| 12 | <u>BV. FTE</u>                 | <u>Full Time Equivalent</u>  |
| 13 | <u>BW. GAAP</u>                | <u>Generally Accepted Accounting Principles</u>                            |
| 14 | <del>A</del> <u>ABX. HAB</u>   | <u>Federal HIV/AIDS Bureau</u>   |
| 15 | <u>BY. HCA</u>                 | <u>County of Orange Health Care Agency</u>                                 |
| 16 | <del>A</del> <u>BBZ. HHS</u>   | <u>Federal Health and Human Services Agency</u>                            |
| 17 | <del>A</del> <u>CCA. HIPAA</u> | <u>Health Insurance Portability and Accountability Act of 1996, Public</u> |
| 18 |                                | <u>Law 104-191</u>   |
| 19 | <u>CB. HITECH ACT</u>          | <u>Health Information Technology for Economic and Clinical Health</u>      |
| 20 |                                | <u>Act, Public Law 111-005</u>   |
| 21 | <u>CC. HIV</u>                 | <u>Human Immunodeficiency Virus</u>  |
| 22 | <u>CD. HRSA</u>                | <u>Federal Health Resources and Services Administration</u>                |
| 23 | <u>CE. AD. HSC</u>             | <u>California Health and Safety Code</u>                                   |
| 24 | <u>CF. IBNR</u>                | <u>Incurred But Not Reported</u>   |
| 25 | <u>CG. AE. ID</u>              | <u>Identification</u>  |
| 26 | <u>CH. AF. IEA</u>             | <u>Information Exchange Agreement</u>                                      |
| 27 | <u>CI. IMD</u>                 | <u>Institute for Mental Disease</u>  |
| 28 | <u>CJ. IOM</u>                 | <u>Institute of Medicine</u>   |
| 29 | <u>CK. IRIS</u>                | <u>Integrated Records and Information System</u>                           |
| 30 | <u>CL. AG. ISO</u>             | <u>Insurance Services Office</u>   |
| 31 | <u>CM. ITC</u>                 | <u>Indigent Trauma Care</u>  |
| 32 | <u>CN. LCSW</u>                | <u>Licensed Clinical Social Worker</u>                                     |
| 33 | <u>CO. LGBTQI</u>              | <u>Lesbian, Gay, Bisexual, Transgender, Questioning, and Intersex</u>      |
| 34 | <u>CP. LPS</u>                 | <u>Lanterman/Petris/Short (Act)</u>  |
| 35 | <u>CQ. LPT</u>                 | <u>Licensed Psychiatric Technician</u>                                     |
| 36 | <u>CR. MAT</u>                 | <u>Medication Assisted Treatment</u>                                       |

~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14-16 JCG.DOC~~ 7 of 36

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| 1  | <u>CS. MEDS</u>                 | <u>Medi-Cal Eligibility Determination System</u>             |
| 2  | <u>CT. MFT</u>                  | <u>Marriage and Family Therapist</u>                         |
| 3  | <u>CU. MH</u>                   | <u>Mental Health</u>   |
| 4  | <u>CV. MHIS</u>                 | <u>Mental Health Inpatient Services</u>                      |
| 5  | <u>CW. MIHS</u>                 | <u>Medical and Institutional Health Services</u>             |
| 6  | <u>CX. AH. MHP</u>              | <u>Mental Health Plan</u>                                    |
| 7  | <u>CY. MHRC</u>                 | <u>Mental Health Rehabilitation Centers</u>                  |
| 8  | <u>CZ. MHS</u>                  | <u>Mental Health Specialist</u>                              |
| 9  | <u>DA. MHSA</u>                 | <u>Mental Health Services Act</u>                            |
| 10 | <u>DB. MORS</u>                 | <u>Milestones of Recovery Scale</u>                          |
| 11 | <u>DC. AI. MS</u>               | <u>Mandatory Supervision</u>                                 |
| 12 | <u>AJ. <del>NIST</del></u>      | <u>DD. MSN</u> <u>Medical Safety Net</u>                     |
| 13 | <u>DE. MTP</u>                  | <u>Master Treatment Plan</u>                                 |
| 14 | <u>DF. NA</u>                   | <u>Narcotics Anonymous</u>                                   |
| 15 | <u>DG. NIATx</u>                | <u>Network Improvement of Addiction Treatment</u>            |
| 16 | <u>DH. NIH</u>                  | <u>National Institutes of Health</u>                         |
| 17 | <u>DI. NIST</u>                 | <u>National Institute of Standards and Technology</u>        |
| 18 | <u>DJ. NOA</u>                  | <u>Notice of Action</u>                                      |
| 19 | <u>DK. NP</u>                   | <u>Nurse Practitioner</u>                                    |
| 20 | <u>DL. NPDB</u>                 | <u>National Provider Data Bank</u>                           |
| 21 | <u>DM. NPI</u>                  | <u>National Provider Identifier</u>                          |
| 22 | <u>DN. NPP</u>                  | <u>Notice of Privacy Practices</u>                           |
| 23 | <u>DO. OCEMS</u>                | <u>Orange County Emergency Medical Services</u>              |
| 24 | <u>DP. AK. OCJS</u>             | <u>Orange County Jail System</u>                             |
| 25 | <del><u>ALDQ. OC-MEDS</u></del> | <u>Orange County Medical Emergency Data System</u>           |
| 26 | <u>DR. OCPD</u>                 | <u>Orange County Probation Department</u>                    |
| 27 | <u>DS. AM. OCR</u>              | <u>Federal Office for Civil Rights</u>                       |
| 28 | AN. <u>DT. OCSD</u>             | <u>Orange County Sheriff's Department</u>                    |
| 29 | AO. <u>DU. OIG</u>              | <u>Federal Office of Inspector General</u>                   |
| 30 | <u>DV. AP. OMB</u>              | <u>Federal Office of Management and Budget</u>               |
| 31 | <u>DW. AQ. OPM</u>              | <u>Federal Office of Personnel Management</u>                |
| 32 | AR. <u>PADSS</u>                | <u>DX. ORR</u> <u>Federal Office of Refugee Resettlement</u> |
| 33 | <u>DY. P&amp;P</u>              | <u>Policy and Procedure</u>                                  |
| 34 | <u>DZ. PA DSS</u>               | <u>Payment Application Data Security Standard</u>            |
| 35 | <u>EA. PAF</u>                  | <u>Partnership Assessment Form</u>                           |
| 36 | <u>EB. PAR</u>                  | <u>Prior Authorization Request</u>                           |

~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14-16 JCG.DOC~~ 8 of 36

X:\ASR\SUD\ASR 16-000345 SOBER LIVING FY 16-18 LW REDLINE.DOCX

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| 1  | <u>EC.</u>              | <u>PBM</u>      | <u>Pharmaceutical Benefits Management</u>                           |
| 2  | <u>ED.</u>              | <u>AS. PC</u>   | <u><del>State of</del> California Penal Code</u>                    |
| 3  | <u>A<del>TEE</del>.</u> | <u>PCI DSS</u>  | <u>Payment Card Industry Data Security Standard</u>                 |
| 4  | <u>EF.</u>              | <u>PCP</u>      | <u>Primary Care Provider</u>  |
| 5  | <u>EG.</u>              | <u>AU. PCS</u>  | <u>Post-Release Community Supervision</u>                           |
| 6  | <u>EH.</u>              | <u>AV. PHI</u>  | <u>Protected Health Information</u>                                 |
| 7  | <u>EI.</u>              | <u>AW. PI</u>   | <u>Personal Information</u>   |
| 8  | <u>EJ.</u>              | <u>AX. PII</u>  | <u>Personally Identifiable Information</u>                          |
| 9  | <u>EK.</u>              | <u>AY. PRA</u>  | <u>California Public <del>Record</del> Records Act</u>              |
| 10 | <u>EL.</u>              | <u>PSAI/ACT</u> | <u>Perinatal Substance Abuse Services Initiative/Assessment and</u> |
| 11 |                         |                 | <u>Coordination Team</u>  |
| 12 | <u>EM.</u>              | <u>PSC</u>      | <u>Professional Services Contract</u>                               |
| 13 | <u>EN.</u>              | <u>PTRC</u>     | <u>Paramedic Trauma Receiving Center</u>                            |
| 14 | <u>EO.</u>              | <u>QI</u>       | <u>Quality Improvement</u>  |
| 15 | <u>EP.</u>              | <u>QIC</u>      | <u>Quality Improvement Committee</u>                                |
| 16 | <u>EQ.</u>              | <u>RHAP</u>     | <u>Refugee Health Assessment Program</u>                            |
| 17 | <u>ER.</u>              | <u>RHEIS</u>    | <u>Refugee Health Electronic Information System</u>                 |
| 18 | <u>ES.</u>              | <u>RN</u>       | <u>Registered Nurse</u>   |
| 19 | <u>ET.</u>              | <u>RSA</u>      | <u>Remote Site Access</u>   |
| 20 | <u>EU.</u>              | <u>SAPTBG</u>   | <u>Substance Abuse Prevention and Treatment Block Grant</u>         |
| 21 | <u>EV.</u>              | <u>SD/MC</u>    | <u>Short-Doyle Medi-Cal</u>   |
| 22 | <u>EW.</u>              | <u>AZ. SIR</u>  | <u>Self-Insured Retention</u>                                       |
| 23 | <u>EX.</u>              | <u>SMA</u>      | <u>Statewide Maximum Allowable (rate)</u>                           |
| 24 | <u>EY.</u>              | <u>SNF</u>      | <u>Skilled Nursing Facility</u>                                     |
| 25 | <u>EZ.</u>              | <u>SR</u>       | <u>Supervised Release</u>   |
| 26 | <u>FA.</u>              | <u>SRP</u>      | <u>Supervised Release Participant</u>                               |
| 27 | <u>FB.</u>              | <u>SSA</u>      | <u>County of Orange Social Services Agency</u>                      |
| 28 | <u>FC.</u>              | <u>SSI</u>      | <u>Supplemental Security Income</u>                                 |
| 29 | <u>FD.</u>              | <u>STP</u>      | <u>Special Treatment Program</u>                                    |
| 30 | <u>FE.</u>              | <u>SUD</u>      | <u>Substance Use Disorder</u>                                       |
| 31 | <u>FF.</u>              | <u>TAR</u>      | <u>Treatment Authorization Request</u>                              |
| 32 | <u>FG.</u>              | <u>TAY</u>      | <u>Transitional Age Youth</u>                                       |
| 33 | <u>FH.</u>              | <u>TB</u>       | <u>Tuberculosis</u>   |
| 34 | <u>FI.</u>              | <u>TBS</u>      | <u>Therapeutic Behavioral Services</u>                              |
| 35 | <u>FJ.</u>              | <u>TRC</u>      | <u>Therapeutic Residential Center</u>                               |
| 36 | <u>FK.</u>              | <u>TTY</u>      | <u>Teletypewriter</u>   |

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|----|---------------------|---|
| 1  | <u>FL. TUPP</u>     | <u>Tobacco Use Prevention Program</u>   |
| 2  | <u>FM. UMDAP</u>    | <u>Uniform Method of Determining Ability to Pay</u>                                     |
| 3  | <u>FN. UOS</u>      | <u>Units of Service</u>   |
| 4  | <u>FO. BA.</u>      | <del>The HITECH Act</del> <del>The Health Information Technology for Economic and</del> |
| 5  |                     | <del>Clinical Health</del> <del>Act, Public Law 111-005</del>                           |
| 6  | BB. USC             | United States Code  |
| 7  | <u>FP. VOLAGs</u>   | <u>Volunteer Agencies</u>   |
| 8  | <u>FQ. W&amp;IC</u> | BC. <del>WIC</del> <del>State of California Welfare and Institutions</del>              |
| 9  |                     | Code  |
| 10 |                     |   |
| 11 | <u>FR. WIC</u>      | <u>Women, Infants and Children</u>  |

**III. ALTERATION OF TERMS**

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

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

~~III~~

**III. ASSIGNMENT OF DEBTS**

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

**IV. COMPLIANCE**

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

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

~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 10 of 36

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

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

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

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

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

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

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

37 ~~X:\CONTRACTS - 2014 -\2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~11 of 36

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1 Individuals at the point when they work more than one hundred sixty (160) hours during the calendar year.  
2 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of  
3 ADMINISTRATOR’s Compliance Program, Code of Conduct and related policies and procedures.

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

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

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

10 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.  
11 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this  
12 Agreement.

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

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

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

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

36 C. COMPLIANCE TRAINING – ADMINISTRATOR shall make General Compliance Training and

37 ~~X:\CONTRACTS – 2014 – \2014-2016\ADAS\SOBER LIVING – MASTER FY14-16 JCG.DOC~~ 12 of 36

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1 Provider Compliance Training, where appropriate, available to Covered Individuals.

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

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

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

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

11 D.

12 ~~V.~~ MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

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

26  
27 **V. CONFIDENTIALITY**

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

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

37 ~~X:\CONTRACTS - 2014 -\2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~ 13 of 36

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1 CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,  
2 consultants, subcontractors, volunteers and interns.

3  
4 **VIVI. COST REPORT**

5 A. CONTRACTOR shall submit separate Cost Reports for Period ~~One~~one and Period ~~Two~~two, or  
6 for a portion thereof, to COUNTY no later than forty-five (45) ~~calendar~~ days following ~~the period for~~  
7 ~~which they are prepared or~~ termination of this Agreement. CONTRACTOR shall prepare the Cost Report  
8 in accordance with all applicable federal, state and COUNTY requirements, GAAP and the Special  
9 Provisions Paragraph of this Agreement. CONTRACTOR shall allocate direct and indirect costs to and  
10 between programs, cost centers, services, and funding sources in accordance with such requirements and  
11 consistent with prudent business practice, which costs and allocations shall be supported by source  
12 documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon  
13 reasonable notice.

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

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

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

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

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

33 B. The ~~individual and/or consolidated~~ Cost Report ~~prepared for each period~~ shall be the final  
34 financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis for  
35 final settlement to CONTRACTOR ~~for that period.~~ CONTRACTOR shall document that costs are  
36 reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 14 of 36

X:\ASR\SUD\ASR 16-000345 SOBER LIVING FY 16-18 LW REDLINE.DOCX

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1 Cost Report shall be the final financial record for subsequent audits, if any.

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

11 D. Unless otherwise approved by ADMINISTRATOR, costs that exceed the provisional rate as  
12 specified in the Payments Paragraph of Exhibit A to this Agreement shall be unreimbursable to  
13 CONTRACTOR.

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

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

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

27  
28 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and  
29 supporting documentation prepared by \_\_\_\_\_ for the cost report period  
30 beginning \_\_\_\_\_ and ending \_\_\_\_\_ and that, to the best of my knowledge  
31 and belief, costs reimbursed through this Agreement are reasonable and allowable and  
32 directly or indirectly related to the services provided and that this Cost Report is a true,  
33 correct, and complete statement from the books and records of (provider name) in  
34 accordance with applicable instructions, except as noted. I also hereby certify that I  
35 have the authority to execute the accompanying Cost Report.

36  
37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 15 of 36

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1 Signed \_\_\_\_\_  
 2 Name \_\_\_\_\_  
 3 Title \_\_\_\_\_  
 4 Date \_\_\_\_\_ "

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

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

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

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

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

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

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

5. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization, CONTRACTOR shall provide written notification within thirty (30) calendar days to ADMINISTRATOR

~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 16 of 36

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1 when there is change of less than fifty percent (50%) of Board of Directors or any governing body of  
2 CONTRACTOR at one time.

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

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

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

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

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

17  
18 ~~VIII~~ **VIII. EMPLOYEE ELIGIBILITY VERIFICATION**

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

28  
29 ~~IX~~//

30 **IX. EQUIPMENT**

31 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all  
32 property of a Relatively Permanent nature with significant value, purchased in whole or in part by  
33 ~~ADMINISTRATOR~~ Administrator to assist in performing the services described in this Agreement.  
34 “Relatively Permanent” is defined as having a useful life of one year or longer. Equipment which costs  
35 \$5,000 or over, including freight charges, sales taxes, and other taxes, and installation costs are defined as  
36 Capital Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes

37 ~~X:\CONTRACTS - 2014 - \2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~ 17 of 36

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1 and other taxes, and installation costs are defined as Controlled Equipment. Controlled Equipment  
2 includes, but is not limited to audio/visual equipment, computer equipment, and lab equipment. The cost  
3 of Equipment purchased, in whole or in part, with funds paid pursuant to this Agreement shall be  
4 depreciated according to GAAP.

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

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

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

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

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

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

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

32  
33 ~~X.X.~~ **FACILITIES, PAYMENTS AND SERVICES**

34 CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance with  
35 ~~Exhibits~~ Exhibit A and B to this Agreement. COUNTY shall compensate, and authorize, when applicable,  
36 said services. CONTRACTOR shall operate continuously throughout the term of this Agreement with at

37 ~~X:\CONTRACTS - 2014 - \2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~ 18 of 36

1 least the minimum number and type of staff which meet applicable federal and state requirements, and  
2 which are necessary for the provision of the services hereunder.

3  
4 ~~XIXI.~~ **INDEMNIFICATION AND INSURANCE**

5 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,  
6 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special  
7 districts and agencies for which COUNTY’s Board of Supervisors acts as the governing Board  
8 ~~(“COUNTY INDEMNITEES”)~~ harmless from any claims, demands or liability of any kind or nature,  
9 including but not limited to personal injury or property damage, arising from or related to the services,  
10 products or other performance provided by CONTRACTOR pursuant to this Agreement. If judgment is  
11 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the  
12 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and  
13 COUNTY agree that liability will be apportioned as determined by the court. Neither party shall request  
14 a jury apportionment.

15 B. Prior to the provision of services under this Agreement, CONTRACTOR agrees to purchase all  
16 required insurance at CONTRACTOR’s expense and to submit to COUNTY the COI, including all  
17 endorsements required herein, necessary to satisfy COUNTY that the insurance provisions of this  
18 Agreement have been complied with and to maintain such insurance coverage with COUNTY during the  
19 entire term of this Agreement. In addition, all subcontractors performing work on behalf of  
20 CONTRACTOR pursuant to this Agreement shall obtain insurance subject to the same terms and  
21 conditions as set forth herein for CONTRACTOR.

22 ~~C.~~ C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of  
23 CONTRACTOR pursuant to this Agreement shall be covered under CONTRACTOR’s insurance as an  
24 Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for  
25 CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less  
26 than the level of coverage required by COUNTY from CONTRACTOR under this Agreement. It is the  
27 obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor and  
28 to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance  
29 must be maintained by CONTRACTOR through the entirety of this Agreement for inspection by  
30 COUNTY representative(s) at any reasonable time.

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

35 ~~D. If CONTRACTOR~~ upon review of CONTRACTOR’s current audited financial report.

36 E. If CONTRACTOR fails to maintain insurance acceptable to COUNTY for the full term of this

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 19 of 36

1 Agreement, COUNTY may terminate this Agreement.

2 **EF. QUALIFIED INSURER**

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

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

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

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

33 **GH. REQUIRED COVERAGE FORMS**

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

36 2. The Business ~~Auto~~Automobile Liability coverage shall be written on ISO form CA 00 01,

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~20 of 36

1 CA 00 05, CA 00 12, CA 00 20, or a substitute form providing coverage at least as broad.

2 **HI**. REQUIRED ENDORSEMENTS—

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

5 1 a. An Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at  
6 least as broad naming the County of Orange, its elected and appointed officials, officers, employees, and  
7 agents as Additional Insureds.

8 2 b. A primary non-contributing endorsement evidencing that the CONTRACTOR's  
9 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be  
10 excess and non-contributing.

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

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

15 b. ~~—IA~~ primary and non-contributing endorsement evidencing that the CONTRACTOR's  
16 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be  
17 excess and non-contributing.

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

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

24 ~~—K. All insurance policies required by this Agreement~~ L. CONTRACTOR shall ~~give~~notify  
25 COUNTY in writing within thirty (30) calendar days' notice in the event days of any policy cancellation  
26 and ten (10) ~~calendar days' notice~~ days for non-payment of premium. ~~This shall be evidenced by policy~~  
27 ~~provisions or an endorsement separate from~~ and provide a copy of the cancellation notice to COUNTY.  
28 Failure to provide written notice of cancellation may constitute a material breach of the COI Agreement,  
29 upon which the COUNTY may suspend or terminate this Agreement.

30 LM. If CONTRACTOR's Professional Liability policy is a "claims made" policy,  
31 CONTRACTOR shall agree to maintain ~~professional liability~~ Professional Liability coverage for two (2)  
32 years following completion of Agreement.

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

35 ~~—N//~~

36 O. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease insurance

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 21 of 36

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

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

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

12 ~~Q~~

13 R. SUBMISSION OF INSURANCE DOCUMENTS

14 1. The COI and endorsements shall be provided to COUNTY as follows:  
15 a. Prior to the start date of this Agreement.  
16 b. No later than the expiration date for each policy.  
17 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding  
18 changes to any of the insurance types as set forth in Subparagraph ~~F. of the Indemnification and Insurance~~  
19 ~~Paragraph~~G. of this Agreement.

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

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

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

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

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

35 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any  
36 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~22 of 36

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1 ~~COI's~~COIs and endorsements, or in the interim, an insurance binder as adequate evidence of insurance  
2 coverage.

3  
4 ~~XII~~//

5 **XII. INSPECTIONS AND AUDITS**

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

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

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

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

26  
27 **~~XII~~XIII. LICENSES AND LAWS**

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

36 B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~23 of 36

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

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

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

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

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

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

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

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

24 ~~ARRA of 2009.~~

25 ~~State of California, Department of Social Services, Community Care Licensing Division  
26 requirements for Group Homes.~~

27 ~~42 USC §§ 3601-3619, the Fair Housing Act.~~

28 ~~U.S. Department of Housing and Urban Development.~~

29  
30 **XIV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

31  
32 **XIV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

33 A. Any written information or literature, including educational or promotional materials, distributed  
34 by CONTRACTOR to any person or organization for purposes directly or indirectly related to this  
35 Agreement must be approved at least thirty (30) days in advance and in writing by ADMINISTRATOR  
36 before distribution. For the purposes of this Agreement, distribution of written materials shall include,

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 24 of 36



1 but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads, and electronic media such  
2 as the Internet.

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

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

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

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

19  
20 ~~XV~~ **MAXIMUM OBLIGATION**

21 A. The Aggregate Maximum Obligation of COUNTY for services provided in accordance with all  
22 agreements for Sober Living Services during Period One, and Period Two are as specified in the  
23 Referenced Contract Provisions of this Agreement. This specific Agreement with CONTRACTOR is  
24 only one of several agreements to which this Aggregate Maximum Obligation applies. It therefore is  
25 understood by the parties that reimbursement to CONTRACTOR will be only a fraction of these  
26 Aggregate Maximum Obligations.

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

29  
30 **XVI. MINIMUM WAGE LAWS**

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

37 ~~X:\CONTRACTS - 2014 -\2014 2016\ADAS\SOBER LIVING - MASTER FY14 16 JCG.DOC~~ 25 of 36

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

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

8  
9 **XVII. NONDISCRIMINATION**

10 **A. EMPLOYMENT**

11 1. During the term of this Agreement, CONTRACTOR and its Covered Individuals shall not  
12 unlawfully discriminate against any employee or applicant for employment because of his/her ~~ethnic group~~  
13 ~~identification~~, race, ~~religion~~, ~~ancestry~~, religious creed, color, ~~creed~~, ~~sex~~, ~~marital status~~, national origin,  
14 ~~age (40 and over)~~, ~~sexual orientation~~, ~~medical condition~~, or ~~ancestry~~, physical or disability, mental  
15 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender  
16 expression, age, sexual orientation, or military and veteran status. Additionally, during the term of this  
17 Agreement, CONTRACTOR and its Covered Individuals shall require in its subcontracts that  
18 subcontractors shall not unlawfully discriminate against any employee or applicant for employment  
19 because of his/her ~~ethnic group identification~~, race, ~~religion~~, ~~ancestry~~, religious creed, color, ~~creed~~, ~~sex~~,  
20 ~~marital status~~, national origin, ~~age (40 and over)~~, ~~sexual orientation~~, ~~medical condition~~, or ~~ancestry~~,  
21 physical or disability, mental disability, medical condition, genetic information, marital status, sex, gender,  
22 gender identity, gender expression, age, sexual orientation, or military and veteran status.

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

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

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

33 5. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR  
34 and/or subcontractor shall state that all qualified applicants will receive consideration for employment  
35 without regard to ~~ethnic group identification~~, race, ~~religion~~, ~~ancestry~~, religious creed, color, ~~creed~~, ~~sex~~,  
36 ~~marital status~~, national origin, ~~age (40 and over)~~, ~~sexual orientation~~, ~~medical condition~~, or ~~ancestry~~.

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 26 of 36

X:\ASR\SUD\ASR 16-000345 SOBER LIVING FY 16-18 LW REDLINE.DOCX

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1 ~~physical or~~ disability, mental disability, medical condition, genetic information, marital status, sex, gender,  
 2 gender identity, gender expression, age, sexual orientation, or military and veteran status. Such  
 3 requirements 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 notice  
 6 advising the labor union or workers' representative of the commitments under this Nondiscrimination  
 7 Paragraph and shall post copies of the notice in conspicuous places available to employees and applicants  
 8 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 ~~ethnic group identification, race, religion, ancestry,~~ religious creed, color, creed, sex,  
 12 ~~marital status, national origin, age (40 and over), sexual orientation, medical condition, or ancestry,~~  
 13 physical or disability, mental disability, medical condition, genetic information, marital status, sex, gender,  
 14 gender identity, gender expression, age, sexual orientation, or military and veteran status in accordance  
 15 with Title IX of the Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of  
 16 the Civil Rights Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); ~~and~~  
 17 Title 9, Division 4, Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations; ~~and~~  
 18 Title II of the Genetic Information Nondiscrimination Act of 2008, 42 USC 2000ff, et seq., as applicable,  
 19 and all other pertinent rules and regulations promulgated pursuant thereto, and as otherwise provided by  
 20 state law and regulations, as all may now exist or be hereafter amended or changed. For the purpose of  
 21 this Nondiscrimination ~~Paragraph~~ paragraph, Discrimination includes, but is not limited to the following  
 22 based on one or more of the factors identified above:

23 1. Denying a ~~participant~~ client or potential ~~participant~~ client any service, benefit, or  
 24 accommodation.

25 2. Providing any service or benefit to a ~~participant~~ client which is different or is provided in a  
 26 different manner or at a different time from that provided to other ~~participants~~ clients.

27 3. Restricting a ~~participant~~ client in any way in the enjoyment of any advantage or privilege  
 28 enjoyed by others receiving any service or benefit.

29 4. Treating a ~~participant~~ client differently from others in satisfying any admission requirement  
 30 or condition, or eligibility requirement or condition, which individuals must meet in order to be provided  
 31 any service or benefit.

32 5. Assignment of times or places for the provision of services.

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

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 27 of 36

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1 and Human ~~Services~~'Services' OCR.

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

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

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

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

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

23  
24 ~~XVII.~~

## 25 XVIII. NOTICES

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

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

31 2. When faxed, transmission confirmed;

32 3. When sent by Email; or

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

35 B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of this  
36 Agreement or as otherwise directed by ADMINISTRATOR and shall be effective when faxed,

37 ~~X:\CONTRACTS - 2014 -\2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~ 28 of 36

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1 transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United  
2 Parcel Service, or other expedited delivery service.

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

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

9  
10 ~~XVIII. NOTIFICATION OF DEATH~~

11 XIX. NOTIFICATION OF DEATH

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

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

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

22 2. WRITTEN NOTIFICATION

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

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

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

34  
35 ~~XIX. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS~~

36 XX. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 29 of 36

X:\ASR\SUD\ASR 16-000345 SOBER LIVING FY 16-18 LW REDLINE.DOCX

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

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

8  
9 ~~XX.XXI.~~ **PAYMENT CARD COMPLIANCE**

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

18  
19 **XXII. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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

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

36 F. CONTRACTOR shall ensure all HIPAA (DRS) requirements are met. HIPAA requires that

37 ~~X:\CONTRACTS - 2014 -\2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~ 30 of 36

1 clients, participants and/or patients be provided the right to access or receive a copy of their DRS and/or  
 2 request addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records maintained  
 3 by or for a covered entity that is:

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

6 2. ~~—D~~The enrollment, payment, claims adjudication, and case or medical management record  
 7 systems maintained by or for a health plan; or

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

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

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

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

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

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

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

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

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

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

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

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

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

4  
5 ~~XXI. RESEARCH AND PUBLICATION~~

6 ~~XXIII. RESEARCH AND PUBLICATION~~

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

10  
11 ~~XXII. XXIV. REVENUE~~

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

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

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

25  
26 ~~XXIII. RIGHT TO WORK AND //~~

27  
28 ~~XXV. MINIMUM WAGE LAWS~~

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

35 ~~— B. Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State~~  
36 ~~of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the federal or~~

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 32 of 36



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

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

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

~~XXIV.~~ **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.

~~XXV.~~

**XXVI. SPECIAL PROVISIONS**

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

1. Making cash payments to intended recipients of services through this Agreement.
2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use of appropriated funds to influence certain federal contracting and financial transactions).
3. Fundraising.
4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR's staff, volunteers, or members of the Board of Directors.
5. Reimbursement of CONTRACTOR's members of the Board of Directors for expenses or services.
6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or its designee or authorized agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
7. Paying an individual salary or compensation for services at a rate in excess of the current

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1 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule  
2 may be found at www.opm.gov.

3 8. Severance pay for separating employees.

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

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

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

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

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

13 14. Promoting the legalization of any drug or other substance included in Schedule 1 of §202 of  
14 the Controlled Substance Act (21 USC 812).

15 15. Distributing or aiding in the distributing of sterile needles or syringes for the hypodermic  
16 injection of any illegal drug.

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

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

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

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

22 2. Making phone calls outside of the local area unless documented to be directly for the purpose  
23 of ~~participant~~client care.

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

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

27 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
28 CONTRACTOR's ~~participants~~clients.

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

33  
34 ~~XXVI~~XXVII, STATUS OF CONTRACTOR

35 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be  
36 wholly responsible for the manner in which it performs the services required of it by the terms of this

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 34 of 36

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1 Agreement. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and  
2 consultants employed by CONTRACTOR. This Agreement shall not be construed as creating the  
3 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR  
4 or any of CONTRACTOR's employees, agents, consultants, or subcontractors. CONTRACTOR assumes  
5 exclusively the responsibility for the acts of its employees, agents, consultants, or subcontractors as they  
6 relate to the services to be provided during the course and scope of their employment. CONTRACTOR,  
7 its agents, employees, consultants, or subcontractors, shall not be entitled to any rights or privileges of  
8 COUNTY's employees and shall not be considered in any manner to be COUNTY's employees.

9  
10 ~~XXVII.~~ **XXVIII. TERM**

11 A. This specific Agreement with CONTRACTOR is only one of several agreements to which the  
12 term of this Agreement applies. ~~This specific Agreement shall commence as specified in the Reference~~  
13 ~~Contract Provisions of this Agreement or the execution date, whichever is later. This specific Agreement~~  
14 ~~shall~~ The term of this Agreement shall commence and terminate as specified in the Referenced Contract  
15 Provisions of this Agreement, unless otherwise sooner terminated as provided in this Agreement;  
16 provided, however, CONTRACTOR shall be obligated to perform such duties as would normally extend  
17 beyond this term, including but not limited to, obligations with respect to confidentiality, indemnification,  
18 audits, reporting and accounting.

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

21 ~~XXVIII.~~

22 **XXIX. TERMINATION**

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

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

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

- 31 1. The loss by CONTRACTOR of legal capacity.
- 32 2. Cessation of services.
- 33 3. The delegation or assignment of CONTRACTOR's services, operation or administration to  
34 another entity without the prior written consent of COUNTY.
- 35 4. The neglect by any physician or licensed person employed by CONTRACTOR of  
36 any duty required pursuant to this Agreement.

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

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

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

9 D. CONTINGENT FUNDING

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

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

13 b. Inclusion of sufficient funding for the services hereunder in the applicable budget  
14 approved by the Board of Supervisors.

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

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

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

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

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

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

31 4. If ~~participants~~clients are to be transferred to another facility for services, furnish  
32 ADMINISTRATOR, upon request, all ~~participant~~client information and records deemed necessary by  
33 ADMINISTRATOR to ~~effect~~affect an orderly transfer.

34 5. Assist ADMINISTRATOR in effecting the transfer of ~~participants~~clients in a manner  
35 consistent with ~~participant's~~client's best interests.

36 6. If records are to be transferred to COUNTY, pack and label such records in accordance with

37 ~~X:\CONTRACTS - 2014 -\2014-2016\ADAS\SOBER LIVING - MASTER FY14-16 JCG.DOC~~ 36 of 36

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1 | directions provided by ADMINISTRATOR.

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

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

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

12 |  
13 | ~~XXX.XXX.~~ **THIRD PARTY BENEFICIARY**

14 | Neither party hereto intends that this Agreement shall create rights hereunder in third parties  
15 | including, but not limited to, any subcontractors or any ~~participants~~ clients provided services pursuant to  
16 | this Agreement.

17 |  
18 | ~~XXX-//~~

19 | **XXXI. WAIVER OF DEFAULT OR BREACH**

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

24 | //

25 | //

26 | //

27 | //

28 | //

29 | //

30 | //

31 | //

32 | //

33 | //

34 | //

35 | //

36 | IN WITNESS WHEREOF, the parties have executed this Agreement, in the County of Orange, State

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1 of California.

2  
3  
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5  
6 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

7  
8 TITLE: \_\_\_\_\_

9  
10  
11 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

12  
13 TITLE: \_\_\_\_\_

14  
15  
16 COUNTY OF ORANGE

17  
18  
19 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

20 HEALTH CARE AGENCY

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

27  
28  
29 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

30 DEPUTY

31  
32  
33 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the President or  
34 any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer.  
35 If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution or by-laws whereby the board of directors  
36 has empowered said authorized individual to act on its behalf by his or her signature alone is required by ADMINISTRATOR.

37 ~~X:\CONTRACTS 2014 \2014 2016\ADAS\SOBER LIVING MASTER FY14 16 JCG.DOC~~ 38 of 36

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EXHIBIT A  
TO AGREEMENT FOR PROVISION OF  
SOBER LIVING SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
«UC\_PROV»

JULY 1, ~~2014~~2016 THROUGH JUNE 30, ~~2016~~2018

**I. COMMON TERMS AND DEFINITIONS**

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

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

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

3. Graduation or Participant Completion means the completion of the residential sober living program whereby the Participant has successfully completed all goals and objectives within the maximum authorized length of stay authorized by ADMINISTRATOR and documented in the Participant’s chart.

4. Intake means the initial face-to-face meeting between a Participant and CONTRACTOR staff in which specific information about the Participant is gathered including the ability to pay and standard admission forms pursuant to the Agreement.

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

6. Participant means a person sentenced on AB 109 Post-release Community Supervision (PCS) or Mandatory Supervision (MS) with a substance use disorder, and/or for whom a COUNTY approved referral has been completed pursuant to the Agreement.

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

8. Sober Living housing means transitional housing services that are provided to Participants at a twenty-four (24)-hour sober living facility. Services are provided in an alcohol and drug free environment ~~and support recovery from alcohol and/or other drug related problems.~~ These services are

provided in a non-medical residential setting.

69. Substance Use Disorder (SUD) means condition in which the use of one or more substances leads to a clinically significant impairment or distress per the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5)

10. Unit of Service means one (1) calendar day ~~or bed day~~ during which services are provided to a Participant pursuant to ~~the~~ this Agreement. ~~The day of admission shall~~ A day in which a Participant is absent for a CONTRACTOR -sanctioned overnight pass may also be included; ~~the day of discharge shall be excluded. If both admission and discharge occur on the same day, the day shall be considered a day of admission and counts~~ as a full day unit of service.

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

#

**II. PAYMENTS**

A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided pursuant to the Agreement, COUNTY shall pay CONTRACTOR monthly in arrears at \$38.00 per bed day served at CONTRACTOR’s facility for all Sober Living Services for substance users ~~provided,~~ and a \$25 Intake and Assessment fee for all authorized short term stay participants (less than 2 weeks), provided however, that the total of all such payments to CONTRACTOR and all other COUNTY contract providers for all Sober Living Services shall not exceed COUNTY’s Aggregate Maximum Obligation as set forth in the Referenced Contract Provisions of the Agreement; and provided further, that CONTRACTOR’s costs are allowable pursuant to applicable county, federal , and state regulations. Non-compliance will require the completion of CAP by CONTRACTOR. If CAPs are not completed within timeframes as determined by ADMINISTRATOR, payments may be reduced accordingly. All payments are interim payments only, and subject to final settlement in accordance with the Cost Report Paragraph of the Agreement.

B. CONTRACTOR’s billings shall be on forms approved or supplied by ADMINISTRATOR and provide such information as is required by ADMINISTRATOR. Billings are due the tenth (10th) calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later than twenty-one (21) calendar days after receipt of the correctly completed billing form.

C. All billings to COUNTY shall be supported, at CONTRACTOR’s facility, by source documentation including, but not limited to, ledger and journals of service provided. ADMINISTRATOR may require CONTRACTOR to submit documentation in support of the monthly billing.

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

E. ADMINISTRATOR may withhold or delay processing of CONTRACTOR’s final invoice until



1 CONTRACTOR submits a correctly completed Cost Report as defined in the Cost Report Paragraph.

2 F. CONTRACTOR shall not claim reimbursement for services provided beyond the expiration  
3 and/or termination of the Agreement, except as may otherwise be provided under the Agreement.

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

### 6 **III. PERFORMANCE OUTCOMES**

7 A. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance  
8 Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR  
9 recognizes that alterations may be necessary to the following services to meet the objectives, and,  
10 therefore, revisions to objectives and services may be implemented by mutual agreement between  
11 CONTRACTOR and ADMINISTRATOR.

12 1. CONTRACTOR shall provide effective sober living program to Participants with identified  
13 alcohol and/or drug problems as measured by Retention and Completion Rates.

14 a. Retention Rates shall be calculated by using the number of Participants currently enrolled  
15 in or successfully completing the sober living program divided by the total number of Participants served  
16 during the evaluation period.

17 b. ~~A.~~ Completion Rates shall be calculated by using the number of Participants  
18 successfully completing the sober living program divided by the total number of Participants discharged  
19 during the evaluation period.

20 2. Employment Rate: Eighty Percent (80%) of all Participants shall obtain employment within  
21 the first thirty (30) calendar days of sober living. Participants who are enrolled as a full time student, who  
22 are deemed physically or mentally disabled by certified physician, and who have volunteered for more  
23 than 10 hours per week in the community are considered as employed.

24 ~~B. Sixty~~ 3. Housing Linkage Rate: Eighty Percent (~~60~~80%) of all Participants shall be linked  
25 to stable housing upon completion of sober living.

26 4. Abstinence Rate: Eighty ~~C. Seventy~~ Percent (~~70~~80%) of all ~~Participants will remain~~  
27 ~~sober until discharge~~ drug and alcohol screenings shall be negative.

28 ~~D.~~ CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
29 Performance Outcomes Paragraph of this Exhibit A to the Agreement.

### 30 **IV. RECORDS**

#### 31 **A. RECORDS**

32 ~~1. PARTICIPANT RECORDS~~ CONTRACTOR shall create and maintain all files pertaining  
33 to Sober Living Participants in the following manner:

34 ~~a~~1. All files shall be kept in a locked cabinet; and

1 ~~—b~~2. Access shall be limited to the director and other personnel with a legitimate need for  
2 access who are specified in CONTRACTOR's policies and procedures.

3 B. 2. ~~CONTENTS OF PARTICIPANT RECORDS~~ CONTRACTOR shall ensure the  
4 contents of individual Participant files include, but are not limited to, the following:

5 ~~—a~~1. A personal information form which contains:  
6 ~~1)~~a. Personal data for proper identification.  
7 ~~2)~~b. Length of sobriety and prior recovery experience; and  
8 ~~3)~~c. The name(s) of the Participant's current outpatient care option (treatment facility or  
9 Day Reporting Center (DRC)).

10 2 b. ~~Copies of the Participant's current court orders, if any.~~

11 ~~—c.~~ Participant's recovery plan recommendations for referral sources.

12 d. ~~Progress notes regarding how Sober Living Services may assist the Participant in~~  
13 ~~implementing his/her recovery plan.~~

14 ~~—e.~~ List of prescribed medication (s) used by the Participant.

15 ~~—f~~3. A waiver of confidentiality, signed at the time of the Participant's initial intake into the  
16 Sober Living facility, to permit disclosure of designated information about the Participant to HCA,  
17 Treatment Provider, Courts, ~~OCPD~~, Orange County Probation Department, (OCPD), Parole Department,  
18 Public Defender and District Attorney.

19 ~~—g.~~ ~~HCA's~~4. Health Care Agency (HCA) referral form for AB 109 Sober Living Services.

20 ~~—h~~5. Copies of all progress reports and all correspondence written by CONTRACTOR staff  
21 regarding the Participant.

22 ~~—i~~6. Dates and results of all drug and alcohol tests and all forms related to such tests.

23 ~~—j~~7. Overnight pass information.

24 ~~—k~~8. Dates of the Participant's entry, and completion or termination from the facility,  
25 including the circumstances of his/her discharge.

26 ~~—l~~9. A copy of the Sober Living facility's rules and Participant intake forms, signed and dated  
27 by the Participant upon entry into the Sober Living facility; and

28 ~~—m~~10. Voluntary Resident Criminal History Waiver as specified in Section 138 of  
29 COUNTY Adult Alcohol and Drug Sober Living Facilities Certification Guidelines set by the  
30 ~~OCSD~~, Orange County Sheriff Department (OCSD).

31 ~~—B~~C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
32 Records Paragraph of this Exhibit A to the Agreement.

## 33 **V. REPORTS**

### 34 ~~—A.~~ **MONTHLY PROGRAMMATIC**

35 ~~—1~~A. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR,  
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including information required and on a form approved or provided by ADMINISTRATOR, in conjunction with the billing described in the Payments Paragraph in this Exhibit A. These monthly programmatic reports should be received by ADMINISTRATOR no later than the tenth (10th) ~~business~~calendar day of the month following the report month.

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

~~B. ADDITIONAL REPORTS~~ CONTRACTOR shall make additional reports, as required by ADMINISTRATOR, concerning CONTRACTOR’s activities as they affect the services hereunder. ADMINISTRATOR will be specific as to the nature of information requested and the time frame the information is needed.

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

**VI. SERVICES**

~~A. CONTRACTOR shall provide Sober Living Services described herein at a Sober Living facility approved in writing by ADMINISTRATOR. CONTRACTOR shall make referrals and require Participants to attend Self Help programs, such as Narcotics Anonymous, Alcoholics Anonymous, or other support programs.~~

~~B. A. FACILITY~~ – CONTRACTOR shall provide Sober Living Services ~~at locations approved, in advance by ADMINISTRATOR~~ described herein at an Orange County Sherriff Certified Sober Living facility. Unless otherwise authorized in writing by ADMINISTRATOR, CONTRACTOR shall maintain regularly scheduled service hours, seven (7) days a week, twenty-four (24) hours per day throughout the year at. Services shall be provided a ~~«FAC1\_ADDR», «CITY\_STATE\_ZIP»«FAC1\_CSZ»~~, or at any other facility approved in advance in writing by ADMINISTRATOR.

1. CONTRACTOR’s Sober Living facility shall include the following:

- a. Safe sleeping quarters, a separate bed for each Participant and a lounge area for all Participants. Facility shall be maintained in a decent, safe, and sanitary condition.
- b. No more than two (2) persons of the same gender sharing a standard bedroom within the facility at any time, unless CONTRACTOR receives prior written approval by ADMINSTRATOR.
- c. Basic living facilities and supplies, including but not limited to, bathroom and shower area, eating area, bedroom, bed, linens and/or appropriate bed coverings, pillow, towel, etc.
- d. Laundry facilities and laundry supplies at no cost to the Participant; and
- e. Toiletry articles appropriate to the health and grooming needs of the Participant.

B. PERSONS TO BE SERVED

1. CONTRACTOR shall serve adult female and/or male AB 109 offenders ~~with substance use disorders~~ and who were released either on PCS or on MS and who have no available housing.

~~2.~~ 2. AB109 screening unit, shall be responsible for all referrals to CONTRACTOR for Sober Living Services under the Agreement.

3. CONTRACTOR will accept all participants on Medication Assisted Treatment (MAT) referred by ADMINISTRATOR. CONTRACTOR may terminate said participants in concurrence with ADMINISTRATOR if participant is displaying behavior of being over-medicated.

4. CONTRACTOR shall, in accordance with capacity of facility, admit persons referred by ADMINISTRATOR.

D. UNITS OF SERVICES SERVICE – CONTRACTOR shall provide, pursuant to the Agreement, no more than four (4) months of Sober Living Services, equivalent to a maximum of one hundred twenty (120) Sober Living Units of ~~Services~~ Service, per Participant within a twelve (12) month period, unless otherwise authorized in writing by ADMINISTRATOR.

E. SCOPE OF SERVICES – CONTRACTOR shall provide services within the specifications stated below, unless otherwise authorized by ADMINISTRATOR. Such services shall include, but not limited to, the following:

1. DUTIES OF HOUSE MANAGER/DIRECTOR – 1. CONTRACTOR shall provide an alcohol and drug-free living environment for Participants. CONTRACTOR shall have staff performing the duties of house manager and/or director, who shall reside at the Sober Living facility, or shall be present at a minimum, between the hours of 11:00 P.M. and 6:00 A.M. weekdays, and 12:00 A.M. and 6:00 A.M. weekends and holidays. Whenever CONTRACTOR’s house manager and/or director is not present at the facility, a designated facility staff person shall be on-call to respond, and arrive at the facility within twenty (20) minutes of being summoned. ~~The CONTRACTOR shall post the contact telephone number to contact said of designated on-call staff designee shall be posted by CONTRACTOR~~ immediately upon the absence of CONTRACTOR’s house manager and/or director at the facility.

2. STRUCTURED DAILY ACTIVITIES – CONTRACTOR shall encourage structured daily activities to include Participant’s responsibility for daily household duties, including, but not limited to: house cleaning, and basic household operations. CONTRACTOR shall encourage Participants to live productive, drug-free lives, which may include working, going to school, attending appropriate self-help program meetings, volunteering in the community, and taking increased responsibility for treatment goals established by the individual. CONTRACTOR shall encourage Participants ~~are encouraged~~ to use support systems in the community, ~~maintaining~~ maintain adequate grooming, and ~~using~~ use their leisure time in a constructive manner ~~by supplying Participants with recreational equipment, vocational materials, educational materials, and fitness equipment.~~

3. HOUSE RULES – CONTRACTOR shall establish house rules for standards of conduct for

1 Participants that shall include mandatory participation either in a COUNTY-approved AB 109 outpatient  
 2 treatment program ~~or are linked to DRC~~ and/or are linked to DRC. Exceptions to aftercare linkages must  
 3 be approved by ADMINISTRATOR. CONTRACTOR shall make referrals and require Participants to  
 4 attend Self-Help programs, such as Narcotics Anonymous, Alcoholics Anonymous, or other support  
 5 programs. Said house rules shall be enforced by CONTRACTOR's house manager and/or director, other  
 6 paid staff, intern(s) or volunteer(s), as designated by CONTRACTOR's house manager and/or director.

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

- 9 a. Participant's schedule for treatment, work, education or other activities;
- 10 b. Location and telephone number where the Participant may be reached ~~4.~~

11 ~~TRANSPORTATION~~; and

- 12 c. Requirement for all Participants to notify the program of any change in his/her schedule.

13 5. TRANSPORTATION – ADMINISTRATOR shall provide bus passes to CONTRACTOR,  
 14 as long as they are available. CONTRACTOR shall provide bus passes to Participants who request them.  
 15 CONTRACTOR shall also provide Participants with information regarding public transportation, how to  
 16 obtain a bus pass, bus schedules, etc., to assist and encourage participation in the following types of  
 17 activities designed to maintain a drug and alcohol-free lifestyle:

- 18 a. substance use disorder treatment programs,
- 19 b. DRC,
- 20 c. vocational and/or educational activities, and
- 21 d. seeking and/or maintaining employment
- 22 e. In the event Participant owns and operates a vehicle, which is operable by Participant in

23 accordance with federal, state, and county rules and regulations, CONTRACTOR shall make its best  
 24 efforts to accommodate the storage and use of the vehicle.

25 ~~5.~~ 6. MEALS/FOOD – CONTRACTOR shall provide enough food for two (2) meals per day,  
 26 ~~or a~~ for each Participant. CONTRACTOR may elect to use a food voucher with a minimum value of fifty  
 27 dollars (\$50) per Participant per week, or a combination of food and food vouchers with an approximate  
 28 value of \$50. For stays less than one week, fifty dollar value may be prorated. If CONTRACTOR opts  
 29 to provide meals, such meals shall be nutritious and appropriate to the health needs of the Participant.

30 ~~6. CONTRACTOR shall establish a written policy and procedure, which shall be reviewed and~~  
 31 ~~approved by ADMINISTRATOR, and shall include but not be limited to the securing, handling, and~~  
 32 ~~administration of Participant prescribed medication(s).~~

33 ~~7.~~ 7. HOUSE LOG – CONTRACTOR shall maintain a house log on each shift that is supervised  
 34 by a designated CONTRACTOR staff person. Information to be documented in the house log shall  
 35 include but not to be limited to:

- 36 a. Date, time, signature and title of person making all entries in the house log.

b. Staff and shift changes which occur at the Sober Living facility; and

c. Special incidents as specified in the Agreement.

8. ALCOHOL AND/OR DRUG SCREENING – CONTRACTOR shall perform random drug and/or alcohol testing on Participant(s) suspected of using substances or at minimum of one (1) time per month. Testing supplies shall be provided by CONTRACTOR. In the event that a Participant receives a drug screening test result indicating any substance use, CONTRACTOR shall formulate and implement a plan of corrective action, which shall include termination from the program, and shall be documented in the Participant's record, and shall notify Probation and COUNTY of said test result indicating any substance use within one (1) business days. CONTRACTOR shall:

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

b. All urine specimen collection shall be observed by same sex staff.

c. ~~8.—COUNTY's Gatekeeper, as designated~~ Document results of the drug screening in the Participant's record. 9. MEETINGS – CONTRACTOR's Executive Director or designee shall participate, when requested, in meetings facilitated by ADMINISTRATOR, ~~shall be responsible for all referrals~~ related to the provision of services pursuant to this Agreement.

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

11. ~~for Sober Living Services~~ NO PROSELYTIZING POLICY – CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any person who has been referred to CONTRACTOR by COUNTY under the ~~Agreement~~ terms of this Agreement. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.

~~9.—~~ 12. AUTHORITY – CONTRACTOR shall recognize the authority of Orange County Probation Department (OCPD) as officers of the court, and shall extend cooperation to OCPD within the constraints of CONTRACTOR's program of substance use disorder residential services.

13. NON-SMOKING POLICY – CONTRACTOR shall establish a written ~~visitation~~ non-smoking policy and procedure, which shall be reviewed and approved by ADMINISTRATOR, ~~which shall include, but not limited to, the following:~~

a. ~~Sign in logs.~~ At a minimum, the non-smoking policy shall specify that the facility is "smoke free" and that designated smoking areas are outside the.

b. ~~Visitation hours/rules;~~

~~c. Overnight passes and;~~

d. ~~Designated~~ visiting areas at the facility.

~~10. Participant Sign In/Out Log and Schedule~~ CONTRACTOR shall maintain a Participant sign in/out log for all Participants, which shall include, but not limited to, the following:

14. GOOD NEIGHBOR POLICY –

a. Participant's schedule for treatment, work, education or other activities;

b. Location and telephone number where the Participant may be reached.

c. ~~Requirement for Participant to notify CONTRACTOR staff of any change in his/her schedule; and~~

d. ~~Participant name, signature, date, and time when leaving Sober Living facility and estimated time of return. Participants returning to the Sober Living facility shall sign in.~~

11. CONTRACTOR shall establish a Good Neighbor Policy, which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not be limited to, staff training to deal with neighbor complaints, staff contact information available to neighboring residents; and complaint procedures.

~~12. NON-SMOKING~~ 15. TRANSGENDER POLICY- – CONTRACTOR shall establish a written ~~non-smoking policy~~ Transgender Policy, which shall be reviewed and approved by ~~ADMINSTRATOR. At a minimum~~ ADMINISTRATOR. The policy shall include, but not limited to, the following:

a. Admission

b. Housing arrangement

c. Bathroom privacy

d. ~~non-smoking~~ Drug testing

16. MEDICATION POLICY – CONTRACTOR shall establish a written Medication Policy, which shall be reviewed and approved by ADMINISTRATOR. The policy shall ~~specify~~ include but not be limited to the securing, handling, and administration of Participant prescribed medication(s). Such policy shall address medications that the facility is “smoke free” and that designated smoking areas are outside the facility. prescribed for substance and mental health disorders and medications disallowed by CONTRACTOR. Participants shall have medications during their stay with the program, and/or to have the ability to get refill(s).

~~13.~~ CONTRACTOR shall maintain a house log on each shift that is supervised by a designated CONTRACTOR staff person. Information to be documented in the house log shall include but not to be limited to:

a. Date, time, signature and title of person making all entries in the house log.

b. Staff and shift changes which occur at the Sober Living facility; and

c. Special incidents as specified in the Agreement.

~~14.~~ 17. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available at each program site at minimum one Naloxone Nasal Spray for the treatment of known or suspected opioid overdose. At least one staff per shift shall be trained in administering the Naloxone Nasal Spray. Naloxone Nasal Spray is not a substitute for emergency medical care. CONTRACTOR shall always seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid emergency.

18. POSTINGS – CONTRACTOR shall post the following in a prominent place within the facility:

- a. Sheriff Certification Certificate of Compliance
- b. Prohibition against Alcohol and Non-Prescription Drugs
- c. Sexual Harassment of Resident or Staff is Prohibited Notice
- d. ~~coordinate vocational, educational, other supportive~~ House Rules, Visitation, and Smoking Policies
- e. Fee schedule
- f. Grievance procedure
- g. Evacuation plans
- h. Hours that individual staff members will be on site
- i. List of resources within community which shall include medical, dental, mental health, public health, social services and where to apply for determination of eligibility for State, Federal or county entitlement programs.
- j. Information on self-help meetings. AA, NA, and ~~other basic referrals to community services with COUNTY, as necessary~~ non-12 step meetings shall be included.

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

## VII. STAFFING

A. CONTRACTOR shall provide staffing in accordance with the Orange County Adult Alcohol and Drug Sober Living Facilities Certification Guidelines, Chapter 4 articles 1-3, and/or as approved by ADMINISTRATOR, to meet the needs of the Sober Living Services program.

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



1 Department of Justice to CONTRACTOR. Results must remain in staff file.

2 1. All staff/volunteers/interns, prior to starting services, shall meet the following requirements:

3 a. No person shall have been convicted of a sex offense for which the person is required to  
 4 register as a sex offender under PC section 290;

5 b. No person shall have been convicted of an arson offense – Violation of PC sections 451,  
 6 451.1, 451.5, 452, 45231, 453, 454, or 455;

7 c. No person shall have been convicted of any violent felony as defined in PC section 667.5,  
 8 which involves doing bodily harm to another person, for which the staff member was convicted within  
 9 five (5) years prior to employment;

10 d. ~~—B~~No person shall be on parole or probation;

11 e. No person shall participate in the criminal activities of a criminal street gang and/or  
 12 prison gang; and

13 f. No person shall have prior employment history of improper conduct, including but not  
 14 limited to, forging or falsifying documents or drug tests, sexual assault or sexual harassment, or  
 15 inappropriate behavior with staff or residents at another treatment Facility.

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

19 C. STAFF TRAINING – CONTRACTOR shall develop a written plan for staff training. All Staff  
 20 training shall be documented and maintained as part of the training plan.

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

24 a. infectious disease recognition,

25 b. crisis intervention,

26 c. recognizing physical and psychiatric symptoms that require appropriate referrals to other  
 27 agencies.

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

30 a. County Annual Provider Training

31 b. County Annual Compliance Training

32 c. Training on topics related to alcohol and drug use

33 d. Minimum one hour training in cultural competence

34 D. All personnel files shall be complete and made readily accessible to ADMINISTRATOR for  
 35 purposes of audits and investigations or any other reason deemed necessary by ADMINISTRATOR.

36 E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing  
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1 Paragraph of this Exhibit A to the Agreement.  
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EXHIBIT B  
TO AGREEMENT FOR PROVISION OF  
SOBER LIVING SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND

«UC\_PROV»

JULY 1, ~~2014~~2016 THROUGH JUNE 30, ~~2016~~2018

**I. BUSINESS ASSOCIATE CONTRACT**

**A. GENERAL PROVISIONS AND RECITALS**

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

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

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

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

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

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

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

3 B. DEFINITIONS

4 1. "Administrative Safeguards" are administrative actions, and policies and procedures, to  
 5 manage the selection, development, implementation, and maintenance of security measures to protect  
 6 electronic PHI and to manage the conduct of CONTRACTOR's workforce in relation to the protection of  
 7 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 that  
 20 an unauthorized person to whom the disclosure was made would not reasonably have been able to  
 21 ~~retains~~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 45 CFR  
 34 § 164.501.

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

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 45  
4 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with  
5 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 and  
8 environmental hazards, and unauthorized intrusion.

9 9. “The HIPAA Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable  
10 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 Rule  
14 in 45 CFR § 164.103.—

15 12. “Secretary” shall mean the Secretary of the Department of Health and Human Services or his  
16 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 electronic  
23 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  
27 its use that 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 methodology  
30 specified by the Secretary of Health and Human Services in the guidance issued on the HHS Web site.

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

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

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

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 known  
9 to CONTRACTOR of a Use or Disclosure of PHI by CONTRACTOR in violation of the requirements of  
10 this Business Associate Contract.

11 5. CONTRACTOR agrees to report to COUNTY immediately any Use or Disclosure of PHI not  
12 provided for by this Business Associate Contract of which CONTRACTOR becomes aware.  
13 CONTRACTOR must report Breaches of Unsecured PHI in accordance with ~~subparagraph~~Subparagraph  
14 E below and 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 through  
17 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 Individual  
20 in order to meet the requirements under 45 CFR § 164.524. If CONTRACTOR maintains an EHR with  
21 PHI, and an individual requests a copy of such information in an electronic format, CONTRACTOR shall  
22 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 (30)  
25 calendar days of receipt of said request by COUNTY. CONTRACTOR agrees to notify COUNTY in  
26 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 45 CFR  
36 § 164.528.

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 obligation  
6 under the HIPAA Privacy and/or Security rules CONTRACTOR will comply with the requirements of 45  
7 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 employees,  
11 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 in  
17 any administrative or civil proceeding in which CONTRACTOR is a party or has been joined. COUNTY  
18 will consider the nature and seriousness of the violation in deciding whether or not to terminate the  
19 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 no  
22 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 claimed  
24 violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves  
25 inactions or actions by CONTRACTOR, except where CONTRACTOR or its subcontractor, employee,  
26 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 event:

36 a. CONTRACTOR does not promptly enter into negotiations to amend this Business  
37

1 Associate Contract when requested by COUNTY pursuant to this ~~subparagraph~~ Subparagraph C; or

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

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

8 D. SECURITY RULE

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

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

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

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

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

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

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



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~~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 security  
 6 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 functions  
 10 or activities on behalf of COUNTY in connection with Agreement, or access or disclose PHI COUNTY  
 11 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of  
 12 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 of  
 16 Agreement.

17 b. Employee Discipline. Appropriate sanctions must be applied against workforce members  
 18 who fail to comply with any provisions of CONTRACTOR's privacy P&Ps, including termination of  
 19 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 for  
 26 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

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 algorithm  
 15 which is 128bit or higher, such as AES. Such PHI shall not be considered “removed from the premises”  
 16 if it is only being transported from one of CONTRACTOR’s locations to another of CONTRACTOR’s  
 17 locations.

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

22 f. Patch Management. All workstations, laptops and other systems that process and/or store  
 23 PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits  
 24 on behalf of COUNTY must have critical security patches applied, with system reboot if necessary. There  
 25 must be a documented patch management process which determines installation timeframe based on risk  
 26 assessment and vendor recommendations. At a maximum, all applicable patches must be installed within  
 27 thirty (30) calendar or business days of vendor release. Applications and systems that cannot be patched  
 28 due to operational reasons must have compensatory controls implemented to minimize risk, where  
 29 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 characters  
 35 and must be a non-dictionary word. Passwords must not be stored in readable format on the computer.  
 36 Passwords must be changed every ninety (90) calendar or business days, preferably every sixty (60)

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

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

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

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

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

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

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

32 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to  
 33 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY  
 34 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is  
 35 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files  
 36 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website  
 37

1 access, file transfer, and E-Mail.

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

6 3. Audit Controls

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

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

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

20 4. Business Continuity/Disaster Recovery Control

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

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

33 5. Paper Document Controls

34 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR  
35 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left unattended  
36 at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that  
37

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

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

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

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

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

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

25 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

1 within 24 hours of the oral notification.

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

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

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

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

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

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

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

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

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

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

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

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

34 8. CONTRACTOR shall continue to provide all additional pertinent information about the  
35 Breach to COUNTY as it may become available, in reporting increments of five (5) business days after  
36 the last report to COUNTY. CONTRACTOR shall also respond in good faith to any reasonable requests  
37

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

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

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

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

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

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

17 1) The Disclosure is required by law; or

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

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

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

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

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

#### 31 H. PROHIBITED USES AND DISCLOSURES

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

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

5 I. OBLIGATIONS OF COUNTY

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

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

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

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

17 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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



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

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EXHIBIT C  
TO AGREEMENT FOR PROVISION OF  
SOBER LIVING SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND

«UC\_PROV»

JULY 1, ~~2014~~2016 THROUGH JUNE 30, ~~2016~~2018

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

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

A. DEFINITIONS

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

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

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

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

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

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

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

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

9. "Required by law" means a mandate contained in law that compels an entity to make a use or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court

1 orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental  
 2 or tribal inspector general, or an administrative body authorized to require the production of information,  
 3 and a civil or an authorized investigative demand. It also includes Medicare conditions of participation  
 4 with respect to health care providers participating in the program, and statutes or regulations that require  
 5 the production of information, including statutes or regulations that require such information if payment  
 6 is sought under a government program providing public benefits.

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

## 10 B. TERMS OF AGREEMENT

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

### 15 2. Responsibilities of CONTRACTOR

16 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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

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