



1 WHEREAS, pursuant to Paragraph VII. of the AGREEMENT, the sale or transfer of more than ten  
2 percent (10%) of the assets of PROVIDENCE COMMUNITY SERVICES, LLC constitutes an  
3 assignment, thereby requiring the written consent of COUNTY;

4  
5 WHEREAS, PROVIDENCE COMMUNITY SERVICES, LLC, by an amendment to its certificate  
6 of formation, filed with the Delaware Secretary of State on November 2, 2015, has changed its name to  
7 PATHWAYS COMMUNITY SERVICES, LLC, a Delaware limited liability company;

8  
9 WHEREAS, PATHWAYS COMMUNITY SERVICES, LLC is now obligated to comply with all  
10 the terms and conditions of the AGREEMENT, for the entire term of the AGREEMENT; and

11  
12 WHEREAS, PATHWAYS COMMUNITY SERVICES, LLC is agreeable to the rendering of such  
13 services on the terms and conditions set forth in the AGREEMENT, attached hereto as Attachment A and  
14 incorporated herein by reference;

15  
16 NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

17 1.1The COUNTY and PATHWAYS COMMUNITY SERVICES, LLC are in concurrence with the  
18 above recitals.

19  
20 2. On the basis of the recitals set forth above, COUNTY hereby grants its written consent pursuant  
21 to Paragraph VII of the AGREEMENT.

22  
23 3. The AGREEMENT is amended by substituting the name "PATHWAYS COMMUNITY  
24 SERVICES, LLC" for the name "PROVIDENCE COMMUNITY SERVICES, LLC," effective  
25 November 3, 2015.

26  
27 In all other respects, the terms of the underlying Agreement, not specifically changed by this  
28 Amendment, shall remain in full force and are incorporated by reference herein.

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31 //  
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**REFERENCED CONTRACT PROVISIONS**

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

~~Maximum Obligation: \$3,290,000~~

Term: July 1, 2015 through December 31, 2016

Period One means the period from July 1, 2015 through June 30, 2016

Period Two means the period from July 1, 2016 through December 31, 2016

Maximum Obligation: \$4,935,000

Period One Maximum Obligation: \$3,290,000

Period Two Maximum Obligation: 1,645,000

TOTAL MAXIMUM OBLIGATION \$4,935,000

**Basis for Reimbursement:** Actual Cost

**Payment Method:** Payment in Arrears

**CONTRACTOR DUNS Number:** 15-983-2542

**CONTRACTOR TAX ID Number:** 33-0797276

**Notices to COUNTY and CONTRACTOR:**

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

CONTRACTOR: Providence Community Services, LLC  
4281 Katella Avenue, Suite 201  
Los Alamitos, CA 90720  
Ginny Romig, Vice-President, Pacific Region  
gromig@provcorp.com

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## I. ACRONYMS

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

4	A. ARRA	American Recovery and Reinvestment Act
5	B. BHS	Behavioral Health Services
6	C. CCC	California Civil Code
7	D. CCR	California Code of Regulations
8	E. CEO	County Executive Office
9	F. CFR	Code of Federal Regulations
10	G. CHPP	COUNTY HIPAA Policies and Procedures
11	H. COI	Certificate of Insurance
12	I. CRS	Crisis Residential Services
13	J. CSW	Clinical Social Worker
14	K. DD	Dual Diagnosis
15	L. D/MC	Drug/Medi-Cal
16	M. DHCS	Department of Health Care Services
17	N. DRS	Designated Record Set
18	O. DSH	Direct Service Hour
19	P. ePHI	Electronic Protected Health Information
20	Q. EPSDT	Early Periodic Screening, Diagnosis, and Treatment
21	R. FSP	Full Service Partnership
22	S. GAAP	Generally Accepted Accounting Principles
23	T. HCA	Health Care Agency
24	U. HHS	Health and Human Services
25	V. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
26		Law 104-191
27	W. HSC	California Health and Safety Code
28	X. IRIS	Integrated Records and Information System
29	Y. ISO	Insurance Services Office
30	Z. LCSW	Licensed Clinical Social Worker
31	AA. LPT	Licensed Psychiatric Technician
32	AB. LVN	Licensed Vocational Nurse
33	AC. MFT	Marriage and Family Therapist
34	AD. MHP	Mental Health Plan
35	AE. MHSA	Mental Health Services Act
36	AF. MIHS	Medical and Institutional Health Services
37	AG. NOA-A	Notice of Action

1	AH. NPI	National Provider Identifier
2	AI. NPP	Notice of Privacy Practices
3	AJ. OIG	Office of Inspector General
4	AK. OMB	Office of Management and Budget
5	AL. OPM	Federal Office of Personnel Management
6	AM. PC	State of California Penal Code
7	AN. PHI	Protected Health Information
8	AO. PII	Personally Identifiable Information
9	AP. PRA	Public Record Act
10	AQ. QIC	Quality Improvement Committee
11	AR. SIR	Self-Insured Retention
12	AS. SSA	Social Services Agency
13	AT. TAY	Transitional Age Youth
14	AU. TBS	Therapeutic Behavioral Services
15	AV. USC	United States Code
16	AW. WIC	State of California Welfare and Institutions Code
17	AX. WOC	Wraparound Orange County

## **II. ALTERATION OF TERMS**

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

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

## **III. ASSIGNMENT OF DEBTS**

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

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#### IV. COMPLIANCE

1  
2 A. ADMINISTRATOR has established a Compliance Program for the purpose of ensuring  
3 adherence to all rules and regulations related to federal and state health care programs.

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

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

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

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

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

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

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

37 //



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

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

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

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

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

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

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

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

36 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or  
37 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.

1 Such individual or entity shall be immediately removed from participating in any activity associated with  
2 this Agreement. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to  
3 CONTRACTOR for services provided by ineligible person or individual. CONTRACTOR shall  
4 promptly return any overpayments within forty-five (45) business days after the overpayment is verified  
5 by ADMINISTRATOR.

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

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

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

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

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

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

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

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

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

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

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

## 33 **V. CONFIDENTIALITY**

34 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any  
35 audio and/or video recordings, in accordance with all applicable federal, state and county codes and  
36 regulations, as they now exist or may hereafter be amended or changed.  
37



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

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

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

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

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

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

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

36 //

37 //

1 E. In the event that CONTRACTOR is authorized to retain unanticipated revenues as described in  
2 the Budget Paragraph of Exhibit A to this Agreement, CONTRACTOR shall specify in the Cost Report  
3 the services rendered with such revenues.

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

6  
7 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and  
8 supporting documentation prepared by \_\_\_\_\_ for the cost report period  
9 beginning \_\_\_\_\_ and ending \_\_\_\_\_ and that, to the best of my  
10 knowledge and belief, costs reimbursed through this Agreement are reasonable and  
11 allowable and directly or indirectly related to the services provided and that this Cost  
12 Report is a true, correct, and complete statement from the books and records of  
13 (provider name) in accordance with applicable instructions, except as noted. I also  
14 hereby certify that I have the authority to execute the accompanying Cost Report.

15  
16 Signed \_\_\_\_\_  
17 Name \_\_\_\_\_  
18 Title \_\_\_\_\_  
19 Date \_\_\_\_\_"

20  
21 **VII. DEBARMENT AND SUSPENSION CERTIFICATION**

22 A. CONTRACTOR certifies that it and its principals:

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

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

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

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

36 5. Shall not knowingly enter into any lower tier covered transaction with a person who is  
37 proposed for debarment under federal regulations (i.e., 48 CFR Part 9, Subpart 9.4), debarred, suspended,



1 declared ineligible, or voluntarily excluded from participation in such transaction unless authorized by  
2 the State of California.

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

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

### 9 10 **VIII. DELEGATION, ASSIGNMENT AND SUBCONTRACTS**

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

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

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

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

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

35 4. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,  
36 CONTRACTOR shall provide written notification of CONTRACTOR's intent to assign the obligations

37 //

1 hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to  
2 the effective date of the assignment.

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

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

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

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

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

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

## 22 **IX. EMPLOYEE ELIGIBILITY VERIFICATION**

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

## 33 **X. EQUIPMENT**

34 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all  
35 property of a Relatively Permanent nature with significant value, purchased in whole or in part by  
36 ADMINISTRATOR to assist in performing the services described in this Agreement. "Relatively  
37

1 Permanent” is defined as having a useful life of one year or longer. Equipment which costs \$5,000 or  
2 over, including freight charges, sales taxes, and other taxes, and installation costs are defined as Capital  
3 Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and  
4 other taxes, and installation costs, or electronic equipment that costs less than \$600 but may contained  
5 PHI or PII, are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to  
6 phones, tablets, audio/visual equipment, computer equipment, and lab equipment. The cost of  
7 Equipment purchased, in whole or in part, with funds paid pursuant to this Agreement shall be  
8 depreciated according to GAAP.

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

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

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

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

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

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

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

37 //



## XI. FACILITIES, PAYMENTS AND SERVICES

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

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

## XII. INDEMNIFICATION AND INSURANCE

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

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

~~C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of CONTRACTOR pursuant to this Agreement shall be covered under CONTRACTOR's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less than the level of coverage required by COUNTY from CONTRACTOR under this Agreement. It is the obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance~~

#

1 ~~must be maintained by CONTRACTOR through the entirety of this Agreement for inspection by~~  
2 ~~COUNTY representative(s) at any reasonable time.~~

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

7 ~~— E. If CONTRACTOR fails to maintain insurance acceptable to COUNTY for the full term of this~~  
8 ~~Agreement, COUNTY may terminate this Agreement.~~

9 ~~— F. QUALIFIED INSURER~~

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

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

18 ~~— G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum~~  
19 ~~limits and coverage as set forth below:~~

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

36 #

37 #

~~H. REQUIRED COVERAGE FORMS~~

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

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

~~I. REQUIRED ENDORSEMENTS~~ The Commercial General Liability policy shall contain the following endorsements, which shall accompany the COI:

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

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

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

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

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

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

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

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

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

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

~~R. SUBMISSION OF INSURANCE DOCUMENTS~~

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

~~a. Prior to the start date of this Agreement.~~

~~b. No later than the expiration date for each policy.~~

~~c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding changes to any of the insurance types as set forth in Subparagraph G. of this Agreement.~~

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

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

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

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

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

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

**XIII. INDEMNIFICATION AND INSURANCE**

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

1 a jury apportionment.

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

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

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

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

24 F. QUALIFIED INSURER

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

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

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

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence

1		\$2,000,000 aggregate
2		
3	Automobile Liability including coverage	\$1,000,000 per occurrence
4	for owned, non-owned and hired vehicles	
5		
6	Workers Compensation	Statutory
7		
8	Employers Liability Insurance	\$1,000,000 per occurrence
9		
10	Network Security & Privacy	\$1,000,000 per claims made
11	Liability	
12	Professional Liability	\$1,000,000 per claims made
13		\$1,000,000 aggregate
14		
15	Sexual Misconduct	\$1,000,000 per occurrence

#### H. REQUIRED COVERAGE FORMS

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

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

#### I. REQUIRED ENDORSEMENTS

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

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

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

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

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

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



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

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

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

11 M. If CONTRACTOR's Professional Liability, Technology Errors & Omissions and/or Network  
 12 Security & Privacy Liability are "Claims Made" policy(ies), CONTRACTOR shall agree to maintain  
 13 coverage for two (2) years following the completion of the Contract.

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

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

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

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

#### 28 R. SUBMISSION OF INSURANCE DOCUMENTS

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

30 a. Prior to the start date of this Agreement.

31 b. No later than the expiration date for each policy.

32 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding  
 33 changes to any of the insurance types as set forth in Subparagraph G. of this Agreement.

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

36 3. If CONTRACTOR fails to submit the COI and endorsements that meet the insurance  
 37 provisions stipulated in this Agreement by the above specified due dates, ADMINISTRATOR shall have

1 sole discretion to impose one or both of the following:

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

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

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

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

#### 15 16 **XIV~~XIII~~. INSPECTIONS AND AUDITS**

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

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

#### 31 C. AUDIT RESPONSE

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

37 2. If the audit reveals that money is payable from one party to the other, that is, reimbursement



1 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said  
 2 funds shall be due and payable from one party to the other within sixty (60) calendar days of receipt of  
 3 the audit results. If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement  
 4 is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies  
 5 provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the  
 6 reimbursement due COUNTY.

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

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

#### 16 **XVXIV. LICENSES AND LAWS**

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

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

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

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

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

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

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

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

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

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

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

36          D. CONTRACTOR shall at all times be capable and authorized by the State of California to  
 37 provide treatment and bill for services provided to Medi-Cal eligible clients while working under the

1 terms of this Agreement.

2  
3 **XVIXV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

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

24  
25 **XVII XVI. MAXIMUM OBLIGATION**

26 ~~—The Maximum Obligation of COUNTY for services provided in accordance with this Agreement is  
27 as specified in the Referenced Contract Provisions of this Agreement.~~

28 “The Total Maximum Obligations of COUNTY for services provided in accordance with this Agreement  
29 and the separate Maximum Obligations for Period One and Period Two are as specified in the  
30 Referenced Contract Provisions of this Agreement.”

31 **XVIII XVII. NONDISCRIMINATION**

32 A. EMPLOYMENT

33 1. During the term of this Agreement, CONTRACTOR and its Covered Individuals shall not  
34 unlawfully discriminate against any employee or applicant for employment because of his/her race,  
35 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,  
36 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual  
37 orientation, or military and veteran status. Additionally, during the term of this Agreement,

1 CONTRACTOR and its Covered Individuals shall require in its subcontracts that subcontractors shall  
 2 not unlawfully discriminate against any employee or applicant for employment because of his/her race,  
 3 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,  
 4 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual  
 5 orientation, or military and veteran status.

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

10 3. CONTRACTOR shall not discriminate between employees with spouses and employees  
 11 with domestic partners, or discriminate between domestic partners and spouses of those employees, in  
 12 the provision of benefits.

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

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

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

27 **B. SERVICES, BENEFITS AND FACILITIES** – CONTRACTOR and/or subcontractor shall not  
 28 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities  
 29 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental  
 30 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender  
 31 expression, age, sexual orientation, or military and veteran status in accordance with Title IX of the  
 32 Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights  
 33 Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division 4,  
 34 Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations; and Title II of the Genetic  
 35 Information Nondiscrimination Act of 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent  
 36 rules and regulations promulgated pursuant thereto, and as otherwise provided by state law and  
 37 regulations, as all may now exist or be hereafter amended or changed. For the purpose of this

1 Nondiscrimination paragraph, Discrimination includes, but is not limited to the following based on one  
2 or more of the factors identified above:

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

12 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all clients  
13 through a written statement that CONTRACTOR’s and/or subcontractor’s clients may file all complaints  
14 alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and  
15 ADMINISTRATOR or COUNTY’s Patient Rights Office.

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

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

22 b. Throughout the problem resolution and grievance process, client rights shall be  
23 maintained, including access to the Patients’ Rights Office at any point in the process. Clients shall be  
24 informed of their right to access the Patients’ Rights Office at any time.

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

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

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



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

### 6 ~~XIX~~**XVIII. NOTICES**

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

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

12 2. When faxed, transmission confirmed;

13 3. When sent by Email; or

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

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

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

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

### 27 ~~XXIX~~**XXIX. NOTIFICATION OF DEATH**

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

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

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

1           2. WRITTEN NOTIFICATION

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

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

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

13  
14           ~~XXIX~~. **NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

22  
23           ~~XXI~~. **RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### 31 ~~XXIII~~ **XXII. RESEARCH AND PUBLICATION**

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

### 35 ~~XXIV~~ **XXIII. REVENUE**

36 A. CLIENT FEES – CONTRACTOR shall charge, unless waived by ADMINISTRATOR, a fee to  
37



1 clients to whom billable services, other than those amounts reimbursed by Medicare, Medi-Cal or other  
 2 third party health plans, are provided pursuant to this Agreement, their estates and responsible relatives,  
 3 according to their ability to pay as determined by the State Department of Health Care Services'  
 4 "Uniform Method of Determining Ability to Pay" (UMDAP) procedure or by any other payment  
 5 procedure as approved in advance, and in writing by ADMINISTRATOR; and in accordance with Title 9  
 6 of the California Code of Regulations. Such fee shall not exceed the actual cost of services provided.  
 7 No client shall be denied services because of an inability to pay.

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

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

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

#### 21 ~~XXV~~XXIV. MINIMUM WAGE LAWS

22 A. Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and  
 23 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the  
 24 federal or California Minimum Wage to all its employees that directly or indirectly provide services  
 25 pursuant to this Agreement, in any manner whatsoever. CONTRACTOR shall require and verify that all  
 26 its contractors or other persons providing services pursuant to this Agreement on behalf of  
 27 CONTRACTOR pay their employees no less than the greater of the federal or California Minimum  
 28 Wage.

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

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

#### 36 ~~XXVI~~XXV. SEVERABILITY

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

6 **XXVII~~XXVI~~. SPECIAL PROVISIONS**

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

- 9 1. Making cash payments to intended recipients of services through this Agreement.
- 10 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications  
 11 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use  
 12 of appropriated funds to influence certain federal contracting and financial transactions).
- 13 3. Fundraising.
- 14 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
 15 CONTRACTOR's staff, volunteers, or members of the Board of Directors or governing body.
- 16 5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing body  
 17 for expenses or services.
- 18 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,  
 19 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized  
 20 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
- 21 7. Paying an individual salary or compensation for services at a rate in excess of the current  
 22 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary  
 23 Schedule may be found at [www.opm.gov](http://www.opm.gov).
- 24 8. Severance pay for separating employees.

25 //

- 26 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building  
 27 codes and obtaining all necessary building permits for any associated construction.
- 28 10. Supplanting current funding for existing services

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

- 31 1. Funding travel or training (excluding mileage or parking).
- 32 2. Making phone calls outside of the local area unless documented to be directly for the  
 33 purpose of client care.
- 34 3. Payment for grant writing, consultants, certified public accounting, or legal services.
- 35 4. Purchase of artwork or other items that are for decorative purposes and do not directly  
 36 contribute to the quality of services to be provided pursuant to this Agreement.
- 37 5. Purchasing or improving land, including constructing or permanently improving any

1 building or facility, except for tenant improvements.

2 6. Providing inpatient hospital services or purchasing major medical equipment.

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

5  
6 **XXVIII~~XXVII~~. STATUS OF CONTRACTOR**

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

18  
19 **XXIX~~XXVIII~~. TERM**

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

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

28  
29 **XXX~~XXIX~~. TERMINATION**

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

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

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

- 1 1. The loss by CONTRACTOR of legal capacity.
- 2 2. Cessation of services.
- 3 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
- 4 another entity without the prior written consent of COUNTY.
- 5 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
- 6 required pursuant to this Agreement.
- 7 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this
- 8 Agreement.
- 9 6. The continued incapacity of any physician or licensed person to perform duties required
- 10 pursuant to this Agreement.
- 11 7. Unethical conduct or malpractice by any physician or licensed person providing services
- 12 pursuant to this Agreement; provided, however, COUNTY may waive this option if CONTRACTOR
- 13 removes such physician or licensed person from serving persons treated or assisted pursuant to this
- 14 Agreement.

#### 15 D. CONTINGENT FUNDING

- 16 1. Any obligation of COUNTY under this Agreement is contingent upon the following:
  - 17 a. The continued availability of federal, state and county funds for reimbursement of
  - 18 COUNTY's expenditures, and
  - 19 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)
  - 20 approved by the Board of Supervisors.
- 21 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
- 22 terminate or renegotiate this Agreement upon thirty (30) calendar days' written notice given
- 23 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated
- 24 funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.

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

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

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

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

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

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

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

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

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

17  
18                           ~~XXXI~~ **XXXI. THIRD PARTY BENEFICIARY**

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

22  
23                           ~~XXXII~~ **XXXII. WAIVER OF DEFAULT OR BREACH**

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

29 //  
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35 //  
36 //  
37 //

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

3  
4 PROVIDENCE COMMUNITY SERVICES, LLC

5  
6  
7 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

8  
9  
10 TITLE: \_\_\_\_\_

11  
12  
13  
14  
15  
16 COUNTY OF ORANGE

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

20 HEALTH CARE AGENCY

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

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

31 DEPUTY

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



EXHIBIT A  
 TO AGREEMENT FOR PROVISION OF  
 CHILDREN'S FULL-SERVICE  
 PARTNERSHIP/WRAPAROUND SERVICES  
 WITH  
 PROVIDENCE COMMUNITY SERVICES, LLC  
 JULY 1, 2015 THROUGH JUNE 30, 2016

**I. COMMON TERMS AND DEFINITIONS**

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

A. Active and Ongoing Case Load means documentation, by CONTRACTOR, for completion of entry and evaluation services provided to Clients into IRIS Documentation also includes level, frequency, and duration of services received by Clients, and these services must be consistent with Clients' level of impairments as well as treatment goals. In addition, services are to be individualized and solution-focused, using evidenced-based practices.

B. Administrative Support means individual(s) who is/are responsible for providing a broad range of office support to program and management staff that includes: answering and directing phone calls, writing correspondences, entering data in spreadsheets, preparing invoices for payment, maintaining tracking reports and files, and working on special projects, as assigned.

C. Admission means documentation, by CONTRACTOR, for completion of entry and evaluation services provided to Clients into IRIS.

D. Care Coordinator means an individual with a Bachelor's degree in human services or related field who will be responsible for developing and leading the Family Team and guiding the evolution of a POC for a Client.

E. Client means any individual, referred or enrolled, for services under the Agreement who is living with mental, emotional, or behavioral disorders.

F. Clinical Director means an individual who is responsible for the day-to-day clinical services of the program, meets the minimum requirements set forth in Title 9, CCR, and has at least two (2) years of full-time professional experience working with children and/or TAY in a mental health setting.

G. Crisis Intervention means a service, lasting less than twenty-four (24) hours that is provided to or on the behalf of a Client for a condition that requires more timely response than a regularly scheduled visit. Service activities may include, but are not limited to: assessment, individual therapy, collateral therapy, family therapy, case management, and psychiatric evaluation.

H. Data Collection System means software used for the collection, tracking, and reporting of outcomes data for Clients enrolled in the FSP programs.

1           1. 3 M's means the Quarterly Assessment Form being completed for each Client every three  
2 months in the approved data collection system.

3           2. Data Certification means reviewing outcome data mandated by the State and COUNTY for  
4 accuracy and signing a Certification of Accuracy of Data form indicating that the data is accurate.

5           3. KET means the tracking of a Client's service movement or changes in the approved data  
6 collection system. A KET must be completed and entered accurately each time the CONTRACTOR is  
7 reporting a change from previous Client status in certain categories. These categories include:  
8 residential status, employment status, education and benefits establishment.

9           4. PAF means the baseline assessment for each Client that must be completed and entered into  
10 the data collection system within thirty (30) days of the Partnership date.

11          I. Diagnosis means identifying the nature of a Client's disorder. When formulating the diagnosis  
12 of Client, CONTRACTOR shall use the diagnostic codes and axes as specified in the most current  
13 edition of the Diagnostic and DSM published by the American Psychiatric Association. DSM diagnoses  
14 will be recorded on all IRIS documents, as appropriate.

15          J. DSH means the time, measured in hours and portions of hours, that a clinician spends providing  
16 services to Clients or significant others on behalf of Clients. DSH credit, both billable and non-billable  
17 minutes, is obtained by providing mental health, case management, medication support, and crisis  
18 intervention services to Clients open in IRIS.

19          K. Early Periodic Screening, Diagnosis & Treatment (EPSDT) means the State of California's  
20 implementation of the Federal child health component of Medicaid program which provides physical,  
21 mental, and developmental health services for children and young adults.

22          L. Education Coordinator means an individual who is responsible for providing assistance and  
23 support with educational and vocational services as well as developing resources for those Clients that  
24 wish to further their education or training.

25          M. Employment Coordinator means an individual who provides pre-employment training, job  
26 orientation, and site training to Clients. This individual is also responsible for assisting Clients with job  
27 application procedures; teaching social, grooming and dress-for-success personal hygiene skills to  
28 Clients; and coaching Clients on how to maintain employment. In addition, the Employment  
29 Coordinator may provide on-the-job mentoring and will work closely with the hiring companies and  
30 Clients.

31          N. Engagement means the process where a trusting relationship between CONTRACTOR's staff  
32 and Client is developed over a short period of time, so CONTRACTOR and Client can develop a plan to  
33 link the Client to appropriate services within the community. Engagement of the Client is the objective  
34 of a successful outreach.

35          O. Face-to-Face Contact means, as it pertains to a FSP, a direct encounter between  
36 CONTRACTOR's staff and Client(s)/parent(s)/guardian(s). This does not include contact by phone,  
37 //



1 email, etc. For the purpose of completing an Encounter Document, Face-to-Face Contact means a direct  
2 encounter between staff and Client(s), regardless if another individual(s) is/are present or not.

3 P. Family Resource Center Services means Mental Health Services provided to Clients that are  
4 actively enrolled at the COUNTY's SSA's FRC. FRC is a consortium of agencies providing human  
5 services in a single site and under the auspices of SSA.

6 Q. Family Team means a group formed to meet the needs of a FSP eligible Client through  
7 whatever means possible, and this team includes a program staff, the eligible Client, the Client's family  
8 members, and other support individual(s) the family agrees to include on the team.

9 R. FSP means a program model described in COUNTY's MHSA plan that has been approved by  
10 the State. The MHSA plan describes how COUNTY will utilize MHSA funds to develop and  
11 implement treatment plans for mental health Clients through FSPs. A FSP is an evidence-based and  
12 strength-based model with the focus on the individual rather than the disease.

13 S. FSW means the specific program model described in COUNTY's MHSA plan. The FSW  
14 program provides culturally competent in-home, intensive, mental health care coordination services that  
15 will address family needs across all life domains of the Client.

16 T. Group Home is a facility for housing youth and is licensed by Community Care Licensing under  
17 the provisions of CCR, Title 22, Division 6, et seq.

18 U. Head of Service means an individual ultimately responsible for overseeing the program and is  
19 required to be licensed as a mental health professional.

20 V. Housing Coordinator means an individual who is responsible for assisting Clients with housing  
21 solutions. This individual is also responsible for outreach and networking within the community to  
22 maintain an up-to-date record of available housing resources. In addition, the coordinator will work  
23 with the Family Team to assess the needs of Clients.

24 W. Individual Services and Support Funds (Flexible Funds a.k.a. Flex Funds) means funds used to  
25 provide Clients and/or their families with immediate assistance, as deemed necessary, for the treatment  
26 of their mental illness and improve their overall quality of life. Flexible Funds are generally categorized  
27 as housing, Client transportation, food, clothing, medical, and miscellaneous expenditures that are  
28 individualized and appropriate to support Clients' mental health treatment activities.

29 X. Intake means the initial meeting between a Client and CONTRACTOR's staff, and includes an  
30 evaluation of the Client to determine if the Client meets program criteria and is willing to seek services.

31 Y. IRIS means the ADMINISTRATOR's database system that collects Clients' information such  
32 as registration, scheduled appointments, laboratory information system, invoice and reporting  
33 capabilities, compliance with regulatory requirements, electronic medical records, and other relevant  
34 applications.

35 Z. LCSW means a licensed individual, pursuant to the provisions of Chapter 14 of the California  
36 Business and Professions Code, who can provide clinical services to Clients. The license must be  
37 //

1 current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has  
2 at least one (1) year of experience treating children and TAY.

3 AA. Licensed MFT means a licensed individual, pursuant to the provisions of Chapter 13 of the  
4 California Business and Professions Code, pursuant to the provisions of Chapter 14 of the California  
5 Business and Professions Code, who can provide clinical services to Clients. The license must be  
6 current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has  
7 at least one (1) year of experience treating children and TAY.

8 AB. LPCC means a licensed individual, pursuant to the provisions of Chapter 13 of the California  
9 Business and Professions Code, pursuant to the provisions of Chapter 16 of the California Business and  
10 Professions Code, who can provide clinical service to Clients. The license must be current and in force,  
11 and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year  
12 of experience treating children and TAY.

13 AC. LPT means a licensed individual, pursuant to the provisions of Chapter 10 of the California  
14 Business and Professions Code, who can provide clinical services to Clients. The license must be  
15 current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has  
16 at least one (1) year of experience treating children and TAY.

17 AD. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter 6.6 of  
18 the California Business and Professions Code, who can provide clinical services to Clients. The license  
19 must be current and in force, and has not been suspended or revoked. Also, it is preferred that the  
20 individual has at least one (1) year of experience treating children and TAY.

21 AE. LVN means a licensed individual, pursuant to the provisions of Chapter 6.5 of the California  
22 Business and Professions Code, who can provide clinical services to Clients. The license must be  
23 current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has  
24 at least one (1) year of experience treating children and TAY.

25 AF. Live Scan means an inkless, electronic fingerprint which is transmitted directly to the  
26 Department of Justice (DOJ) for the completion of a criminal record check, typically required of  
27 employees who have direct contract with Clients.

28 AG. Medi-Cal means the State of California's implementation of the Federal Medicaid health care  
29 program which pays for a variety of medical services for children and adults who meet eligibility  
30 criteria.

31 AH. Medical Necessity means diagnosis, impairment, and intervention related criteria as defined in  
32 the COUNTY's MHP under Medical Necessity for Medi-Cal reimbursed Specialty Mental Health  
33 Services.

34 AI. Medication Services means face-to-face or telephone services provided by a licensed physician,  
35 registered nurse, or other qualified medical staff. This service includes evaluation and documentation of  
36 the clinical justification for use of the medication, dosage, side effects, compliance, and response of the  
37 Client to medication.

1 AJ. Mental Health Rehabilitation Specialist means an individual with a Bachelor's Degree who has  
 2 four years of experience in a mental health services setting as a specialist in the fields of physical  
 3 restoration, social adjustment, and/or vocational adjustment.

4 AK. Mental Health Services means an individual or a group therapy and intervention being provided  
 5 to Clients that is designed to reduce mental disability and restores or improves daily functioning. These  
 6 Mental Health Services must be consistent with goals of learning and development, as well as  
 7 independent living and enhanced self-sufficiency. In addition, these services cannot be provided as a  
 8 component of adult residential services, crisis residential treatment services, crisis intervention, crisis  
 9 stabilization, day rehabilitation, or day treatment intensive. Service activities may include, but are not  
 10 limited to: assessment, plan development, rehabilitation, and collateral. Also, Mental Health Services  
 11 may be either Face-to-Face Contact, or by telephone with Clients or significant support individuals, and  
 12 services may be provided anywhere in the community.

13 1. Assessment means a service activity, which may include a clinical analysis of the history  
 14 and current status of a Client's mental, emotional, behavioral disorder, and relevant cultural issues. The  
 15 Assessment also needs to include history of services being provided, diagnosis, and use of testing  
 16 procedures.

17 2. Collateral means significant support individual(s) in a Client's life and is/are used to define  
 18 services provided to the Client with the intent of improving or maintaining the mental health status of  
 19 the Client. The Client may or may not be present for this service activity.

20 3. Co-Occurring see DD Integrated Treatment Model.

21 4. DD Integrated Treatment Model means a program that uses a stage-wise treatment model  
 22 and is non-confrontational, follows behavioral principles, considers interactions between mental illness  
 23 and substance abuse, and has gradual expectations of abstinence. Mental illness and substance abuse  
 24 research has strongly indicated that a Client with co-occurring disorder needs treatment for both  
 25 problems to recover fully and focusing on one does not ensure the other will go away. Dual diagnosis  
 26 services integrate assistance for each condition by helping Clients recover from mental illness and  
 27 substance abuse in one setting and at the same time.

28 5. Medication Support Services means services provided by licensed physicians, registered  
 29 nurses, or other qualified medical staff, which include: prescribing, administering, dispensing and  
 30 monitoring of psychiatric medications or biologicals that are necessary to alleviate symptoms of mental  
 31 illness. These services also include evaluation and documentation of the clinical justification and  
 32 effectiveness of medication, dosage, side effects, compliance, and response to medication. In addition,  
 33 the licensed physicians, registered nurses, or other qualified medical staff must obtain informed consent  
 34 from Clients prior to providing medication education and plan development related to the delivery of  
 35 these services and/or assessment to Clients.

36 6. Rehabilitation Service means an activity which includes assistance to improving,  
 37 maintaining, or restoring a Client's or group of Clients' functional skills, daily living skills, social and

1 leisure skill, grooming and personal hygiene skills, meal preparation skills, support resources and/or  
2 medication education.

3 7. Targeted Case Management means services that assist a Client to access needed medical,  
4 educational, social, prevocational, vocational, rehabilitative, or other community services. These  
5 service activities may include, but are not limited to: communicating and coordinating services through  
6 referral; monitoring service delivery to ensure Clients' access to service and the service delivery system;  
7 and tracking of Clients' progress and plan development.

8 8. TBS means one-on-one behavioral interventions with a Client, which is designed to reduce  
9 or eliminate targeted behaviors as identified in the Client's treatment plan. Collateral services are also  
10 provided to parent(s)/guardian(s) as part of TBS. Clients must be Medi-Cal eligible and meet TBS class  
11 membership and service need requirements. Documentation in the medical record must support Medical  
12 Necessity for these intensive services. Cases in which Clients are receiving more than twenty (20) hours  
13 per week of TBS or those who are expected to receive more than four months (120 days) of TBS must  
14 be approved by ADMINISTRATOR. ADMINISTRATOR has to approve individuals that are  
15 delivering these intervention services to ensure they are qualified to deliver these services.

16 9. Therapy means a therapeutic intervention that focuses primarily on symptom reduction as a  
17 means to improve functional impairments. Therapy may be delivered to a Client or a group of Clients,  
18 which may include family therapy with Client being present.

19 AL. MHSA means the State of California law that provides funding for expanded community  
20 mental health services. It is also known as "Proposition 63."

21 AM. Mental Health Worker means an individual who has obtained a Bachelor's degree in a mental  
22 health field or has a high school diploma along with two (2) years of experience delivering services in a  
23 mental health field.

24 AN. Mentoring Services means a service that provides support to Clients by building a structured  
25 and trusting relationship over a prolonged period of time between a Client and a mentor. The mentor is  
26 a peer or older individual who provides one-to-one contact and support in the following areas to assist  
27 Client(s)/parent(s)/guardian(s): consistent support, guidance, and coaching in life skills; concrete help  
28 and/or other relationship-building activities to the Client(s)/parent(s)/guardian(s); and linking the  
29 Client(s)/parent(s)/guardian(s) to other services within the COUNTY and contract operated programs.

30 1. Paid Parent Mentor means an individual, age twenty-six (26) and older, who has been  
31 screened and trained to provide Mentoring Services and is reimbursed for providing such services under  
32 the Mentoring Services Contract. A different designation for this position is permissible for purposes of  
33 CONTRACTOR's employment records and recruitment efforts if such designation is accompanied by  
34 clear cross-referencing in all reports and communications to ADMINISTRATOR.

35 2. Paid TAY Mentor means an individual, age eighteen (18) to twenty-five (25), who has been  
36 screened and trained to provide Mentoring Services and is reimbursed for providing such services under  
37 the Mentoring Services Contract. A different designation for this position is permissible for purposes of

1 CONTRACTOR's employment records and recruitment efforts if such designation is accompanied by  
2 clear cross-referencing in all reports and communications to ADMINISTRATOR.

3 3. Volunteer Mentor means an individual, age eighteen (18) and older, who has been screened  
4 and trained to provide Mentoring Services and is not reimbursed for providing such services under the  
5 Mentoring Services Contract. "Reimbursement" for services excludes expenses such as transportation  
6 costs, as transportation costs are allowable and reimbursable costs. A different designation for this  
7 position is permissible for purposes of CONTRACTOR's employment records and recruitment efforts if  
8 such designation is accompanied by clear cross-referencing in all reports and communications to  
9 ADMINISTRATOR.

10 AO. NPI means the standard unique health identifier that was adopted by the Secretary of HHS  
11 Services under HIPAA of 1996 for health care providers. All HIPAA covered healthcare providers,  
12 individuals, and organizations must obtain an NPI for use to identify themselves in HIPAA standard  
13 transactions. The NPI is assigned for life.

14 AP. NOA-A means a Medi-Cal requirement that informs the beneficiary that she/he is not entitled to  
15 any specialty mental health service. The COUNTY has expanded the requirement for an NOA-A to all  
16 beneficiaries requesting an assessment for services and found not to meet the Medical Necessity criteria  
17 for specialty mental health services.

18 AQ. NPP means a document that notifies Clients of uses and disclosures of PHI. The NPP may be  
19 made by, or on behalf of, the health plan or health care provider as set forth in the of 1996 HIPAA.

20 AR. Outcomes Analyst/Data Mining Analyst means an individual who ensures that an FSP program  
21 maintains a focus on program outcomes. This individual will be responsible for reviewing outcome  
22 data, analyzing data, and developing strategies for gathering new data from Client's perspective to  
23 improve FSP's understanding of Client's needs and desires towards furthering their Recovery. This  
24 individual will also provide feedback to the program and work collaboratively with the employment  
25 specialist, education specialist, benefits specialist, and other staff in the program to strategize and  
26 improve outcomes in service delivery. In addition, this position will be responsible for attending all data  
27 and outcome related meetings and ensuring that the FSP is being proactive in all data collection  
28 requirements and changes at the local and state levels.

29 AS. Outreach means linking potential Clients to appropriate mental health services within the  
30 community. Outreach activities will include educating the community about the services offered and  
31 requirements for participation in the programs. Such activities may result in the CONTRACTOR  
32 developing referral sources for Clients from various programs being offered within the community.

33 AT. Parent Partner means an individual who supports and assists other parent(s)/guardian(s) with  
34 children or youth in the system and is hired due to his/her own personal experience and knowledge in  
35 raising a child or youth with emotional/behavioral disturbance. For Wraparound Orange County, it is  
36 required that this individual has exposure to COUNTY's Welfare Services, Probation, or Mental Health  
37 System and can provide support to the Family Team and the parent(s)/guardian(s) in particular.



1 AU. PSC means an individual with a Bachelor's degree in human services or related field. It is  
 2 preferred that the individual has at least two years of related experience with mental health services, or  
 3 three years' experience as a Client in a similar program who has graduated to self-sufficiency. A PSC  
 4 leads the implementation of a service plan covering an entire range of needs for the Client and/or  
 5 Client's family to promote success, safety, and permanence in the home, school, workforce, and  
 6 community and lead Clients to self-sufficiency.

7 AV. PBM Company means a company contracted by the COUNTY that manages the medication  
 8 benefits for Clients that are qualified for medication benefits.

9 AW. POC means a written plan, including by reference any Juvenile Court order(s), developed and  
 10 signed by the Family Team that includes the following elements:

- 11 1. A statement of an overall goal or vision for the Client and Client's family.
- 12 2. The strengths of the Client and Client's family.
- 13 3. The needs, as defined by specific life areas that must be met to achieve the goal(s) of the  
 14 Client and Client's family.
- 15 4. Prevention and intervention Safety Plans.
- 16 5. The type, frequency, and duration of intervention strategies.
- 17 6. Financial responsibility for the components of the POC.
- 18 7. Desired outcomes.

19 AX. Pre-Licensed Psychologist means an individual who has a Ph.D. or Psy.D. in Clinical  
 20 Psychology and is registered with the Board of Psychology as a Registered Psychologist or  
 21 Psychological Assistant, while acquiring hours for licensing and providing services under a waiver in  
 22 accordance with WIC section 575.2. The waiver may not exceed five (5) years.

23 AY. Pre-Licensed Therapist means an individual who has a Master's Degree in social work or MFT,  
 24 PCC and is registered with the BBS as an associate clinical social worker, PCC intern, or MFT intern,  
 25 while acquiring hours for licensing. Registration is subject to regulations adopted by BBS.

26 AZ. Program Director means an individual who is responsible for all aspects of administration and  
 27 clinical operations of the mental health program, including development and adherence to the annual  
 28 budget. This individual will also be responsible for the following: hiring, development and  
 29 performance management of professional and support staff, and ensuring mental health treatment  
 30 services are provided in concert with local and state rules and regulations.

31 BA. Promotora de Salud Model means a model where trained individuals, Promotores, work towards  
 32 improving the health of the communities by linking neighbors to health care and social services as well  
 33 as educating peers about mental illness, disease and injury prevention.

34 BB. Promotores means individuals who are members of the community that function as natural  
 35 helpers to address some of the communities' unmet mental health, health and human service needs.

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1 They are individuals who represent the ethnic, socio-economic and educational traits of the population  
 2 being served. Promotores are respected and recognized by peers and have the pulse of the community's  
 3 needs.

4 BC. PHI means individually identifiable health information usually transmitted through electronic  
 5 media. PHI can be maintained in any medium as defined in the regulations, or for an entity such as a  
 6 health plan, transmitted or maintained in any other medium. It is created or received by a covered entity  
 7 and is related to the past, present, or future physical or mental health or condition of an individual,  
 8 provision of health care to an individual, or the past, present, or future payment for health care provided  
 9 to an individual.

10 BD. Psychiatrist means an individual who meets the minimum professional and licensure  
 11 requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of  
 12 experience treating children and TAY.

13 BE. Psychology Student or Psychology Intern means an individual who is in school pursuing a  
 14 Ph.D. or Psy.D. in Clinical Psychology, and may or may not meet the criteria for a DHCS Waiver in  
 15 order to provide services in accordance with DHCS Information Letter No. 10-03. The waiver may not  
 16 exceed (5) years.

17 BF. QIC means a committee that meets quarterly to review one percent (1%) of all "high-risk"  
 18 Medi-Cal Clients in order to monitor and evaluate the quality and appropriateness of services provided.  
 19 At a minimum, the committee is comprised of one (1) ADMINISTRATOR, one (1) clinician, and one (1)  
 20 physician who are not involved in the clinical care of the cases.

21 BG. RCL Group Home means a group home reviewed by the State Department of Social Services,  
 22 Foster Care Rates Bureau, that meets the requirements for a RCL of 1 to 14, to provide eligible minors  
 23 room and board and supervision.

24 BH. Referral means effectively linking Clients to other services within the community and  
 25 documenting follow-up provided within five (5) business days to assure that Clients have made contact  
 26 with the referred service(s).

27 BI. Registered Nurse means a licensed individual, pursuant to the provisions of Chapter 6 of the  
 28 California Business and Professions Code, who can provide clinical services to Clients. The license  
 29 must be current and in force, and has not been suspended or revoked. Also, it is preferred that the  
 30 individual has at least one (1) year of experience treating children and TAY.

31 BJ. Student Intern means student(s) currently enrolled in an accredited graduate or undergraduate  
 32 program and is/are accumulating supervised work experience hours as part of field work, internship, or  
 33 practicum requirements. Acceptable programs include all programs that assist students in meeting the  
 34 educational requirements to be a Licensed MFT, a LCSW, a Licensed Clinical Psychologist, a Licensed  
 35 PCC, or to obtain a Bachelor's degree. Individuals with graduate degrees and have two (2) years of full-  
 36 time experience in a mental health setting, either post-degree or as part of the program leading to the  
 37 graduate degree, are not considered as students.

1 BK. Supervisory Review means ongoing clinical case reviews in accordance with procedures  
2 developed by the COUNTY to determine the appropriateness of the diagnosis and treatment plan for  
3 Clients, as well as to monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting  
4 standards. Supervisory review is conducted by the program/clinic director or designee.

5 BL. Token means the security device which allows an end-user to access ADMINISTRATOR's  
6 computer based IRIS.

7 BM. UMDAP means the method used for determining the annual Client liability for mental health  
8 services received from the COUNTY's mental health system and is set by the State of California.

9 BN. Wellness Coordinator means an individual who specializes in assisting Clients with access to a  
10 myriad of health care needs, nutrition resources, and other community supports. This individual will be  
11 responsible for documenting the services required, as well as communicating the needs of Clients to the  
12 Family Team.

13 BO. Wraparound Orange County means the wraparound program administered by COUNTY's SSA  
14 and is available to children and TAY who are returning from or being considered for placement in group  
15 homes.

16 BP. Youth Partner/Specialist means an individual who has a high school diploma, preferably a  
17 bachelor's degree in human services or a related field, and has a background working with children and  
18 TAY. This individual is to provide consistent, reinforcing support to Clients by allowing opportunities  
19 for Clients to learn and practice social behavior, problem solving skills, and coping skills. In the spirit  
20 of MHSA, these positions can be filled by adequate numbers of bilingual, bicultural staff in order to  
21 meet the referral needs of the program and the threshold language requirements for COUNTY. It is also  
22 recommended by COUNTY that former mental health Clients and/or their family members be given  
23 priority for these positions due to their unique insight into the experiences of Clients.

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**II. BUDGET**

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

	<u>TOTAL</u>
<del>ADMINISTRATIVE COST</del>	
<del>Indirect</del>	<del>\$ 357,736</del>
<del>SUBTOTAL</del>	<del>\$ 357,736</del>
 <del>PROGRAM COST</del>	
<del>Salaries</del>	<del>\$1,438,306</del>
<del>Benefits</del>	<del>\$ 359,580</del>
<del>Services and Supplies</del>	<del>\$ 296,992</del>
<del>Flex Funds</del>	<del>\$ 837,386</del>
<del>SUBTOTAL</del>	
<del>PROGRAM COST</del>	<del>\$2,932,264</del>
 <del>TOTAL GROSS COST</del>	<del>\$3,290,000</del>
 <del>REVENUE</del>	
<del>MHSA</del>	<del>\$2,972,200</del>
<del>Federal Medi-Cal</del>	<del>\$ 317,800</del>
 <del>TOTAL REVENUE</del>	<del>\$3,290,000</del>
 <del>TOTAL</del>	
<del>MAXIMUM OBLIGATION</del>	<del>\$3,290,000</del>

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

	<u>PERIOD ONE</u>	<u>PERIOD TWO</u>	<u>TOTAL</u>
<u>ADMINISTRATIVE COST</u>			
<u>Indirect</u>	<u>\$ 357,736</u>	<u>\$ 178,868</u>	<u>\$ 536,604</u>

1	<b><u>PROGRAM COST</u></b>			
2	Salaries	\$1,438,306	\$ 719,153	\$ 2,157,459
3	Benefits	359,580	179,790	539,370
4	Services and Supplies	296,992	148,496	445,488
5	Flex Funds	837,386	418,693	1,256,079
6	<b><u>SUBTOTAL PROGRAM COST</u></b>	<b><u>\$2,932,264</u></b>	<b><u>\$1,466,132</u></b>	<b><u>\$ 4,398,396</u></b>
7				
8	<b><u>TOTAL GROSS COST</u></b>	<b><u>\$3,290,000</u></b>	<b><u>\$1,645,000</u></b>	<b><u>\$ 4,935,000</u></b>
9				
10	<b><u>REVENUE</u></b>			
11	MHSA	\$2,972,200	\$1,486,100	\$ 4,458,300
12	Federal Medi-Cal	317,800	158,900	476,700
13	<b><u>TOTAL REVENUE</u></b>	<b><u>\$3,290,000</u></b>	<b><u>\$1,645,000</u></b>	<b><u>\$ 4,935,000</u></b>
14	<b><u>TOTAL MAXIMUM OBLIGATION</u></b>	<b><u>\$3,290,000</u></b>	<b><u>\$1,645,000</u></b>	<b><u>\$4,935,000</u></b>

16 B. CONTRACTOR agrees The total cost of services provided for in the Agreement are based upon  
17 projected revenue generation and shall be reimbursed by federal Medi-Cal and COUNTY MHSA  
18 revenues. CONTRACTOR agrees that if actual federal Medi-Cal reimbursement, based upon the  
19 completed Cost Report, as specified in the Cost Report Paragraph of the Agreement, for each Fiscal  
20 Year is less than budgeted, the Maximum Obligation may, at ADMINISTRATOR's sole discretion, be  
21 adjusted down by the amount of under generated federal Medi-Cal revenue. CONTRACTOR further  
22 agrees that MHSA revenue shall be used to cover the cost of non-Medi-Cal Clients and/or non-Medi-Cal  
23 billable services and shall not exceed the amounts specified in the Budget Paragraph, Subparagraph A.  
24 of this Exhibit A to the Agreement, unless authorized, in writing, by ADMINISTRATOR.

25 C. In the event CONTRACTOR collects fees and insurance, including Medicare, for services  
26 provided pursuant to the Agreement, CONTRACTOR may make written application to  
27 ADMINISTRATOR to retain such revenues; provided, however, the application must specify that the  
28 fees and insurance shall be utilized exclusively to provide Mental Health Services. ADMINISTRATOR  
29 may, at its sole discretion, approve any such retention of revenues. Approval by ADMINISTRATOR  
30 shall be in writing to CONTRACTOR and shall specify the amount of said revenues to be retained and  
31 the quantity of services to be provided by CONTRACTOR

32 D. BUDGET/STAFFING MODIFICATIONS - CONTRACTOR may request to shift funds  
33 between budgeted line items for the purpose of meeting specific program needs or for providing  
34 continuity of care to its members, by utilizing a Budget/Staffing Modification Request form provided by  
35 ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing Modification  
36 Request to ADMINISTRATOR for consideration, in advance, which shall include a justification  
37 narrative specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining

1 impact of the shift as may be applicable to the current contract period and/or future contract periods.  
 2 CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from  
 3 ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain  
 4 written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s)  
 5 may result in disallowance of those costs.

6 E. In the event CONTRACTOR collects fees and insurance, including Medicare, for services  
 7 provided pursuant to the Agreement, CONTRACTOR may make written application to  
 8 ADMINISTRATOR to retain such revenues; provided, however, the application must specify that the  
 9 fees and insurance shall be utilized exclusively to provide Mental Health Services. ADMINISTRATOR  
 10 may, at its sole discretion, approve any such retention of revenues. Approval by ADMINISTRATOR  
 11 shall be in writing to CONTRACTOR and shall specify the amount of said revenues to be retained and  
 12 the quantity of services to be provided by CONTRACTOR.

13 F. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete  
 14 financial records of its cost and operating expenses. Such records will reflect the actual cost of the type  
 15 of service for which payment is claimed. Any apportionment of or distribution of costs, including  
 16 indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will  
 17 be made in accordance with GAAP.

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

### 20 **III. PAYMENTS**

21  
 22 A. COUNTY shall pay CONTRACTOR monthly, in arrears, the provisional amount of  
 23 \$274,167 per month for each period as specified in the Referenced Contract Provisions of the  
 24 Agreement. All payments are interim payments only, and subject to Final Settlement in accordance  
 25 with the Cost Report Paragraph of the Agreement for which CONTRACTOR shall be reimbursed for  
 26 the actual cost of providing the services hereunder; provided, however, the total of such payments does  
 27 not exceed COUNTY's Maximum Obligation as specified in the Referenced Contract Provisions of the  
 28 Agreement and, provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY,  
 29 state, and federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices for  
 30 any month for which the provisional amount specified above has not been fully paid.

31 1. In support of the monthly invoice, CONTRACTOR shall submit an Expenditure and  
 32 Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Agreement.  
 33 ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to  
 34 CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.

35 2. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the  
 36 provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may  
 37 reduce payments to CONTRACTOR by an amount not to exceed the difference between the

1 year-to-date provisional amount payments to CONTRACTOR's and the year-to-date actual cost  
2 incurred by CONTRACTOR.

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

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

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

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

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

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

#### 23 24 **IV. REPORTS**

##### 25 **A. FISCAL**

26 1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to  
27 ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by,  
28 ADMINISTRATOR and shall report actual costs and revenues for CONTRACTOR's program described  
29 in the Services Paragraph of this Exhibit A to the Agreement. Any changes, modifications, or  
30 deviations to any approved budget line item must be approved in advance and in writing by  
31 ADMINISTRATOR and annotated on the monthly Expenditure and Revenue Report, or said cost  
32 deviations may be subject to disallowance. Such reports shall be received by ADMINISTRATOR no  
33 later than twenty (20) calendar days following the end of the month being reported.

34 2. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR. These  
35 reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report  
36 anticipated year-end actual costs and revenues for CONTRACTOR's program described in the Services  
37 Paragraph of this Exhibit A to the Agreement. Such reports shall include actual monthly costs and



1 revenue to date and anticipated monthly costs and revenue to the end of the fiscal year, and shall include  
 2 a projection narrative justifying the year-end projections. Year-End Projection Reports shall be  
 3 submitted in conjunction with the Monthly Expenditure and Revenue Reports.

4 B. STAFFING REPORT –CONTRACTOR shall submit monthly Staffing Reports to  
 5 ADMINISTRATOR. CONTRACTOR’s reports shall contain required information, and be on a form  
 6 acceptable to, or provided by ADMINISTRATOR. CONTRACTOR shall submit these reports no later  
 7 than twenty (20) calendar days following the end of the month being reported.

8 C. PROGRAMMATIC –CONTRACTOR shall submit monthly Programmatic reports to  
 9 ADMINISTRATOR. These reports shall be in a format approved by ADMINISTRATOR and shall  
 10 include but not limited to, descriptions of any performance objectives, outcomes, and or interim findings  
 11 as directed by ADMINISTRATOR. CONTRACTOR shall be prepared to present and discuss the  
 12 programmatic reports at the monthly meetings with ADMINISTRATOR, to include whether or not  
 13 CONTRACTOR is progressing satisfactorily and if not, specify what steps are being taken to achieve  
 14 satisfactory progress. Such reports shall be received by ADMINISTRATOR no later than twentieth  
 15 (20th) calendar day following the end of the month being reported.

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

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

## 22 V. SERVICES

### 23 A. FACILITIES

24 1. CONTRACTOR shall maintain a minimum of one (1) fully licensed and appropriate  
 25 facility for the provision of Children and Transitional Age Youth Full Service Partnership/Wraparound  
 26 Services which meets the minimum requirements for Medi-Cal eligibility at the following location or  
 27 any other location(s) approved by ADMINISTRATOR:  
 28

29 3188 “F” Airway Avenue, Suite F/G  
 30 Costa Mesa, CA 92626  
 31

32 2. CONTRACTOR shall maintain regularly scheduled service hours, throughout the year, and  
 33 maintain the capability to provide services during after-school hours on weekdays, and on the weekends,  
 34 if necessary, in order to accommodate Clients.

35 a. CONTRACTOR’s administrative staff holiday schedule shall be consistent with  
 36 COUNTY’s holiday schedule unless otherwise approved, in advance and in writing, by  
 37 ADMINISTRATOR.

1 b. CONTRACTOR shall provide Clients and/or their family members with twenty-four  
 2 (24)-hour a day, seven (7) day a week, and three hundred and sixty five (365) day a year access to their  
 3 assigned case manager or designee acceptable to COUNTY. CONTRACTOR shall also develop with  
 4 each Client and/or Client's family a plan for crisis intervention services which includes whom to contact  
 5 for emergency services.

6 3. Upon COUNTY's certification of the provider's existing site, the CONTRACTOR shall be  
 7 responsible for making any necessary changes to meet and maintain Medi-Cal site standards.

#### 8 B. FSP/FSW SERVICES

9 1. CONTRACTOR shall assess potential Clients meeting the following criteria unless written  
 10 exception is granted by ADMINISTRATOR:

11 a. Individuals under the age of eighteen (18) years of age (until eighteenth [18th]  
 12 birthday);

13 b. Individuals eighteen (18) through twenty-five (25) years of age (until twenty-sixth  
 14 [26th] birthday) who are legally residing in COUNTY and otherwise eligible for public services under  
 15 federal and state law;

16 c. Displaying behaviors or a history indicative of Serious Emotional Disorder as defined  
 17 by the WIC Section 5600.3; and

18 d. In one of the following target groups:

19 1) homeless;

20 2) unserved or underserved because of linguistic or cultural isolation;

21 3) with a history of multiple psychiatric hospitalizations;

22 4) experiencing their first psychotic episodes;

23 5) uninsured and exiting the Social Service or Probation systems;

24 6) with special needs and/or co-occurring disorders; or

25 2. CONTRACTOR shall coordinate referrals with other existing wraparound and mental  
 26 health services to ensure that all Clients and/or their families are given access to the most appropriate  
 27 level and type of services. Other services may include Wraparound Orange County, MHSA FSP  
 28 programs for children and/or adults, and other COUNTY mental health services.

29 3. CONTRACTOR shall provide supportive services for all persons referred but not admitted  
 30 to the FSW until those persons can be engaged in alternative services. Referrals to alternate services,  
 31 and the supported services provided until engagement, will be reviewed and approved by  
 32 ADMINISTRATOR.

33 4. CONTRACTOR shall provide a FSW program that will provide in-home, intensive, mental  
 34 health case management services addressing family needs across all life domains of the Client. In the  
 35 program, a case manager and an enrollee/family will form a service team which will identify strengths,  
 36 needs and resources, including additional people to be added to the team. The team will develop a  
 37 service plan for each enrollee within thirty (30) calendar days of enrollment. The implementation of the

1 service plan will be the responsibility of the team using a “whatever-it-takes” approach to promote  
 2 success, safety and permanence in the home, school, and community. The plan will cover the entire  
 3 range of needs for the Client and/or their family: housing, employment and medical, etc. in addition to  
 4 mental health services. The team will be responsible for identifying ways of addressing need through  
 5 linkage to existing services in the community and will also have limited access to additional funding to  
 6 access other needed services or support as necessary.

7 5. CONTRACTOR shall ensure that every Client is engaged in mental health treatment  
 8 appropriate to his/her diagnosis and level of distress. Therapists, psychiatrist, and others providing  
 9 treatment will be included on the FSW team unless otherwise approved in writing by  
 10 ADMINISTRATOR.

11 6. CONTRACTOR shall collect and input all data about characteristics and progress of the  
 12 Clients into a Data Collection System or other database as mandated by the State and/or  
 13 ADMINISTRATOR.

14 7. CONTRACTOR shall review the financial status of all enrollees using the UMDAP, unless  
 15 otherwise approved in writing by COUNTY.

16 8. CONTRACTOR shall maximize collection of Medi-Cal and other third party payors  
 17 whenever appropriate and in accordance with all State and COUNTY procedures.

18 9. CONTRACTOR shall secure agreement from ADMINISTRATOR prior to recommending  
 19 a Client for discharge. Planning for discharge or transition to an appropriate alternative service shall be  
 20 initiated at admission to the FSW and be incorporated into the service plan.

21 10. CONTRACTOR shall develop and maintain an advisory committee for the FSW services,  
 22 which shall meet at least monthly to review and comment on the progress of the program. Clients,  
 23 former Clients, and/or their family members shall be represented on the committee, as well as relevant  
 24 community representatives mutually agreed upon by ADMINISTRATOR and CONTRACTOR.

25 11. CONTRACTOR shall participate in any clinical case review and implement any  
 26 recommendations made by COUNTY to improve Client care.

27 12. CONTRACTOR shall conduct Supervisory Review at sixty (60) calendar day and six (6)  
 28 month intervals, in accordance with procedures developed by ADMINISTRATOR. CONTRACTOR  
 29 shall conduct thirty (30)-day review of open cases, or previously opened with another provider.  
 30 CONTRACTOR shall ensure that all chart documentation complies with all federal, state, and local  
 31 guidelines and standards.

32 13. CONTRACTOR shall ensure that all clinical documentation is completed promptly and is  
 33 reflected on the Client’s chart within twenty-four (24) hours after the completion of services.

#### 34 C. FLEXIBLE FUNDS

35 1. CONTRACTOR shall follow the procedures identified below and as specified by  
 36 ADMINISTRATOR, regarding the request for, use, and accounting of Individual Services and Support  
 37 funds (Flexible Funds):

1 a. Flexible Funds shall be individualized, appropriate, reasonable, and justified for the  
2 treatment of a Client's mental illness and overall quality of life;

3 b. Flexible Funds may be utilized when other community resources such as  
4 family/friends, food banks, shelters, charitable organizations, etc. are not available and/or accessible in a  
5 timely manner, or are not appropriate for a Client's situation. Designated CONTRACTOR staff shall  
6 assist Clients in exploring other available resources whenever possible, prior to utilizing Flexible Funds;

7 c. Flexible Funds expenditures for various types of purchases shall be identified as  
8 allowable, unallowable, or require discussion with ADMINISTRATOR;

9 d. Flexible Funds shall not to be used for housing for Clients that have not been enrolled  
10 in CONTRACTOR's program, unless approved, in advance and in writing, by ADMINISTRATOR;

11 e. Flexible Funds shall not be given in the form of cash to any Client, either enrolled or in  
12 the outreach and engagement phase of the CONTRACTOR's program;

13 f. Pre-purchases shall only be for food, transportation, clothing and motels or other  
14 purchases as required and appropriate, and approved in advance and in writing, by ADMINISTRATOR;

15 g. Pre-purchases of food, transportation, and clothing vouchers and/or gift cards shall be  
16 limited to a combined \$5,000 supply on-hand at any given time, and that all voucher and/or gift card  
17 purchases and disbursements shall be tracked and logged by designated CONTRACTOR staff.  
18 Vouchers and/or gift cards shall be limited in monetary value to not more than \$25 each, unless  
19 otherwise approved in advance and in writing, by ADMINISTRATOR.

20 h. Pre-purchases for motels shall be on a case-by-case basis and time-limited in nature,  
21 and only utilized while more appropriate housing is being located. Pre-purchases of motel rooms shall  
22 be tracked and logged upon purchase and disbursement.

23 2. CONTRACTOR's process for documenting and accounting for all Flexible Fund  
24 expenditures, shall include, but not be limited to, retention of comprehensible source documentation  
25 such as receipts, copies of lease/rental agreements for Client housing, general ledgers, and needs shall be  
26 documented in Client's MHP;

27 3. CONTRACTOR shall obtain written authorization from ADMINISTRATOR for individual  
28 purchases made on behalf of a Client and/or Client family member(s) in the amount(s) as determined by  
29 ADMINISTRATOR;

30 a. Gift cards and vouchers for Clients shall be securely stored and documentation of their  
31 disbursement, including end-of-year process accounting for gift cards still in staff possession, shall be  
32 maintained by CONTRACTOR.

33 b. A single Flexible Fund expenditure, in excess of \$1,000, shall not be made without  
34 prior written approval of ADMINISTRATOR. In emergency situations, CONTRACTOR may exceed  
35 the \$1,000 limit, if appropriate and justified, and shall notify ADMINISTRATOR the next business day  
36 of such an expense. Said notification shall include total costs and a justification for the expense. Failure  
37 to notify ADMINISTRATOR within the specified timeframe may result in disallowance of the

1 expenditure;

2 4. CONTRACTOR shall designate staff to authorize Flexible Fund expenditures and that the  
3 mechanism used to ensure this staff has timely access to Flexible Funds is identified;

4 5. CONTRACTOR shall report Flexible Funds expenditure detail monthly, on a form  
5 provided or approved by ADMINISTRATOR. The Flexible Fund report shall be submitted with  
6 CONTRACTOR's monthly Expenditure and Revenue Report. The report will be received by  
7 ADMINISTRATOR no later than the twentieth (20th) day following the end of the month being  
8 reported. CONTRACTOR must request in writing any extensions to the due date of the monthly report.

9 6. CONTRACTOR shall develop and maintain a P&P regarding Flexible Funds that  
10 incorporates at a minimum the requirements as specified in Subparagraph C.1., above. CONTRACTOR  
11 shall submit said P&P to ADMINISTRATOR no later than twenty (20) calendar days from the start of  
12 the Agreement. If the Flexible Fund P&P has not been approved by ADMINISTRATOR within sixty  
13 (60) calendar days from the start of the Agreement, any subsequent Flexible Fund expenditures may be  
14 disallowed by ADMINISTRATOR.

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

## 17 **VI. STAFFING**

18 A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in FTEs  
19 continuously throughout the term of the Agreement. One (1) FTE shall be equal to an average of forty  
20 (40) hours of work per week to provide FSW services.  
21

22	PROGRAM	FTE
23	Regional Director	0.25
24	Program Director	1.00
25	Office Manager	1.00
26	Office Assistant	4.00
27	Office Assistant – (QI Technical Focused)	1.00
28	Volunteer Coordinator	0.17
29	Quality Improvement Administrator	0.11
30	Billing Administrator	0.11
31	Outcomes Analyst	0.50
32	Clinical Manager	1.00
33	Pre-Licensed Therapist	1.00
34	Lead Personal Service Coordinator	2.00
35	Personal Service Coordinator	16.00
36	Housing Specialist	1.00
37		



1	Education and Employment Coordinator	1.00
2	Youth Partner	2.00
3	Parent Partner	<u>3.00</u>
4	TOTAL PROGRAM FTEs	35.14

6 B. CONTRACTOR shall have as Head of Service; a licensed mental health professional, in  
7 conformance to one of the following staff categories: Psychiatrist, Licensed Psychologist, LCSW,  
8 LPCC, Licensed MFT, RN, LVN, or LPT.

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

17 D. CONTRACTOR shall maintain personnel files for each staff person, including management and  
18 other administrative positions, both direct and indirect to the Agreement, which shall include, but not be  
19 limited to, an application for employment, qualifications for the position, applicable licenses, Live Scan  
20 results, waivers, registrations, documentation of bicultural/bilingual capabilities (if applicable), pay rate  
21 and evaluations justifying pay increases.

22 E. CONTRACTOR shall notify ADMINISTRATOR, in writing, no later than seventy-two (72)  
23 hours of any staffing vacancies or filling of vacant positions that occur during the term of the  
24 Agreement. CONTRACTOR's notification shall include at a minimum the following information:  
25 employee name(s), position title(s), date(s) of resignation, date(s) of hire, and a description of  
26 recruitment activity.

27 F. CONTRACTOR shall notify ADMINISTRATOR, in writing, no later than seven (7) business  
28 days, in advance, of any proposed staffing changes, including but not limited to promotions, temporary  
29 FTE changes, and temporary staffing assignments that occur during the term of the Agreement.

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

36 H. CONTRACTOR shall recruit, hire, train, and maintain staff that are persons in recovery, and/or  
37 family members of persons in recovery. These individuals shall not be currently receiving services



1 directly from CONTRACTOR. Documentation may include, but not be limited to, the following:  
 2 records attesting to efforts made in recruitment and hiring practices and identification of measures taken  
 3 to enhance accessibility for potential staff in these categories.

4 I. CONTRACTOR shall provide a minimum of one (1) hour of individual or two (2) hours of  
 5 group supervision weekly to FSW direct service staff covering suicide assessment and crisis  
 6 intervention, developing safety plans, maintaining healthy boundaries, reporting child abuse, dealing  
 7 with difficult Clients, meeting facilitation and medication, confidentiality, identification of strengths,  
 8 promoting life skills and such other topics identified by the ADMINISTRATOR. Formal training  
 9 sessions may also be used to cover these topics but cannot substitute for weekly supervision hours.

10 J. CONTRACTOR shall maintain a current signature list including each supervisor and provider  
 11 of direct services who signs chart documentation. The list shall include the printed/type staff name and  
 12 title, followed by the legal signature with title as it appears on all chart documents. For licensed or  
 13 registered clinical staff, the name must match the name on the license or registration.

14 ~~K. WORKLOAD STANDARDS—CONTRACTOR understands and agrees that at any given time~~  
 15 ~~the standards referenced below are minimum standards, and shall make every effort to exceed these~~  
 16 ~~minimums.~~

17 ~~1. One (1) DSH shall be equal to sixty (60) minutes of direct Client service.~~

18 ~~2. CONTRACTOR shall provide a minimum of twenty three thousand one hundred and sixty~~  
 19 ~~(23,160) hours of client related service, of mental health, case management, crisis intervention, and~~  
 20 ~~other support services and is inclusive of both billable and non billable services.~~

21 ~~3. CONTRACTOR shall, at a minimum, provide the following DSH per FTE:~~

22 ~~a. Clinical Manager shall provide thirty (30) DSH per month or three hundred and sixty~~  
 23 ~~(360) DSH per year.~~

24 ~~b. Recovery Specialist/Pre Licensed Therapist shall provide fifty five (55) DSH per month~~  
 25 ~~or six hundred and sixty (660) DSH per year.~~

26 ~~c. Lead Personal Service Coordinator shall provide thirty (30) DSH per month or three~~  
 27 ~~hundred and sixty (360) DSH per year.~~

28 ~~d. Personal Service Coordinator shall provide eighty five (85) DSH per month or one~~  
 29 ~~thousand twenty (1,020) DSH per year.~~

30 ~~e. Housing Specialist shall provide fifty (50) DSH per month or six hundred (600) DSH~~  
 31 ~~per year.~~

32 ~~f. Education and Employment Coordinator shall provide fifty (50) DSH per month or six~~  
 33 ~~hundred (600) DSH per year.~~

34 ~~g. Youth Partner shall provide sixty five (65) DSH per month or seven hundred eighty~~  
 35 ~~(780) DSH per year.~~

36 ~~h. Parent Partner shall provide sixty five (65) DSH per month or seven hundred eighty~~  
 37 ~~(780) DSH per year.~~

~~4. CONTRACTOR shall maintain an ongoing minimum caseload of one hundred seventy two (172) unduplicated Clients/Client families throughout the term of the Agreement, unless otherwise approved by ADMINISTRATOR.~~

~~5. CONTRACTOR shall provide a minimum of eight thousand six hundred (8,600) Face to Face Contacts with Clients/Client families per year for FSW services.~~

~~6. CONTRACTOR shall ensure a Face to Face contact weekly for every Client and/or their family admitted to the program, unless written exception is granted by ADMINISTRATOR.~~

~~7. CONTRACTOR shall provide Face to Face contact within three (3) business days of Client's referral for services.~~

~~8. CONTRACTOR shall not refuse Client referrals if any of CONTRACTOR's staff are below workload standards, as defined in Subparagraph V.K. of this Exhibit A of the Agreement, unless otherwise approved by ADMINISTRATOR.~~

"K. WORKLOAD STANDARDS – CONTRACTOR understands and agrees that at any given time the standards referenced below are minimum standards, and shall make every effort to exceed these minimums.

1. One (1) DSH shall be equal to sixty (60) minutes of direct Client service.

2. For Period One, CONTRACTOR shall provide a minimum of twenty-three thousand one hundred and sixty (23,160) hours of client related service, of mental health, case management, crisis intervention, and other support services and is inclusive of both billable and non-billable services.

3. For Period Two, CONTRACTOR shall provide a minimum of twenty-three thousand one hundred and sixty (11,580) hours of client related service, of mental health, case management, crisis intervention, and other support services and is inclusive of both billable and non-billable services.

4. CONTRACTOR shall, at a minimum, provide the following DSH per FTE:

a. Clinical Manager shall provide thirty (30) DSH per month or three hundred and sixty (360) DSH per year.

b. Pre Licensed Therapist shall provide fifty five (55) DSH per month or six hundred and sixty (660) DSH per year.

c. Lead Personal Service Coordinator shall provide thirty (30) DSH per month or three hundred and sixty (360) DSH per year.

d. Personal Service Coordinator shall provide eighty five (85) DSH per month or one thousand twenty (1,020) DSH per year.

e. Housing Specialist shall provide fifty (50) DSH per month or six hundred (600) DSH per year.

f. Education and Employment Coordinator shall provide fifty (50) DSH per month or six hundred (600) DSH per year.

g. Youth Partner shall provide sixty five (65) DSH per month or seven hundred eighty (780) DSH per year.

1 h. Parent Partner shall provide sixty five (65) DSH per month or seven hundred eighty  
2 (780) DSH per year.

3 5. CONTRACTOR shall maintain an ongoing minimum caseload of one hundred seventy two  
4 (172) unduplicated Clients/Client families throughout the term of the Agreement, unless otherwise  
5 approved by ADMINISTRATOR.

6 6. For Period One, CONTRACTOR shall provide a minimum of eight thousand six hundred  
7 (8,600) Face-to-Face Contacts with Clients/Client families for FSW services.

8 7. For Period Two, CONTRACTOR shall provide a minimum of four thousand three hundred  
9 (4,300) Face-to-Face Contacts with Clients/Client families for FSW Services.

10 8. CONTRACTOR shall ensure a Face-to-Face contact weekly for every Client and/or their  
11 family admitted to the program, unless written exception is granted by ADMINISTRATOR.

12 9. CONTRACTOR shall provide Face-to-Face contact within three (3) business days of  
13 Client's referral for services.

14 10. CONTRACTOR shall not refuse Client referrals if any of CONTRACTOR's staff are  
15 below workload standards, as defined in Subparagraph V.K. of this Exhibit A of the Agreement, unless  
16 otherwise approved by ADMINISTRATOR." L. STUDENT INTERNS

17 1. CONTRACTOR may augment the above paid staff with volunteers or interns upon written  
18 approval of ADMINISTRATOR.

19 a. CONTRACTOR shall meet minimum requirements for supervision of each student  
20 intern as required by the State Licensing Board and/or school program descriptions or work contracts.

21 b. Student intern services shall not comprise more than twenty percent (20%) of total  
22 services provided.

23 2. CONTRACTOR shall provide a minimum of two (2) hours per week supervision to each  
24 student intern providing Mental Health Services and one (1) hour of supervision for each ten (10) hours  
25 of treatment for student interns providing substance abuse services. CONTRACTOR shall provide  
26 supervision to volunteers as specified in the respective job descriptions or work contracts.

27 M. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
28 Staffing Paragraph of this Exhibit A to the Agreement.

29 //

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1 EXHIBIT B  
 2 TO AGREEMENT FOR PROVISION OF  
 3 CHILDREN AND TRANSITIONAL AGE YOUTH  
 4 FULL-SERVICE PARTNERSHIP/WRAPAROUND SERVICES  
 5 BETWEEN  
 6 COUNTY OF ORANGE  
 7 AND  
 8 PROVIDENCE COMMUNITY SERVICES LLC  
 9 JULY 1, 2015 THROUGH JUNE 30, 2016

10  
11 **I. BUSINESS ASSOCIATE CONTRACT**

12 A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

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

#### 4 B. DEFINITIONS

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

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

##### 11 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

36 5. "Disclosure" shall have the meaning given to such term under the HIPAA regulations in 45  
 37 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  
4 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance  
5 with 45 CFR § 164.502(g).

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

37 //

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

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

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

9 D. SECURITY RULE

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

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

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

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

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

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

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

37 //

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

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

7 E. DATA SECURITY REQUIREMENTS

8 1. Personal Controls

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

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

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

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

34 2. Technical Security Controls

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

3 3. Audit Controls

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

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

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

17 4. Business Continuity/Disaster Recovery Control

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

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

30 5. Paper Document Controls

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

37 //

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

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

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

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

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

## 22 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 1) The Disclosure is required by law; or

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

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

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

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

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

### 28 H. PROHIBITED USES AND DISCLOSURES

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

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

I. OBLIGATIONS OF COUNTY

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

4  
5 2. COUNTY shall notify CONTRACTOR of any changes in, or revocation of, the permission  
6 by an Individual to use or disclose his or her PHI, to the extent that such changes may affect  
7 CONTRACTOR's Use or Disclosure of PHI.

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

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

J. BUSINESS ASSOCIATE TERMINATION

13  
14 1. Upon COUNTY's knowledge of a material Breach or violation by CONTRACTOR of the  
15 requirements of this Business Associate Contract, COUNTY shall:

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

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

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

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

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

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

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

35 //

36 //

37 //



EXHIBIT C  
 TO AGREEMENT FOR PROVISION OF  
 CHILDREN'S FULL-SERVICE  
 PARTNERSHIP/WRAPAROUND SERVICES  
 BETWEEN  
 COUNTY OF ORANGE  
 AND  
 PROVIDENCE COMMUNITY SERVICES, LLC  
 JULY 1, 2015 THROUGH JUNE 30, 2016

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

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

A. DEFINITIONS

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

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

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

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

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

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

voice print, a photograph or a biometric identifier. Notice-triggering PI includes PI in electronic, paper or any other medium.

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

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

9. "Required by law" means a mandate contained in law that compels an entity to make a use or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental



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

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

9 B. TERMS OF AGREEMENT

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

14 2. Responsibilities of CONTRACTOR

15 CONTRACTOR agrees:

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

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

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

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

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

37 //

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

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

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

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

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

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

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