STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER	PURCHASING AUTHORITY NUMBER (If Applicable)
21-78005-000	4440

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
Department of State Hospitals

CONTRACTOR NAME
Orange County Health Care Agency

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
ORANGE COUNTY, CA
BY:
DocuSigned by:
Massoud Shamel
79055CA571A94F8...
5/25/2021

2. The term of this Agreement is:

START DATE
July 1, 2021

THROUGH END DATE
June 30, 2023

3. The maximum amount of this Agreement is:
$3,335,387.24
Three Million Three Hundred Thirty Five Thousand Three Hundred Eighty Seven Dollars and Twenty Four Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

	Exhibits	Title	Pages
	Exhibit A	Scope of Work	14
	Exhibit B	Budget Detail and Payment Provisions	6
	Exhibit C *	General Terms and Conditions (GTC 4/2017)	*
+ -	Exhibit D	Special Terms and Conditions	8
+ -	Exhibit E	Confidentiality and Information Security Provisions (HIPAA Business Associate Agreement)	9

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)
Orange County Health Care Agency

CONTRACTOR BUSINESS ADDRESS	CITY	STATE	ZIP
517 N. Main Street, Ste 339	Santa Ana	CA	92701

PRINTED NAME OF PERSON SIGNING	TITLE
Jeff Nagel	Deputy Agency Director

CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED

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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME Department of State Hospitals			
CONTRACTING AGENCY ADDRESS 1600 9th Street, Room101	CITY Sacramento	STATE CA	ZIP 95814
PRINTED NAME OF PERSON SIGNING Paul Bernal	TITLE Manager, PCSS		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable) W & I Code 4360 (a) & (b)		

EXHIBIT A
SCOPE OF WORK

1. CONTRACTED PARTIES

A. Orange County Health Care Agency, hereafter referred to as Contractor, agrees to provide Forensic Conditional Release Program (CONREP) services, (as defined in Section 6) to the Department of State Hospitals (DSH) pursuant to the terms and conditions of the Agreement.

2. SERVICE LOCATIONS:

A. The services shall be performed for the Department of State Hospitals at the following location(s):

☒ DSH-Atascadero 10333 El Camino Real, P.O. Box 7001 Atascadero, CA 93423-7001	☒ DSH-Coalinga 24511 West Jayne Avenue P.O. 5000 Coalinga, CA 93210
☒ DSH-Metropolitan 11401 South Bloomfield Avenue Norwalk, CA 90650	☒ DSH-Patton 3102 East Highland Avenue Patton, CA 92369
☒ DSH-Sacramento 1600 9th Street, Room 410 Sacramento, CA 95814	☒ DSH-Napa 2100 Napa-Vallejo Highway Napa, CA 94588-6293
☒ Sylmar Health & Rehabilitation Center 12220 Foothill Blvd. Sylmar, CA 91342	☒ Orange County Health Care Agency 517 North Main Street, Suite 339 Santa Ana, CA 92701 And other locations determined By Contractor

3. SERVICE HOURS:

A. The services shall be provided during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except State holidays. Contractor shall maintain a 24-hour phone line for emergency contact and keep the DSH informed of any changes to that number.

4. PROJECT REPRESENTATIVES:

A. The project representatives during the term of this Agreement will be:

Program Contacts:

Department of State Hospitals		Orange County Conditional Release Program	
Section/Unit: Conditional Release Program		Section/Unit: Health Care Agency/CONREP	
Attention: Heather Lockhart Program Operations Manager		Attention: Stacey Berardino, Ph.D. Community Program Director	
Address: 1600 9th Street, Room 410 Sacramento, CA 95814		Address: 517 N Main St., Ste 339 Santa Ana, CA 92701	
Phone: (916) 562-2986	Fax: (916) 654-2111	Phone: (714) 568-5111	Fax: (714) 568-4460
Email: heather.Lockhart@dsh.ca.gov		Email: SBerardino@ochca.com	

Administrative Contacts (all administrative inquiries should be directed to):

Department of State Hospitals		Orange County Conditional Release Program	
Section/Unit: Forensic Services Division – Admin Unit		Section/Unit: Health Care Agency/CONREP	
Attention: Heather Lockhart Program Operations Manager		Attention: Stacey Berardino, Ph.D. Community Program Director	
Address: 1600 9th Street, Room 410 Sacramento, CA 95814		Address: 517 N Main St., Ste 339 Santa Ana, CA 92701	
Phone: (916) 562-2986	Fax: (916) 654-2111	Phone: (714) 568-5111	Fax: (714) 568-4460
Email: heather.Lockhart@dsh.ca.gov		Email: SBerardino@ochca.com	

Either party may make changes to the contact names or information above by giving written notice to the other party. Said changes shall not require an amendment to this Agreement.

5. SUMMARY OF WORK TO BE PERFORMED:

A. Pursuant to Welfare and Institutions Code (WIC) Section 4360 (a) and (b), the DSH operates a CONREP. Through contracts with private providers or counties, the DSH provides a statewide system of community mental health treatment and supervision to the designated population of judicially committed individuals, including those committed pursuant to the following Penal Code (PC) and Welfare and Institutions Code (WIC) sections: Not Guilty by Reason of Insanity (PC 1026/WIC 702.3), Incompetent to Stand Trial (PC 1370), Mentally Disordered Sex Offender (former WIC 6316), Mentally Disordered Offender (PC 2972) and the Mentally Disordered Offender (PC 2964(a)) hereinafter referred to as "CONREP patients."

B. Contractor shall provide forensic treatment services to CONREP patients in the counties listed in Exhibit A, Attachment I pursuant to the CONREP Policy and Procedures Manual. The services shall focus on relapse prevention, supporting patient recognition of patterns that lead to offenses and development of alternative behaviors.

6. CONTRACTOR RESPONSIBILITIES:

A. Contractor acknowledges it has received a copy of the CONREP Policy and Procedures Manual, Volume I and II (Manual) and has had an opportunity to review the terms and provisions of the Manual and consult with independent counsel. Contractor agrees to the terms and conditions of the Manual and that the terms and conditions of the Manual are incorporated into this Agreement. The

meanings of the terms and requirements in this Agreement, unless otherwise defined in this Agreement, are defined in the Manual. In the event of an inconsistency between the Manual, attachments, specifications or provisions which constitute the Agreement, the following order of precedence shall apply:

i. Standard Agreement, STD 213; and

ii. This Exhibit A – Scope of Work, including specifications incorporated by reference; and

iii. All attachments incorporated in the Agreement by reference, and

iv. CONREP Policy and Procedure Manual, Volume I and II (the "Manual")

The Manual, as referenced in this Agreement, may be amended by the DSH from time to time. Contractor shall operate CONREP in accordance with the Manual, including any future amendments to the Manual. The DSH shall provide Contractor with notice of any amendments to the Manual. From the effective date of any amendment, Contractor shall follow the amendments required by any change in California statute or regulation. For all other amendments, Contractor shall present any of Contractor's concerns to the DSH within ten (10) business days from the date of notification, which does not relieve Contractor from adhering to any amendment, unless agreed upon in writing by the DSH. The DSH and Contractor shall negotiate, in good faith, changes to the Manual.

B. Contractor shall provide services consistent with the CONREP Clinical Treatment Required Services (hereinafter referred to as the Required Services). Contractor shall provide the specific Required Services at least at the minimum frequency and duration as indicated in Section F.

C. Prior to, and as part of performing the Required Services, Contractor shall assess each patient's functioning and risk and determine the appropriate Required Service Care Level, which includes Intensive, Intermediate, Supportive, Transitional, Aftercare or Statewide Transitional Residential Program (STRP) treatment levels.

D. Should the Contractor, in its professional judgment, determine that services are needed for a particular patient less frequently than outlined in Section F, Contractor must obtain prior written approval from the DSH for a waiver of Required Services before deviating from the levels of service indicated in Section F.

E. Should the Contractor, in its professional judgment, determine that services are needed for a particular patient more frequently than outlined in Section F, for the purposes of this Agreement, such services shall be considered Supplemental Services.

F. Contractor shall provide the following Required Services, as outlined in the Manual:

i. Forensic Individual Contact

a. Contractor shall provide four (4) services per month with a minimum of forty-five (45) to a maximum of sixty (60) minutes per session for patients receiving services at the Intensive Care Level.

b. Contractor shall provide three (3) services per month with a minimum of forty-five (45) to a maximum of sixty (60) minutes per session for patients receiving services at the Intermediate Care Level.

c. Contractor shall provide two (2) services per month with a minimum of forty-five (45) to a maximum of sixty (60) minutes per session for patients receiving services at the Supportive Care Level.

d. Contractor shall provide one (1) service per month with a minimum of forty-five (45) to a maximum of sixty (60) minutes per session for patients receiving services at the Transitional or Aftercare Care Levels.

ii. Group Contact

a. Contractor shall provide four (4) services per month with a minimum of sixty (60) to a maximum of one-hundred-twenty (120) minutes per session for patients receiving services at the Intensive Care Level.

b. Contractor shall provide three (3) services per month with a minimum of sixty (60) to a maximum of one-hundred-twenty (120) minutes per session for patients receiving services at the Intermediate Care Level.

c. Contractor shall provide two (2) services per month with a minimum of sixty (60) to a maximum of one-hundred-twenty (120) minutes per session for patients receiving services at the Supportive Care Levels.

d. Contractor shall provide one (1) service per month with a minimum of sixty (60) to a maximum of one-hundred-twenty (120) minutes per session for patients receiving services at the Transitional Care Level.

iii. Case Management

a. Contractor shall provide up to a maximum of eight (8) hours per month at fifteen (15) minutes per session for patients receiving services at the Intensive Care Level.

b. Contractor shall provide up to a maximum of two (2) hours per month at fifteen (15) minutes per session for patients receiving services at the Intermediate, Supportive, Transitional or Aftercare Care Levels.

iv. Home Visits

a. Contractor shall provide two (2) services per month with a minimum of sixty (60) to a maximum of one-hundred-twenty (120) minutes per visit for patients receiving services at the Intensive Care Level.

b. Contractor shall provide one (1) service per month with a minimum of sixty (60) to a maximum of one-hundred-twenty (120) minutes per visit for patients receiving services at the Intermediate or Supportive Care Levels.

c. Contractor shall provide one (1) service per quarter with a minimum of sixty (60) to a maximum of one-hundred-twenty (120) minutes per visit for patients receiving services at the Transitional or Aftercare Care Levels.

v. Collateral Contact

a. Contractor shall provide two (2) services per month, which may be in conjunction with a Home Visit, with a minimum of fifteen (15) to a maximum of thirty (30) minutes for phone, or a minimum of thirty (30) minutes to a maximum of two (2) hours for face-to-face contacts for patients receiving services at the Intensive Care Level.

b. Contractor shall provide six (6) services per year, every other month, which may be in conjunction with a Home Visit, with a minimum of fifteen (15) to a maximum of thirty (30) minutes for phone, or a minimum of thirty (30) minutes to a maximum of two (2) hours for face-to-face contacts for patients receiving services at the Intermediate, Supportive or Transitional Care Levels.

c. Contractor shall provide one (1) service per month, which may be in conjunction with a Home Visit, with a minimum of fifteen (15) to a maximum of thirty (30) minutes for phone, or a minimum of thirty (30) minutes to a maximum of two (2) hours for face-to-face contacts for patients receiving services at the Aftercare Care Level.

vi. Substance Abuse Screening

a. Contractor shall provide four (4) services per month with a minimum of fifteen (15) minutes per session for patients receiving services at the Intensive Care Level.

b. Contractor shall provide two (2) services per month with a minimum of fifteen (15) minutes per session for patients receiving services at the Intermediate or Supportive Care Levels.

c. Contractor shall provide one (1) service per month with a minimum of fifteen (15) minutes per session for patients receiving services at the Transitional Care Level.

d. Contractor shall provide one (1) service per quarter with a minimum of fifteen (15) minutes per session for patients receiving services at the Aftercare Care Level.

vii. Annual Case Review

a. Contractor shall provide one (1) service per year for patients receiving services at the Intensive, Intermediate, Supportive, Transitional, Aftercare or STRP Care Levels.

viii. Psychiatric Services

a. Contractor shall provide one (1) admission or re-admission service of two (2) hour duration; one (1) annual note per year of one (1) hour duration; and one (1) progress note (medication check) per month of forty-five (45) minutes duration (including visit and documentation) for patients receiving services at the Intensive Care Level.

b. Contractor shall provide one (1) admission or re-admission service of two (2) hour duration; one (1) annual note per year of one (1) hour duration; and one (1) progress

note (med check) every other month of forty-five (45) minutes duration (including visit and documentation) for patients receiving services at the Intermediate Care Level.

c. Contractor shall provide one (1) admission or re-admission service of two (2) hour duration; one (1) annual note per year of one (1) hour duration; and one (1) progress note (med check) every other month of forty-five (45) minutes duration (including visit and documentation) for patients receiving services at the Supportive Care Level.

d. Contractor shall provide one (1) admission or re-admission service of two (2) hour duration; one (1) annual note per year of one (1) hour duration; and three (3) progress notes (med check) per year of forty-five (45) minutes duration (including visit and documentation) for patients receiving services at the Transitional Care Level.

e. Contractor shall provide one (1) admission or re-admission service of two (2) hour duration; one (1) annual note per year of one (1) hour duration; and one (1) to two (2) progress notes (medication check) per year of forty-five (45) minutes duration (including visit and documentation) for patients receiving services at the Aftercare Care Level.

f. Contractor shall provider one (1) annual note per year of one (1) hour duration for patients receiving services at the STRP Care Level.

G. Should the Contractor, in its professional judgment, determine that additional services not outlined in Section F are needed for a particular patient, for the purposes of this Agreement, such services shall be considered Supplemental Services. These services could include but are not limited to translation, polygraph, specialized treatment and life support. These services shall have prior authorization by DSH CONREP Operations and funds available to cover such services within the program budget, per Exhibit B. Such services shall be entered into the CONREP data system.

H. As part of the Required Services, Contractor shall complete state hospital liaison visits for judicially committed and Mentally Disordered Offender (MDO) patients at least twice per year per patient. The visits shall be conducted either on-site or by video-conference; however, one (1) visit must be on-site per year per patient. Contractor shall, at a minimum, review all patients' medical records and treatment plans; conduct face-to-face or video-conference meetings with patients; consult with each patient's inpatient treatment team; and conduct an assessment of each patient's treatment progress and readiness for treatment in the community, including identification of specific barriers to community treatment. Contractor shall provide written reports which detail the specifics of the hospital liaison visits within forty-five (45) days after the visit. Contractor shall complete the visits at the DSH state hospital in which the patient resides. Contractor shall have a monitoring system to ensure report completion and timely submission to the DSH.

I. Contractor shall maintain the contracted caseload and provide Required Services specific to each county as detailed in Exhibit B, Budget Detail and Payment Provisions. Contractor acknowledges that, in addition to other auditing and/or compliance-review rights retained by the DSH under this Agreement, the DSH may monitor the Contractor for compliance with administration and treatment of CONREP patients comprising the caseload. The Contractor is expected to show documentation of caseload compliance for any given time period, which may include, but not be limited to time sheets for employees, scheduled appointments for each employee, patient records, or other method to validate percentages of time dedicated to the CONREP. Contractor acknowledges that this information may be compared to the contracted caseload. The Contractor is required to ensure that staff positions funded pursuant to this Agreement are reserved solely for the provision of Required Services, regardless of caseload size.

J. Contractor agrees that the DSH shall have access to facilities, programs, documents, records, staff, patients, or other material or persons the DSH deems necessary to perform monitoring and auditing of services rendered, in its sole and absolute discretion.

K. Contractor further acknowledges that while the DSH may monitor Contractor program operations to determine compliance with the DSH policies, regulations, statutes, the Manual, and contract requirements, Contractor shall be solely responsible for its compliance with State and Federal laws applicable to operating a CONREP Program and shall seek its own legal counsel for advice on these laws.

L. Program Administration – as part of the Required Services:

   i. Contractor shall administer the CONREP Program serving the designated population in accordance with WIC Section 4360 (a) and (b), as noted in this Agreement.

   ii. Contractor shall nominate a qualified Community Program Director, who is responsible for case management, placement evaluations, and who will serve as the court liaison.

   iii. Contractor shall have an internal clinic Policy and Procedure Manual which shall reflect clinic operations and incorporate the Manual.

   iv. Contractor shall establish and maintain effective working relationships with the judiciary, District Attorneys, Public Defenders, Parole Agents, and local law enforcement officials.

   v. Contractor shall have a monitoring system to ensure the Required Services are provided at the minimum frequency and duration as indicated in Section F of this Agreement, unless otherwise approved by the DSH, in accordance with the patient's Care Level.

M. Community Outpatient Treatment Admission and Assessment Process – as part of the Required Services:

   i. Contractor shall develop recommendations to the Courts for admission of prospective CONREP patients.

   ii. Contractor shall work with the Board of Parole Hearings (BPH), applicable state hospitals, Parole Agents, and the California Forensic Assessment Project (CFAP) panel to complete all required assessments and other required steps for CONREP patients to be approved for admission to outpatient services.

   iii. Contractor shall develop written "Terms and Conditions of Release to Outpatient Treatment" that are specific to each patient.

N. As part of the Required Services:

   i. Contractor shall develop, review, and revise individual wellness and recovery treatment plans for each CONREP patient at least annually, through multidisciplinary treatment team consultation, and in collaboration with the patient.

   ii. Contractor shall assist as needed in obtaining psychotropic medications, adhere to the Manual, participate in a program-specific plan for providing clozapine services, and support

and facilitate participation in a Psychopharmacological Consultation System when required, but shall not provide physician services.

iii. Contractor shall respond to Special Incidents and law enforcement issues, with coverage twenty-four (24) hours a day, seven (7) days a week, and with the capacity to arrange for/or provide emergency transportation of CONREP patients.

iv. Contractor shall provide treatment to follow the Risk, Needs, Responsivity/Forensic Focus model in the context of a wellness and recovery approach to care.

v. Contractor shall provide forensic interventions, including documentation, to address patient-specific criminogenic risk factors, including identification of warning signs, precursors, criminal thinking styles and patterns, and high-risk conditions/situations.

vi. Contractor shall provide mental health treatment to support individualized recovery and address a patient's understanding of and ability to live with chronic mental illness, including necessity of medication compliance.

vii. Contractor shall provide psycho-educational training to address coping and social skills related to time management, goal-setting, consequential thinking, stress management, anger management, and safety issues related to any history of trauma, interpersonal communication, conflict resolution, activities of daily living, job skills, and recreation skills.

viii. Contractor shall provide substance abuse treatment, including monitoring for abstinence from prohibited substances, psycho-education regarding co-occurring substance use and psychiatric disorders, relapse prevention, and integration into community resources, including self-help groups such as Alcoholics Anonymous and Narcotics Anonymous.

ix. Contractor shall provide interventions consistent with the psychological and cognitive level and learning style of the CONREP patient, including but not limited to:

a. Interventions that are trauma-informed and support safety and stability.

b. Interventions that are gender-responsive.

c. Interventions that are culturally appropriate and sensitive to a diversity of cultures.

d. Interventions that are consistent with the cognitive challenges associated with chronic mental illness.

O. Contractor shall provide the following reports – as part of the Required Services:

i. Contractor shall develop and submit quarterly (four (4) per year) Progress and Annual Dispositional Reports to the Courts. Contractor shall have a monitoring system to ensure report completion and timely submission to the Courts.

ii. Contractor shall develop and submit pre-placement evaluations for PC 1370 Incompetent to Stand Trial (IST) and PC 1026 Not Guilty by Reason of Insanity (NGI) individuals. For the purposes of this Agreement, this requirement is considered a Supplemental Service.

iii. Contractor shall complete annual case reviews by multidisciplinary staff in collaboration with the CONREP Physician, resulting in updated treatment goals and objectives in patient's individualized wellness and recovery treatment plan; disposition recommendations to the Courts/BPH in the annual reports; and modification of the patient's "Terms and Conditions of Outpatient Treatment."

iv. Contractor shall provide annual assessment of competence to stand trial for CONREP patients found IST.

v. Contractor shall develop discharge plans and Community Aftercare Plans for CONREP patients receiving Transitional and Aftercare levels of service.

P. Contractor shall provide the following services, as part of the Required Services, related to a patient's possible Revocation/Re-hospitalization:

i. Contractor shall provide consultation to CONREP patients prior to requesting revocation/re-hospitalization.

ii. Contractor shall complete the appropriate re-hospitalization and revocation paperwork with specific justifications/clinical rationale that address public safety considerations.

iii. Contractor shall cooperate with law enforcement agencies, Parole Agents, Court officials, and state hospitals to ensure continuity of care of CONREP patients during the revocation/re-hospitalization process.

Q. Contractor shall provide the following services, as part of the Required Services, related to patient grievances:

i. Upon admission/re-admission, Contractor shall provide an orientation and education on the patient grievance process for each CONREP patient.

ii. Contractor shall post the CONREP Patient Grievance Process as outlined in the Manual, section 1470, Outpatient Treatment Operations: Patient Rights and Protection Issues, in each clinic in a visible location in an area commonly used by CONREP Patients.

R. As part of the Required Services, Contractor shall:

i. Provide clinical notes following any mental health service to include, but not be limited to, services provided, patient's response/interaction, specific problem behaviors, warning signs and/or any pertinent observations, and actions taken in response to mental health services. Clinical notes shall reflect that criminal history, mental illness and treatment plan goals were addressed during service contacts.

ii. Maintain psychiatric documentation produced by the CONREP Physician that includes generic names of medications, dosage, route of administration, diagnosis, frequency of administration, and refill numbers.

iii. Maintain CONREP patient records that include the State Hospital Liaison file and referral packet; photo identification; current Terms and Conditions of Outpatient Treatment; copy of Department of Justice Notice (DOJ) of Registration Requirement form SS8047; quarterly and annual court progress reports; personal belongings designation form; clinical and

medical information; CFAP report and current Annual Case Review; Individual Risk Profile form; positive toxicology results; polygraph results/reports; Patient Transaction form; current court Minute Order for PC 1026 and PC 2972 Mentally Disordered Offender (MDO) patients designating continued civil commitment.

iv. Maintain a Special Incident file that is separate from the CONREP patient record.

v. Maintain a hospital liaison file for each state hospital patient receiving liaison visits, which is incorporated into the patient record once the patient is admitted to CONREP outpatient services.

vi. Retain “batched” negative urine drug screen laboratory test results for twelve (12) months.

vii. Retain CONREP patient criminal history summaries in a secure file separate from the CONREP patient record.

viii. Maintain a voter registration form, Tarasoff documentation, family/victim correspondence, identification of other individuals’ names and psychological records, including prior client profiles, raw test data, test results, HCR-20 coding sheets, and PCL-SV scoring summaries in a file separate from a patient’s record.

ix. Complete Patient Transaction Form, and enter patient status information into the CONREP Data System within required timeframes. Patient admissions, transfers, and AWOL status shall be entered the same day or first business day after the event. Patients who are on Not Available and on discharge status shall be entered within three (3) business days of occurrence.

x. Provide to the DSH Contract Manager monthly data on delivery of Required Services by the 15th of each month following the month of service.

S. Contractor shall provide the following services, as part of the Required Services, related to Credentialing/Staff Training and Supervision:

i. Unless granted a waiver pursuant to WIC 5751.2, and the “Waiver of License Process” outlined in the Manual, Contractor shall ensure that all treatment services are performed by staff licensed, credentialed, and/or certified as is appropriate to the scope of their practice, and in accordance with the laws and regulations of California. Such licensure shall be maintained in good standing without conditions at all times. Contractor shall not allow any person to practice in CONREP whose license has been revoked or suspended for any reason.

ii. Upon becoming aware that charges have been filed with the licensing authority regarding any person working in a CONREP Program, the Contractor shall immediately inform the Contract Manager of the charges and the status of the licensee both with regard to the licensing authority and nature of the employment with the Contractor. Contractor should inform the Contract Manager of relevant stages of the investigation and disposition of the charges.

iii. Contractor shall complete comprehensive law enforcement background checks of its staff as set forth in the Manual with ongoing recertification through California DOJ Information Bulletins and updates.

iv. Contractor shall provide orientation, training and clinical supervision of program staff as required on forensic issues, risk assessment, substance abuse screening, infection control, and provision of care.

v. Contractor shall attend regional meetings at least twice per year and the DSH sponsored Forensic Training once per year, as determined by the DSH in its sole and absolute discretion.

vi. Contractor may attend additional DSH CONREP sponsored and/or CONREP Operations approved Forensic training, as determined by the DSH in its sole and absolute discretion per Exhibit B, Regional Meetings & Forensic Training.

T. The Contractor agrees, unless otherwise permitted by the DSH at its sole discretion, to lease all equipment for program operations. All requests to purchase equipment instead of leasing shall be submitted to the DSH Contract Manager in writing. At the conclusion of the contractual relationship between the DSH and the Contractor, the Contractor shall provide a final inventory to the DSH that includes an inventory of all equipment purchased during the contract term. If purchased with funds from the DSH, the DSH shall own the property and final disposition of such equipment shall be handled at the discretion of the DSH.

U. The Contractor agrees, prior to entering into any agreement, to obtain prior authorization to move the Contractor's office location or perform office modifications involving construction where CONREP services are provided. Contractor shall submit in writing to DSH Administration and CONREP Operations, justification and estimated costs associated with the proposed move or office construction.

V. Contractor shall ensure that Contractor's Employees shall be fluent in English. For the purposes of this Agreement, fluent shall be defined as, "able to understand, speak and write in English in a medical and non-medical environment, with full comprehension."

W. If services shall be provided on the DSH grounds, Contractor, their personnel, subcontractors, and anyone else affiliated with this Agreement must present a valid picture identification (e.g., driver license or identification card issued by a state Department of Motor Vehicle, military card, etc.; company badges are not valid) in order to be admitted into secured areas. Contractor must be in possession of a valid picture identification card at all times while in any of the DSH secured areas.

X. If services shall be provided on the DSH grounds, Contractor, their personnel, subcontractors, and anyone else affiliated with this Agreement shall not take pictures or video with a camera or phone anywhere on the DSH grounds without the written consent of the Executive Director or designee. If any Contractor or personnel is caught taking photos or video without prior authorization, their phone or camera will be subject to search and further action will be taken by the DSH Hospital Police.

Y. If services shall be provided on the DSH grounds, Contractor, their personnel, subcontractors, and anyone else affiliated with this Agreement shall not engage in conversation with the DSH patients unless providing direct services to the DSH patients conforming to the Terms and Conditions of their contract.

Z. If services shall be provided on the DSH grounds, then Contractor, their personnel, subcontractors, and anyone else affiliated with this Agreement shall adhere to the dress code of the location where work is being performed. These dress codes may include limitations on the length, color, and material of clothing, or anything else required by that location. Contractor and subcontractors shall

obtain a current copy of each location's dress code prior to the performance of any work. Contractor and subcontractors may be refused entry into the DSH grounds if their clothing is found to violate the established dress codes. The DSH retains the right to change its dress codes at any time.

AA. If services shall be provided on the DSH grounds, Contractor understands and agrees that the DSH reserves the right to limit or restrict the equipment, including but not limited to, tools and communication devices that the Contractor, their personnel, subcontractors, and anyone else affiliated with this Agreement may bring on grounds. Upon notice by the DSH, Contractor shall comply with all such limitations and restrictions.

BB. If services shall be provided on the DSH grounds, Contractor, their personnel, subcontractors, and anyone else affiliated with this Agreement shall not use any tobacco products, (including smokeless tobacco) on the DSH grounds (WIC section 4138).

CC. If services shall be provided on the DSH grounds, then Contractor shall participate in any of the DSH safety measures or programs as may be required by the DSH. This responsibility includes attending any and all related training or orientation to such measures or programs as may be required and scheduled by the DSH.

i. Contractor's Employees may be issued a personal duress alarm (PDA) device. At the time of issuance instructions on how to operate/maintain each device will be provided to Contractor's Employees. In the event of negligent loss/damage of the issued equipment, Contractor agrees to pay for replacement cost.

ii. Contractor understands that Contractor's Employees providing services through a sally port or into a secured area of a DSH facility shall submit to a fingerprint and background check, as well as a mandatory drug screening.

DD. Contractor and its subcontractors shall procure and keep in full force and effect during the term of this Agreement all permit(s), registration(s) and license(s) necessary to accomplish the work specified in this Agreement; and shall give all notices necessary and incident to the lawful prosecution of the work. Contractor shall provide proof of any such license(s) permits(s), and certificate(s) upon request by the DSH. Contractor agrees that failure by itself or its subcontractors to provide evidence of licensing, permits, or certifications shall constitute a material breach for which the DSH may terminate this Agreement with cause.

EE. Contractor shall provide services as outlined in this Agreement. Contractor shall be responsible to fulfill the requirements of the Agreement and shall incur expenses at its own risk and invest sufficient amount of time and capital to fulfill the obligations as contained herein.

FF. Contractor and its subcontractors shall keep informed of, observe, comply with, and cause all of its agents and employees to observe and to comply with all prevailing Federal, State, and local laws, and rules and regulations made pursuant to said Federal, State, and local laws, which in any way affect the conduct of the work of this Agreement. If any conflict arises between provisions of the plans and specifications and any such law above referred to, then the Contractor shall immediately notify the state in writing.

GG. The DSH may terminate this Agreement pursuant to section 7 of Exhibit C if the Contractor or its subcontractors fail to comply with a federal, state or local law and the noncompliance, based on the facts and circumstances, and would constitute a material breach of this Agreement under California law.

7. DSH RESPONSIBILITIES:

A. The DSH shall provide orientation to the CONREP Program to Contractor's staff which have not received orientation previously, as designated by Contractor and at the discretion of the DSH. Such orientation shall include an overview of state policy and procedures, the Manual and appropriate statutes related to the Program.

B. DSH shall be responsible for the development and design of the Manual concerning program operations, clinical treatment, and supervision services of the CONREP patient population consistent with State and Federal laws and the DSH policies and procedures.

C. The DSH shall provide clinical and administrative direction and support to Contractor and oversight of Program. Any direction, support, or assistance provided by the DSH shall not modify or absolve the Contractor of its responsibilities under this Agreement.

D. Rights of the DSH to Perform Quality Assurance and Financial Audits/Reviews

i. The DSH may routinely evaluate the work performance of the Contractor, Contractor's personnel, subcontractors, or other parties associated with the Contractor to determine if the DSH standards and departmental policies and procedures are being maintained. If it is found that any party fails to perform or is physically or mentally incapable of providing services as required by the Agreement, then that party shall not perform services for the DSH.

ii. The DSH may monitor and evaluate services provided in fulfillment of the requirements of this Agreement, as detailed in Exhibit A. Such monitoring and evaluation may occur on a regular cycle or as deemed necessary by the Contracts Manager. The DSH retains sole and absolute discretion in determining any such evaluation schedule.

iii. Inspections may be conducted by the DSH staff at various times during the Agreement term to check on the quality of work. Payment shall not be provided for services deemed unacceptable by the Contract Manager and/or their designee.

iv. The DSH may audit and examine Contractor's records and accounts which pertain, directly or indirectly, to services performed under this Agreement. The DSH may hire third parties to perform the audit and examination, including but not limited to, accountants, consultants, or service providers in the applicable field. Contractor shall cooperate fully with the audits and examinations.

v. If as a result of an audit and examination, the DSH is informed of underpayments or overpayments, the DSH shall notify Contractor of the need for payment or reimbursement. Upon receipt of a final audit report, Contractor has 30 days to reimburse any overpayment or to dispute or challenge the report. Contractor and the DSH shall confer and negotiate in good faith with respect to any disputed portion of the final audit report to reach agreement with respect to adjustments, payments, and reimbursements.

vi. The DSH shall submit its findings to Contractor and establish a deadline for correcting any deficiencies in fulfilling the obligations set forth in this section. Failure by the Contractor to timely correct deficiencies shall be reason for termination of services under this Agreement.

8. PERFORMANCE MEASURES:

A. Complete and Timely Provision of Services

i. Expectations: Contractor is expected to provide all services, including any and all required reports, in a timely manner – in accordance with timelines established in this Scope of Work.

ii. Penalties: Should Contractor not provide all services, including any and all required reports, in a timely manner the DSH may choose to terminate this Agreement. Additionally, the DSH may find the Contractor to be irresponsible in provision of services. Such performance may be considered when evaluating the Contractor for future contracting opportunities.

9. AMENDMENTS:

A. The parties reserve the right to amend this Agreement by extending its term for one (1) additional term up to two (2) years, and to add funding sufficient for these periods at the same rates. This right to amend is in addition to the right to amend for other reasons contained in this Agreement or noted in the solicitation that resulted in this agreement, if applicable. Any amendment shall be in writing and signed by both parties and be approved by the Department of General Services if such approval is required.

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

1. INVOICING AND PAYMENT

A. Invoices shall be submitted not more frequently than monthly in arrears.

B. For services satisfactorily rendered, and upon receipt and approval of invoices submitted as described herein, the DSH agrees to compensate the Contractor as specified in section 5, Budget Detail, DSH 7001.

C. Monthly, the State will reimburse the Contractor for 1/12th of the annual Total Allocation amount as specified in the DSH 7001. The Contractor shall submit Summary Claim for Reimbursement (CRP1701A).

D. Reimbursement of Non-Allocation amounts will be made using the Summary Claim for Reimbursement (CPR1701B), for actual expenditures in accordance with provisions of Exhibit A, Exhibit B and the DSH 7001.

E. Payment shall not be due until the later of: (a) The date of acceptance of goods or performance of services; or (b) receipt of an accurate invoice.

F. The DSH is not responsible for services performed by the Contractor outside of this agreement, nor for services performed other than as outlined in Exhibit A, Scope of Work.

G. The DSH makes no guarantee, either written or implied, as to the actual amount of funds that will be expended under this Agreement.

H. Contractor shall not bill or seek reimbursement from DSH for any goods or services if Contractor received or will receive reimbursement or funding for such goods or services under any federal program, such as the CAREs Act or FEMA disaster relief, except when Contractor has billed Medicare and seeks the difference between the Medicare payment and the DSH contract price.

2. INSTRUCTIONS TO THE CONTRACTOR:

A. To expedite the processing of invoices submitted to the DSH for payment, all invoice(s) shall be submitted to the DSH for review and approval at the following address:

Department of State Hospitals
Attention: Accounting Office
1600 Ninth Street, Room 141
Sacramento, CA 95814
OR
DSHSAC.AccountsPayable@dsh.ca.gov

B. Contractor shall submit one original and three copies of each invoice, unless emailed. Email is the preferred method of submission

C. Contractor shall submit one (1) original with authorized signatures and three (3) copies of each invoice.

D. Contractor shall type, not handwrite, each invoice on company letterhead. The DSH may provide an invoice template, if requested, which may be used in lieu of company letterhead.

E. Contractor shall clearly note Contractor's name and address on each invoice. The name on the invoice must match the Payee Data Record (Std. 204) and the name listed on this Agreement.

F. Contractor shall include the following on each submitted invoice:

i. Date(s) during which the services or deliverables were provided and the date in which the invoice was generated.

ii. Agreement number, which can be found on the Standard Agreement Form (Std. 213).

iii. Small Business certification number, if applicable

iv. Professional license number, if applicable

v. Invoice total

G. Contractor shall reconcile budgeted amounts against actual amounts within six (6) months of the expiration of the term of this Agreement, or within six (6) months of the close of each fiscal year if the Agreement term is longer than one fiscal year. It is at the discretion of the DSH to utilize a cost settlement process, provided by the DSH. If the Contractor has any reimbursable funds for the fiscal year, Contractor shall reimburse the DSH within thirty (30) days following notification by DSH.

3. BUDGET CONTINGENCY CLAUSE:

A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall no longer be in full force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Contractor to reflect the reduced amount.

C. If this Agreement overlaps federal and state fiscal years, should funds not be appropriated by Congress or approved by the Legislature for the fiscal year(s) following that during which this Agreement was executed, the State may exercise its option to cancel this Agreement.

D. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by Congress or the Legislature which may affect the provisions or terms of funding of this Agreement in any manner.

4. PROMPT PAYMENT CLAUSE:

A. Payment will be made in accordance with, and within the time specified in, Government Code section 927, et seq.

5. BUDGET DETAIL:

A. The amount of this Agreement shall not exceed **$3,335,387.24** at rates listed in this Agreement.

B. Budget Detail:

Department of State Hospitals — **Forensic Services Conditional Release Program**
CONREP PROGRAM - EXHIBIT B
SUMMARY OF RATE SERVICES & CASELOAD COVERED BY THIS CONTRACT
DSH 7001
(Revised 06/13/18)

Contractor Name:	Orange County Health Care Agency	Fiscal Year Begin: 07/01/2021	Submission: 04/20/2021
		Fiscal Year End: 06/30/2022	
Contract No.		FY Months: 12	

1. Required Services - Caseload

Intensive	Intermediate	Supportive	Transitional	Aftercare	STRP	Total Gross Caseload
15	2	7	15	9	0	48

2. State Hospital Liaison Services

	Atascadero	Coalinga	Metro	Napa	Patton	IMD	Total
a. No. Patients	22	20	15	3	57	5	122
b. No. Total Reports	44	40	30	6	114	10	244

Line Items	Contracted Amount	Monthly Amount
1) Outpatient Services		
a) Required Services	$ 572,542.44	$ 47,711.87
b) Required Services (Contracted)	$ 38,175.00	$ 3,181.25
c) Administrative Services	$ 368,506.56	$ 30,708.88
d) On-Call	$ 9,999.96	$ 833.33
e) Direct OE&E	$ 138,542.76	$ 11,545.23
f) Indirect Cost	$ 191,327.64	$ 15,943.97
Outpatient Services Subtotal	$ 1,319,094.36	$ 109,924.53
2) Hospital Liaison	$ 126,537.78	$ 10,544.82
3) Jail Evaluation	$ 48,970.32	$ 4,080.86
Total Allocation	**$ 1,494,602.46**	**$ 124,550.21**
4) Regional Meetings & Forensic Training	$ 10,416.00	$ 868.00
5) Supplemental Services	$ 152,675.16	$ 12,722.93
Total Non-Allocation	**$ 163,091.16**	
6) Provisional	$ 10,000.00	
Fiscal Year Total	**$ 1,667,693.62**	
Two-Year Total	**$ 3,335,387.24**	

Department of State Hospitals **Forensic Services Conditional Release Program**
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6) Provisional	$ 10,000.00	
Fiscal Year Total	**$ 1,667,693.62**	
Two-Year Total	**$ 3,335,387.24**	
AGREEMENT GRAND TOTAL	**$ 3,335,387.24**	

C. Charges/rates shall be computed in accordance with the DSH 7001 form(s) of this Exhibit B. The major budget categories include Total Allocation (line items 1a-f, 2 and 3), Total Non-Allocation (line items 4 and 5) and Provisional (line item 6).

D. Requests for Total Allocation (lines items 1a-f, 2 and/or 3) budget modification must be approved by the DSH Administration and CONREP Operations, and cannot exceed the Total Allocation amount.

E. The Total Non-Allocation may vary between line items 4 and 5 but cannot exceed the Total Non-Allocation amount.

F. Request for disbursement of the Provisional funds (Exhibit B, DSH 7001, Line item 6) must be submitted with written justification and supporting documentation by Contractor, as agreed to by Contractor and DSH, and approved by DSH CONREP Operations. The amount cannot exceed the specified allocation. Upon DSH approval, the authorized monies can be move into the appropriate budget line item to allow for claim submission and reimbursement.

G. The DSH does not expressly or by implication agree that the actual amount of work will correspond therewith and reserves the right to omit portions of the work as may be deemed necessary or advisable by the DSH. The estimates listed on the DSH 7001 are a good faith estimate and are not a guarantee of business and is subject to change depending on fluctuation in patient population. The amounts indicated above will be used solely for the purposes of encumbering funds. The DSH makes no guarantee, expressed or implied for actual amount of work to be performed. However, the amounts contained in Exhibit B, DSH 7001 shall be binding for the term of this Agreement.

   Should the DSH determine, in its sole discretion, that the estimated amount of work is insufficient to meets the demands of patient care or otherwise meet the needs of the DSH, the parties may amend this Agreement by adding funds. Additionally, should the DSH determine, in its sole discretion, that the estimated amount of work exceeds the demands of patient care, the parties may amend this Agreement by reducing funding. This right to amend is in addition to the right to amend for other reasons contained in this Agreement or noted in the solicitation that resulted in this agreement, if applicable. Any amendment shall be in writing and signed by both parties, and be approved by the Department of General Services if such approval is required.

H. At the sole discretion of the DSH and for the purposes of accounting, the DSH may adjust the total proposed expenditure for each fiscal year as needed. In no event will this change the contract amounts for the services actually rendered.

I. Contractor must submit all invoices within a reasonable time but, no later than twelve (12) months from the date that services were provided. If Contractor fails to provide invoices within twelve (12) months of the date services are rendered, the DSH may elect to reject the invoices for payment as untimely and Contractor will be deemed to have waived any right to payment of the late invoices.

J. Travel Reimbursement

   Travel must be pre-approved by the DSH Contract Manager. All travel expenses are included in the Allocation and Non-allocation amounts listed Exhibit B, DSH 7001 and all travel shall be conducted in accordance with the Department of Human Resources (CalHR) Rules (Cal. Code of Regs., title 2, §§ 599.615 - 599.638.1) for non-represented employees. The Contractor shall not be reimbursed for any additional travel-related expenses.

i. When determining method of travel, the Contractor shall select the option that is the lowest cost to the state.

ii. The time an individual leaves his or her office or residence and returns to his/her office or residence shall be used in calculating per diem allowances.

Contractor must retain copies of all expense claim forms and receipts for at least three years from the final payment of this contract in case of an audit. For an overview of CalHR's travel reimbursement program visit http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx. For specific questions regarding which travel expenses are reimbursable, contact the DSH Contract Manager.

Revision 11-18-2020

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

1. SUBCONTRACTS:

A. Except for subcontracts identified in accordance with the solicitation, Contractor shall submit any subcontracts in connection with this Agreement to DSH for its prior written approval. No work shall be subcontracted without the prior written approval of DSH. Upon the termination of any subcontract, DSH shall be notified immediately. Any subcontract shall include all the terms and conditions of this Agreement and its attachments.

B. Nothing contained in this Agreement shall create any contractual relationship between DSH and any subcontractors, and Contractor is solely responsible for payment of any and all fees, expenses, salaries and benefits of subcontractor. No subcontract shall relieve Contractor of its responsibilities and obligations hereunder. Contractor is fully responsible to DSH for the acts and omissions of its subcontractors and of persons either directly or indirectly employed or acting as an agent by any of them. Contractor agrees to indemnify and hold DSH harmless for any costs, losses or claims, including reasonable attorney fees, resulting from its subcontractors.

2. PUBLICATIONS AND REPORTS:

A. DSH reserves the right to use and reproduce all publications, reports, and data produced or delivered pursuant to this Agreement. DSH further reserves the right to authorize others to use or reproduce such materials, provided the author of the report is acknowledged in any such use or reproduction.

B. If the publication and/or report are prepared by non-employees of DSH, and the total cost for such preparation exceeds $5,000, the publication and/or report shall contain the numbers and dollar amounts of all agreements and subcontracts relating to the preparation of the publication and report in a separate section of the report (Government Code section 7550).

1. PROGRESS REPORTS:

A. If progress reports are required by the Agreement, Contractor shall provide a progress report in writing, or orally if approved by DSH Contract Manager, at least once a month to DSH Contract Manager. This progress report shall include, but not be limited to; a statement that Contractor is or is not on schedule, any pertinent reports, and any interim findings if applicable. Contractor shall cooperate with and shall be available to meet with DSH to discuss any difficulties, or special problems, so that solutions or remedies can be developed as soon as possible.

2. PRESENTATION:

A. Upon request, Contractor shall meet with DSH to present any findings, conclusions, and recommendations required by the Agreement for approval. If set forth in the Agreement, Contractor shall submit a comprehensive final report for approval. Both the final meeting and the final report shall be completed on or before the date indicated in this Agreement.

3. DEPARTMENT OF STATE HOSPITALS STAFF:

A. DSH's staff shall be permitted to work side-by-side with Contractor's staff to the extent and under conditions as directed by DSH Contract Manager. In this connection, DSH's staff shall be given access to all data, working papers, etc., which Contractor seeks to utilize.

B. The Contractor shall abide by DSH's written policy and procedures on "nepotism," which is defined as "The practice of an employee using their influence or power to aid or hinder another in the employment setting because of a personal relationship." Accordingly, Contractor shall not use their influence or power to aid or hinder another in DSH's or Contractor's employment setting because of a personal relationship. The Contractor shall disclose any personal relationship with any current DSH workforce member by completing DSH 3215 Verification of Personal Relationships and Hiring of Relatives. Contractor shall also disclose any personal relationships with any current subcontractor(s)' workforce member.

4. CONFIDENTIALITY OF DATA AND DOCUMENTS:

A. Contractor shall not disclose data or documents or disseminate the contents of the final or any preliminary report without written permission of DSH Contract Manager. However, all public entities shall comply with California Public Records Act (Government Code sections 6250 et seq.).

B. Permission to disclose information or documents on one occasion shall not authorize Contractor to further disclose such information or documents on any other occasion except as otherwise provided in the Agreement or required by law.

C. Contractor shall not comment publicly to the press, or any other media, regarding the data or documents generated, collected, or produced in connection with this Agreement, or DSH's actions on the same, except to DSH's staff, Contractor's own personnel involved in the performance of this Agreement, or as required by law.

D. If requested by DSH, Contractor shall require each of its employees or officers who will be involved in the performance of this Agreement to agree to the above terms in a form to be approved by DSH and shall supply DSH with evidence thereof.

E. Each subcontract shall contain the foregoing provisions related to the confidentiality of data and nondisclosure.

F. After any data or documents submitted has become a part of the public records of DSH, Contractor may at its own expense and upon written approval by DSH Contract Manager, publish or utilize the same data or documents but shall include the following Notice:

LEGAL NOTICE

This report was prepared as an account of work sponsored by the Department of State Hospitals (Department) but does not necessarily represent the views of the Department or any of its employees except to the extent, if any, that it has formally been approved by the Department. For information regarding any such action, communicate directly with the Department at P.O. Box 952050, Sacramento, California, 94252-2050. Neither said Department nor the State of California, nor any officer or employee thereof, or any of its contractors or subcontractors makes any warranty, express or implied, or assumes any legal liability whatsoever for the contents of this document. Nor does any party represent that use of the data contained herein, would not infringe upon privately owned rights

without obtaining permission or authorization from any party who has any rights in connection with the data.

5. PROVISIONS RELATING TO DATA:

A. "Data" as used in this Agreement means recorded information, regardless of form or characteristics, of a scientific or technical nature. It may, for example, document research, experimental, developmental or engineering work; or be usable or be used to define a design or process; or support a premise or conclusion asserted in any deliverable document called for by this Agreement. The data may be graphic or pictorial delineations in media, such as drawings or photographs, charts, tables, mathematical modes, collections or extrapolations of data or information, etc. It may be in machine form, as punched cards, magnetic tape, computer printouts, or may be retained in computer memory.

B. "Generated data" is that data, which a Contractor has collected, collated, recorded, deduced, read out or postulated for utilization in the performance of this Agreement. Any electronic data processing program, model or software system developed or substantially modified by Contractor in the performance of this Agreement at the expense of DSH, together with complete documentation thereof, shall be treated in the same manner as generated data.

C. "Deliverable data" is that data which under terms of this Agreement is required to be delivered to DSH. Such data shall be property of the State of California and DSH.

D. Prior to the expiration of any legally required retention period and before destroying any data, Contractor shall notify DSH of any such contemplated action; and DSH may within 30 days of said notification determine whether or not this data shall be further preserved. DSH shall pay the expense of further preserving this data. DSH shall have unrestricted reasonable access to the data that is preserved in accordance with this Agreement.

E. Contractor shall use best efforts to furnish competent witnesses to testify in any court of law regarding data used in or generated under the performance of this Agreement.

F. All financial, statistical, personal, technical and other data and information relating to DSH's operation, which are designated confidential by the State or DSH and made available to carry out the Agreement, or which become available to Contractor in order to carry out this Agreement, shall be protected by Contractor from unauthorized use and disclosure.

G. If DSH determines that the data and information are inadequately protected by Contractor or its subcontractors, DSH shall provide notice of its determination and Contractor and/or its subcontractors shall improve the protections to DSH's satisfaction which shall be evidenced by written approval of the protections implemented.

6. APPROVAL OF PRODUCT:

A. Each product to be approved under this Agreement shall be approved by the Contract Manager. DSH's determination as to satisfactory work shall be final, absent fraud or mistake.

7. SUBSTITUTIONS:

A. Contractor's key personnel as indicated in its proposal may not be substituted without the Contract Manager's prior written approval.

8. NOTICE:

A. Notice to either party shall be given by first class mail, by Federal Express, United Parcel Service or similar carrier, properly addressed, postage fully prepaid, to the address beneath the name of each respective party. Alternatively, notice may be given by personal delivery by any means whatsoever to the party and such notice shall be deemed effective when delivered.

9. WAIVER:

A. All remedies afforded in this Agreement are cumulative; that is, in addition to every other remedy provided therein or by law. The failure of DSH to enforce any provision of this Agreement, shall not waive its right to enforce the provision or any other provision of the Agreement.

10. GRATUITIES AND CONTINGENCY FEES:

A. Contractor shall not provide gratuities to any officer or employee of DSH or the State to secure an agreement or favorable treatment with respect to an agreement, the occurrence of which shall constitute a material breach of this Agreement. DSH, by written notice to Contractor, may terminate this Agreement with cause if it is found that gratuities were offered or given by Contractor or any agent or representative of Contractor to any officer or employee of the State or DSH with a view toward securing an agreement or securing favorable treatment with respect to the awarding, amending, or performance of such agreement.

B. In the event this Agreement is terminated as provided in the paragraph above, DSH shall be entitled (a) to pursue the same remedies against Contractor as it could pursue in the event of the breach of the Agreement by Contractor, and (b) as a predetermined amount of liquidated damages, Contractor shall pay an amount which shall not be less than three times the cost incurred by Contractor in providing any such gratuities to any such officer or employee.

C. The rights and remedies of DSH provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

D. Contractor warrants by execution of this Agreement that no person or selling agency has been employed or retained to solicit or secure this Agreement for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of Contractor, for the purpose of securing business. For breach or violation of this warranty, DSH shall, among other rights, have the right to rescind this Agreement without liability, paying only for the values of the work actually returned, or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

11. INTEGRATION CLAUSE:

A. The parties agree that this Agreement, including only the State standard form 213 and all exhibits, constitute the entire agreement of the parties and no other understanding or communication, whether written or oral, shall be construed to be a part of this Agreement.

12. CAPTIONS:

A. The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.

13. PUBLIC HEARINGS:

A. If public hearings on the subject matter dealt with in this Agreement are held within one year from the Agreement expiration date, Contractor shall make available to testify the personnel assigned to this Agreement at the hourly rates specified in Contractor's proposed budget. DSH shall reimburse Contractor for travel of said personnel at the Agreement, or if none, at State rates for such testimony as may be requested by DSH.

14. FORCE MAJEURE:

A. Neither DSH nor Contractor shall be deemed to be in default in the performance of the terms of this Agreement if either party is prevented from performing the terms of this Agreement by causes beyond its control, which shall include without being limited to: acts of God; interference, rulings or decision by municipal, Federal, State or other governmental agencies, boards or commissions; any laws and/or regulations of such municipal, State, Federal, or other governmental bodies; or any catastrophe resulting from flood, fire, explosion, earthquakes or other similar environmental causes beyond the control of the defaulting party. If any of the stated contingencies occur, the party delayed by force majeure shall immediately give the other party written notice of the cause of delay. The party delayed by force majeure shall use reasonable diligence to correct the cause of the delay, if correctable.

15. LITIGATION:

A. DSH, promptly after receiving notice thereof, shall notify Contractor in writing of the commencement of any claim, suit, or action against DSH or its officers or employees for which Contractor must provide indemnification under this Agreement. The failure of DSH to give such notice, information, authorization or assistance shall not relieve Contractor of its indemnification obligations. Contractor shall immediately notify DSH of any claim or action against it which affects, or may affect, this Agreement, the terms or conditions hereunder, DSH, and shall take such action with respect to said claim or action which is consistent with the terms of this Agreement and the interest of DSH.

B. Contractor shall be in default of this Agreement (i) upon the institution by or against Contractor of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of Contractor's debts, (ii) upon Contractor making an assignment for the benefit of creditors, (iii) upon either party's dissolution or ceasing to do business or (iv) when the facts and circumstances indicate that Contractor is insolvent. For purposes of this Agreement, Contractor shall be deemed insolvent if: (i) Contractor has failed to pay salaries, overtime or benefits required by law of agreement, (ii) Contractor has failed to pay a subcontractor amounts owed pursuant to its agreements with a subcontractor, or (iii) Contractor has failed to pay a vendor amounts Contractor owes the vendor for more than 90 days the past due date for payment.

16. DISPUTES:

A. Contractor shall first discuss and attempt to resolve any dispute arising under or relating to the performance of this Agreement.

17. EVALUATION OF CONTRACTOR'S PERFORMANCE:

A. DSH shall evaluate Contractor's performance under this Agreement using standardized evaluation forms which shall be made available to every state agency pursuant to Public Contracts Code section 10367.

18. AUDITS, INSPECTION AND ENFORCEMENT:

A. Contractor agrees to allow DSH to inspect its facilities and systems and make available for review its books and records to enable DSH to monitor compliance with the terms of this Agreement and audit invoices submitted to DSH.

B. Contractor shall promptly remedy any violation of any provision of this Agreement to the satisfaction of DSH.

C. The fact that DSH inspects, or fails to inspect, or has the right to inspect Contractor's facilities, systems, books and records does not relieve Contractor of its responsibility to independently monitor its compliance with this Agreement.

D. DSH's failure to detect or DSH's detection of any unsatisfactory practices, but failure to notify Contractor or require Contractor's remediation of the unsatisfactory practices does not constitute acceptance of such practice or a waiver of DSH's enforcement rights under the Agreement.

19. USE OF STATE FUNDS:

A. Contractor, including its officers and members, shall not use funds received from DSH pursuant to this Agreement to support or pay for costs or expenses related to the following:

   i. Campaigning or other partisan activities to advocate for either the election or defeat of any candidate for elective office, or for or against the passage of any proposition or ballot measure; or,

   ii. Lobbying for either the passage or defeat of any legislation.

B. This provision is not intended and shall not be construed to limit any expression of a view, opinion, or position of any member of Contractor as an individual or private citizens, as long as state funds are not used; nor does this provision limit Contractor from merely reporting the results of a poll or survey of its membership.

20. CANCELLATION PROVISIONS:

A. Unless otherwise specified, this Agreement may be canceled at any time by DSH, in writing, with thirty (30) days advance notice. If canceled, payment shall be made only for the provision of services expressly authorized by this Agreement until the date of cancellation and only at the rates set forth in Exhibit B, Budget Detail. In the case of early termination, a final payment will be made to Contractor upon receipt of an invoice covering all authorized costs, at the rates set forth in Exhibit B, incurred prior to the date of cancellation or termination. DSH shall not be responsible for unamortized costs, overhead or capital costs or any other related costs, including but, not limited to costs incurred in connection with the cancellation of leases or contracts pertaining to facilities, equipment or supplies, labor and employee benefits costs, and expenditures incurred after the date of notice of cancellation.

B. If DSH determines that Contractor has breached a material term of the Agreement and has not cured the breach or ended the violation within the time specified by DSH, DSH may terminate the contract by providing notice to Contractor. DSH Information Security Officer shall report as required HIPAA violations to the Secretary of the U.S. Department of Health and Human Services.

C. Failure to comply with section 1 or 6 of this Exhibit, or a violation of section 12 of this Exhibit, shall be deemed a material breach of this Agreement.

21. EMPLOYMENT PROVISIONS:

A. Contractor acknowledges and agrees that neither Contractor, their personnel, subcontractors, nor other service providers through this Agreement are employees of DSH. Contractor and its independent contractors shall be solely responsible for:

i. Paying any and all payroll taxes, including, but not limited to Social Security and Medicare taxes,

i. Federal or state income tax withholding,

ii. Providing unemployment insurance and workers compensation insurance, and

iii. Paying compensation to its employees in accordance with federal and state labor laws, including overtime pay unless otherwise specified in this Agreement, as well as penalties that may be imposed for failure to comply with these laws. Contractor agrees to indemnify and hold harmless DSH for any damages, losses, expenses, including reasonable attorney fees, in connection with its failure to pay salary or overtime, or provide benefits, including, but not limited to health care benefits or retirement benefits, to its employees, or its failure to provide to comply with federal or state labor laws.

22. LIABILITY FOR LOSS AND DAMAGES:

A. Any damages by Contractor, their personnel, subcontractors, and other service providers through this Agreement to DSH's facility, including equipment, furniture, materials, or other State or DSH property, shall be repaired or replaced by Contractor to the satisfaction of DSH at Contractor's expense. DSH, at its option, may repair any such damage and deduct the cost thereof from any sum due Contractor under this Agreement.

23. SECURITY CLEARANCE/FINGERPRINTING/TUBERCULIN SKIN TESTING:

A. DSH reserves the right to conduct fingerprinting, drug testing, and/or security clearance through the Department of Justice, Bureau of Criminal Identification and Information (BCII), prior to award and at any time during the term of the Agreement, in order to permit Contractor, their personnel, subcontractors, and other service providers through this Agreement access to State premises. DSH further reserves the right to terminate this Agreement should a threat to security be determined.

B. In the event that the services required under this Agreement will be performed within a DSH facility, Contractors and their employees who are assigned to work with, near, or around patients shall be required to be examined and tested or medically evaluated by a licensed healthcare provider for TB in an infectious or contagious stage prior to the performance of contracted duties,

and at least once a year thereafter (within 12 months of their initial or previous TB test under this contract), or more often as directed by DSH. Contractors and their employees who have any contact (physical or nonphysical) with patients, shall be required to furnish to the DSH Contract Manager, at no cost to DSH, a documented Tuberculosis (TB) evaluation/test for TB infection (Tuberculin Skin Test (TST) or a blood test Interferon Gamma Release Assay (IGRA) completed within (30) thirty days of the start date of the services and be certified to be free of TB in an infectious or contagious stage by a licensed healthcare provider prior to assuming their contracted duties and annually thereafter.

C. If both of the documented results of the TST provided ≤ 0-9/mm of induration, then the tested person may be cleared to provide services. However, if the documented result of the TST is ≥ 10/mm of induration, then they shall be subject to additional testing and/or clearances before he or she is allowed to work at a DSH facility.

D. DSH reserves the right, in its sole and absolute discretion, to take measures to minimize the transmission of influenza. Contractor, their personnel, subcontractors, and other service providers through this Agreement may be required to either a) show written proof that they have received an influenza vaccine, or b) complete an Influenza Declination Form, which will be provided upon request. In addition, all non-vaccinated providers may be required to wear a mask. In its sole and absolute discretion, DSH may elect to provide free influenza vaccines to Contractor, their personnel, subcontractors, and other service providers through this Agreement.

24. PHYSICIAN OWNERSHIP AND REFERRAL ACT OF 1993:

A. For applicable medical services contracts, and in accordance with the Physician Ownership and Referral Act of 1993, Contractor shall not refer any patient to any health care provider or health-related facility if Contractor has a financial interest with that health care provider or health-related facility.

B. Contractor may make a referral to or request consultation from a sole source health care provider or health-related facility in which financial interest is held if Contractor is located where there is no alternative provider of service within either twenty-five (25) miles or forty (40) minutes travel time, subject to the prior approval of DSH. Contractor shall disclose, in writing, as well as on a continuous basis, to DSH, its financial interest at the time of referral or request for consultation. In no event, will this prohibit patients from receiving emergency health care services.

25. AMENDMENTS:

A. The parties reserve the right to amend this Agreement as mutually agreed upon. This is in addition to the right to amend for other reasons contained in this Agreement or noted in the solicitation that resulted in this Agreement, if applicable. Any amendment shall be in writing and signed by both parties and be approved by the Department of General Services if such approval is required.

EXHIBIT E
CONFIDENTIALITY AND INFORMATION SECURITY PROVISIONS
(HIPAA Business Associate Agreement)

These Confidentiality and Information Security Provisions (for HIPAA/HITECH Act contracts) set forth the information privacy and security requirements Contractor is obligated to follow with respect to all confidential information (as defined herein) disclosed to Contractor, or collected, created, maintained, stored, transmitted, or used by Contractor for or on behalf of the California Department of State Hospitals (DSH), pursuant to Contractor's agreement with DSH. DSH and Contractor (the parties) desire to protect the privacy and provide for the security of DSH confidential information pursuant to this Exhibit and in compliance with state and federal laws applicable to the confidential information.

1. CONFIDENTIALITY AND INFORMATION SECURITY PROVISIONS:

A. Contractor shall comply with applicable laws and regulations, including but not limited to Welfare and Institutions Code sections 14100.2 and 5328 et seq., the Lanterman-Petris-Short Act, Civil Code section 1798 et seq., the Information Practices Act of 1977, Health and Safety Code section 123100 et seq., the Patient Access to Health Records Act, Title 42, Code of Federal Regulations (C.F.R.) part 431.300 et seq., and the Health Insurance Portability and Accountability Act of 1996 (HIPAA), including but not limited to section 1320d et seq. of Title 42 of the United States Code and its implementing regulations (including but not limited to Title 45, Code of Federal Regulations (C.F.R.), Parts 160, 162 and 164) (HIPAA regulations) regarding the confidentiality and security of protected health information (PHI). The following provisions of this Exhibit set forth some of the requirements of these statutes and regulations. This Exhibit should not be considered an exclusive list of the requirements. Contractor is required to fulfill the requirements of these statutes and regulations by independently researching and obtaining legal advice on these requirements as they may be amended from time to time.

B. Order of Precedence: With respect to confidentiality and information security provisions for all DSH confidential information, the terms and conditions of this Exhibit shall take precedence over any conflicting terms or conditions set forth in any other part of the agreement between Contractor and DSH, including Exhibit A (Scope of Work), all other exhibits and any other attachments, and shall prevail over any such conflicting terms or conditions.

C. Effect on lower tier transactions: The terms of this Exhibit shall apply to all contracts, subcontracts, and subawards, and the information privacy and security requirements Contractor is obligated to follow with respect to DSH confidential information disclosed to Contractor, or collected, created, maintained, stored, transmitted or used by Contractor for or on behalf of DSH, pursuant to Contractor's agreement with DSH. When applicable, the Contractor shall incorporate the relevant provisions of this Exhibit into each subcontract or subaward to its agents, subcontractors, or independent consultants.

2. DEFINITIONS:

A. The following terms used in the agreement between DSH and Contractor shall have the same meaning as those terms in the HIPAA Rules: Breach, Covered Entity, Data Aggregation, Disclosure, Health Care Operations, Individual, Minimum Necessary, Protected Health Information, Secretary, Subcontractor, Unsecured Protected Health Information, and Use.

B. Specific Definitions

i. Contractor. Contractor shall have the same meaning as the term "business associate" at 45 C.F.R. section 160.103.

ii. HIPAA Rules. HIPAA Rules shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 C.F.R. Parts 160 and 164.

iii. Confidential Information. Confidential information shall mean information or data that is Protected Health Information or Personal Information as defined herein.

iv. Personal Information (PI). Personal Information shall have the same meaning as defined in Civil Code section 1798.3, subdivision (a).

v. Required by law, as set forth under 45 C.F.R. section 164.103, shall mean a mandate contained in law that compels an entity to make a use or disclosure of PHI that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.

vi. Security Incident. Security Incident shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI or PI, or confidential data that is essential to the ongoing operation of Contractor's organization and intended for internal use; or interference with system operations in an information system.

3. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE:

A. Contractor agrees to:

i. not use or disclose confidential information other than as permitted or required by the agreement between DSH and Contractor or as required by law. Any use or disclosure of DSH confidential information shall be the Minimum Necessary;

ii. use appropriate safeguards, and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic confidential information, to prevent use or disclosure of confidential information other than as provided for by the agreement with DSH;

iii. report to DSH any use or disclosure of confidential information not provided for by the agreement with DSH of which it becomes aware, including breaches of unsecured protected health information as required at 45 C.F.R. section 164.410, and any security incident of which it becomes aware;

iv. in accordance with 45 C.F.R. sections 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any agents and subcontractors that create, receive, maintain, or transmit confidential information on behalf of Contractor enter into a written agreement with

Contractor agreeing to be bound to the same restrictions, conditions, and requirements that apply to Contractor with respect to such information;

v. to provide access and make available confidential information in a designated record set to DSH or to an Individual in accordance with 45 C.F.R. section 164.524 and California Health and Safety Code section 123100 et seq. Designated Record Set shall mean the group of records maintained for DSH that includes medical, dental, and billing records about individuals; enrollment, payment, claims adjudication, and case or medical management systems maintained for DSH health plans; or those records used to make decisions about individuals on behalf of DSH. Contractor shall use the forms and processes developed by DSH for this purpose and shall respond to requests for access to records transmitted by DSH within fifteen (15) calendar days of receipt of the request by producing the records or verifying that there are none;

vi. if Contractor maintains an Electronic Health Record with PHI and an Individual requests a copy of such information in an electronic format, Contractor shall provide such information in an electronic format to enable DSH to fulfill its obligations under the HITECH Act, including but not limited to, 42 U.S.C. section 17935(e);

vii. if Contractor receives data from DSH that was provided to DSH by the Social Security Administration, upon request by DSH, Contractor shall provide DSH with a list of all employees, subcontractors, and agents who have access to the Social Security data, including employees, contractors, and agents of its subcontractors and agents;

viii. make any amendment(s) to confidential information in a Designated Record Set as directed or agreed to by DSH pursuant to 45 C.F.R. section 164.526, or take other measures as necessary to satisfy DSH's obligations under 45 C.F.R. section 164.526;

ix. to document and make available to DSH or (at the direction of DSH) to an Individual within 15 days such disclosures of PHI, and information related to such disclosures, necessary to respond to a proper request by the Individual for an accounting of disclosures of PHI, in accordance with the HITECH Act and its implementing regulations, including but not limited to 45 C.F.R. section 164.528 and 42 U.S.C. section 17935(c). If Contractor maintains electronic health records for DSH as of January 1, 2009, Contractor must provide an accounting of disclosures, including those disclosures for treatment, payment, or health care operations, effective with disclosures on or after January 1, 2014. If Contractor acquires electronic health records for DSH after January 1, 2009, Contractor must provide an accounting of disclosures, including those disclosures for treatment, payment, or health care operations, effective with disclosures on or after the date the electronic health record is acquired, or on or after January 1, 2011, whichever date is later. The electronic accounting of disclosures shall be for disclosures during the three years prior to the request for an accounting;

x. to the extent Contractor is to carry out one or more of DSH's obligation(s) under Subpart E of 45 C.F.R. Part 164, comply with the requirements of Subpart E that apply to DSH in the performance of such obligation(s); and

xi. make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA regulations.

xii. comply with all legal obligations pursuant to the California Consumer Privacy Protection Act (CCPA) of Contractor, its employees, agents and sub-contractors, including but not limited to the handling and disclosure of personal information received resulting from this agreement, abiding by CCPA notice requirements on Contractor's website(s), safeguarding personal information received in connection with this agreement, refraining from using personal information received in connection with this agreement outside of the enumerated business purpose contained therein. Contractor's failure to comply with such laws and regulations shall constitute a material breach of this Agreement, and shall be grounds for immediate termination of the Agreement by DSH. By executing this Agreement, Contractor certifies that it is aware of its legal obligations as set forth under the CCPA, that it is in compliance with the CCPA, and shall remain in compliance with all such laws and regulations for the term of this Agreement.

xiii. indemnify and hold the DSH harmless from and against any and all liability, loss, suit, damage or claim, including third party claims brought against the DSH, as well as damages and reasonable costs assessed against the DSH by a court of competent jurisdiction (or, at Contractor's option, that are included in a settlement of such claim or action in accordance herewith), to the fullest extent permitted by State law, to the extent such claim arises from Contractor's violation of the CCPA in relation to Contractor's performance under this agreement; provided, that (i) Contractor is notified promptly in writing of the claim; (ii) Contractor controls the defense and settlement of the claim; (iii) Contractor provides a defense with counsel approved by the DSH; and (iv) the DSH cooperates with all reasonable requests of Contractor (at Contractor's expense) in defending or settling the claim.

4. PERMITTED USES AND DISCLOSURES OF CONFIDENTIAL INFORMATIONBY THE CONTRACTOR:

A. Except as otherwise provided in the agreement between Contractor and DSH, Contractor, may use or disclose DSH confidential information to perform functions, activities or services identified in the agreement with DSH provided that such use or disclosure would not violate federal or state laws or regulations.

B. Contractor may not use or disclose the confidential information except as provided and permitted or required by this agreement with DSH or as required by law.

C. Contractor may use and disclose confidential information for the proper management and administration of the Contractor or to carry out the legal responsibilities of the Contractor, provided that such uses and disclosures are required by law.

D. Contractor may use confidential information to provide data aggregation services related to the health care operations of the DSH. Data aggregation means the combining of DSH confidential information created or received by Contractor on behalf of DSH with confidential information received by Contractor in its capacity as the business associate of another Covered Entity, to permit data analyses that relate to the health care operations of DSH.

5. SAFEGUARDS:

A. Contractor shall develop and maintain an information privacy and security program that includes the implementation of administrative, technical, and physical safeguards. The information privacy and security program shall reasonably and appropriately protect the confidentiality, integrity, and availability of the confidential information that it creates, receives, maintains, or transmits; and prevent the use or disclosure of confidential information other than as provided for by the

agreement with DSH. Contractor shall provide the DSH with information concerning such safeguards as the DSH may reasonably request from time to time.

B. Contractor shall implement administrative, technical, and physical safeguards to ensure the security of the DSH information on portable electronic media (e.g., USB drives and CD-ROM) and in paper files. Administrative safeguards to be implemented shall include, but are not limited to training, instructions to employees, and policies and procedures regarding the HIPAA Privacy Rule. Technical safeguards to be implemented must comply with the HIPAA Security Rule and Subpart C of part 164 of the HIPAA regulations with respect to electronic confidential information, and shall include, but are not limited to, role-based access, computer passwords, timing out of screens, storing laptop computers in a secure location (never leaving the equipment unattended at workplace, home or in a vehicle) and encryption. Physical safeguards to be implemented shall include, but are not limited to, locks on file cabinets, door locks, partitions, shredders, and confidential destruct.

6. AUTHENTICATION:

A. Contractor shall implement appropriate authentication methods to ensure information system access to confidential information is only granted to properly authenticated and authorized persons. If passwords are used in user authentication (e.g., username/password combination), Contractor shall implement strong password controls on all compatible computing systems that are consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-68 and the SANS Institute Password Protection Policy.

i. Contractor shall implement the following security controls on each server, workstation, or portable (e.g., laptop computer) computing device that processes or stores confidential, personal, or sensitive data:

(1) network-based firewall and/or personal firewall,

(2) continuously updated anti-virus software and

(3) patch-management process including installation of all operating system/software vendor security patches.

ii. Encrypt all confidential, personal, or sensitive data stored on portable electronic media (including, but not limited to, CDs and thumb drives) and on portable computing devices (including, but not limited to, laptop computers, smart phones and PDAs) with a solution that uses proven industry standard algorithms.

iii. Prior to disposal, sanitize all DSH confidential data contained in hard drives, memory devices, portable electronic storage devices, mobile computing devices, and networking equipment in a manner consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-88.

iv. Contractor shall not transmit confidential, personal, or sensitive data via e-mail or other Internet transport protocol over a public network unless, at minimum, a 128-bit encryption method (for example AES, 3DES, or RC4) is used to secure the data.

7. MITIGATION OF HARMFUL EFFECTS:

A. Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of confidential information by Contractor or its subcontractors in violation of the requirements of the agreement.

8. NOTIFICATION OF BREACH:

A. During the term of the agreement with DSH, Contractor shall report to DSH any use or disclosure of information not provided for by its contract of which it became aware including breaches of unsecured confidential information as required by 45 C.F.R. section 164.410.

9. DISCOVERY OF BREACH:

A. Contractor shall immediately notify the DSH Chief Information Security Officer by telephone call and email upon the discovery of a breach of confidential information in all forms (paper, electronic, or oral) if the confidential information was, or is reasonably believed to have been, acquired by an unauthorized person, or within 24 hours by email or fax of the discovery of any suspected security incident, intrusion or unauthorized use or disclosure of confidential information in violation of the agreement with DSH, or potential loss of DSH confidential data. If the security incident occurs after business hours or on a weekend or holiday, notification shall be provided by calling the DSH Chief Information Security Officer. Contractor shall take:

i. prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and

ii. any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.

10. INVESTIGATION OF BREACH:

A. Contractor shall immediately investigate such security incident, breach, or unauthorized use or disclosure of DSH confidential information. Within 8 hours of discovery (of the breach), Contractor shall notify the DSH Chief Information Security Officer of at least the following:

i. the data elements involved and the extent of the confidential data involved in the breach;

ii. a description of the unauthorized person(s) known or reasonably believed to have improperly acquired, accessed, used, transmitted, sent or disclosed confidential information;

iii. a description of where and when the confidential information is believed to have been improperly acquired, accessed, used, transmitted, sent or disclosed;

iv. a description of the probable causes of the improper acquisition, access, use, transmission, sending, or disclosure; and

v. whether Civil Code sections 1798.29 or 1798.82 or any other federal or state laws requiring individual notifications of breaches are required.

11. WRITTEN REPORT:

A. Contractor shall provide a written report of the investigation to the DSH Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall include, but not be limited to, the information specified above, an estimation of cost for remediation, as well as a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure.

12. NOTIFICATION OF INDIVIDUALS:

A. Contractor shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law and to pay any costs of such notifications, as well as any costs associated with the breach. Notification shall be made in the most expedient time possible without reasonable delay. The DSH Program Contract Manager, DSH Chief Information Security Officer, and DSH Chief Privacy Officer shall approve the time, manner, and content of any such notifications and their review and approval must be obtained by Contractor before the notifications are made.

13. DSH CONTACT INFORMATION:

A. Contractor shall direct communications to the DSH Program Contract Manager, DSH Chief Information Security Officer, and DSH Chief Privacy Officer Contractor shall initiate contact as indicated herein. DSH reserves the right to make changes to the contact information below by giving written notice to Contractor. Said changes shall not require an amendment to the agreement between the parties to which it is incorporated.

DSH Contract Manager	DSH Chief Privacy Officer	DSH Chief Information Security Officer
See Exhibit A - Scope of Work for contact information	Chief Privacy Officer Office of Legal Services 1600 9th Street, Room 433 Sacramento, CA 95814 Email: yamin.scardigli@dsh.ca.gov Telephone: 916-562-3721	Chief Information Security Officer Information Security Office 1600 9th Street, Suite 250 Sacramento, CA 95814 Email: iso@dsh.ca.gov and security@dsh.ca.gov Telephone: 916-654-4218

14. INTERNAL PRACTICES:

A. Contractor shall make Contractor's internal practices, books and records relating to the use and disclosure of DSH confidential information received from DSH, or created, maintained or received by Contractor, available to DSH or to the Secretary in a time and manner designated by DSH or by the Secretary, for purposes of determining DSH's compliance with HIPAA regulations.

15. EMPLOYEE TRAINING AND DISCIPLINE:

A. Contractor shall train and use reasonable measures to ensure compliance with the requirements of the agreement between DSH and Contractor by employees who assist in the performance of

functions or activities under this agreement and use or disclose confidential information; and discipline such employees who intentionally violate any provisions of this agreement.

16. EFFECT OF TERMINATION:

A. Upon termination or expiration of the agreement between Contractor and DSH for any reason, Contractor shall return, at its sole expense, to DSH all confidential information within five (5) business days or as otherwise specified in the request or notice to return records or, if agreed to by DSH, destroy all confidential information received from DSH or created or received by Contractor on behalf of DSH, that Contractor still maintains in any form. Contractor shall retain no copies of DSH confidential information. However, if return or destruction is not feasible, Contractor shall continue to extend the protections and provisions of the agreement to such information, and limit further use or disclosure of such confidential information to those purposes that make the return or destruction of such confidential information infeasible. This provision shall apply to DSH confidential information that is in the possession of Contractor, its subcontractor(s), or its agent(s).

17. MISCELLANEOUS PROVISIONS:

A. DSH shall notify Contractor and Contractor shall notify DSH of restrictions on disclosures or the manner of confidential communications requested and agreed to by Contractor or DSH from an Individual to satisfy 45 C.F.R. section 164.522.

B. Assistance in Litigation or Administrative Proceedings. Contractor shall make itself, and use its best efforts to make any subcontractors, employees or agents assisting Contractor in the performance of its obligations under the agreement with DSH, available to DSH at no cost to DSH to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DSH, its directors, officers or employees for claimed violations of HIPAA, regulations or other laws relating to security and privacy based upon actions or inactions of Contractor and/or its subcontractors, employees, or agents, except where Contractor or its subcontractors, employees, or agents is a named adverse party.

C. No Third-Party Beneficiaries. Nothing expressed or implied in the terms and conditions of the agreement between Contractor and DSH is intended to confer, nor shall anything herein confer, upon any person other than DSH or Contractor and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.

D. The terms and conditions in this Agreement shall be interpreted as broadly as necessary to implement and comply with the HIPAA regulations and applicable federal and state laws. The parties agree that any ambiguity in the terms and conditions of the agreement between the parties shall be resolved in favor of a meaning that complies and is consistent with state and federal law, including HIPAA and the HIPAA regulations.

E. A reference in the terms and conditions of the agreement between DSH and Contractor to any HIPAA regulation relates to that section in effect or as amended.

F. The obligations of Contractor under this Exhibit E shall survive the termination or expiration of the agreement.

18. JUDICIAL OR ADMINISTRATIVE PROCEEDINGS:

A. DSH may immediately terminate the agreement between Contractor and DSH if (a) Contractor is found liable in a civil or criminal proceeding for a violation of the HIPAA Privacy or Security Rule or (b) a finding or stipulation that Contractor has violated a privacy or security standard or requirement of HIPAA, or other security or privacy laws made in an administrative or civil proceeding in which Contractor is a party.

19. **TERMINATION FOR CAUSE:**

A. In accordance with 45 C.F.R. section 164.504(e)(1)(ii), upon DSH's knowledge of a material breach or violation of this Exhibit by Contractor, DSH shall:

i. Provide an opportunity for Contractor to cure the breach or end the violation and terminate the agreement if Contractor does not cure the breach or end the violation within the time specified by DSH; or

ii. Immediately terminate the agreement if Contractor has breached a material term of this Exhibit and cure is not possible.

Revision 2/2/21