

1 CONTRACT FOR PROVISION OF  
 2 DRUG MEDI-CAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES  
 3 BETWEEN  
 4 COUNTY OF ORANGE  
 5 AND  
 6 CALIFORNIA TREATMENT SERVICES, LLC  
 7 DBA RECOVERY SOLUTIONS OF SANTA ANA  
 8 JULY 1, 2023 THROUGH JUNE 30, 2025  
 9

10 THIS CONTRACT entered into this 1st day of July, 2023 (effective date), is by and between the  
 11 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and  
 12 CALIFORNIA TREATMENT SERVICES, LLC DBA RECOVERY SOLUTIONS OF SANTA  
 13 ANA, a limited liability company, (CONTRACTOR). COUNTY and CONTRACTOR may  
 14 sometimes be referred to herein individually as “Party” or collectively as “Parties.” This Contract shall  
 15 be administered by the County of Orange Health Care Agency or an authorized designee  
 16 (“ADMINISTRATOR”).

17  
 18 **W I T N E S S E T H:**  
 19

20 WHEREAS, COUNTY wishes to contract with CALIFORNIA TREATMENT SERVICES, LLC  
 21 DBA RECOVERY SOLUTIONS OF SANTA ANA, for the provision of Drug Medi-Cal Narcotic  
 22 Replacement Therapy Treatment Services described herein to residents of Orange County; and

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

25 NOW, THEREFORE, in consideration of the mutual covenants, benefits, and promises contained  
 26 herein, COUNTY and CONTRACTOR do hereby agree as follows:  
 27  
 28  
 29  
 30  
 31  
 32  
 33  
 34  
 35  
 36  
 37

**TABLE OF CONTENTS**

<u>PARAGRAPH</u>	<u>PAGE</u>
Title Page .....	1
Table of Contents.....	2
Referenced Contract Provisions.....	4
I. Acronyms.....	4
II. Alteration of Terms .....	7
III. Assignment of Debts .....	7
IV. Compliance.....	7
V. Confidentiality .....	11
VI. Conflict of Interest.....	12
VII. Expenditure and Revenue Report .....	12
VIII. Patients’ Rights.....	13
IX. Delegation, Assignment and Subcontracts .....	13
X. Dispute Resolution .....	15
XI. Employee Eligibility Verification.....	16
XII. Equipment.....	16
XIII. Facilities, Payments and Services .....	17
XIV. Indemnification and Insurance.....	18
XV. Inspections and Audits .....	22
XVI. Licenses and Laws.....	23
XVII. Literature, Advertisements and Social Media .....	24
XVIII. Amount Not to Exceed.....	25
XIX. Minimum Wage Laws.....	25
XX. Nondiscrimination .....	26
XXI. Notices .....	28
XXII. Notification of Death.....	28
XXIII. Notification of Public Events and Meetings .....	29
XXIV. Records Management and Maintenance.....	29
XXV. Research and Publication .....	31
XXVI. Severability .....	32
XXVII. Special Provisions .....	32
XXVIII. Status of Contractor.....	33
XXIX. Term.....	34
XXX. Termination.....	34
XXXI. Third Party Beneficiary .....	36
XXXII. Waiver of Default or Breach .....	36
XXXIII. Revenue .....	36

**TABLE OF CONTENTS (continued)**

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

**REFERENCED CONTRACT PROVISIONS**

**Term:** July 1, 2023, through June 30, 2025  
Period One means the period from July 1, 2023, through June 30, 2024  
Period Two means the period from July 1, 2024 through June 30, 2025

**Amount Not To Exceed:**

Period One Amount Not To Exceed: \$3,500,000  
Period Two Amount Not to Exceed: \$3,500,000  
TOTAL AMOUNT NOT TO EXCEED: \$7,000,000

**Basis for Reimbursement:** Negotiated Rate

**Payment Method:** Monthly in Arrears

**CONTRACTOR UEI Number:** C6AMUDKLPK77

**CONTRACTOR TAX ID Number:** 33-0329068

**Notices to COUNTY and CONTRACTOR:**

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

**CONTRACTOR:** California Treatment Services, LLC  
dba Recovery Solutions of Santa Ana  
2101 E. 1<sup>st</sup> Street  
Santa Ana, CA 92705  
Diana Wydo, LCSW  
[diana.wydo@acadiahealthcare.com](mailto:diana.wydo@acadiahealthcare.com)  
Brian Lohrding, CTC Division, Chief Financial Officer  
[Brian.lohrding@acadiahealthcare.com](mailto:Brian.lohrding@acadiahealthcare.com)

//  
//  
//  
//

## I. ACRONYMS

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

1		
2		
3		
4	A. AB 109	Assembly Bill 109, 2011 Public Safety Realignment
5	B. AIDS	Acquired Immune Deficiency Syndrome
6	C. ARRA	American Recovery and Reinvestment Act of 2009
7	D. ASAM PPC	American Society of Addiction Medicine Patient Placement Criteria
8	E. ASI	Addiction Severity Index
9	F. ASRS	Alcohol and Drug Programs Reporting System
10	G. BHS	Behavioral Health Services
11	H. CalOMS	California Outcomes Measurement System
12	I. CalWORKs	California Work Opportunity and Responsibility for Kids
13	J. CAP	Corrective Action Plan
14	K. CCC	California Civil Code
15	L. CCR	California Code of Regulations
16	M. CESI	Client Evaluation of Self at Intake
17	N. CEST	Client Evaluation of Self and Treatment
18	O. CFDA	Catalog of Federal Domestic Assistance
19	P. CFR	Code of Federal Regulations
20	Q. CHPP	COUNTY HIPAA Policies and Procedures
21	R. CHS	Correctional Health Services
22	S. COI	Certificate of Insurance
23	T. CPA	Certified Public Accountant
24	U. CSW	Clinical Social Worker
25	V. DHCS	California Department of Health Care Services
26	W. D/MC	Drug/Medi-Cal
27	X. DPFS	Drug Program Fiscal Systems
28	Y. DRS	Designated Record Set
29	Z. EEOC	Equal Employment Opportunity Commission
30	AA. EHR	Electronic Health Records
31	AB. EOC	Equal Opportunity Clause
32	AC. ePHI	Electronic Protected Health Information
33	AD. EPSDT	Early and Periodic Screening, Diagnosis, and Treatment
34	AE. FFS	Fee For Service
35	AF. FSP	Full Service Partnership
36	AG. FTE	Full Time Equivalent
37	AH. GAAP	Generally Accepted Accounting Principles

1	AI. HCA	County of Orange Health Care Agency
2	AJ. HHS	Federal Health and Human Services Agency
3	AK. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
4		Law 104-191
5	AL. HITECH	Health Information Technology for Economic and Clinical Health
6		Act, Public Law 111-005
7	AM. HIV	Human Immunodeficiency Virus
8	AN. HSC	California Health and Safety Code
9	AO. IRIS	Integrated Records and Information System
10	AP. ITC	Indigent Trauma Care
11	AQ. LCSW	Licensed Clinical Social Worker
12	AR. MAT	Medication Assisted Treatment
13	AS. MFT	Marriage and Family Therapist
14	AT. MH	Mental Health
15	AU. MHP	Mental Health Plan
16	AV. MHS	Mental Health Specialist
17	AW. MHSA	Mental Health Services Act
18	AX. MSN	Medical Safety Net
19	AY. NIH	National Institutes of Health
20	AZ. NPI	National Provider Identifier
21	BA. NPPES	National Plan and Provider Enumeration System
22	BB. OCR	Federal Office for Civil Rights
23	BC. OIG	Federal Office of Inspector General
24	BD. OMB	Federal Office of Management and Budget
25	BE. OPM	Federal Office of Personnel Management
26	BF. P&P	Policy and Procedure
27	BG. PA DSS	Payment Application Data Security Standard
28	BH. PATH	Projects for Assistance in Transition from Homelessness
29	BI. PC	California Penal Code
30	BJ. PCI DSS	Payment Card Industry Data Security Standards
31	BK. PCS	Post-Release Community Supervision
32	BL. PHI	Protected Health Information
33	BM. PII	Personally Identifiable Information
34	BN. PRA	California Public Records Act
35	BO. PSC	Professional Services Contract System
36	BP. SAPTBG	Substance Abuse Prevention and Treatment Block Grant
37	BQ. SIR	Self-Insured Retention

1	BR. SMA	Statewide Maximum Allowable (rate)
2	BS. SOW	Scope of Work
3	BT. SUD	Substance Use Disorder
4	BU. UMDAP	Uniform Method of Determining Ability to Pay
5	BV. UOS	Units of Service
6	BW. USC	United States Code
7	BX. WIC	Women, Infants and Children

## 8

## 9 **II. ALTERATION OF TERMS**

10 A. This Contract, together with Exhibit(s) A, B and C attached hereto and incorporated herein,  
11 fully expresses the complete understanding of COUNTY and CONTRACTOR with respect to the  
12 subject matter of this Contract.

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

## 17

## 18 **III. ASSIGNMENT OF DEBTS**

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

## 26

## 27 **IV. COMPLIANCE**

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

31 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the policies and  
32 procedures relating to ADMINISTRATOR's Compliance Program, Code of Conduct and access to  
33 General Compliance and Annual Provider Trainings.

34 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own  
35 compliance program, code of conduct and any compliance related policies and procedures.  
36 CONTRACTOR's compliance program, code of conduct and any related policies and procedures shall  
37 be verified by ADMINISTRATOR's Compliance Department to ensure they include all required

1 elements by ADMINISTRATOR's Compliance Officer as described in this Compliance Paragraph to  
2 this Contract. These elements include:

- 3 a. Designation of a Compliance Officer and/or compliance staff.
- 4 b. Written standards, policies and/or procedures.
- 5 c. Compliance related training and/or education program and proof of completion.
- 6 d. Communication methods for reporting concerns to the Compliance Officer.
- 7 e. Methodology for conducting internal monitoring and auditing.
- 8 f. Methodology for detecting and correcting offenses.
- 9 g. Methodology/Procedure for enforcing disciplinary standards.

10 3. If CONTRACTOR does not provide proof of its own compliance program to  
11 ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR's  
12 Compliance Program and Code of Conduct, CONTRACTOR shall submit to ADMINISTRATOR  
13 within thirty (30) calendar days of execution of this Contract a signed acknowledgement that  
14 CONTRACTOR will internally comply with ADMINISTRATOR's Compliance Program and Code of  
15 Conduct. CONTRACTOR shall have as many Covered Individuals it determines necessary complete  
16 ADMINISTRATOR's annual compliance training to ensure proper compliance.

17 4. If CONTRACTOR elects to have its own compliance program, code of conduct and any  
18 Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR  
19 shall submit a copy of its compliance program, code of conduct and all relevant policies and  
20 procedures to ADMINISTRATOR within thirty (30) calendar days of execution of this Contract.  
21 ADMINISTRATOR's Compliance Officer, or designee, shall review said documents within a  
22 reasonable time, which shall not exceed forty-five (45) calendar days, and determine if  
23 CONTRACTOR's proposed compliance program and code of conduct contain all required elements to  
24 ADMINISTRATOR's satisfaction as consistent with the HCA's Compliance Program and Code of  
25 Conduct. ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and  
26 CONTRACTOR shall revise its compliance program and code of conduct to meet  
27 ADMINISTRATOR's required elements within thirty (30) calendar days after ADMINISTRATOR's  
28 Compliance Officer's determination and resubmit the same for review by ADMINISTRATOR.

29 5. Upon written confirmation from ADMINISTRATOR's compliance officer that  
30 CONTRACTOR's compliance program, code of conduct and any compliance related policies and  
31 procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals  
32 relative to this Contract are made aware of CONTRACTOR's compliance program, code of conduct,  
33 related policies and procedures and contact information for ADMINISTRATOR's Compliance  
34 Program.

35 B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed  
36 or retained to provide services related to this Contract monthly to ensure that they are not designated  
37 as Ineligible Persons, as pursuant to this Contract. Screening shall be conducted against the General



1 Services Administration's Excluded Parties List System or System for Award Management, the Health  
2 and Human Services/Office of Inspector General List of Excluded Individuals/Entities, and the  
3 California Medi-Cal Suspended and Ineligible Provider List, the Social Security Administration's  
4 Death Master File at date of employment, and/or any other list or system as identified by  
5 ADMINISTRATOR.

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

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

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

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

19 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or  
20 engagement. CONTRACTOR shall not hire or engage any Ineligible Person to provide services  
21 relative to this Contract.

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

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

33 6. CONTRACTOR acknowledges that Ineligible Persons are precluded from providing  
34 federal and state funded health care services by contract with COUNTY in the event that they are  
35 currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency.  
36 If CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person,

37 //

1 CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY  
2 business operations related to this Contract.

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

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

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

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

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

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

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

25 D. SPECIALIZED PROVIDER TRAINING – ADMINISTRATOR shall make Specialized  
26 Provider Training, where appropriate, available to Covered Individuals.

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

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

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

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

36 5. Each Covered Individual attending a group training shall certify, in writing, attendance at  
37 compliance training. ADMINISTRATOR shall provide instructions on completing the training in a

1 group setting while CONTRACTOR shall retain the certifications. Upon written request by  
2 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

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

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

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

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

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

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

21 6. CONTRACTOR shall meet the HCA MHP Quality Management Program Standards and  
22 participate in the quality improvement activities developed in the implementation of the Quality  
23 Management Program.

24 7. CONTRACTOR shall comply with the provisions of ADMINISTRATOR's Cultural  
25 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural  
26 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,  
27 §1810.410.subds.(c)-(d).

28 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a  
29 breach of this Contract on the part of CONTRACTOR and grounds for COUNTY to terminate this  
30 Contract. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty  
31 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this  
32 Compliance Paragraph prior to ADMINISTRATOR's right to terminate this Contract on the basis of  
33 such default.

34  
35 **V. CONFIDENTIALITY**

36 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any  
37 audio and/or video recordings, in accordance with all applicable federal, state and county codes and

1 regulations, including 42 USC §290dd-2 (Confidentiality of Records), as they now exist or may  
2 hereafter be amended or changed.

3 B. Prior to providing any services pursuant to this Contract, all members of the Board of  
4 Directors or its designee or authorized agent, employees, consultants, subcontractors, volunteers and  
5 interns of CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the  
6 confidentiality of any and all information and records which may be obtained in the course of  
7 providing such services. This Contract shall specify that it is effective irrespective of all subsequent  
8 resignations or terminations of CONTRACTOR members of the Board of Directors or its designee or  
9 authorized agent, employees, consultants, subcontractors, volunteers and interns.

10 C. CONTRACTOR shall have in effect a system to protect patient records from inappropriate  
11 disclosure in connection with activity funded under this Contract. This system shall include provisions  
12 for employee education on the confidentiality requirements, and the fact that disciplinary action may  
13 occur upon inappropriate disclosure. CONTRACTOR agrees to implement administrative, physical,  
14 and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and  
15 availability of all confidential information that it creates, receives, maintains or transmits.  
16 CONTRACTOR shall provide ADMINISTRATOR with information concerning such safeguards.

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

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

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

## 24 **VI. CONFLICT OF INTEREST**

25 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions  
26 that could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation  
27 shall apply to CONTRACTOR's employees, agents, and subcontractors associated with the provision  
28 of goods and services provided under this Contract. CONTRACTOR's efforts shall include, but not be  
29 limited to establishing rules and procedures preventing its employees, agents, and subcontractors from  
30 providing or offering gifts, entertainment, payments, loans or other considerations which could be  
31 deemed to influence or appear to influence COUNTY staff or elected officers in the performance of  
32 their duties.

## 33 **VII. EXPENDITURE AND REVENUE REPORT**

34 A. No later than forty-five (45) calendar days following termination of each Period of this  
35 Contract, CONTRACTOR shall submit to ADMINISTRATOR, for informational purposes only, an  
36 Expenditure and Revenue Report for the preceding Period, or portion thereof. Such report shall be  
37

1 prepared in accordance with the procedure that is provided by ADMINISTRATOR and GAAP.

2 B. CONTRACTOR may be required to submit periodic Expenditure and Revenue Reports  
3 throughout the term of this Contract.

#### 4 5 **VIII. PATIENTS'S RIGHTS**

6 A. CONTRACTOR shall post the current California Department of Mental Health Patients'  
7 Rights poster as well as the Orange County HCA Mental Health Plan Grievance and Appeals poster in  
8 locations readily available to Clients and staff and have Grievance and Appeal forms in the threshold  
9 languages and envelopes readily accessible to Clients to take without having to request it on the unit.

10 B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have  
11 an internal grievance processes approved by ADMINISTRATOR, to which the Client shall have  
12 access.

13 1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance, patients'  
14 rights, and/or utilization management guidelines and procedures. The Client has the right to utilize  
15 either or both grievance process simultaneously in order to resolve their dissatisfaction.

16 2. Title IX Rights Advocacy. This process may be initiated by a Client who registers a  
17 statutory rights violation or a denial or abuse complaint with COUNTY Patients' Rights Office. The  
18 Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall apply,  
19 which involve ADMINISTRATOR'S Director of Behavioral Health Care and the State Patients'  
20 Rights Office.

21 C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to  
22 CONTRACTOR, appeal to COUNTY Patients' Rights Office, file a grievance, and file a Title IX  
23 complaint. The Patients' Advocate shall advise and assist the Client, investigate the cause of the  
24 grievance, and attempt to resolve the matter

25 D. No provision of this Contract shall be construed as replacing or conflicting with the duties of  
26 COUNTY Patients' Rights Office pursuant to Welfare and Institutions Code Section 5500.

#### 27 28 **IX. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

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

34 B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR's  
35 business prior to completion of this Contract, and COUNTY agrees to the change or transfer in  
36 ownership as it relates to this Contract, the new owners shall be required under the terms of sale or  
37 other instruments of transfer to assume CONTRACTOR's duties and obligations contained in this

1 Contract and complete them to the satisfaction of COUNTY. CONTRACTOR may not assign the  
2 rights hereunder, either in whole or in part, without the prior written consent of COUNTY.

3 1. If CONTRACTOR is a nonprofit organization, any change from a nonprofit corporation  
4 to any other corporate structure of CONTRACTOR, including a change in more than fifty percent  
5 (50%) of the composition of the Board of Directors within a two (2) month period of time, shall be  
6 deemed an assignment for purposes of this paragraph, unless CONTRACTOR is transitioning from a  
7 community clinic/health center to a Federally Qualified Health Center and has been so designated by  
8 the Federal Government. Any attempted assignment or delegation in derogation of this subparagraph  
9 shall be void.

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

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

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

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

29 6. COUNTY reserves the right to immediately terminate this Contract in the event  
30 COUNTY determines, in its sole discretion that the assignee is not qualified or is otherwise  
31 unacceptable to COUNTY for the provision of services under this Contract.

32 C. CONTRACTOR's obligations undertaken pursuant to this Contract may be carried out by  
33 means of subcontracts, provided such subcontractors are approved in advance by ADMINISTRATOR,  
34 meet the requirements of this Contract as they relate to the service or activity under subcontract,  
35 include any provisions that ADMINISTRATOR may require, and are authorized in writing by  
36 ADMINISTRATOR prior to the beginning of service delivery.

37 //

1 1. After approval of the subcontractor, ADMINISTRATOR may revoke the approval of the  
2 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor  
3 subsequently fails to meet the requirements of this Contract or any provisions that  
4 ADMINISTRATOR has required. ADMINISTRATOR may disallow subcontractor expenses reported  
5 by CONTRACTOR.

6 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to  
7 COUNTY pursuant to this Contract.

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

10 4. This provision shall not be applicable to service contracts usually and customarily entered  
11 into by CONTRACTOR to obtain or arrange for supplies, technical support, and professional services  
12 provided by consultants.

13 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status  
14 with respect to name changes that do not require an assignment of this Contract. CONTRACTOR is  
15 also obligated to notify COUNTY in writing if CONTRACTOR becomes a party to any litigation  
16 against COUNTY, or a party to litigation that may reasonably affect CONTRACTOR's performance  
17 under this Contract, as well as any potential conflicts of interest between CONTRACTOR and  
18 COUNTY that may arise prior to or during the period of Contract performance. While  
19 CONTRACTOR is required to provide this information without prompting from COUNTY any time  
20 there is a change in CONTRACTOR's name, conflict of interest or litigation status, CONTRACTOR  
21 must also provide an update to COUNTY of its status in these areas whenever requested by COUNTY.  
22

## 23 **X. DISPUTE RESOLUTION**

24 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the  
25 dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a  
26 reasonable period of time by CONTRACTOR and ADMINISTRATOR, such matter shall be brought  
27 to the attention of the County Purchasing Agent or designee by way of the following process:

28 1. CONTRACTOR shall submit to the County Purchasing Agent a written demand for a  
29 final decision regarding the disposition of any dispute between the Parties arising under, related to, or  
30 involving this Contract, unless COUNTY, on its own initiative, has already rendered such a final  
31 decision.

32 2. CONTRACTOR's written demand shall be fully supported by factual information, and, if  
33 such demand involves a cost adjustment to this Contract, CONTRACTOR shall include with the  
34 demand a written statement signed by an authorized representative indicating that the demand is made  
35 in good faith, that the supporting data are accurate and complete, and that the amount requested  
36 accurately reflects the Contract adjustment for which CONTRACTOR believes COUNTY is liable.  
37 //

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

5 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and  
6 shall be signed by a COUNTY Deputy Purchasing Agent. If COUNTY does not render a decision  
7 within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final  
8 decision adverse to CONTRACTOR's contentions.

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

#### 16 17 **XI. EMPLOYEE ELIGIBILITY VERIFICATION**

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

#### 27 28 **XII. EQUIPMENT**

29 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all  
30 property of a Relatively Permanent nature with significant value, purchased in whole or in part by  
31 ADMINISTRATOR to assist in performing the services described in this Contract. "Relatively  
32 Permanent" is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000  
33 or over, including freight charges, sales taxes, and other taxes, and installation costs are defined as  
34 Capital Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales  
35 taxes and other taxes, and installation costs, or electronic equipment that costs less than \$600 but may  
36 contain PHI or PII, are defined as Controlled Equipment. Controlled Equipment includes, but is not  
37 limited to phones, tablets, audio/visual equipment, computer equipment, and lab equipment. The cost



1 of Equipment purchased, in whole or in part, with funds paid pursuant to this Contract shall be  
2 depreciated according to GAAP.

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

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

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

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

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

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

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

### 31 32 **XIII. FACILITIES, PAYMENTS AND SERVICES**

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

1 B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or  
2 supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Total Amount Not to  
3 Exceed for the appropriate Period as well as the Total Amount Not to Exceed shall be in an amount  
4 proportionate to the number of days in which CONTRACTOR was determined to be unable to provide  
5 services, staffing, facilities or supplies.

#### 6 7 **XIV. INDEMNIFICATION AND INSURANCE**

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

18 B. Prior to the provision of services under this Contract, CONTRACTOR agrees to  
19 purchase all required insurance at CONTRACTOR's expense, including all endorsements required  
20 herein, necessary to satisfy COUNTY that the insurance provisions of this Contract have been  
21 complied with. CONTRACTOR agrees to keep such insurance coverage current and to provide  
22 Certificates of Insurance and endorsements to COUNTY during the entire term of this Contract.

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

32 D. All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any  
33 SIRs in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by COUNTY's  
34 Risk Manager, or designee. COUNTY reserves the right to require current audited financial reports  
35 from CONTRACTOR. If CONTRACTOR is self-insured, CONTRACTOR will indemnify COUNTY  
36 for any and all claims resulting or arising from CONTRACTOR's services in accordance with the  
37 indemnity provision stated in this Contract.

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

F. QUALIFIED INSURER

1. The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**).

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

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

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles (4 passengers or less)	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims-made
Professional Liability Insurance	\$1,000,000 per claims-made \$1,000,000 aggregate
Sexual Misconduct Liability	\$1,000,000 per occurrence

H. REQUIRED COVERAGE FORMS

1. The Commercial General Liability coverage shall be written on occurrence basis utilizing Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

2. The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

I. REQUIRED ENDORSEMENTS

//

1 1. The Commercial General Liability policy shall contain the following endorsements,  
2 which shall accompany the Certificate of Insurance:

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

7 b. A primary non-contributory endorsement using ISO form CG 20 01 04 13, or a form  
8 at least as broad evidencing that CONTRACTOR's insurance is primary and any insurance or self-  
9 insurance maintained by COUNTY shall be excess and non-contributing.

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

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

14 b. A primary and non-contributory endorsement evidencing that CONTRACTOR's  
15 insurance is primary and any insurance or self-insurance maintained by COUNTY shall be excess and  
16 non-contributing.

17 J. The Workers' Compensation policy shall contain a waiver of subrogation endorsement  
18 waiving all rights of subrogation against the *County of Orange, its elected and appointed officials,*  
19 *officers, agents, and employees* or provide blanket coverage, which will state **AS REQUIRED BY**  
20 **WRITTEN CONTRACT**.

21 K. All insurance policies required by this Contract shall waive all rights of subrogation against  
22 the County of Orange, its elected and appointed officials, officers, agents, and employees when acting  
23 within the scope of their appointment or employment.

24 L. CONTRACTOR shall provide thirty (30) calendar days prior written notice to COUNTY of  
25 any policy cancellation or non-renewal and ten (10) calendar days prior written notice where  
26 cancellation is due to non-payment of premium and provide a copy of the cancellation notice to  
27 COUNTY. Failure to provide written notice of cancellation may constitute a material breach of the  
28 Contract, upon which COUNTY may suspend or terminate this Contract.

29 M. If CONTRACTOR's Professional Liability and Network Security & Privacy Liability are  
30 "Claims -Made" policies, CONTRACTOR shall agree to the following:

31 1. The retroactive date must be shown and must be before the date of the Contract or the  
32 beginning of the Contract services.

33 2. Insurance must be maintained, and evidence of insurance must be provided, for at least  
34 three (3) years after expiration or earlier termination of contract services.

35 3. If coverage is canceled or non-renewed, and not replaced with another claims-made  
36 policy form with a retroactive date prior to the effective date of the Contract services, CONTRACTOR

37 //

1 must purchase an extended reporting period for a minimum of three (3) years after expiration of earlier  
2 termination of this Contract.

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

5 O. Insurance certificates should be forwarded to the department address listed in the Referenced  
6 Contract Provisions of this Contract.

7 P. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven  
8 (7) calendar days of notification by COUNTY, COUNTY may immediately terminate this Contract for  
9 cause.

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

14 R. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements.  
15 If CONTRACTOR does not provide acceptable Certificates of Insurance and endorsements to  
16 COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice, this  
17 Contract may be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled  
18 to all legal remedies.

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

#### 22 T. SUBMISSION OF INSURANCE DOCUMENTS

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

24 a. Prior to the start date of this Contract.  
25 b. No later than the expiration date for each policy.  
26 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY  
27 regarding changes to any of the insurance requirements as set forth in the Coverage Subparagraph  
28 above.

29 2. The COI and endorsements shall be provided to COUNTY at the address as set forth in  
30 the Referenced Contract Provisions of this Contract.

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

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

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

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

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

12  
 13   **XV. INSPECTIONS AND AUDITS**

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

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

29                   C. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records,  
 30 documents, contracts, computers, or other electronic systems pertaining to Medi-Cal/Drug Medi-Cal  
 31 enrollees, Medi-Cal/Drug Medi-Cal-related activities, services and activities furnished under the terms  
 32 of this Contract or determinations of amounts payable available at any time for inspection,  
 33 examination or copying by the State, CMS, HHS Inspector General, the United States Comptroller  
 34 General, their designees, and other authorized federal and state agencies. (42 CFR §438.3(h)) This  
 35 audit right will exist for ten (10) years from the final date of the contract period or from the date of  
 36 completion of any audit, whichever is later. (42 CFR §438.230(c)(3)(iii).) The State, CMS, or the

37 //

1 HHS Inspector General may inspect, evaluate, and audit CONTRACTOR at any time if there is a  
2 reasonable possibility of fraud or similar risk. (42 CFR §438.230(c)(3)(iv).)

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

8 E. ADMINISTRATOR shall inform providers and CONTRACTOR, at the time they enter into a  
9 contract, of the following:

10 1. Beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in  
11 42 C.F.R. 438.400 through 42 C.F.R. 438.424.

12 2. The beneficiary's right to file grievances and appeals and the requirements and  
13 timeframes for filing.

14 3. The availability of assistance to the beneficiary with filing grievances and appeals.

15 4. The beneficiary's right to request continuation of benefits that ADMINISTRATOR seeks  
16 to reduce or terminate during an appeal or state fair hearing filing, if filed within the allowable  
17 timeframes, although the beneficiary may be liable for the cost of any continued benefits while the  
18 appeal or state fair hearing is pending if the final decision is adverse to the beneficiary.

19 5. The conduction of random reviews to ensure beneficiaries are being notified in a timely  
20 manner.

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

## 25 **XVI. LICENSES AND LAWS**

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

34 B. CONTRACTOR shall comply with all applicable governmental laws, regulations, and  
35 requirements as they exist now or may be hereafter amended or changed. These laws, regulations, and  
36 requirements shall include, but not be limited to, the following:  
37

- 1 1. HSC, §§11758.40 through 11758.47, Medi-Cal Drug Treatment Program.
- 2 2. HSC, §§11839 through 11839.22, Narcotic Treatment Programs.
- 3 3. HSC, §11876, Narcotic Treatment Programs (inspections).
- 4 4. 42 CFR, Public Health, Part 8 – Certification of Opioid Treatment Programs.
- 5 5. 21 CFR, Chapter 2, Part 1300 through 1399, Drug Enforcement Administration.
- 6 6. CCR Title 9, Division 4, Chapter 4, Subchapters 1 through 6, Narcotic Treatment
- 7 Programs.
- 8 7. 21 USC 300x-27(a) and 300y-11.
- 9 8. 21 USC §§355, and 505, Manufacture of Drugs.
- 10 9. 21 USC §§812, 823, and 958, Controlled Substances.
- 11 10. US Department of Justice, Drug Enforcement Administration.
- 12 11. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,
- 13 August 2015
- 14 12. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
- 15 13. Drug Medi-Cal Certification Standards for Substance Abuse Clinics (Document 2E).
- 16 14. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1, (Document 2C).
- 17 15. Standards for Drug Treatment Programs (October 21, 1981) (Document 2F);
- 18 16. Title 9, CCR, Division 4, Chapter 4, Subchapter 1, Sections 10000, et seq.;
- 19 17. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.
- 20 18. Title 9, CCR, Section 1810.435.
- 21 19. Title 9, CCR, Section 1840.105.

## **XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

34 C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly  
 35 available social media sites) in support of the services described within this Contract, CONTRACTOR  
 36 shall develop social media policies and procedures and have them available to ADMINISTRATOR  
 37 upon reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social



1 media used to either directly or indirectly support the services described within this Contract.  
 2 CONTRACTOR shall comply with COUNTY Social Media Use Policy and Procedures as they pertain  
 3 to any social media developed in support of the services described within this Contract.  
 4 CONTRACTOR shall also include any required funding statement information on social media when  
 5 required by ADMINISTRATOR.

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

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

11  
 12 **XVIII. AMOUNT NOT TO EXCEED**

13 A. The Total Amount Not to Exceed of COUNTY for services provided in accordance with this  
 14 Contract, and the separate Amount Not to Exceed for each Period under this Contract, are as specified  
 15 in the Referenced Contract Provisions of this Contract, except as allowed for in Subparagraph B.  
 16 below.

17 B. ADMINISTRATOR may amend the Amount Not to Exceed by an amount not to exceed ten  
 18 percent (10%) of Period One funding for this Contract.

19  
 20 **XIX. MINIMUM WAGE LAWS**

21 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and  
 22 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the  
 23 federal or California Minimum Wage to all its Covered Individuals (as defined within the  
 24 “Compliance” paragraph of this Contract) that directly or indirectly provide services pursuant to this  
 25 Contract, in any manner whatsoever. CONTRACTOR shall require and verify that all of its Covered  
 26 Individuals  
 27 providing services pursuant to this Contract be paid no less than the greater of the federal or California  
 28 Minimum Wage.

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

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

36 //  
 37 //

## XX. NONDISCRIMINATION

### A. EMPLOYMENT

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

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

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

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

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

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

B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity,

1 gender expression, age, sexual orientation, or military and veteran status in accordance with Title IX of  
2 the Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil  
3 Rights Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9,  
4 Division 4, Chapter 6, Article 1 (§10800, et seq.) of the CCR; and Title II of the Genetic Information  
5 Nondiscrimination Act of 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent rules and  
6 regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as  
7 all may now exist or be hereafter amended or changed. For the purpose of this Nondiscrimination  
8 paragraph, discrimination includes, but is not limited to the following based on one or more of the  
9 factors identified above:

- 10 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 11 2. Providing any service or benefit to a Client which is different or is provided in a different  
12 manner or at a different time from that provided to other Clients.
- 13 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by  
14 others receiving any service and/or benefit.
- 15 4. Treating a Client differently from others in satisfying any admission requirement or  
16 condition, or eligibility requirement or condition, which individuals must meet in order to be provided  
17 any service and/or benefit.
- 18 5. Assignment of times or places for the provision of services.

19 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all  
20 Clients through a written statement that CONTRACTOR’s and/or subcontractor’s Clients may file all  
21 complaints alleging discrimination in the delivery of services with CONTRACTOR, subcontractor,  
22 and ADMINISTRATOR or the U.S. Department of Health and Human Services’ OCR.

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

27 a. COUNTY shall establish a formal resolution and grievance process in the event  
28 grievance is not able to be resolved at point of service.

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

32 D. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply  
33 with the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as  
34 implemented in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 as amended (42  
35 USC 12101 et seq.; as implemented in 29 CFR 1630), as applicable, pertaining to the prohibition of  
36 discrimination against qualified persons with disabilities in all programs or activities, and if applicable,  
37 //

1 as implemented in Title 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended  
2 together with succeeding legislation.

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

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

### 12 **XXI. NOTICES**

13  
14 A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements  
15 authorized or required by this Contract shall be effective:

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

19 2. When faxed, transmission confirmed;

20 3. When sent by Email; or

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

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

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

31 D. For purposes of this Contract, any notice to be provided by COUNTY may be given by  
32 ADMINISTRATOR.

### 33 **XXII. NOTIFICATION OF DEATH**

34 A. Upon becoming aware of the death of any person served pursuant to this Contract,  
35 CONTRACTOR shall immediately notify ADMINISTRATOR.  
36

37 //

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

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

7 2. WRITTEN NOTIFICATION

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

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

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

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

20  
21 **XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

29  
30 **XXIV. RECORDS MANAGEMENT AND MAINTENANCE**

31 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term  
32 of this Contract, prepare, maintain and manage records appropriate to the services provided and in  
33 accordance with this Contract and all applicable requirements.

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

37 //

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

6 I. CONTRACTOR may retain Client, and/or patient documentation electronically in accordance  
7 with the terms of this Contract and common business practices. If documentation is retained  
8 electronically, CONTRACTOR shall, in the event of an audit or site visit:

9 1. Have documents readily available within twenty-four (24) hour notice of a scheduled  
10 audit or site visit.

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

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

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

19 K. CONTRACTOR may be required to pay any costs associated with a Breach of privacy and/or  
20 security of PII and/or PHI, including but not limited to the costs of notification. CONTRACTOR shall  
21 pay any and all such costs arising out of a Breach of privacy and/or security of PII and/or PHI.  
22 CONTRACTOR shall obtain an NPI for each site identified as a location for providing contractual  
23 services. Provider's site NPIs must be submitted to the ADMINISTRATOR prior to rendering services  
24 to Clients. Contractors providing direct or indirect services for State reporting must also submit  
25 rendering (individual) provider NPIs to ADMINISTRATOR for each staff member providing Medi-  
26 Cal billable services. CONTRACTOR reimbursement will not be processed unless NPIs are on file  
27 with ADMINISTRATOR in advance of providing services to Clients. It is the responsibility of each  
28 contract provider site and individual staff member that bills Medi-Cal to obtain an NPI from the  
29 NPPES. Each contract site, as well as every staff member that provides billable services, is responsible  
30 for notifying the NPPES within thirty (30) calendar days of any updates to personal information,  
31 which may include, but is not limited to, worksite address, name changes, taxonomy code changes,  
32 etc.

### 33 34 **XXV. RESEARCH AND PUBLICATION**

35 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out  
36 of, or developed, as a result of this Contract for any purpose other than performance of services under  
37 this Contract.

## **XXVI. SEVERABILITY**

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

## **XXVII. SPECIAL PROVISIONS**

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

1. Making cash payments to intended recipients of services through this Contract.
2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use of appropriated funds to influence certain federal contracting and financial transactions).
3. Fundraising.
4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or governing body.
5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing body for expenses or services.
6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or governing body, or its designee or authorized agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
7. Paying an individual salary or compensation for services at a rate in excess of the current Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule may be found at [www.opm.gov](http://www.opm.gov).
8. Severance pay for separating employees.
9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building codes and obtaining all necessary building permits for any associated construction.
10. Purchasing or improving land, including constructing or permanently improving any building or facility, except for tenant improvements.
11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds (matching).
12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.
13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or alcohol.



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

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

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

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

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

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

11 2. Making phone calls outside of the local area unless documented to be directly for the  
12 purpose of Client care.

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

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

16 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
17 CONTRACTOR’s Clients.

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

22  
23 **XXVIII. STATUS OF CONTRACTOR**

24 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be  
25 wholly responsible for the manner in which it performs the services required of it by the terms of this  
26 Contract. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and  
27 consultants employed by CONTRACTOR. This Contract shall not be construed as creating the  
28 relationship of employer and employee, or principal and agent, between COUNTY and  
29 CONTRACTOR or any of CONTRACTOR’s employees, agents, consultants, volunteers, interns, or  
30 subcontractors. CONTRACTOR assumes exclusively the responsibility for the acts of its employees,  
31 agents, consultants, volunteers, interns, or subcontractors as they relate to the services to be provided  
32 during the course and scope of their employment. CONTRACTOR, its agents, employees, consultants,  
33 volunteers, interns, or subcontractors, shall not be entitled to any rights or privileges of COUNTY’s  
34 employees and shall not be considered in any manner to be COUNTY’s employees.

35 //  
36 //  
37 //

**XXIX. TERM**

1  
2 A. The term of this Contract shall commence as specified in the Referenced Contract Provisions  
3 of this Contract or the execution date, whichever is later. This Contract shall terminate as specified in  
4 the Referenced Contract Provisions of this Contract unless otherwise sooner terminated as provided in  
5 this Contract. CONTRACTOR shall perform such duties as would normally extend beyond this term,  
6 including but not limited to, obligations with respect to confidentiality, indemnification, audits,  
7 reporting, and accounting.

8 B. Any administrative duty or obligation to be performed pursuant to this Contract on a weekend  
9 or holiday may be performed on the next regular business day.

**XXX. TERMINATION**

10  
11  
12 A. Either party may terminate this Contract, without cause, upon thirty (30) calendar day written  
13 notice given the other party. CONTRACTOR shall be responsible for meeting all programmatic and  
14 administrative contracted objectives and requirements as indicated in this Contract. CONTRACTOR  
15 shall be subject to the issuance of a CAP for the failure to perform to the level of contracted objectives,  
16 continuing to not meet goals and expectations, and/or for non-compliance. If CAPs are not completed  
17 within timeframe as determined by ADMINISTRATOR notice, payments may be reduced or withheld  
18 until CAP is resolved and/or this Contract could be terminated.

19 B. COUNTY may terminate this Contract immediately, upon written notice, on the occurrence of  
20 any of the following events:

- 21 1. The loss by CONTRACTOR of legal capacity.
- 22 2. Cessation of services.
- 23 3. The delegation or assignment of CONTRACTOR's services, operation or administration  
24 to another entity without the prior written consent of COUNTY.
- 25 4. The neglect by any physician or licensed person employed by CONTRACTOR of any  
26 duty required pursuant to this Contract.
- 27 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of  
28 this Contract.

29 6. The continued incapacity of any physician or licensed person to perform duties required  
30 pursuant to this Contract.

31 7. Unethical conduct or malpractice by any physician or licensed person providing services  
32 pursuant to this Contract; provided, however, COUNTY may waive this option if CONTRACTOR  
33 removes such physician or licensed person from serving persons treated or assisted pursuant to this  
34 Contract.

**C. CONTINGENT FUNDING**

- 35 1. Any obligation of COUNTY under this Contract is contingent upon the following:  
36  
37 //

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

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

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

9 D. In the event this Contract is suspended or terminated prior to the completion of the term as  
10 specified in the Referenced Contract Provisions of this Contract, ADMINISTRATOR may, at its  
11 sole discretion, reduce the Amount Not To Exceed of this Contract to be consistent with the reduced  
12 term of this Contract.

13 E. In the event this Contract is terminated, CONTRACTOR shall do the following:

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

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

18 3. Until the date of termination, continue to provide the same level of service required by  
19 this Contract.

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

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

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

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

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

35 9. Provide written notice of termination of services to each Client being served under this  
36 Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of  
37 //

1 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendars  
2 day period.

3 F. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be  
4 exclusive, and are in addition to any other rights and remedies provided by law or under this Contract.

5  
6 **XXXI. THIRD PARTY BENEFICIARY**

7 Neither party hereto intends that this Contract shall create rights hereunder in third parties  
8 including, but not limited to, any subcontractors or any Clients provided services pursuant to this  
9 Contract.

10  
11 **XXXII. WAIVER OF DEFAULT OR BREACH**

12 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any  
13 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this  
14 Contract shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any  
15 default or any breach by CONTRACTOR shall not be considered a modification of the terms of this  
16 Contract.

17  
18 **XXXIII. REVENUE**

19 A. CLIENT FEES – CONTRACTOR shall not charge a fee to DMC beneficiaries to whom  
20 services are provided pursuant to this Contract, their estates and/or responsible relatives, unless a  
21 Share of Cost is determined per Medi-Cal eligibility.

22 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain  
23 all available third-party reimbursement for which persons served pursuant to this Contract may be  
24 eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR’s usual and customary  
25 charges. An Assignment of Benefits must be present in a Client’s file when applicable.

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

32 //  
33 //  
34 //  
35 //  
36 //  
37 //

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

3 **CALIFORNIA TREATMENT SERVICES, LLC**  
4 **DBA RECOVERY SOLUTIONS OF SANTA ANA**

5  
6 DocuSigned by:  
7 BY: *Brian Lohrding* DATED: 2/23/2023  
8 AB11D795242D4D8...

9 TITLE: Group CFO

10  
11  
12  
13  
14  
15 COUNTY OF ORANGE

16  
17  
18 BY: \_\_\_\_\_ DATED: \_\_\_\_\_  
19 HEALTH CARE AGENCY

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

27  
28 DocuSigned by:  
29 BY: *Brittany McLean* DATED: 2/23/2023  
30 9713A4061D4343D...  
31 DEPUTY

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

1 EXHIBIT A  
2 TO CONTRACT FOR PROVISION OF  
3 DRUG MEDI-CAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES  
4 WITH  
5 CALIFORNIA TREATMENT SERVICES, LLC  
6 DBA RECOVERY SOLUTIONS OF SANTA ANA  
7 JULY 1, 2023 THROUGH JUNE 30, 2025

8  
9 **I. COMMON TERMS AND DEFINITIONS**

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

12 1. AB109 Services means services for DMC covered Clients deemed eligible by California  
13 Department of Corrections and Rehabilitation and/or OCPD. Clients in AB 109 Services are those who  
14 have received sentencing for a felony or misdemeanor that is non-violent, non-sexual, and non-serious.

15 2. American Society of Addiction Medicine (ASAM) Criteria means a comprehensive set of  
16 guidelines for placement, continued stay and transfer/discharge of Clients with addiction and co-  
17 occurring conditions.

18 3. California Outcomes Measurement System (CalOMS) means a statewide Client-based data  
19 collection and outcomes measurement system as required by the State to effectively manage and  
20 improve the provision of alcohol and other drug services at the state, COUNTY, and provider levels.

21 4. Care Coordination means services which include, but are not limited to, referral and  
22 Linkage to ancillary services not provided by CONTRACTOR such as contacting outside agencies and  
23 making referrals for services, including academic education, vocational training, medical and dental  
24 treatment, pre-and-post counseling and testing for infectious diseases, legal assistance, job search  
25 assistance, financial assistance, childcare, and self-help programs such as 12-step programs.  
26 Additionally, care coordination includes helping Clients build support in the community and helping  
27 Clients deal with impairments in life skills due to their substance use problems. Care coordination  
28 service include periodic reassessment of the Client's need for continued care coordination services and  
29 assistance to successfully transition to lower or higher levels of care, as determined by review of the  
30 treatment plans.

31 5. Client means a male or female aged 18 and over residing in the County of Orange who has  
32 a primary problem of opiate use disorder and/or other qualifying substance use disorder allowable by the  
33 DMC-ODS formulary that also qualifies for admission as per Title 9 and contractual eligibility  
34 requirements.

35 6. Collateral Services means sessions with the significant persons in the Client's life, focusing  
36 on their treatment needs to support the achievement of the Client's treatment goals. Significant persons  
37 //

1 are individuals that have a personal, not official or professional, relationship with the Client. The Client  
2 may or may not be present during the session.

3 7. Completion –

4 a. Satisfactory Completion means Clients who have attended sessions as prescribed and  
5 are discharged from treatment after making significant positive progress on their treatment plan goals.

6 b. Unsatisfactory Completion means Clients who have not attended sessions and are  
7 discharged without making progress on their treatment plan goals.

8 8. Co-Occurring means a person who has at least one substance use disorder and one mental  
9 health disorder that can be diagnosed independently of each other.

10 9. Counselor means a staff member who is registered or certified by one of the State approved  
11 Counseling Certification programs or who is a registered intern or licensed by the Board of Behavioral  
12 Sciences. A Counselor must remain in good standing with the certification or licensing process.

13 10. Crisis Intervention means providing emergency assessment and counseling with the Client  
14 in a crisis situation. This shall include an actual relapse or an unforeseen event or circumstance which  
15 presents an imminent threat of relapse to stabilize the emergency situation. Crisis sessions shall be  
16 limited to the stabilization of the Client's emergency situation.

17 11. Detoxification Therapy means narcotic therapy used in decreasing medically determined  
18 dosage levels for a period of not more than twenty-one (21) calendar days, to reduce or eliminate opiate  
19 dependence.

20 12. Diagnosis means the definition of the nature of the Client's substance use disorder. When  
21 formulating the diagnosis of Client, CONTRACTOR shall use the diagnosis codes as specified in the  
22 most current edition of the DSM published by the American Psychiatric Association. DSM diagnosis  
23 shall be recorded on all IRIS documents, as appropriate. It shall also be recorded on the Medical  
24 Necessity form and Treatment Plans.

25 13. Discharge/Referral and Linkage means providing the needed resources upon discharge from  
26 the program through Discharge Planning services via an Exit Plan for those completing their  
27 individualized course of maintenance services so that Client has the knowledge and resources to seek  
28 treatment again as needed or outside supportive services. As part of the Discharge/Referral and Linkage  
29 process, CONTRACTOR must perform a discharge summary for Clients within thirty (30) calendar  
30 days of discharge.

31 14. Dose means the administration of a specific amount of methadone and/or other MAT  
32 prescribed by a physician for the Client's care along with medical care and individual and/or group  
33 counseling.

34 15. Drug and Alcohol Treatment Access Report (DATAR) means the Department of Health  
35 Care Services (DHCS) system to collect data on Substance Use Disorder treatment capacity and waiting  
36 lists.

37 //

1           16. Drug/Alcohol Screening means providing drug/alcohol screening/testing once a month or as  
2 delineated by HCA.

3           17. Early Periodic Screening, Diagnostic and Treatment (EPSDT) means the federally  
4 mandated Medicaid benefit that entitles full-scope Medi-Cal-covered beneficiaries less than twenty-one  
5 (21) years of age to receive any Medicaid service necessary to correct or help to improve a defect,  
6 mental illness, or other condition, such as a substance-related disorder, that is discovered during a health  
7 screening.

8           18. Group Counseling means group-based services with a minimum of two (2) Clients and a  
9 maximum of twelve (12) Clients with at least one DMC beneficiary per group billed in ten (10) minute  
10 increments. Group counseling sessions are provided in a developmentally appropriate environment (i.e.,  
11 age, culture, etc.) and utilize evidence-based practices (EBP).

12           19. Individual Counseling means counseling provided to an individual as needed and identified  
13 on the treatment plan as appropriate for Clients. Individual Counseling shall be performed at a minimum  
14 of one (1) fifty (50) minute session per month. Utilization of EBPs in these sessions is required by the  
15 County DMC-ODS standards.

16           20. Intake means the initial meeting between a Client and CONTRACTOR staff in which  
17 specific information about the Client is gathered and standard admission forms completed pursuant to  
18 this Contract. This includes utilization of an ASAM-based Assessment, or any other tools as designated  
19 by COUNTY HCA, to provide a standardized, comprehensive risk and needs assessment to each Client.  
20 Assessment tools will be co-occurring capable, and meet best practice standards.

21           21. Integrated Records Information System (IRIS) means a collection of applications and  
22 databases that serve the needs of programs within HCA and includes functionality such as registration  
23 and scheduling, laboratory information system, billing and reporting capabilities, compliance with  
24 regulatory requirements, electronic medical records, and other relevant applications.

25           22. Level of Care Assessment means a comprehensive set of guidelines for placement,  
26 continued stay, and transfer/discharge of Clients with addiction and co-occurring conditions developed  
27 by HCA based on ASAM criteria. Level of care determination must be documented by a LPHA within  
28 their scope of practices.

29           23. Licensed Practitioner of the Healing Art (LPHA) means any Physicians, Nurse  
30 Practitioners, Physician Assistants, Registered Nurses, Registered Pharmacists, Licensed Clinical  
31 Psychologists, Licensed Clinical Social Worker, Licensed Professional Clinical Counselor, Licensed  
32 Marriage and Family Therapists, or license-eligible practitioners working under the supervision of  
33 licensed clinicians, working within their scope of practice.

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

37 //



1           25. Medication Assisted Treatment (MAT) means the assessment, prescription, administration,  
2 and monitoring of FDA-approved medications for SUD. MAT services are conducted by staff lawfully  
3 authorized to provide such services within their scope of practice or licensure.

4           26. Maintenance Therapy means the treatment modality whereby narcotic replacement therapy  
5 is used in sustained, stable, medically determined dosage levels for a period in excess of twenty-one (21)  
6 calendar days, to reduce or eliminate chronic opioid use disorder, while the patient is provided a  
7 comprehensive range of treatment services.

8           27. Medical Director means the physician licensed to practice medicine in California who is  
9 responsible for medical services provided by CONTRACTOR. The Medical Director shall be enrolled  
10 with DHCS under applicable state regulations. The Medical Director duties encompass signing of  
11 documentation, placing Clients in treatment, initiating, altering and terminating therapy medications and  
12 dosage amounts, supervising the administration and dispensing of medications, and planning and  
13 supervising provision of treatment, including regular review and notes in the Clients' records.

14           28. Medical Necessity means the decision by CONTRACTOR's Medical Director that a Client  
15 meets admission criteria and continuing care justification pursuant to CCR, Title 22 and Title 9, Section  
16 10270. Medically Necessary services are provided in accordance with an individualized treatment plan  
17 determined by a licensed physician or licensed prescriber and approved and authorized according to  
18 State requirements.

19           29. Medication Psychotherapy means a type of counseling service consisting of a face-to-face  
20 discussion conducted by the Medical Director of the NTP on a one-on-one basis with the Client on  
21 issues identified in the treatment plan.

22           30. Medication Services means the physician prescribed medications related to a Client's SUD  
23 treatment services covered under the DMC-ODS formulary including methadone, buprenorphine,  
24 naloxone, buprenorphine-naloxone, naltrexone, and disulfiram. CONTRACTOR staff will regularly  
25 communicate with physicians unless the Client refuses to consent to sign a 42 CFR Part 2 compliant  
26 Authorization to Disclose form.

27           31. Notice of Adverse Benefit Determination (NOABD) means a formal communication to the  
28 Medi-Cal beneficiary of any action regarding their Drug Medi-Cal services and their right to appeal,  
29 consistent with 42 CFR 438.404 and 438.10.

30           32. Perinatal means the condition of being pregnant or up to sixty (60) calendar days  
31 postpartum. In addition to the services established for outpatient Clients, the provider must offer  
32 Perinatal Clients additional parenting education, referrals, transportation, childcare, and other services,  
33 as specified by the DHCS Perinatal Practice Guidelines. If Client no longer meets this Perinatal  
34 definition, the Client would be eligible for non-Perinatal services as long as they meet medical necessity  
35 for the designated level of care.

36           33. Physician Extender means a registered nurse practitioner and physicians' assistants only.

37 //

1 34. Program Protocol means the written program description, goals, objectives, and policies  
2 established by CONTRACTOR for the methadone therapy program provided pursuant to the Contract.

3 35. Screening means the process by which the program obtains information about the individual  
4 seeking admission for methadone therapy services.

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

8 37. Substance Use Disorder (SUD) means a condition in which the use of one or more  
9 substances leads to a clinically significant impairment or distress as specified in the most current edition  
10 of the DSM published by the American Psychiatric Association.

11 38. Telehealth means office or outpatient visits between provider and Client via interactive  
12 audio and video telecommunication systems. Telehealth between providers means communication  
13 between two providers for purpose of consultation, performed via interactive audio and video  
14 telecommunication systems.

15 39. Token means the security device which allows an individual user to access the HCA  
16 computer-based IRIS.

17 40. Unit of Service means a calendar month of treatment services at a Narcotic Treatment  
18 Program provided pursuant to Title 22 and Title 9. Dosing and counseling services may be provided on  
19 the same day to a single Client.

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

## 22 **II. PAYMENTS**

23  
24 A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided  
25 pursuant to the Contract, COUNTY shall pay CONTRACTOR monthly in arrears at the State Mandated  
26 NTP DMC ODS rates of reimbursement, as listed below, or as amended by State mandate:

<u>Service</u>	<u>Unit of Service</u>	<u>Fee Determination</u>	<u>Regular DMC Rate per unit</u>	<u>Perinatal DMC Rate per unit</u>
NTP – Methadone	Daily	State Mandated	\$16.20	\$17.45
NTP – Buprenorphine-Mono	Daily	State Mandated	\$31.32	\$42.38
NTP – Buprenorphine-Naloxone: Tablets	Daily	State Mandated	\$31.80	\$42.85

<u>Service</u>	<u>Unit of Service</u>	<u>Fee Determination</u>	<u>Regular DMC Rate per unit</u>	<u>Perinatal DMC Rate per unit</u>
NTP – Buprenorphine-Naloxone: Film	Daily	State Mandated	\$28.31	\$39.37
NTP – Buprenorphine Injectable	Monthly	State Mandated	\$1,970.17	\$1970.17
NTP – Naltrexone Injectable	Monthly	State Mandated	\$2,151.97	\$2,151.97
NTP – Disulfiram	Daily	State Mandated	\$11.30	\$11.47
NTP – Naloxone	Dispensed according to need	State Mandated	\$144.96	\$144.96
Physician Consultation	15-minute increments	County Determined	\$89.30	\$89.30
NTP – Individual Counseling	One 10-minute increment	State Mandated	\$19.07	\$27.21
NTP – Group Counseling	One 10-minute increment	State Mandated	\$4.49	\$9.09

B. MAT will be reimbursed for onsite administration and dispensing at NTP programs; additionally, physicians and licensed prescribers in DMC programs will be reimbursed for the ordering, prescribing, administering, and monitoring of MAT as per DMC-ODS Waiver STC's. However, the total of monthly payments to CONTRACTOR shall not exceed COUNTY's Amount Not to Exceed set forth in the Referenced Contract Provisions of the Contract; and provided further that CONTRACTOR's invoicing and billing are allowable pursuant to applicable COUNTY, federal and state regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices for any month for which the negotiated amount for actual units of service provided during Period One and/or Period Two, as specified in the Referenced Contract Provisions of this Contract, has not been fully paid. Non-compliance will require the completion of a CAP by CONTRACTOR. If CAPs are not completed within timeframes approved by ADMINISTRATOR, payments may be reduced accordingly.

C. COUNTY shall pay CONTRACTOR monthly, in arrears, however, the total of such payments during any Period shall not exceed COUNTY's corresponding Period Amount Not to Exceed. CONTRACTOR's invoices shall be on a form approved or provided by ADMINISTRATOR and shall

1 provide such information as is required by ADMINISTRATOR. Invoices are due by the tenth (10th)  
2 calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later  
3 than thirty (30) calendar days after receipt of the correctly completed invoice form.

4 D. Monthly payments are interim payments only, and subject to Final Settlement of this Contract.  
5 Invoices received after the due date may not be paid in accordance with Subparagraph II.B of this  
6 Exhibit A to this Contract.

7 E. All invoicing and billing to COUNTY shall be supported at CONTRACTOR's facility, by  
8 source documentation, including, but not limited to, Client charts, electronic health records, treatment  
9 plans, records of services, etc. that clearly denote the appropriate and allowable provision of specified  
10 units of service to eligible Clients to which CONTRACTOR is entitled to compensation as a result of  
11 and in the performance of duties for COUNTY.

12 F. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply  
13 with any provision of this Contract or is not in compliance with federal, state or COUNTY regulations  
14 governing the provision of contracted services.

15 G. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration  
16 and/or termination of this Contract, except as may otherwise be provided for under this Contract.

17 H. In conjunction with Subparagraph II.A and B. above, CONTRACTOR shall not enter Units of  
18 Service into COUNTY IRIS system for services not rendered. If such information has been entered,  
19 CONTRACTOR shall make corrections within ten (10) calendar days from notification by  
20 ADMINISTRATOR. Additionally, to assist in the protection of data integrity, CONTRACTOR shall  
21 create a procedure to ensure separation of duties between the individual performing direct services  
22 (LPHA, clinicians, counselors, etc.), and the clerical staff who enter information into the IRIS system.  
23 Clerical staff shall enter data into IRIS using the chart information provided by the direct service staff.

24 I. CONTRACTOR shall ensure compliance with all DMC billing and documentation  
25 requirements when entering Units of Service into COUNTY IRIS system. ADMINISTRATOR shall  
26 withhold payment for non-compliant Units of Service, and may reduce, withhold or delay any payment  
27 associated with non-compliant billing practices.

28 J. CONTRACTOR may be required to have an audit conducted in accordance with federal OMB  
29 Circular A-133. CONTRACTOR is responsible for complying with any federal audit requirements  
30 within the reporting period specified by OMB Circular A-133.

31 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
32 Payments Paragraph of this Exhibit A to the Contract.

### 33 34 **III. RECORDS**

35 A. CLIENT RECORDS – CONTRACTOR shall maintain adequate records in accordance with the  
36 DHCS as they may be amended or superseded at a later time during the course of this Contract, the  
37 COUNTY Guidelines, California Code of Regulations (CCR), Title 22, Title 9, and

1 ADMINISTRATOR's requirements on each individual Client in sufficient detail to permit an evaluation  
2 of services, which shall include documentation of all activities, services, sessions, and assessment,  
3 including but not limited to:

4 1. Documentation that the prescribed treatment for substance use disorders is appropriate for  
5 the Client. This shall include the Medical Director or LPHA's initial medical necessity determination for  
6 the DMC-ODS benefit, including evidence of prior treatment history and/or current use of opiates  
7 and/or alcohol;

8 2. SUD Diagnosis;

9 3. Date of Birth;

10 4. Intake and admission data, including a physical examination;

11 5. Treatment Plans;

12 6. Reassessments of Client functioning;

13 7. Progress notes, including those for required monthly counseling sessions;

14 8. Medication orders and regular reviews signed by the physician;

15 9. Continuing Service Justifications;

16 10. Laboratory test orders and results, including Tuberculosis clearance and other lab results as  
17 required by Title 9 and HCA Contract;

18 11. Evidence of care coordination to support Clients in meeting their essential needs;

19 12. Screening for Human Trafficking – each Client's chart shall contain the results of screening  
20 for victims of human trafficking (TVPA 2000);

21 13. California Outcomes Measurement System (CalOMS);

22 14. Outcome measures and screening tools as determined by ADMINISTRATOR;

23 15. Drug screening results, as well as CONTRACTOR's response to a test or analysis for illicit  
24 drug use which discloses: the absence of methadone and/or other prescribed medications and their  
25 primary metabolites, the presence of any illicit drugs, or abuse of other substances, including alcohol;

26 a. Discharge plan;

27 b. Discharge summary;

28 c. Quality Review Check Sheet; and

29 d. Any other Client information which the program finds useful in treating the Client or as

30 ADMINISTRATOR deems necessary;

31 16. CONTRACTOR shall retain all Client medical records for ten (10) years following  
32 discharge of the Client, with the exception of non-emancipated minors for whom records must be kept  
33 for at least one (1) year after such minors have reached the age of eighteen (18) years, or for ten (10)  
34 years after the last date of service, whichever is longer.

35 //

36 //

37 //

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

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

8 2. CONTRACTOR shall account for funds provided through this Contract separately from  
9 other funds, and maintain a clear audit trail for the expenditure of funds.

10 3. CLIENT FEES – Pursuant to 42 CFR 438.106, CONTRACTOR shall not collect fees from  
11 a Medi-Cal beneficiary or persons acting on behalf of the beneficiary for any SUD or related  
12 administrative services provided under this Contract, except to collect other health insurance coverage,  
13 share of cost, and co-payments. Drug Medi-Cal is payment in full for treatment services rendered for  
14 Medi-Cal beneficiaries. The Client eligibility determination and fee charged to and collected from  
15 Clients, together with a record of all billings rendered and revenues received from any source, on behalf  
16 of Clients treated pursuant to the Contract, must be reflected in CONTRACTOR’s financial records.

17 C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
18 Records Paragraph of this Exhibit A to the Contract.

#### 19 20 **IV. REPORTS**

##### 21 **A. MONTHLY PROGRAMMATIC**

22 1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR,  
23 including information required and on a form approved or provided by ADMINISTRATOR. These  
24 monthly programmatic reports should be received by ADMINISTRATOR no later than the twentieth  
25 (20th) business day of the month following the report month.

26 2. CONTRACTOR shall report any problems in implementing the provisions of the Contract,  
27 pertinent facts or interim findings, staff changes, status of license(s) and/or certification(s), changes in  
28 population served, and reasons for any changes. Additionally, a statement that CONTRACTOR is or is  
29 not progressing satisfactorily in achieving all the terms of the Contract shall be included.

30 3. FOLLOW-UPS – CONTRACTOR shall conduct follow-ups with Clients after discharge at  
31 intervals designated by ADMINISTRATOR. ADMINISTRATOR shall provide information/questions  
32 to CONTRACTOR for follow up. CONTRACTOR shall track data on Client functioning which at  
33 minimum shall include current substance use.

34 B. MONTHLY IRIS – CONTRACTOR shall input all Units of Service provided in COUNTY’s  
35 IRIS database for the preceding month no later than the tenth (10th) calendar day of the month  
36 following the report month. Services entered into IRIS must match the monthly billing documents prior  
37 //

1 to funds being released. CONTRACTOR shall utilize monitoring reports available in IRIS to ensure the  
2 accuracy of Units of Service and other forms that are entered by CONTRACTOR into IRIS.

3 C. CalOMS – CONTRACTOR shall: (1) enter an error-free CalOMS admission record within  
4 twenty-one (21) calendar days of the start of services, (2) enter an error-free CalOMS annual record  
5 between one (1) and sixty (60) calendar days prior to the admission anniversary, and (3) enter an error-  
6 free CalOMS discharge record within twenty-one (21) calendar days after the last face-to-face service.  
7 CONTRACTOR shall utilize the CalOMS Error Detail Report (CEDR) to ensure that any CalOMS  
8 entry errors are corrected within two (2) business days of the entry. CONTRACTOR shall utilize other  
9 available CalOMS monitoring reports to ensure correct and timely submission and will report findings  
10 of these reports at monthly meetings with ADMINISTRATOR. CONTRACTOR shall ensure that a  
11 minimum of ninety-six percent (96%) of their CalOMS are completed on time monthly. Any individual  
12 provider of services must have an NPI number and be listed in IRIS as the provider of the service  
13 conducted prior to performing any clinical services.

14 D. MONTHLY DATAR – CONTRACTOR shall provide reports under the DATAR and/or any  
15 other State Department of Alcohol and Drug Programs Reporting System no later than the fifth (5th)  
16 business day of the month following the report month.

17 E. ACCESS LOG – CONTRACTOR shall track and enter information on requests for services  
18 into a designated form provided by ADMINISTRATOR.

19 F. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports, as required by  
20 ADMINISTRATOR, concerning CONTRACTOR’s activities as they affect the services hereunder.  
21 ADMINISTRATOR will be specific as to the nature of information requested and the timeframe the  
22 information is needed.

23 G. CONTRACTOR agrees to enter psychometrics into COUNTY’s EHR system as requested by  
24 ADMINISTRATOR. Said psychometrics are for COUNTY’s analytical uses only, and shall not be  
25 relied upon by CONTRACTOR to make clinical decisions. CONTRACTOR agrees to hold COUNTY  
26 harmless, and indemnify pursuant to Paragraph XIV. of the Contract, from any claims that arise from  
27 non-COUNTY use of said psychometrics.

28 H. CONTRACTOR shall submit reports as required by ADMINISTRATOR and/or the State.

29 I. CONTRACTOR shall ensure that data submitted is accurate and complete by verifying the  
30 accuracy and timeliness of reported data, screening the data for completeness, logic, and consistency,  
31 submitting data in standardized formats as determined appropriate by ADMINISTRATOR.

32 J. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
33 Reports Paragraph of this Exhibit A to the Contract.

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

1 **V. SERVICES**

2 A. ADMINISTRATOR reserves the right to amend the scope of services as written in this Exhibit  
3 A in order to meet State mandated California Advancing and Innovating Medi-Cal (CalAIM)  
4 requirements once published.

5 B. CONTRACTOR shall order, prescribe, administer, and monitor methadone and all other DMC-  
6 ODS reimbursable medications for the treatment of substance use disorders. CONTRACTOR shall  
7 make available all reimbursable forms of the following medications: methadone, buprenorphine,  
8 buprenorphine-naloxone, naloxone, naltrexone, and disulfiram.

9 C. FACILITY – CONTRACTOR shall provide contracted services in accordance with the  
10 standards established by COUNTY and State DHCS as they may be amended or superseded at a later  
11 time during the course of this Contract within the specifications stated below, unless otherwise  
12 authorized by ADMINISTRATOR. CONTRACTOR shall provide services within a DMC certified, and  
13 state-licensed NRT program, in accordance with the standards established by COUNTY and under Title  
14 9, Division 4, Chapter 4 of the CCR by the State of California, DHCS. The environment shall be healthy  
15 and safe and the facility shall be clean and in good repair. Services shall be provided at the following  
16 location, or at any other Certified DMC facility approved in advance, in writing, by  
17 ADMINISTRATOR:

18 2101 E. 1<sup>st</sup> Street  
19 Santa Ana, CA 92705  
20

21 1. CONTRACTOR's facility shall operate 365 days per year with scheduled closures only as  
22 permitted by state and federal regulations and guidelines. Hours of operation may be adjusted with prior  
23 approval from ADMINISTRATOR.

24 2. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday schedule,  
25 unless otherwise authorized, in writing, by ADMINISTRATOR.

26 CONTRACTOR's treatment program shall be accessible to people with disabilities in accordance with  
27 Title 45, Code of Federal Regulations (herein referred to as CFR), Part 84 and the American with  
28 Disabilities Act.

29 3. CONTRACTOR shall provide at a minimum, on site or by referral, prenatal and postpartum  
30 medical care, pediatric care, vocational/educational services to pregnant or parenting Clients.

31 4. CONTRACTOR shall be DMC Certified to provide DMC NTP services to DMC  
32 beneficiaries prior to initiating this Contract. CONTRACTOR is expected to provide DMC treatment  
33 services and bill per NTP billing guidelines. Therefore, CONTRACTOR must be:

34 a. DMC certified and with a billing system established before services commence.

35 b. Diligent and maintain active DMC certification throughout all Period(s) of this  
36 Contract.

37 //



1 c. In close proximity to public transportation for easy access for Clients and their  
2 parents/caregivers or other family/support persons who are participating in the Client's treatment.

3 d. A safe, drug-free, and welcoming environment and staff.

4 e. Able to provide private rooms for individual counseling, separate administrative area  
5 for operations, billing and file storage.

6 f. Located in Orange County.

7 g. Certain to include DMC administrative costs of ten percent (10%) of the annual DMC  
8 budget allocation for purposes of quality assurance to be provided by COUNTY.

9 D. PERSONS TO BE SERVED – CONTRACTOR shall serve adults eighteen (18) years of age or  
10 older. In order to receive services through the DMC-ODS, the Client must be enrolled in Medi-Cal,  
11 reside in Orange County, and meet medical necessity criteria, as outlined below. As COUNTY  
12 resources allow and as approved by ADMINISTRATOR, CONTRACTOR may serve Clients that are in  
13 the process of applying for Medi-Cal or those Clients that are in the process of having Medi-Cal  
14 reinstated as long as Clients reside in Orange County and meet medical necessity criteria, as outlined  
15 below.

16 E. MEDI-CAL ELIGIBILITY - MEDICAL NECESSITY

17 1. CONTRACTOR must verify the Medicaid eligibility determination of potential Clients.  
18 The verification shall be reviewed and approved by ADMINISTRATOR prior to payment for services,  
19 unless the individual is eligible to receive services from tribal health programs operating under the  
20 Indian Self Determination and Education Assistance Act (ISDEAA – Pub.L 93-638, as amended). If the  
21 individual is eligible to receive services from tribal health programs operating under the ISDEAA, then  
22 the determination shall be conducted as set forth in the Tribal Delivery System – Attachment BB to the  
23 STCs. CONTRACTOR may accept uninsured persons with proof of Medi-Cal application.

24 2. The initial medical necessity determination for an individual to receive a DMC-ODS  
25 benefit must be performed face-to-face by the Medical Director or appropriate designee within their  
26 scope of practice and as allowed by state and federal regulations.

27 3. All Medi-Cal beneficiaries under the age of twenty-one (21) are eligible to receive  
28 Medicaid services pursuant to the Early Periodic Screening, Diagnostic and Treatment (EPSDT)  
29 mandate. Under the EPSDT mandate, beneficiaries under the age of twenty-one (21) are eligible to  
30 receive all appropriate and medically necessary services needed to correct and ameliorate health  
31 conditions that are coverable under section 1905(a) Medicaid authority, even if they do not meet criteria  
32 for a substance use disorder (SUD) diagnosis. This includes treatment for risky substance use and early  
33 engagement services. Nothing in the DMC-ODS overrides any EPSDT requirements. CONTRACTOR  
34 is responsible for the provision of services pursuant to the EPSDT mandate. Beneficiaries under age  
35 twenty-one (21) are eligible for DMC-ODS services without a diagnosis from the DSM for Substance-  
36 Related and Addictive Disorders.

37 //

1 4. CONTRACTOR shall ensure Clients are reassessed for continued medical necessity and  
2 appropriate level of care placement.

3 F. ADMISSIONS

4 1. CONTRACTOR shall accept any person who is physically and mentally able to comply  
5 with the program's rules and regulations and is Medi-Cal eligible. Persons with co-occurring disorders  
6 and/or chronic conditions who require prescribed medication shall not be precluded from acceptance or  
7 admission solely based on their licit use of prescribed medication(s).

8 2. Beneficiaries may contact CONTRACTOR directly to request services. Beneficiaries may  
9 also be referred to CONTRACTOR by the 24/7 Beneficiary Access Line, network providers, and other  
10 access points determined by ADMINISTRATOR. CONTRACTOR shall enter data regarding requests  
11 for service into an access log established by ADMINISTRATOR.

12 3. CONTRACTOR shall have policies and procedures in place to screen for emergency  
13 medical conditions and immediately refer beneficiaries to emergency medical care.

14 4. CONTRACTOR shall have a policy that requires Clients who show signs of any  
15 communicable disease, or through medical disclosure during the intake process admitting to a health-  
16 related problem that would put others at risk, to be cleared medically before services are provided by the  
17 program.

18 5. CONTRACTOR shall initiate services within reasonable promptness and shall have a  
19 documented system for monitoring and evaluating the quality, appropriateness, and accessibility of care,  
20 including a system for addressing problems that develop regarding admission wait times.

21 6. ADMISSION POLICY – CONTRACTOR shall establish and make available to the public  
22 a written Admission Policy. CONTRACTOR’s Admission Policy shall reflect all applicable federal,  
23 state and county regulations.

24 G. INFORMING MATERIALS – CONTRACTOR is responsible to distribute informing materials  
25 and provider lists that meet the content requirements of 42 CFR 438.100 to Clients when they first  
26 access SUD services through the DMC-ODS and on request. Informing materials will be provided by  
27 ADMINISTRATOR.

28 H. INTERIM SERVICES – Any DMC Client participating in NTP treatment not admitted within  
29 three (3) calendar days due to lack of capacity shall be provided interim services. Interim services shall  
30 consist of: Voluntary testing, referral for medical evaluation, if appropriate; and HIV education, HIV  
31 risk assessment and disclosure counseling and voluntary confidential HIV antibody testing. For pregnant  
32 women, interim services shall also include counseling on the effects of alcohol and drugs on the  
33 developing fetus and referral to prenatal medical care services. Interim services may be provided  
34 directly or by referral to ADMINISTRATOR or another appropriate provider and given to prospective  
35 Clients within 48 hours. Provision of interim services for DMC covered Client with alcohol and/or other

36 //  
37 //

1 drug problems, who could otherwise be admitted into substance use disorder outpatient treatment, shall  
2 be documented in IRIS, and reported monthly by the fifth (5th) business day or as determined by  
3 ADMINISTRATOR.

4 I. In the event of non-compliance with timely access to care requirements, ADMINISTRATOR  
5 shall provide CONTRACTOR assistance to adhere to the requirements. ADMINISTRATOR shall also  
6 issue a written report documenting the non-compliance and require CONTRACTOR to submit a CAP  
7 within thirty (30) calendar days of the report. ADMINISTRATOR is responsible for approving the CAP  
8 and verifying that corrections have been made to resolve timely access.

9 J. NTP SERVICES shall include: screening, assessment, physical examination, care coordination,  
10 individual counseling, group counseling, collateral services, medication services, medical  
11 psychotherapy, patient education, SUD crisis intervention services, and discharge services, as required  
12 by federal, state, and COUNTY rules and regulations. NTP services are provided when determined to be  
13 medically necessary by a physician or Physician Extender. All services and documentation shall meet  
14 DMC standards. Components of NTP Services are:

15 1. ASSESSMENT – Within three (3) calendar days of admission, CONTRACTOR shall  
16 assess the Client utilizing an ASAM-based Assessment tool approved by ADMINISTRATOR to  
17 provide a standardized, comprehensive risk and needs assessment. Assessment of each Client shall  
18 include, at a minimum, their history and current functioning status in the following categories: substance  
19 use and prior treatment history, medical, family, psychiatric/psychological, social/recreational, financial,  
20 educational, employment, criminal, legal status. Additionally, CONTRACTOR is encouraged to assess  
21 each Client for stress management, literacy, developmental and cognitive levels, emotional skills, self-  
22 help/independent living skills, risk of suicide, current/history of physical and/or sexual abuse, and  
23 perpetration of physical and/or sexual abuse. Individuals assessed to need SUD services outside of NTP  
24 services will be referred to providers within the network who can provide the needed service. If the  
25 assessment indicates there is no medical necessity for any SUD treatment levels, an NOABD will be  
26 provided to the Client after the assessment or mailed to the Client no later than three (3) business days  
27 after the decision to deny SUD services has been made. The content of Client records shall follow Title  
28 9, Section 10165 and all other requirements specified by this Contract.

29 2. PHYSICAL EXAMINATION - Before admitting a Client to treatment, the Medical  
30 Director shall determine Medical Necessity by either conducting a medical evaluation or documenting  
31 the review in agreement with a medical evaluation conducted by the physician's designee.

32 3. COUNSELING - Upon completion of the initial treatment plan, CONTRACTOR shall  
33 arrange for Client to receive a minimum of fifty (50) minutes to a maximum of two hundred (200)  
34 minutes of counseling services per calendar month for Maintenance, except when waived and  
35 documented by CONTRACTOR's Medical Director. Counseling services shall be in accordance with  
36 the following requirements:

37 a. Program staff member conducting the session must be a Counselor or LPHA;

1 b. The session must be conducted in a private setting in accordance with all applicable  
2 federal, state, and COUNTY regulations regarding confidentiality; and

3 c. The format of the counseling session shall be in an Individual session, Group session,  
4 or medical psychotherapy, with all services including a face-to-face discussion with the Client on issues  
5 identified in the Client's treatment plan.

6 4. CARE COORDINATION – Consists of activities to provide coordination of SUD care,  
7 mental health care, and medical care, and to support the Client with Linkages to services and supports  
8 designed to restore the Client to their best possible functional level. Care coordination includes one or  
9 more of the following components:

10 a. Coordinating with medical and mental health care providers to monitor and support  
11 comorbid health conditions.

12 b. Discharge planning, including coordinating with SUD treatment providers to support  
13 transitions between levels of care and to recovery resources, referrals to mental health providers, and  
14 referrals to primary or specialty medical providers.

15 c. Coordinating with ancillary services, including individualized connection, referral, and  
16 linkages to community-based services and supports including but not limited to educational, social,  
17 prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child  
18 development, family/marriage education, cultural sources, and mutual aid support groups.

19 5. COLLATERAL SERVICES – Sessions with therapists or counselors and significant  
20 persons in the life of the Client, focused on the treatment needs of the Client in terms of supporting the  
21 achievement of their treatment goals. Significant persons are individuals that have a personal, not  
22 official or professional, relationship with the Client.

23 6. NARCOTIC REPLACEMENT THERAPY – Medication prescription, administration, and  
24 monitoring services provided in a stable, medically determined manner to reduce or eliminate chronic  
25 opioid use disorder, while the Client is provided a comprehensive range of treatment services.

26 7. MEDICATION ASSISTED TREATMENT – CONTRACTOR shall either directly offer or  
27 have an effective referral mechanism to MAT for Clients with SUD diagnoses that are treatable with  
28 Food and Drug Administration (FDA)-approved medications or biological products. CONTRACTOR's  
29 referral mechanism shall include a warm handoff by CONTRACTOR to the MAT provider to ensure the  
30 Client has been accepted into the MAT provider's program. The warm handoff must be done in real-  
31 time with the Client. Medically necessary MAT services directly offered by CONTRACTOR must be  
32 provided in accordance with an individualized treatment plan determined by a licensed physician or  
33 LPHA working within their scope of practice.

34 a. CONTRACTOR must ensure ability to continue MAT after discharge through Linkage  
35 to appropriate prescriber. MAT shall include the assessment, treatment planning, ordering, prescribing,  
36 administering, and monitoring of all medications for SUDs.

37 //

1 b. CONTRACTOR must provide administration of buprenorphine, buprenorphine-  
2 naloxone, naltrexone, acamprosate, disulfiram, and naloxone as clinically appropriate for this population  
3 and approved by the FDA. Other approved medications in the treatment of SUDs may also be prescribed  
4 and administered, as medically necessary and clinically appropriate.

5 c. CONTRACTOR must provide care coordination with treatment and ancillary service  
6 providers and facilitate transitions between levels of care. Clients may simultaneously participate in  
7 MAT services and other ASAM LOCs.

8 8. MAINTENANCE TREATMENT PLANNING - CONTRACTOR shall, within twenty-  
9 eight (28) calendar days of initiation of Narcotic Replacement Therapy for a Maintenance Client, have a  
10 registered, certified, and/or licensed Counselor/LPHA develop an individualized treatment plan with  
11 each Client per Title 9, Section 10305 which shall be based on the multi-dimensional assessment and  
12 health assessment.

13 a. Maintenance treatment plans shall include:

14 i) Goals, based on identified needs, to be achieved by the Client with estimated target  
15 dates for attainment in accordance with the following. Short-term goals are estimated to require eighty-  
16 nine (89) calendar days or less for Client to achieve. Long-term goals are estimated to require a  
17 specified time exceeding ninety (90) calendar days for Client to achieve.

18 ii) Specific behavioral tasks the Client must accomplish to complete each short-term  
19 and long-term goal;

20 iii) A description of the type and frequency of counseling services to be provided to  
21 the Client;

22 iv) An effective date based on the day the Counselor signed the initial treatment plan;

23 v) The SUD diagnosis shall appear on the treatment plan;

24 b. The Supervising Counselor shall review the initial maintenance services plan, along  
25 with the needs assessment, and all updated maintenance services plans within fourteen (14) calendar  
26 days from the effective dates and shall countersign these documents to signify concurrence with the  
27 findings; and

28 c. Medical Director or Designee will review the needs assessment, and sign the initial and  
29 all updated treatment plans within fourteen (14) calendar days of Counselor's signature.

30 d. CONTRACTOR's registered, certified, and/or licensed Counselor/LPHA shall evaluate  
31 and update the Client's treatment plan whenever necessary, or at a minimum once every three (3)  
32 months from the date of admission. The updated treatment plan shall include:

33 i) A summary of the Client's progress or lack of progress toward each goal identified  
34 in the initial treatment plan;

35 ii) New goals and behavioral tasks for any newly identified needs, and related changes  
36 in the type and frequency of counseling services.

37 //

1 9. DETOXIFICATION TREATMENT PLANNING – CONTRACTOR shall develop an  
2 individualized treatment plan for each detoxification Client which shall include:

3 a. Provisions to assist the Client to understand illicit drug addictions and how to deal with  
4 them.

5 b. Provisions for furnishing services to the Client as needed when the period of  
6 detoxification treatment is completed.

7 c. The treatment services required and a description of the role they play in achieving the  
8 stated goals.

9 d. The type and frequency of scheduled counseling services.

10 10. SUBSTANCE USE SCREENING

11 a. CONTRACTOR shall have a written policy and procedure statement regarding alcohol  
12 and drug screening that includes unannounced drug and/or alcohol testing upon admission to the  
13 program and at a minimum of once a month and more often in situations where there is suspicion of use.  
14 The urine specimen collection shall be observed by sex-congruent staff. This policy shall be approved  
15 by ADMINISTRATOR. A Client shall not be denied admittance to treatment for a positive alcohol  
16 and/or drug screen at admission if they meet all other criteria for admission. For those situations where  
17 drug screening is deemed appropriate and necessary, CONTRACTOR shall:

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

20 ii. Document results of the drug screening in the Client's record; and

21 iii. Maintain a copy of on-site testing results in the Client's record indicating the  
22 outcome and include the signature and date of the Client and staff conducting the testing.

23 b. Drug and/or alcohol test results can be used to assist in diagnosis, confirm clinical  
24 impressions, help modify the treatment plan, and determine the extent of the Client's reduction in  
25 substance use. However, clinical decisions should not be based solely on these results.

26 c. If any Maintenance Client's drug screen results indicate a negative pattern of testing  
27 positive for non-opioid illegal substances, or methadone diversion, CONTRACTOR shall thoroughly  
28 document the corrective action taken to refocus the Client. All counseling session discussions and  
29 referrals/Linkages shall be documented.

30 d. In the event CONTRACTOR wishes to utilize the COUNTY-contracted laboratory for  
31 drug screening purposes, CONTRACTOR shall collect and label samples from Clients.

32 e. Drug and/or Alcohol testing is not a DMC reimbursable service and is not to be  
33 conducted during an Individual or Group session.

34 11. SUD CRISIS INTERVENTION SERVICES – CONTRACTOR shall provide sessions  
35 between a therapist or counselor and a Client in crisis. Crisis means an actual relapse or an unforeseen  
36 event or circumstance, which presents an imminent threat of relapse. Crisis intervention services shall  
37 focus on alleviating the crisis problem and be limited to the stabilization of the Client's immediate

1 | situation. These types of services are not scheduled and do not appear on the treatment plan and may be  
2 | provided on the same day as a scheduled group or individual service as initiated by the Client.

3 | 12. DISCHARGE SERVICES - The process to prepare the Client for referral into another level  
4 | of care, post treatment return or reentry into the community, and/or the Linkage of the Client to essential  
5 | community treatment, housing and human services. CONTRACTOR shall begin discharge planning  
6 | immediately upon enrollment. CONTRACTOR shall develop written procedures regarding Client  
7 | discharge.

8 | a. Discharge Plan – CONTRACTOR shall develop a formal discharge plan within thirty  
9 | (30) calendar days prior to Client’s planned discharge from the program. A discharge plan is to be  
10 | completed for each Client, except a Client with whom the provider loses contact. The discharge plan  
11 | shall be completed and signed by CONTRACTOR staff and the Client. A copy of the discharge plan  
12 | shall be provided to the Client and retained in the Client’s record. The discharge plan shall include, but  
13 | not be limited to, all of the following:

14 | i) A description of each of the Client’s relapse triggers;  
15 | ii) A plan to assist the Client to avoid relapse when confronted with each trigger;  
16 | iii) A support plan, including linkage and referral of the Client to appropriate services,  
17 | such as outpatient treatment, other support services such as self-help groups, social services, vocational  
18 | rehabilitation, job training and other services, as needed.

19 | b. Discharge Summary – The discharge summary is to be completed by the LPHA or  
20 | counselor within thirty (30) calendar days of the date of the last face-to-face treatment contact with the  
21 | Client. The discharge summary shall include all of the following:

22 | i) The duration of the Client’s treatment as determined by the dates of admission to  
23 | and discharge from treatment;  
24 | ii) The reason for discharge;  
25 | iii) A narrative of the treatment episode, including services provided and the Client’s  
26 | progress during treatment; and  
27 | iv) The Client’s prognosis

28 | 13. EVIDENCE-BASED PRACTICES - CONTRACTOR will implement at least two of the  
29 | following EBPs. The required EBPs include:

30 | a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling  
31 | strategy designed to explore and reduce a person's ambivalence toward treatment. This approach  
32 | frequently includes other problem-solving or solution-focused strategies that build on Clients' past  
33 | successes.

34 | b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral  
35 | reactions are learned and that new ways of reacting and behaving can be learned.

36 | c. Relapse Prevention: A behavioral self-control program that teaches individuals with  
37 | substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be

1 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains  
2 achieved during initial substance use treatment.

3 d. Trauma-Informed Treatment: Services must take into account an understanding of  
4 trauma, and place priority on trauma survivors' safety, choice and control.

5 e. Psycho-Education: Psycho-educational groups are designed to educate Clients about  
6 substance abuse, and related behaviors and consequences. Psycho-educational groups provide  
7 information designed to have a direct application to Clients' lives; to instill self-awareness, suggest  
8 options for growth and change, identify community resources that can assist Clients in recovery,  
9 develop an understanding of the process of recovery, and prompt people using substances to take action  
10 on their own behalf.

11 14. CLINICAL DOCUMENTATION shall occur for each session attended by the Client and  
12 include treatment plan progress on each note for at least one problem area. Staff documenting for any  
13 Client's group or individual service shall understand progress notes are individualized narrative  
14 summaries and shall include the following:

15 a. The type and topic of the session and how the topic relates to substance use disorders in  
16 the content of the progress note;

17 b. A narrative describing the service, including how the service addressed the Client's  
18 behavioral health need (e.g., symptom, condition, diagnosis, and/or risk factors);

19 c. Information on attendance, including the date, start and end times of each group or  
20 individual and duration of the service, including travel and documentation time;

21 d. Location of the Client at the time of receiving the service;

22 e. Type or legibly print the name, date and signature of the counselor or therapist who  
23 conducted the session and document services within three (3) business days of providing a service  
24 except for crisis services notes which shall be completed within twenty-four (24) hours;

25 f. ICD 10 code;

26 g. Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding  
27 System (HCPCS) code and the number of Clients in attendance;

28 h. Next steps including, but not limited to, planned action steps by the provider or by the  
29 Client, collaboration with the Client, collaboration with other provider(s) and any update to the  
30 treatment plan, as appropriate.

31 15. HEALTH, MEDICAL, PSYCHIATRIC, AND EMERGENCY SERVICES

32 a. CONTRACTOR shall provide directly or by referral: HIV education, voluntary,  
33 confidential HIV antibody testing and risk assessment and disclosure counseling.

34 b. CONTRACTOR shall have and post written procedures for obtaining medical or  
35 psychiatric evaluation and emergency services.

36 //

37 //



1 c. CONTRACTOR shall have readily available the name, address, and telephone number  
2 for the fire department, a crisis center, local law enforcement, and a paramedical unit or ambulance  
3 service.

4 d. CONTRACTOR shall obtain the medical records and record the Client's medical  
5 information in their file including all applicable authorizations to disclose information, primary care  
6 physician (PCP) name and location, medical history, medications, and significant conditions.  
7 CONTRACTOR shall notify the medical home provider immediately upon intake and shall request  
8 medical records within one (1) week. After review of medical records received, the Medical Director of  
9 CONTRACTOR shall consult with the PCP at the medical home to ensure proper coordination of care  
10 within thirty (30) calendar days. If medication is prescribed, SUD clinical staff will notify the medical  
11 home provider within one (1) week of prescribing. If no medical home is identified, CONTRACTOR  
12 will discuss the benefits of coordinated/integrated care and identifying a medical home shall be a goal  
13 on the treatment plan. All progress towards and attempts to link the Client to a medical home will be  
14 documented in the file.

15 K. ORIENTATION – CONTRACTOR shall advise Client of the nature and purpose of treatment  
16 and shall document the Client's acknowledgement of orientation in the Client's file. The program  
17 orientation shall be documented in the Client's file, and shall include, but not be limited to:

- 18 1. The addicting nature of medications used in replacement narcotic therapy;
- 19 2. The hazards and risks involved in replacement narcotic therapy;
- 20 3. The Client's responsibility to the program;
- 21 4. The program's responsibility to the Client;
- 22 5. The Client's participation in the program is wholly voluntary and the Client may terminate  
23 his/her participation in the program at any time without penalty;
- 24 6. The Client will be tested for evidence of use of opiates and other illicit drugs;
- 25 7. The Client's medically determined dosage level may be adjusted without the Client's  
26 knowledge, and at some later point the Client's dose may contain no medications used in replacement  
27 narcotic therapy;
- 28 8. Take-home medication which may be dispensed to the Client is only for the Client's  
29 personal use;
- 30 9. Misuse of medications will result in specified penalties within the program and may also  
31 result in criminal prosecution;
- 32 10. The Client has a right to a humane procedure of withdrawal from medications used in  
33 replacement narcotic therapy and a procedure for gradual withdrawal is available;
- 34 11. Possible adverse effects of abrupt withdrawal from medications used in replacement  
35 narcotic therapy;
- 36 12. Protection under the confidentiality requirements.

37 //

1 L. ADDITIONAL REQUIREMENTS FOR PREGNANT CLIENTS - Within fourteen (14)  
2 calendar days from the date the primary counselor becomes aware the Client may be pregnant, as  
3 documented in the Client's file, the medical director shall review, sign, and date a confirmation of  
4 pregnancy, document acceptance of medical responsibility of the Client's prenatal care, or verify and  
5 document the Client is under the care of a physician licensed by the State of California and trained in  
6 obstetrics and/or gynecology.

7 1. Within fourteen (14) calendar days from the date the medical director confirmed the  
8 pregnancy, the primary counselor shall update the Client's treatment plan in accordance with Title 9,  
9 Section 10305. The nature of prenatal support reflected in subsequent updated treatment plans shall  
10 include at least the following services:

11 a. periodic face-to-face consultation at least monthly with the medical director or  
12 Physician Extender designated by the medical director;

13 b. drug/alcohol screens at least once each calendar week in accordance with collection  
14 procedures in Title 9, Section 10310.

15 c. prenatal instruction conducted by the medical director or licensed health personnel  
16 designated by the medical director, including topics as listed in Title 9, Section 10360.

17 2. Any refusals to access on-site prenatal care or referrals for such, shall be documented in the  
18 Client's file and have the Client acknowledge in writing said refusals for these treatment services.

19 3. Within fourteen (14) calendar days after the date of birth and/or termination of the  
20 pregnancy, the medical director shall document in the Client's file the following:

21 a. the hospital's or attending physician's summary of the delivery and treatment outcome  
22 for the Client and child; or

23 b. Evidence that a request for information was made, but no response was received.

24 4. Within fourteen (14) calendar days of the date of birth and/or termination of the pregnancy,  
25 the primary counselor shall update the Client's treatment plan. The nature of pediatric care and child  
26 immunization shall be reflected in subsequent updated treatment plans until the child is at least three (3)  
27 years of age, should the Client remain enrolled.

28 M. CONTINUATION OF TREATMENT – CONTRACTOR shall provide updated justification for  
29 treatment for Clients who have been on methadone maintenance for a period of one (1) year, and  
30 provide this justification annually thereafter as per Title 9, Section 10410. Justification shall be provided  
31 by the Medical Director or program physician and noted in Client's file. Without said justification the  
32 medical director or program physician shall discontinue Client's maintenance services.

33 N. PERFORMANCE OBJECTIVES AND OUTCOMES – CONTRACTOR shall meet the  
34 following performance Objectives and Outcomes:

35 1. Achieve a goal of twenty percent (20%) or fewer of all unduplicated Clients who test  
36 positive for illicit drugs after an enrollment of ninety (90) calendar days.

37 //

1           2. Achieve a goal of retaining at least seventy percent (70%) of Clients who are enrolled each  
2 month. Retention rates will be based on the number of Clients who either remain in treatment or  
3 successfully complete treatment within the month.

4           3. Achieve a goal of at least seventy percent (70%) of unduplicated Clients who after an  
5 enrollment of ninety (90) calendar days self-report being able to lead a productive lifestyle. A  
6 productive lifestyle includes employment, being enrolled in school, becoming a caretaker, or community  
7 volunteer.

8           4. Adhere to the National Standards for Culturally and Linguistically Appropriate Services in  
9 Health and Health Care and respond to each standard as directed by HCA.

10          O. MEETINGS – CONTRACTOR’s Executive Director and Chief Financial Officer or designees  
11 shall participate in monthly meetings facilitated by ADMINISTRATOR related to the provision of  
12 services pursuant to this Contract. Active participation in regular SUD Quality Improvement (QI)  
13 Coordinator’s meetings organized by the Authority and Quality Improvement Services (AQIS) Quality  
14 Management program is required for at least one dedicated program QI coordinator/professional.

15          P. CULTURAL COMPETENCY – CONTRACTOR shall provide culturally competent services.  
16 CONTRACTOR shall make its best effort to provide services pursuant to this Contract in a manner that  
17 is culturally and linguistically appropriate for the population(s) served. CONTRACTOR must ensure  
18 that their policies, procedures, and practices are consistent with the principles outlined and are  
19 embedded in the organizational structure, as well as being upheld in day-to-day operations.  
20 CONTRACTOR shall maintain documentation of such efforts which may include, but not be limited to:  
21 records of participation in COUNTY-sponsored or other applicable training; recruitment and hiring  
22 policies and procedures; copies of literature in multiple languages and formats, as appropriate; and  
23 descriptions of measures taken to enhance accessibility for, and sensitivity to, individuals who are  
24 physically challenged. CONTRACTOR shall refer to Culturally and Linguistically Appropriate Services  
25 (CLAS) adapted by DHCS to develop culturally informed services.

26          Q. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold  
27 languages as determined by COUNTY. Language translation services must be available for Clients and  
28 their involved family members, as needed. Whenever possible, bilingual/bicultural staff should be  
29 retained. Any clinical vacancies occurring at a time when bilingual and bicultural composition of the  
30 clinical staffing does not meet the above requirement must be filled with bilingual and bicultural staff  
31 unless ADMINISTRATOR consents, in advance and in writing, to the filling of those positions with  
32 non-bilingual staff. Salary savings resulting from such vacant positions may not be used to cover costs  
33 other than salaries and employees benefits unless otherwise authorized, in advance and in writing, by  
34 ADMINISTRATOR.

35          R. POSTINGS – CONTRACTOR shall post the following in a prominent place within each  
36 contracted facility:

37           1. State Licensure and Certification

- 1           2. Business License
- 2           3. Conditional Use Permit (if applicable)
- 3           4. Fire clearance
- 4           5. Client rights
- 5           6. Grievance procedures and form
- 6           7. Availability of translation services at no cost
- 7           8. Employee Code of Conduct
- 8           9. Evacuation floor plan
- 9           10. Equal Employment Opportunity notices
- 10          11. Name, address, telephone number for fire department, crisis program, local law  
11 enforcement, and ambulance service.
- 12          12. List of resources within Orange County which shall include medical, dental, mental health,  
13 public health, social services and where to apply for determination of eligibility for Federal, State, or  
14 County entitlement programs.
- 15          13. Information on self-help meetings. AA, NA, and non-12 step meetings shall be included.
- 16          S. Program shall utilize protocols developed and supported by the Medical Director. These  
17 protocols shall provide procedures should a Client's condition deteriorate and appear to need medical  
18 intervention.
- 19          T. NO PROSELYTIZING POLICY – CONTRACTOR shall not conduct any proselytizing  
20 activities, regardless of funding sources, with respect to any person who has been referred to  
21 CONTRACTOR by COUNTY under the terms of this Contract. Further, CONTRACTOR agrees that  
22 the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious  
23 creed or cult, denomination or sectarian institution, or religious belief.
- 24          U. AUTHORITY – CONTRACTOR shall recognize the authority of Orange County Probation  
25 Department (OCPD) as officers of the court and shall extend cooperation to OCPD within the  
26 constraints of CONTRACTOR's program.
- 27          V. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy,  
28 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy  
29 shall specify the facilities are "smoke free" and Clients are prohibited from smoking at all times. The  
30 policy shall also specify that vaping is prohibited at all times.
- 31          W. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available  
32 at minimum two (2) unexpired Naloxone doses for the treatment of known or suspected opioid  
33 overdose. At least one (1) staff per shift shall be trained in administering the Naloxone. Naloxone is not  
34 a substitute for emergency medical care. CONTRACTOR shall always seek emergency medical  
35 assistance in the event of a suspected, potentially life-threatening opioid emergency.
- 36          X. TOKENS – ADMINISTRATOR will provide CONTRACTOR the necessary number of Tokens  
37 for appropriate individual staff to access IRIS at no cost to CONTRACTOR.

1 1. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member with  
2 a unique password. Tokens and passwords shall not be shared with anyone.

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

5 3. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the  
6 Token for each staff member assigned a Token.

7 4. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following  
8 conditions:

- 9 a. Token of each staff member who no longer supports this Contract.
- 10 b. Token of each staff member who no longer requires access to IRIS.
- 11 c. Token of each staff member who leaves employment of CONTRACTOR.
- 12 d. Tokens malfunctioning.
- 13 e. Termination of this Contract.

14 5. ADMINISTRATOR will issue tokens for CONTRACTOR's staff members who require  
15 access to IRIS upon initial training or as a replacement for malfunctioning Tokens.

16 6. CONTRACTOR shall reimburse COUNTY for tokens lost, stolen, or damaged through acts  
17 of negligence.

18 7. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice. All  
19 statistical data used to monitor CONTRACTOR shall be compiled using only COUNTY IRIS reports, if  
20 available, and if applicable.

21 Y. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of  
22 CONTRACTOR's administrative and program P&Ps. CONTRACTOR shall provide signature  
23 confirmation of its P&P training for each staff member and place in their personnel files.

24 Z. CONTRACTOR shall ensure that all staff responsible for input into IRIS are to complete IRIS  
25 New User Training.

26 AA. CONTRACTOR shall conduct Supervisory Review of Client records at minimum upon  
27 admission, at thirty (30) calendar day intervals, and upon discharge in accordance with procedures  
28 developed by ADMINISTRATOR. CONTRACTOR shall ensure that all chart documentation complies  
29 with all federal, state, and local guidelines and standards.

30 AB. CONTRACTOR shall provide effective administrative management of the budget, staffing,  
31 recording, and reporting portion of this Contract with COUNTY. If administrative responsibilities are  
32 delegated to subcontractors, CONTRACTOR must ensure that any subcontractor(s) possess the  
33 qualifications and capacity to perform all delegated responsibilities. These responsibilities include, but  
34 are not limited, to the following:

35 1. Designate the responsible position(s) in your organization for managing the funds allocated  
36 to the program;

37 2. Maximize the use of the allocated funds;

- 1 3. Ensure timely and accurate reporting of monthly expenditures;
- 2 4. Maintain appropriate staffing levels;
- 3 5. Request budget and/or staffing modifications to this Contract;
- 4 6. Effectively communicate and monitor the program for its success;
- 5 7. Track and report expenditures electronically;
- 6 8. Maintain electronic and telephone communication between CONTRACTOR and
- 7 ADMINISTRATOR; and,
- 8 9. Act quickly to identify and solve problems.

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

13 AD. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72)  
 14 hours, of any significant program changes.

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

## 17 **VI. STAFFING**

18 A. CONTRACTOR shall ensure that all clinical staffing, including those providing direct Client  
 19 services, meet the requirements of Title 22, Title 9 of the CCR, and CALAIM DMC-ODS Program  
 20 updates as they exist now or may hereafter be amended or changed and all standards of the Department  
 21 of Health Care Services.  
 22

23 B. CONTRACTOR shall ensure that administrative staffing is sufficient to support the  
 24 performance of services pursuant to the Contract.

25 C. Professional staff shall be licensed, registered, certified, or recognized under California scope of  
 26 practice statutes. Professional staff shall provide services within their individual scope of practice and  
 27 receive supervision required under their scope of practice laws.

28 D. Professional staff shall undergo the HCA credentialing process by the AQIS Managed Care  
 29 Support Team (MCST) prior to rendering any Medi-Cal covered services.

30 1. CONTRACTOR shall comply with the requirements of the State's established, uniform  
 31 credentialing and re-credentialing policy that addresses behavioral and substance use disorders, outlined  
 32 in DHCS Information Notice 18-019.

33 2. CONTRACTOR shall follow COUNTY's process for credentialing and re-credentialing of  
 34 network providers and shall ensure that all registered, licensed, or certified staff who deliver Medi-Cal  
 35 covered services are properly credentialed by COUNTY before delivering any Medi-Cal covered  
 36 services.

37 //

1 E. Non-professional staff shall receive appropriate onsite orientation and training prior to  
2 performing assigned duties. Non-professional staff shall be supervised by professional and/or  
3 administrative staff.

4 F. Professional and Non-professional staff are required to have appropriate experience and any  
5 necessary training at the time of hiring.

6 G. Registered and certified SUD counselors shall adhere to all requirements in the CCR, Title 9,  
7 Division 4, Chapter 8.

8 H. Substance Use Disorder Staffing levels and qualifications shall meet the requirements of the  
9 State Department of Health Care Services (DHCS) Counselor Certification Standards for California for  
10 Outpatient Services and CCR, Title 9, Chapter 8. All staff providing treatment services shall be licensed  
11 and/or certified in accordance with state requirements, and professional guidelines, as applicable. At  
12 least thirty percent (30%) of staff providing counseling (group, individual, case management, and  
13 intake) services in all AOD programs shall be licensed or certified pursuant to the requirements of Title  
14 9, Division 4, Chapter 8. All other counseling staff shall be registered pursuant to Section 13035(f).

15 I. CONTRACTOR must have a Medical Director who, prior to the delivery of services under this  
16 Contract has enrolled with DHCS under applicable state regulations, has been screened in accordance  
17 with 42 CFR 455.450(a) as a "limited" categorical risk within a year prior to serving as a Medical  
18 Director under this Contract.

- 19 1. The Medical Director's responsibilities shall, at a minimum, include all of the following:  
20 a. Ensure that medical care provided by physicians, registered nurse practitioners, and  
21 physician assistants meets the applicable standard of care;  
22 b. Ensure that physicians do not delegate their duties to non-physician personnel;  
23 c. Develop and implement medical policies and standards for the provider;  
24 d. Ensure that physicians, registered nurse practitioners, and physician assistants follow  
25 the provider's medical policies and standards;  
26 e. Ensure that the medical decisions made by physicians are not influenced by fiscal  
27 considerations;  
28 f. Ensure that provider's physicians and LPHAs are adequately trained to perform  
29 diagnosis of substance use disorders for Clients and determine the medical necessity of treatment for  
30 Clients;  
31 g. Ensure that provider's physicians are adequately trained to perform other physician  
32 duties, as outlined in this section.

33 2. The substance use disorder Medical Director may delegate his/her responsibilities to a  
34 physician or Physician Extender consistent with the provider's medical policies and standards and state,  
35 federal, and COUNTY rulings. The substance use disorder Medical Director shall remain responsible  
36 for ensuring all delegated duties are properly performed.

37 //

1           3. Written roles and responsibilities and a code of conduct for the Medical Director shall be  
2 clearly documented, signed and dated by a provider representative and the physician.

3           J. CONTRACTOR must maintain at least one designated Quality Assurance coordinator to track  
4 data outcomes and report on ability to meet performance objectives and ensure file compliance with this  
5 Contract and the DMC-ODS Implementation Plan.

6           K. CONTRACTOR's certification to participate in the DMC program shall automatically  
7 terminate in the event CONTRACTOR or its owners, officers or directors are convicted of Medi-Cal  
8 fraud, abuse or malfeasance. For purposes of this section, a conviction shall include a plea of guilty or  
9 nolo contendere.

10          L. VOLUNTEERS/INTERNS – CONTRACTOR may augment the above paid staff with  
11 volunteers or part-time student interns. Unless waived by ADMINISTRATOR, prior to providing  
12 services pursuant to this Contract, interns shall be Master's Candidates in Counseling or Social Work or  
13 have a Bachelor's Degree in a related field or be participating in any state recognized counselor  
14 certification program. Additionally, volunteers or student interns must be AOD registered or certified.  
15 CONTRACTOR shall provide supervision of work by interns consistent with school or licensing Board  
16 requirements. CONTRACTOR shall provide supervision to volunteers as specified in the respective job  
17 descriptions or work contracts. Volunteer or student intern services may not comprise more than twenty  
18 percent (20%) of the services provided, unless approved in advance by ADMINISTRATOR. If utilizing  
19 the services of volunteers or student interns, CONTRACTOR shall implement procedures which address  
20 the following: recruitment; screening; selection; training and orientation; duties and assignments; scope  
21 of practice; supervision; evaluation; and Client confidentiality.

22          M. CONTRACTOR shall develop a policy governing supervision of staff that will be approved by  
23 ADMINISTRATOR. That policy will address the training needs and requirements of all staff.

24          N. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, albeit paid  
25 or unpaid, direct line staff or supervisors/directors, to enhance service quality and program  
26 effectiveness. Supervision methods should include debriefings and consultation as needed, individual  
27 supervision or one-on-one support, and team meetings. Supervision should be provided by a supervisor  
28 who has extensive knowledge regarding substance use disorders.

29          O. STAFF CONDUCT – CONTRACTOR shall establish a written policies and procedures for  
30 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be  
31 limited to, standards related to the use of drugs and/or alcohol; staff-Client relationships; prohibition of  
32 sexual conduct with Clients; prohibition of forging or falsifying documents or drug tests; and real or  
33 perceived conflict of interest. Situations that may be perceived as a conflict of interest shall be brought  
34 to ADMINISTRATOR's attention prior to the occurrence. Prior to providing any services pursuant to  
35 the Contract all employees, volunteers, and interns shall agree in writing to maintain the standards set  
36 forth in the said policies and procedures. A copy of said policies and procedures shall be provided to  
37 each Client upon admission and shall be posted in writing in a prominent place in the treatment facility.



1 P. STAFF/VOLUNTEER/INTERN SCREENING - CONTRACTOR shall provide pre-  
2 employment “live scan” screening of any staff person providing any service pursuant to the Contract.  
3 All new staff, volunteers, and interns shall pass a one-time “live scan” fingerprinting background check  
4 prior to employment. ADMINISTRATOR may change this approval mechanism at their discretion.

5 1. All staff, prior to hiring, shall meet the following requirements:

6 a. No person shall have been convicted of a sex offense for which the person is required  
7 to register as a sex offender under California Penal Code section 290;

8 b. No person shall have been convicted of an arson offense – Violation of Penal Code  
9 sections 451, 451.1, 451.5, 452, 452.1, 453, 454, or 455;

10 c. No person shall have been convicted of any violent felony as defined in Penal Code  
11 section 667.5, which involve doing bodily harm to another person, for which the staff member was  
12 convicted within five years prior to employment;

13 d. No person shall be on parole or probation;

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

17 f. No person shall participate in the criminal activities of a criminal street gang and/or  
18 prison gang.

19 Q. STAFF TRAINING - CONTRACTOR shall develop a written plan for staff training. All Staff  
20 training shall be documented and maintained as part of the training plan and shall adhere to  
21 requirements set forth by HCA Authority and Quality Improvement Services Policies and Procedures.

22 1. All personnel shall be trained or shall have experience which provides knowledge of the  
23 skills required in the following areas, as appropriate to the job assigned, and as evidenced by safe and  
24 effective job performance:

25 a. General knowledge of alcohol and/or drug abuse and alcoholism and the principles of  
26 recovery;

27 b. Analysis of illicit drug use, the meaning of the analysis results, and procedures to be  
28 followed by CONTRACTOR to alleviate continued use;

29 c. Housekeeping and sanitation principles;

30 d. Principles of communicable disease prevention and control;

31 e. Recognition of early signs of illness and the need for professional assistance;

32 f. Availability of community services and resources;

33 g. Recognition of individuals under the influence of alcohol and/or drugs.

34 2. CONTRACTOR shall ensure that within thirty (30) calendar days of hire and on an annual  
35 basis, all program staff including administrator, volunteers, and interns shall complete:

36 a. Annual County Compliance Training;

37 b. A minimum of one (1) hour of training in cultural competence.

1           3. In addition to the above, CONTRACTOR shall ensure that staff complete training as  
2 follows:

3           a. Professional staff (Licensed Professionals of the Healing Arts), including Medical  
4 Directors, shall receive a minimum of five (5) hours of continuing education related to substance use  
5 disorders annually.

6           b. All providers, including volunteers and interns, providing DMC-ODS services are  
7 required to be trained and complete at least once prior to providing services, the following two (2)  
8 training modules:

9           i. American Society of Addiction Medicine (ASAM) Multidimensional Assessment  
10 (sometimes referred to as ASAM-A or ASAM I).

11           ii. Assessment to Service Planning and Level of Care (sometimes referred to as ASAM-  
12 B or ASAM II).

13           iii. This requirement applies to all physicians and Medical Directors regardless of their  
14 role in the program and may only be waived for physicians/Medical Directors who are Board Certified  
15 with an Addiction sub-specialty.

16           c. All providers and administrators must receive training on DMC-ODS requirements at  
17 least annually. These requirements will be contained in the COUNTY-developed Annual Provider  
18 Training.

19           d. All clinical staff, on-site Quality Management staff, and all supervisors must complete  
20 DMC-ODS/SUD documentation training within ninety (90) calendar days of hire; however, compliant  
21 documentation is required from the onset of services;

22           e. All staff providing clinical services must complete annual training in the two minimum  
23 EBPs utilized at the program. Motivational Interviewing must be taken at least once and will count as  
24 one EBP for the year. CONTRACTOR may choose other EBP courses after;

25           f All staff providing on-site services must complete training on Naloxone  
26 Administration;

27           g. Additional trainings as required by ADMINISTRATOR.

28           R. PERSONNEL FILES – CONTRACTOR shall maintain personnel files and ensure continued  
29 compliance with required credentials and trainings for each staff person, including management and  
30 other administrative positions, subcontractors, and volunteers/interns, both direct and indirect to this  
31 Contract, which shall include, but not be limited to:

32           1. Application for employment and/or resume;

33           2. Signed employment confirmation statement/duty statement;

34           3. Job description;

35           4. Salary schedule and salary adjustment information;

36           5. Performance evaluations;

37           6. Health records/status as required by the provider, AOD Certification or Title 9;

1 7. Other personnel actions (e.g., commendations, discipline, status change, employment  
2 incidents and/or injuries);

3 8. Training documentation relevant to substance use disorders and treatment;

4 9. Current registration, certification, intern status, or licensure;

5 10. Proof of continuing education required by licensing or certifying agency and program;

6 11. CONTRACTOR’s Code of Conduct; and

7 12. For registered, certified, and licensed staff, a copy of the certifying/licensing body’s code of  
8 conduct;

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

11 S. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
12 Staffing Paragraph of this Exhibit A to the Contract.

13 //

14 //

15 //

16 //

17 //

18 //

19 //

20 //

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //

29 //

30 //

31 //

32 //

33 //

34 //

35 //

36 //

37 //

1 EXHIBIT B  
 2 TO CONTRACT FOR PROVISION OF  
 3 DRUG MEDI-CAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES  
 4 BETWEEN  
 5 COUNTY OF ORANGE  
 6 AND  
 7 CALIFORNIA TREATMENT SERVICES, LLC  
 8 DBA RECOVERY SOLUTIONS OF SANTA ANA  
 9 JULY 1, 2023 THROUGH JUNE 30, 2025

11 **I. BUSINESS ASSOCIATE CONTRACT**

12 A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

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

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

36 a. CONTRACTOR does not promptly enter into negotiations to amend this Business  
37 Associate Contract when requested by COUNTY pursuant to this Subparagraph C.; or



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

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

#### 7 D. SECURITY RULE

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

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

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

24 a. Complying with all of the data system security precautions listed under  
25 Subparagraph E., below;

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

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

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

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

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

4           E. DATA SECURITY REQUIREMENTS

5           1. Personal Controls

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

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

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

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

31           2. Technical Security Controls

32           a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY  
33 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of  
34 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which  
35 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the  
36 COUNTY.

37 //

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

37 //

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

3 3. Audit Controls

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

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

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

17 4. Business Continuity/Disaster Recovery Control

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

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

30 5. Paper Document Controls

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

37 //

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

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

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

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

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

## 22 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

13 1) The Disclosure is required by law; or

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

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

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

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

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

28 H. PROHIBITED USES AND DISCLOSURES

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

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



1 I. OBLIGATIONS OF COUNTY

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

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

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

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

13 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

35 //

36 //

37 //

1 EXHIBIT C  
2 TO CONTRACT FOR PROVISION OF  
3 DRUG MEDI-CAL NARCOTIC REPLACEMENT THERAPY TREATMENT SERVICES  
4 BETWEEN  
5 COUNTY OF ORANGE  
6 AND  
7 CALIFORNIA TREATMENT SERVICES, LLC  
8 DBA RECOVERY SOLUTIONS OF SANTA ANA  
9 JULY 1, 2023 THROUGH JUNE 30, 2025  
10

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

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

14 A. DEFINITIONS

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

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

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

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

24 5. "IEA" shall mean the IEA currently in effect between SSA and DHCS.

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

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

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

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

1 statutes or regulations that require the production of information, including statutes or regulations that  
2 require such information if payment is sought under a government program providing public benefits.

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

#### 7 B. TERMS OF CONTRACT

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

#### 12 2. Responsibilities of CONTRACTOR

13 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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

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

35 //

36 //

37 //