

1 CONTRACT FOR PROVISION OF
 2 PERINATAL RECOVERY RESIDENCE SERVICES
 3 BETWEEN
 4 COUNTY OF ORANGE
 5 AND
 6 CLEAN PATH RECOVERY, LLC
 7 JULY 1, 2022 THROUGH JUNE 30, 2025

8
 9 THIS CONTRACT entered into this 1st day of July 2022, is by and between the County of Orange, a
 10 political subdivision of State of California (COUNTY), and Clean Path Recovery, LLC, a California for
 11 profit corporation (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be referred to
 12 herein individually as “Party” or collectively as “Parties.” This Contract shall be administered by the
 13 County of Orange Health Care Agency (ADMINISTRATOR).

14
 15 **W I T N E S S E T H :**

16
 17 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Perinatal
 18 Recovery Residence Services described herein to the residents of Orange County; and

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

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

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REFERENCED CONTRACT PROVISIONS

Master Agreement Term: July 1, 2022 through June 30, 2025

Period One means the period from July 1, 2022 through June 30, 2023

Period Two means the period from July 1, 2023 through June 30, 2024

Period Three means the period from July 1, 2024 through June 30, 2025

Aggregate Amount Not To Exceed:	\$2,700,000	
Period One Amount Not To Exceed:		\$900,000
Period Two Amount Not To Exceed:		\$900,000
Period Three Amount Not To Exceed:		<u>\$900,000</u>
TOTAL AMOUNT NOT TO EXCEED:		\$2,700,000

Basis for Reimbursement: Fee-for-Service

Payment Method: Monthly in Arrears

CONTRACTOR DUNS Number: 079914603

CONTRACTOR TAX ID Number: 46-0627995

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: Attention: Lee Heiligman
Clean Path Recovery, LLC
P.O. Box 3211
Newport Beach, CA 92659
Email: lee@cleanpathbh.com

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	<u>CFDA#</u>	<u>FAIN#</u>	<u>Program/ Service Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Federal Award Indirect Rate</u>	<u>Amount</u>
1	93.959	T110062- 20	SABG	Substance Abuse and Mental Health Services Administration (SAMHSA)	7/1/2021 TO 6/30/2024	\$19,276,499 annually	N
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I. ACRONYMS

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

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4	A. ARRA	American Recovery and Reinvestment Act
5	B. ASAM	American Society of Addiction Medicine
6	C. ASRS	Alcohol and Drug Programs Reporting System
7	D. CalOMS	California Outcomes Measurement System
8	E. CAP	Corrective Action Plan
9	F. CCC	California Civil Code
10	G. CCR	California Code of Regulations
11	H. CEO	County Executive Office
12	I. CFDA	Catalog of Federal Domestic Assistance
13	J. CFR	Code of Federal Regulations
14	K. CHPP	COUNTY HIPAA Policies and Procedures
15	L. CHS	Correctional Health Services
16	M. COI	Certificate of Insurance
17	N. DATAR	Drug Abuse Treatment Access Report
18	O. DHCS	Department of Health Care Services
19	P. D/MC	Drug/Medi-Cal
20	Q. DPFS	Drug Program Fiscal Systems
21	R. DRS	Designated Record Set
22	S. EHR	Electronic Health Records
23	T. ePHI	Electronic Protected Health Information
24	U. FTE	Full Time Equivalent
25	V. GAAP	Generally Accepted Accounting Principles
26	W. HCA	Health Care Agency
27	X. HHS	Health and Human Services
28	Y. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
29		Law 104-191
30	Z. HSC	California Health and Safety Code
31	AA. IRIS	Integrated Records and Information System
32	AB. ISO	Insurance Services Office
33	AC. LPHA	Licensed Practitioner of the Healing Arts
34	AD. MAT	Medication Assisted Treatment
35	AE. NIATx	Network for Improvement of Addiction Treatment
36	AF. NIST	National Institute of Standards and Technology
37	AG. NPI	National Provider Identifier

1	AH. OIG	Office of Inspector General
2	AI. OMB	Office of Management and Budget
3	AJ. OPM	Federal Office of Personnel Management
4	AK. PA DSS	Payment Application Data Security Standard
5	AL. PC	State of California Penal Code
6	AM. PCI DSS	Payment Card Industry Data Security Standard
7	AN. PHI	Protected Health Information
8	AO. PII	Personally Identifiable Information
9	AP. PRA	Public Record Act
10	AQ. SIR	Self-Insured Retention
11	AR. SUD	Substance Use Disorder
12	AS. TB	Tuberculosis
13	AT. HITECH Act	Health Information Technology for Economic and Clinical Health
14		Act, Public Law 111-005
15	AU. UMDAP	Uniform Method of Determining Ability to Pay
16	AV. USC	United States Code
17	AW. WIC	State of California Welfare and Institutions Code

II. ALTERATION OF TERMS

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

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

III. ASSIGNMENT OF DEBTS

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

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IV. COMPLIANCE

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

5 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the policies and
6 procedures relating to ADMINISTRATOR’s Compliance Program, Code of Conduct and access to
7 General Compliance and Annual Provider Trainings.

8 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own
9 Compliance Program, Code of Conduct and any Compliance related policies and procedures.
10 CONTRACTOR’s Compliance Program, Code of Conduct and any related policies and procedures shall
11 be verified by ADMINISTRATOR’s Compliance Department to ensure they include all required elements
12 by ADMINISTRATOR’s Compliance Officer as described in this Paragraph IV (COMPLIANCE). These
13 elements include:

- 14 a. Designation of a Compliance Officer and/or compliance staff.
- 15 b. Written standards, policies and/or procedures.
- 16 c. Compliance related training and/or education program and proof of completion.
- 17 d. Communication methods for reporting concerns to the Compliance Officer.
- 18 e. Methodology for conducting internal monitoring and auditing.
- 19 f. Methodology for detecting and correcting offenses.
- 20 g. Methodology/Procedure for enforcing disciplinary standards.

21 3. If CONTRACTOR does not provide proof of its own Compliance program to
22 ADMINISTRATOR, CONTRACTOR shall comply with ADMINISTRATOR’s Compliance Program
23 and Code of Conduct, CONTRACTOR shall submit to ADMINISTRATOR within thirty (30) calendar
24 days of execution of this Contract a signed acknowledgement that CONTRACTOR shall comply with
25 ADMINISTRATOR’s Compliance Program and Code of Conduct.

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

1 5. Upon written confirmation from ADMINISTRATOR's Compliance Officer that
2 CONTRACTOR's compliance program, code of conduct and any Compliance related policies and
3 procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals
4 relative to this Contract are made aware of CONTRACTOR's compliance program, code of conduct,
5 related policies and procedures and contact information for ADMINISTRATOR's Compliance Program.

6 B. SANCTION SCREENING – CONTRACTOR must screen all Covered Individuals employed or
7 retained to provide services related to this Contract to ensure that they are not designated as Ineligible
8 Persons, as pursuant to this Contract. Screening must be conducted against the Social Security
9 Administration's Death Master File at the date of employment. Screening must be conducted monthly
10 against the General Services Administration's Excluded Parties List System or System for Award
11 Management, the Health and Human Services/Office of Inspector General List of Excluded
12 Individuals/Entities, and the California Medi-Cal Suspended and Ineligible Provider List, and/or any other
13 list or system as identified by ADMINISTRATOR.

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

21 2. An Ineligible Person shall be any individual or entity who:
22 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in federal
23 and state health care programs; or
24 b. has been convicted of a criminal offense related to the provision of health care items or
25 services and has not been reinstated in the federal and state health care programs after a period of
26 exclusion, suspension, debarment, or ineligibility.

27 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
28 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
29 Contract.

30 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors monthly to
31 ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that its
32 subcontractors use their best efforts to verify that they are eligible to participate in all federal and State of
33 California health programs and have not been excluded or debarred from participation in any federal or
34 state health care programs, and to further represent to CONTRACTOR that they do not have any Ineligible
35 Person in their employ or under contract.

36 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
37 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.

1 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing services
2 directly relative to this Contract becomes debarred, excluded or otherwise becomes an Ineligible Person.

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

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

16 C. GENERAL COMPLIANCE TRAINING – ADMINISTRATOR shall make General Compliance
17 Training available to Covered Individuals.

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

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

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

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

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

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

33 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered
34 Individuals relative to this Contract.

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

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

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

3 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
4 compliance training. ADMINISTRATOR shall provide instructions on completing the training in a group
5 setting while CONTRACTOR shall retain the certifications. Upon written request by
6 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

7 E. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

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

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

26 7. CONTRACTOR shall comply with the provisions of ADMINISTRATOR’s Cultural
27 Competence Plan submitted and approved by the State. ADMINISTRATOR shall update the Cultural
28 Competence Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
29 §1810.410.subds. (c)-(d).)

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

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37 //

V. CONFIDENTIALITY

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

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

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

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

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

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

VI. CONFLICT OF INTEREST

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

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VII. COST REPORT

1
2 A. CONTRACTOR shall submit separate Cost Reports for each Period or for a portion thereof, to
3 COUNTY no later than forty-five (45) calendar days following termination of this Contract.
4 CONTRACTOR shall prepare the Cost Report in accordance with all applicable federal, state and
5 COUNTY requirements, GAAP and the Special Provisions Paragraph of this Contract. CONTRACTOR
6 shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources
7 in accordance with such requirements and consistent with prudent business practice, which costs and
8 allocations shall be supported by source documentation maintained by CONTRACTOR, and available at
9 any time to ADMINISTRATOR upon reasonable notice.

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

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

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

20 2. CONTRACTOR may request, in advance and in writing, an extension of the due date of the
21 Cost Report setting forth good cause for justification of the request. Approval of such requests shall be
22 at the sole discretion of ADMINISTRATOR and shall not be unreasonably denied. In no case shall
23 extensions be granted for more than seven (7) calendar days

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

29 B. The individual and/or consolidated Cost Report prepared for each period shall be the final
30 financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis
31 for final settlement to CONTRACTOR for that period. CONTRACTOR shall document that costs are
32 reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The
33 Cost Report shall be the final financial record for subsequent audits, if any.

34 C. Unless otherwise approved by ADMINISTRATOR, costs that exceed the provisional rate as
35 specified in the Payments Paragraph of Exhibit A to this Contract shall be unreimbursable to
36 CONTRACTOR.

37 D. All Cost Reports shall contain the following attestation, which may be typed directly on or

1 attached to the Cost Report:

2
3 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and
4 supporting documentation prepared by _____ for the cost report period
5 beginning _____ and ending _____ and that, to the best of my knowledge
6 and belief, costs reimbursed through this Contract are reasonable and allowable and
7 directly or indirectly related to the services provided and that this Cost Report is a true,
8 correct, and complete statement from the books and records of (provider name) in
9 accordance with applicable instructions, except as noted. I also hereby certify that I
10 have the authority to execute the accompanying Cost Report.

11
12 Signed _____
13 Name _____
14 Title _____
15 Date _____"

16
17 **VIII. DEBARMENT AND SUSPENSION CERTIFICATION**

18 A. CONTRACTOR certifies that it and its principals:

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

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

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

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

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

36 6. Shall include without modification, the clause titled "Certification Regarding Debarment,
37 Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction," (i.e., transactions

1 with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in
2 accordance with 2 CFR Part 376.

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

6 **IX. DELEGATION, ASSIGNMENT AND SUBCONTRACTS**

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

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

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

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

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

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

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

1 CONTRACTOR at one time.

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

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

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

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

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

16 **X. DISPUTE RESOLUTION**

17 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the
18 dispute concerning a question of fact arising under the terms of this Agreement is not disposed of in a
19 reasonable period of time by the CONTRACTOR and the ADMINISTRATOR, such matter shall be
20 brought to the attention of the COUNTY Purchasing Agency by way of the following process:

21 1. CONTRACTOR shall submit to the COUNTY Purchasing Agency a written demand for a
22 final decision regarding the disposition of any dispute between the Parties arising under, related to, or
23 involving this Agreement, unless COUNTY, on its own initiative, has already rendered such a final
24 decision.
25

26 2. CONTRACTOR's written demand shall be fully supported by factual information, and, if
27 such demand involves a cost adjustment to the Agreement, CONTRACTOR shall include with the demand
28 a written statement signed by an authorized representative indicating that the demand is made in good
29 faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects
30 the Agreement adjustment for which CONTRACTOR believes COUNTY is liable.

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

35 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and shall
36 be signed by a COUNTY Deputy Purchasing Agent or designee. If COUNTY fails to render a decision
37 within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final

1 decision adverse to CONTRACTOR's contentions.

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

8 9 **XI. EMPLOYEE ELIGIBILITY VERIFICATION**

10 CONTRACTOR warrants that it shall fully comply with all federal and state statutes and regulations
11 regarding the employment of aliens and others and to ensure that employees, subcontractors, and
12 consultants performing work under this Contract meet the citizenship or alien status requirement set forth
13 in federal statutes and regulations. CONTRACTOR shall obtain, from all employees, subcontractors, and
14 consultants performing work hereunder, all verification and other documentation of employment
15 eligibility status required by federal or state statutes and regulations including, but not limited to, the
16 Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently exist and as they
17 may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered
18 employees, subcontractors, and consultants for the period prescribed by the law.

19 20 **XII. EQUIPMENT**

21 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
22 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
23 ADMINISTRATOR to assist in performing the services described in this Contract. "Relatively
24 Permanent" is defined as having a useful life of one year or longer. Equipment which costs \$5,000 or
25 over, including freight charges, sales taxes, and other taxes, and installation costs are defined as Capital
26 Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and other
27 taxes, and installation costs are defined as Controlled Equipment. Controlled Equipment includes, but is
28 not limited to audio/visual equipment, computer equipment, and lab equipment. The cost of Equipment
29 purchased, in whole or in part, with funds paid pursuant to this Contract shall be depreciated according to
30 GAAP.

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

37 C. Upon ADMINISTRATOR's prior written approval, CONTRACTOR may expense to COUNTY

1 the cost of the approved Equipment purchased by CONTRACTOR. To “expense,” in relation to
2 Equipment, means to charge the proportionate cost of Equipment in the fiscal year in which it is purchased.
3 Title of expensed Equipment shall be vested with COUNTY.

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

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

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

16 G. Unless this Contract is followed without interruption by another Contract between the parties for
17 substantially the same type and scope of services, at the termination of this Contract for any cause,
18 CONTRACTOR shall return to COUNTY all Equipment purchased with funds paid through this Contract.

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

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

22 **XIII. FACILITIES, PAYMENTS AND SERVICES**

23 CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance with
24 Exhibit A to this Contract. COUNTY shall compensate, and authorize, when applicable, said services.
25 CONTRACTOR shall operate continuously throughout the term of this Contract with at least the
26 minimum number and type of staff which meet applicable federal and state requirements, and which are
27 necessary for the provision of the services hereunder.
28

29 **XIV. INDEMNIFICATION AND INSURANCE**

30 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,
31 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special
32 districts and agencies for which COUNTY’s Board of Supervisors acts as the governing Board
33 (“COUNTY INDEMNITEES”) harmless from any claims, demands or liability of any kind or nature,
34 including but not limited to personal injury or property damage, arising from or related to the services,
35 products or other performance provided by CONTRACTOR pursuant to this Contract. If judgment is
36 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the
37

1 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and
2 COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall request
3 a jury apportionment.

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

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

20 D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand
21 dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of
22 CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved,
23 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this
24 Contract, agrees to all of the following:

25 1. In addition to the duty to indemnify and hold COUNTY harmless against any and all liability,
26 claim, demand or suit resulting from CONTRACTOR's, its agents, employee's or subcontractor's
27 performance of this Contract, CONTRACTOR shall defend COUNTY at its sole cost and expense with
28 counsel approved by Board of Supervisors against same; and

29 2. CONTRACTOR's duty to defend, as stated above, shall be absolute and irrespective of any
30 duty to indemnify or hold harmless; and

31 3. The provisions of California Civil Code Section 2860 shall apply to any and all actions to
32 which the duty to defend stated above applies, and CONTRACTOR's SIR provision shall be interpreted
33 as though CONTRACTOR was an insurer and COUNTY was the insured.

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

36 F. QUALIFIED INSURER

37 1. The policy or policies of insurance must be issued by an insurer with a minimum rating of A-

1 (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition
 2 of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com). It is preferred, but not
 3 mandatory, that the insurer be licensed to do business in the state of California (California Admitted
 4 Carrier).

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

8 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
 9 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
Passenger vehicles (7 passengers or less)	\$2,000,000 per occurrence
Passenger vehicles (8 passengers or more)	\$5,000,000 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

33 H. REQUIRED COVERAGE FORMS

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

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

1 I. REQUIRED ENDORSEMENTS

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

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

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

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

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

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

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

21 K. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving
22 all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents
23 and employees, or provide blanket coverage, which will state AS REQUIRED BY WRITTEN
24 CONTRACT.

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

28 M. CONTRACTOR shall notify COUNTY in writing within thirty (30) calendar days of any policy
29 cancellation and within ten (10) calendar days for non-payment of premium and provide a copy of the
30 cancellation notice to COUNTY. Failure to provide written notice of cancellation shall constitute a breach
31 of CONTRACTOR's obligation hereunder and ground for COUNTY to suspend or terminate this
32 Contract.

33 N. If CONTRACTOR's Professional Liability, Technology Errors & Omissions and/or Network
34 Security & Privacy Liability are "Claims-Made" policies, CONTRACTOR shall agree to maintain
35 coverage for two (2) years following the completion of the Contract.

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

1 P. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease insurance
2 of any of the above insurance types throughout the term of this Contract. Any increase or decrease in
3 insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect
4 COUNTY.

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

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

13 S. SUBMISSION OF INSURANCE DOCUMENTS

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

15 a. Prior to the start date of this Contract.

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

17 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
18 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

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

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

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

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

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

34 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
35 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
36 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.
37

XV. INSPECTIONS AND AUDITS

1
2 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
3 of the State of California, the Secretary of the United States Department of Health and Human Services,
4 the Comptroller General of the United States, or any other of their authorized representatives, shall to the
5 extent permissible under applicable law have access to any books, documents, and records, including but
6 not limited to, financial statements, general ledgers, relevant accounting systems, medical and Client
7 records, of CONTRACTOR that are directly pertinent to this Agreement, for the purpose of responding
8 to a beneficiary complaint or conducting an audit, review, evaluation, or examination, or making
9 transcripts during the periods of retention set forth in the Records Management and Maintenance
10 Paragraph of this Agreement. Such persons may at all reasonable times inspect or otherwise evaluate the
11 services provided pursuant to this Agreement, and the premises in which they are provided.

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

C. AUDIT RESPONSE

16
17 1. Following an audit report, in the event of non-compliance with applicable laws and
18 regulations governing funds provided through this Agreement, COUNTY may terminate this Agreement
19 as provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement
20 appropriate corrective action. A CAP shall be submitted to ADMINISTRATOR in writing within thirty
21 (30) calendar days after receiving notice from ADMINISTRATOR.

22 2. If the audit reveals that money is payable from one Party to the other, that is, reimbursement
23 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said
24 funds shall be due and payable from one Party to the other within sixty (60) calendar days of receipt of
25 the audit results. If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement
26 is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies
27 provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the
28 reimbursement due COUNTY.

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

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

XVI. LICENSES AND LAWS

1
2 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
3 the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations,
4 waivers, and exemptions necessary for the provision of the services hereunder and required by the laws,
5 regulations and requirements of the United States, the State of California, COUNTY, and all other
6 applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and
7 in writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals,
8 permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be
9 cause for termination of this Contract.

B. CHILD SUPPORT OBLIGATIONS

10
11 1. CONTRACTOR certifies it is in full compliance with all applicable federal and State
12 reporting requirements regarding its employees and with all lawfully served Wage and Earnings
13 Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the
14 term of the Contract. Failure to comply shall constitute a material breach of the Contract and failure to
15 cure such breach within sixty (60) calendar days of notice from COUNTY shall constitute grounds for
16 termination of the Contract.

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

- 20 1. ARRA of 2009.
- 21 2. Trafficking Victims Protection Act of 2000.
- 22 3. CCC §§56 through 56.37, Confidentiality of Medical Information.
- 23 4. CCC §§1798.80 through 1798.84, Customer Records.
- 24 5. CCC §1798.85, Confidentiality of Social Security Numbers.
- 25 6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social
26 Security.
- 27 7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse Master
28 Plans.
- 29 8. HSC, §§11839 through 11839.22, Narcotic Treatment Programs.
- 30 9. HSC, §11876, Narcotic Treatment Programs.
- 31 10. HSC, §§123110 through 123149.5, Patient Access to Health Records.
- 32 11. Code of Federal Regulations, Title 42, Public Health.
- 33 12. 2 CFR 230, Cost Principles for Nonprofit Organizations.
- 34 13. 2 CFR 376, Nonprocurement, Debarment and Suspension.
- 35 14. 41 CFR 50, Public Contracts and Property Management.
- 36 15. 42 CFR 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
- 37 16. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse

1 prevention and treatment block grants and/or projects for assistance in transition from homelessness
2 grants.

3 17. 45 CFR 93, New Restrictions on Lobbying.

4 18. 45 CFR 96.127, Requirements regarding Tuberculosis.

5 19. 45 CFR 96.132, Additional Agreements.

6 20. 45 CFR 96.135, Restrictions on Expenditure of Grant.

7 21. 45 CFR 160, General Administrative Requirements.

8 22. 45 CFR 162, Administrative Requirements.

9 23. 45 CFR 164, Security and Privacy.

10 24. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.

11 25. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.

12 26. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
13 Contracting and Financial Transactions.

14 27. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism; National
15 Institute on Drug Abuse.

16 28. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
17 Administration.

18 29. 42 USC §290dd-2, Confidentiality of Records.

19 30. 42 USC §1320(a), Uniform reporting systems for health services facilities and organizations.

20 31. 42 USC §§1320d through 1320d-9, Administrative Simplification.

21 32. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.

22 33. 42 USC §6101 et seq., Age Discrimination Act of 1975.

23 34. 42 USC §2000d, Civil Rights Act of 1964.

24 35. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
25 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

26 36. U.S. Department of Health and Human Services, National Institutes of Health (NIH), Grants
27 Policy Statement (10/13).

28 37. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-
29 Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.

30 38. State of California, Department of Alcohol and Drug Programs Audit Assistance Guide
31 Manual.

32 39. State of California, Department of Alcohol and Drug Programs, Alcohol and/or Other Drug
33 Program Certification Standards, March 2004.

34 40. CCR Title 22, §§70751(c), 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).

35 41. State of California, Department of Health Care Services ASRS Manual.

36 42. State of California, Department of Health Care Services DPFS Manual.

37 43. HSC §123145.

1 44. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).

2 45. 5 USC §7321 – §7326, Political Activities (Hatch Act).

3
4 **XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

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

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

27
28 **XVIII. AMOUNT NOT TO EXCEED**

29 A. The Amount Not To Exceed of COUNTY for services provided in accordance with all agreements
30 for Services during each Period are as specified in the Referenced Contract Provisions of this Agreement.
31 This specific Agreement with CONTRACTOR is only one of several agreements to which this Amount
32 Not To Exceed applies. It therefore is understood by the Parties that reimbursement to CONTRACTOR
33 will be only a fraction of these Amounts Not To Exceed.

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

36 //

37 //

XIX. MINIMUM WAGE LAWS

1
2 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and
3 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the federal
4 or California Minimum Wage to all its employees that directly or indirectly provide services pursuant to
5 this Contract, in any manner whatsoever. CONTRACTOR shall require and verify that all its contractors
6 or other persons providing services pursuant to this Contract on behalf of CONTRACTOR also pay their
7 employees no less than the greater of the federal or California Minimum Wage.

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

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

XX. NONDISCRIMINATION**A. EMPLOYMENT**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 **XXI. NOTICES**

23 A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements
24 authorized or required by this Contract shall be effective:
25

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

29 2. When faxed, transmission confirmed;

30 3. When sent by Email; or

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

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

37 C. CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of

1 becoming aware of any occurrence of a serious nature, which may expose COUNTY to liability. Such
 2 occurrences shall include, but not be limited to, accidents, injuries, or acts of negligence, or loss or damage
 3 to any COUNTY property in possession of CONTRACTOR.

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

7 **XXII. NOTIFICATION OF DEATH**

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

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

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

18 2. WRITTEN NOTIFICATION

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

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

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

30 D. All death reports must be verified by the coroner's office. The information should include date
 31 of the death as well as the cause of death.

33 **XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

37 B. CONTRACTOR shall notify ADMINISTRATOR at least thirty (30) business days in advance of

1 any applicable public event or meeting. The notification must include the date, time, duration, location
2 and purpose of public event or meeting. Any promotional materials or event related flyers must be
3 approved by ADMINISTRATOR prior to distribution.

4 5 **XXIV. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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

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

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

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

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

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

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

1 CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR may provide
2 written approval to CONTRACTOR to maintain records in a single location, identified by
3 CONTRACTOR.

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

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

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

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

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

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

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

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

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

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

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

31
32 **XXV. RESEARCH AND PUBLICATION**

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

36 //

37 //

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, or members of the Board of Directors.
5. Reimbursement of CONTRACTOR's members of the Board of Directors for expenses or services.
6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or its designee or authorized agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
7. Paying an individual salary or compensation for services at a rate in excess of the current Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule may be found at 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.
14. Promoting the legalization of any drug or other substance included in Schedule 1 of §202 of the Controlled Substance Act (21 USC 812).

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

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

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

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

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

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

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

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

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

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

19 **XXVIII. STATUS OF CONTRACTOR**

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

31 **XXIX. TERM**

32
33 A. This specific Contract with CONTRACTOR is only one of several contracts to which the term of
34 this Contract applies. The term of this Contract shall commence and terminate as specified in the
35 Referenced Contract Provisions of this Contract, unless otherwise sooner terminated as provided in this
36 Contract; provided, however, CONTRACTOR shall be obligated to perform such duties as would
37 normally extend beyond this term, including but not limited to, obligations with respect to confidentiality,

1 indemnification, audits, reporting and accounting.

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

4 5 **XXX. TERMINATION**

6 A. Either party may terminate this Contract, without cause, upon ninety (90) calendar days' written
7 notice given the other party.

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

12 C. COUNTY may terminate this Contract immediately, upon written notice, on the occurrence of
13 any of the following events:

- 14 1. The loss by CONTRACTOR of legal capacity.
- 15 2. Cessation of services.
- 16 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
17 another entity without the prior written consent of COUNTY.
- 18 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
19 required pursuant to this Contract.
- 20 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this
21 Contract.
- 22 6. The continued incapacity of any physician or licensed person to perform duties required
23 pursuant to this Contract.
- 24 7. Unethical conduct or malpractice by any physician or licensed person providing services
25 pursuant to this Contract; provided, however, COUNTY may waive this option if CONTRACTOR
26 removes such physician or licensed person from serving persons treated or assisted pursuant to this
27 Contract.

28 **D. CONTINGENT FUNDING**

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

1 E. In the event this Contract is suspended or terminated prior to the completion of the term as
2 specified in the Referenced Contract Provisions of this Contract, ADMINISTRATOR may, at its sole
3 discretion, reduce the Amount Not To Exceed of this Contract in an amount consistent with the reduced
4 term of the Contract.

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

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

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

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

13 4. If clients are to be transferred to another facility for services, furnish ADMINISTRATOR,
14 upon request, all client information and records deemed necessary by ADMINISTRATOR to affect an
15 orderly transfer.

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

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

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

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

28 9. Provide written notice of termination of services to each client being served under this
29 Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of
30 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendar day
31 period.

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

34 **XXXI. THIRD PARTY BENEFICIARY**

35
36 Neither party hereto intends that this Contract shall create rights hereunder in third parties including,
37 but not limited to, any subcontractors or any clients provided services pursuant to this Contract.

XXXII. WAIVER OF DEFAULT OR BREACH

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

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

3
4 CLEAN PATH RECOVERY, LLC

5 DocuSigned by:
6 BY: Lee Heiligman
7 327E43DCBC10437...

DATED: 4/4/2022

8 TITLE: CEO

9
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13
14 COUNTY OF ORANGE

15
16
17 BY: _____
18 PURCHASING AGENT/DESIGNEE

DATED: _____

19
20
21
22 APPROVED AS TO FORM
23 OFFICE OF THE COUNTY COUNSEL
24 ORANGE COUNTY, CALIFORNIA

25
26 DocuSigned by:
27 BY: Brittany McLean
28 9713A4061D4343D...
29 DEPUTY

DATED: 4/4/2022

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

EXHIBIT A
 TO CONTRACT FOR PROVISION OF
 PERINATAL RECOVERY RESIDENCE SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 CLEAN PATH RECOVERY, LLC
 JULY 1, 2022 THROUGH JUNE 30, 2025

I. COMMON TERMS AND DEFINITIONS

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

1. Bed Day means one (1) calendar day during which CONTRACTOR provides Perinatal Recovery Residence services to either an adult or child as described in Exhibit A of the Contract. A Bed Day will include the day of admission; but not the day of discharge. If admission and discharge occur on the same day, one (1) Bed Day will be charged.

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

3. Completion means the completion of the residential Perinatal Recovery Residence program whereby the Resident has successfully completed all goals and objectives within the maximum authorized length of stay authorized by ADMINISTRATOR and documented in the Resident's chart. Completion is not defined as a specific length of time in the perinatal recovery residence, rather successful transition into the community.

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

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

6. Perinatal means women aged 18 years or older who are pregnant or are parenting.

7. Resident means a person for whom a COUNTY approved referral has been completed pursuant to the Contract.

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

9. Perinatal Recovery Residence means transitional housing services that are provided to Residents at a twenty-four (24)-hour Recovery Residence facility. Services are provided in an alcohol

1 and drug free environment. These services are provided in a non-medical residential setting.

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

5 11. Unit of Service means one (1) calendar day during which services are provided to a Resident
6 pursuant to this Contract. A day in which a Resident is absent for a CONTRACTOR -sanctioned overnight
7 pass may also be included as a unit of service.

8 12. MAT Services means the use of Federal Drug Administration-approved medications in
9 combination with behavioral therapies to provide a whole Resident approach to treating substance use
10 disorders.

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

13
14 **II. PAYMENTS**

15 A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided
16 pursuant to the Contract, COUNTY shall pay CONTRACTOR monthly in arrears at the following rates
17 of reimbursement, provided however, that the total of all such payments to CONTRACTOR and all other
18 COUNTY contract providers for all Perinatal Recovery Residence Services shall not exceed COUNTY’s
19 Amount Not To Exceed as set forth in the Referenced Contract Provisions of the Contract; and provided
20 further, that CONTRACTOR’s costs are allowable pursuant to applicable county, federal, and state
21 regulations. Non-compliance will require the completion of CAP by CONTRACTOR. If CAPs are not
22 completed within timeframes as determined by ADMINISTRATOR, payments may be reduced
23 accordingly. All payments are interim payments only, and subject to final settlement in accordance with
24 the Cost Report Paragraph of the Contract.

25
26 Perinatal Recovery Residence Services - per bed day (per adult/per child) \$73.59
27

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

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

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

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

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

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

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

6 7 **III. PERFORMANCE OUTCOMES**

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

13 1. CONTRACTOR shall provide effective sober living program to Residents with identified
14 alcohol and/or drug disorders as measured by Employment and Housing Linkage Rates.

15 a. Employment Rate: Eighty Percent (80%) of all Residents obtaining successful
16 completion, as defined in Paragraph I. of this Exhibit A, shall have obtained employment, be enrolled in
17 school, or participating in regular volunteer activities by discharge. Residents who are enrolled as a full-
18 time student, who are deemed physically or mentally disabled by certified physician, and who have
19 volunteered for more than ten (10) hours per week in the community are considered as employed.
20 Employment rate shall be calculated by the number of Residents who obtained employment (as defined
21 in this subparagraph) at completion of Perinatal Recovery Residence Services divided by the number of
22 Residents completing Perinatal Recovery Residence Services during the evaluation period.

23 b. Housing Linkage Rate: Eighty Percent (80%) of all Residents shall be linked to stable
24 housing upon completion of Perinatal Recovery Residence. Housing Linkage Rate shall be calculated by
25 the number of Residents transitioning to stable housing upon completion of Perinatal Recovery Residence
26 Services divided by the number of Residents completing Perinatal Recovery Residence Services during
27 the evaluation period.

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

30 31 **IV. RECORDS**

32 A. CONTRACTOR shall create and maintain all files pertaining to Perinatal Recovery Residence
33 Residents in the following manner:

34 1. All files shall be kept in a locked cabinet; and
35 2. Access shall be limited to the director and other personnel with a legitimate need for access
36 who are specified in CONTRACTOR's policies and procedures.

37 B. CONTRACTOR shall ensure the contents of individual Resident files include, but are not limited

1 to, the following:

- 2 1. A personal information form which contains:
 - 3 a. Personal data for proper identification;
 - 4 b. Length of sobriety and prior recovery experience;
 - 5 c. The name(s) of the Resident's current outpatient care option (treatment facility or Day
6 Reporting Center (DRC)); and
 - 7 d. The name of referral source to the facility.
- 8 2. The Resident's treatment plan recommendations from referral sources and others. Notations
9 about how the facility can assist the Resident in implementing his/her treatment related court orders and/or
10 treatment plan recommendations.
- 11 3. List of prescribed medication(s) used by the Resident.
- 12 4. A waiver of confidentiality, signed at the time of the Resident's initial intake into the Perinatal
13 Recovery Residence facility, to permit disclosure of designated information about the Resident to HCA,
14 Treatment Provider, Courts, Orange County Probation Department, (OCPD), Parole Department, Public
15 Defender and/or District Attorney.
- 16 5. Health Care Agency (HCA) referral form for Perinatal Recovery Residence Services.
- 17 6. Copies of all progress reports and all correspondence written by CONTRACTOR staff
18 regarding the Resident.
- 19 7. Dates and results of all drug and alcohol tests and all forms related to such tests.
- 20 8. Overnight pass information. No overnight pass shall be granted if it would conflict with any
21 existing court order.
- 22 9. Dates of the Resident's entry, and completion or termination from the facility, including the
23 circumstances of his/her discharge.
- 24 10. A copy of the Perinatal Recovery Residence facility's rules and Resident intake forms, signed
25 and dated by the Resident upon entry into the Perinatal Recovery Residence facility.

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

28 **V. REPORTS**

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

- 35 1. Monthly programmatic reports shall include completion, retention, and abstinence rates.
 - 36 a. Completion Rates shall be calculated by using the number of Residents successfully
37 completing the Perinatal Recovery Residence program divided by the total number of Residents

4 of 12

1 discharged during the evaluation period.

2 b. Retention Rates shall be calculated by using the number of Residents currently enrolled
3 in or successfully completing the Perinatal Recovery Residence program divided by the total number of
4 Residents served during the evaluation period.

5 c. Abstinence Rates shall be calculated by the number of negative drug screenings
6 performed divided by the total number of drug screenings performed during the evaluation period.

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

12 B. CONTRACTOR shall make additional reports, as required by ADMINISTRATOR, concerning
13 CONTRACTOR's activities as they affect the services hereunder. ADMINISTRATOR shall be specific
14 as to the nature of information requested and the time frame the information is needed.

15 C. CONTRACTOR agrees to enter psychometrics into COUNTY's EHR system as requested by
16 ADMINISTRATOR. Said psychometrics are for COUNTY's analytical uses only, and shall not be relied
17 upon by CONTRACTOR to make clinical decisions. CONTRACTOR agrees to hold COUNTY
18 harmless, and indemnify pursuant to Section XI, from any claims that arise from non-COUNTY use of
19 said psychometrics.

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

22 **VI. SERVICES**

23 A. FACILITY – CONTRACTOR shall provide Perinatal Recovery Residence Services described
24 herein at an Orange County Sheriff Certified Recovery Residence facility. Unless otherwise authorized
25 in writing by ADMINISTRATOR, CONTRACTOR shall maintain regularly scheduled service hours,
26 seven (7) days a week, twenty-four (24) hours per day throughout the year. Services shall be provided at
27 the following locations, or at any other location approved in advance, in writing, by ADMINISTRATOR:
28

29
30 1218 & 1230 West Santa Ana Blvd.
31 Santa Ana, CA 92703
32

33 1. CONTRACTOR's Perinatal Recovery Residence facility shall be clean, safe which includes
34 child-proofing, sanitary, and in good repair at all times and shall include the following:

35 a. An alcohol and drug-free living environment for Residents.

36 b. Safe sleeping quarters, a separate bed for each Resident which may include a crib or a
37 bassinet, closet and dresser space, clean linen in good repair, including lightweight, warm blankets; top

1 and bottom sheets; pillowcases; mattress pads; bath towels and wash cloths.

2 c. Bedrooms shall not be overcrowded and meet the definition of a bedroom as contained
3 in the Uniform Building Code. There should be a minimum of seventy (70) square feet for the first two
4 people and fifty (50) square feet for each additional person in bedrooms, unless CONTRACTOR receives
5 prior written approval by ADMINISTRATOR.

6 d. Basic living facilities, including but not limited to, adequate bathing, hand washing and
7 toilet facilities, lounge area, and dining area with adequate seating.

8 e. Laundry facilities and laundry supplies at no cost to the Resident.

9 f. Toiletry articles appropriate to the health and grooming needs of the Resident.

10 g. Child safety measures such as but not limited to cabinet latches, furniture bolted to wall,
11 and baby gates to prevent falls.

12 h. A telephone within the facilities complex that is available 24 hours per day seven days
13 per week for resident use. This may be a pay phone.

14 i. Functional smoke and carbon monoxide detectors in sufficient number and location as
15 required by safety codes.

16 j. Fire extinguishers installed at minimum in kitchen and laundry area.

17 k. Clearly marked exit doors, unobstructed at all times.

18 l. Second floors shall have emergency fire ladders clearly marked.

19 m. First Aid kits readily available at the facility.

20 n. All residents shall be trained on the facility safety procedures and their role in
21 maintaining safety.

22 B. PERSONS TO BE SERVED

23 1. CONTRACTOR shall serve homeless women eighteen (18) years and older with substance use
24 disorder, or co-occurring disorder with mental illness, and her children aged 12 and younger. These individuals
25 must have a reunification plan in place or have custody of her children, and/or be pregnant. These individuals
26 may be receiving Medication Assisted Treatment for substances or medication to treat mental illness.

27 2. AB109 screening unit, County Contracted Residential Treatment providers, and other referral
28 sources as designated by ADMINISTRATOR shall be responsible for referrals to CONTRACTOR for
29 Perinatal Recovery Residence Services under the Contract.

30 3. CONTRACTOR must accept all Residents receiving MAT services referred by
31 ADMINISTRATOR. CONTRACTOR must have procedures for linkage/integration for residents who
32 are lawfully prescribed MAT. CONTRACTOR staff must facilitate communication with physicians and
33 Resident in compliance with 42 CFR part 2 to discuss dosage and side effects and must abstain from
34 providing medication guidance outside of the advice of an appropriately qualified medical professional.

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

37 C. UNITS OF SERVICE – CONTRACTOR shall provide, pursuant to the Contract, no more than

1 four (4) months of Perinatal Recovery Residence Services, equivalent to a maximum of one hundred
2 twenty (120) Perinatal Recovery Residence Units of Service, per Resident within a twelve (12) month
3 period, unless otherwise authorized in writing by ADMINISTRATOR. ADMINISTRATOR may
4 increase or decrease maximum length of stay in writing for specific populations as needed to
5 accommodate the demand for Perinatal Recovery Residence services. Residents may be allowed to stay
6 up to an additional thirty (30) calendar days beyond the maximum allowable with prior approval from
7 ADMINISTRATOR.

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

11 1. DUTIES OF DIRECTOR AND HEAD OF ADMINISTRATIVE STAFF – Each perinatal
12 recovery residence shall have a “director,” the manager of a perinatal recovery residence who is
13 responsible for the supervision of all Residents and of all staff employed by, or volunteering for, the
14 facility, and for approving all progress reports about Residents' recovery that are provided to courts,
15 county or city agencies, or other providers of recovery services. He/she is responsible for overall
16 management of the facility.

17 2. DUTIES OF HOUSE MANAGER – Each perinatal recovery residence shall have a
18 designated house manager or person of higher authority such as a director, who resides at the facility and
19 performs the duties of house manager. Alternatively, two (2) or more employees may perform the duties
20 of house manager. Staff performing the duties of house manager and/or director, shall reside at the
21 Perinatal Recovery Residence facility, or shall be present at a minimum, between the hours of 11:00 p.m.
22 and 6:00 a.m. on weekdays, and 12:00 a.m. and 6:00 a.m. on weekends and holidays. The house manager
23 shall provide minimum of two (2) hours a day outside the above listed time frame to be physically
24 accessible to residents during waking hours. Whenever CONTRACTOR’s house manager and/or director
25 is not present at the facility, a designated facility staff person shall be on-call to respond and arrive at the
26 facility within twenty (20) minutes of being summoned. CONTRACTOR shall post the contact telephone
27 number of designated on-call staff immediately upon the absence of CONTRACTOR’s house manager
28 and/or director at the facility. The house manager shall be responsible to ensure the safety of the
29 building(s) and grounds, to maintain compliance by Residents and staff with facility rules and the
30 Certification Guidelines; and to provide support and referral information, but not counseling or treatment,
31 to Residents of the facility.

32 3. STRUCTURED DAILY ACTIVITIES – CONTRACTOR shall encourage structured daily
33 activities to include Resident’s responsibility for daily household duties, including, but not limited to:
34 house cleaning, and basic household operations. CONTRACTOR shall encourage Residents to live
35 productive, drug-free lives, which may include working, going to school, attending appropriate self-help
36 program meetings, volunteering in the community, and taking increased responsibility for treatment goals
37 established by the individual. Staff will assist Residents in establishing budgets and savings. Residents

1 will not be charged for services. CONTRACTOR shall encourage Residents to maintain adequate
2 grooming, and use their leisure time in a constructive manner. CONTRACTOR shall coordinate
3 vocational, educational, and other supportive services for mother and child/children. CONTRACTOR
4 shall make referrals and require Residents to attend self-help programs, such as Narcotics Anonymous,
5 Alcoholics Anonymous, or other support programs.

6 4. HOUSE RULES – CONTRACTOR shall establish house rules for standards of conduct for
7 Residents that shall include mandatory participation in a recovery service such as a COUNTY-approved
8 outpatient treatment program and/or the Day Reporting Center (DRC). Exceptions to aftercare linkages
9 must be approved by ADMINISTRATOR. Rules shall also address safety and supervision of children on
10 site. Said house rules shall be enforced by CONTRACTOR’s house manager and/or director, other paid
11 staff, intern(s) or volunteer(s), as designated by CONTRACTOR’s house manager and/or director.

12 5. RESIDENT SIGN IN/OUT LOG – CONTRACTOR shall maintain a resident sign in/out log
13 for all Residents, which shall include, but not be limited to, the following:

- 14 a. Location and telephone number where the Resident may be reached; and
15 b. Resident name, signature, date, and time when leaving Perinatal Recovery Residence
16 facility and estimated time of return. Residents returning to the Perinatal Recovery Residence facility
17 shall sign in.

18 6. SCHEDULE – CONTRACTOR shall maintain a Resident’s schedule for treatment, work,
19 education or other activities; and Resident shall be required to notify CONTRACTOR staff of any change
20 in his/her schedule.

21 7. TRANSPORTATION – CONTRACTOR shall provide or arrange transportation and/or bus
22 vouchers, as necessary, including information regarding public transportation, how to obtain a bus pass,
23 bus schedules, etc. CONTRACTOR will have a transportation policy that addresses eligibility. In the
24 event the Resident owns and operates a vehicle, CONTRACTOR shall make its best efforts to
25 accommodate the vehicle in accordance with federal, state, and county rules and regulations.

26 8. MEALS/FOOD – CONTRACTOR shall provide enough food for two (2) meals per day for
27 each adult Resident. CONTRACTOR may elect to use a food voucher with a value of fifty dollars (\$50)
28 per adult Resident per week, or a combination of food and food vouchers with an approximate value of
29 fifty dollars (\$50). For stays less than one week, the fifty dollar (\$50) value may be prorated. If
30 CONTRACTOR opts to provide meals, such meals shall be nutritious and appropriate to the health needs
31 of the Resident. Adult residents are responsible to provide food for their own infant or child. Contractor
32 shall encourage parenting residents to apply for Cal-Fresh and/or other community resources available
33 such as Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

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

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

- 1 b. Staff and shift changes which occur at the Perinatal Recovery Residence facility; and
 2 c. Special incidents as specified in the Contract.

3 10. ALCOHOL AND/OR DRUG SCREENING – CONTRACTOR shall perform random drug
 4 and/or alcohol testing on Resident(s) suspected of using substances or at minimum of one (1) time per-
 5 month. Testing supplies shall be provided by CONTRACTOR. In the event that a Resident receives a
 6 drug screening test result indicating any substance use, CONTRACTOR shall formulate and implement a
 7 plan of corrective action, which may include discharge, and shall be documented in the Resident’s record,
 8 and shall notify Probation and COUNTY of said test result indicating any substance use within one (1)
 9 business day. CONTRACTOR shall:

- 10 a. Establish procedures that protect against the falsification and/or contamination of any
 11 body specimen sample collected for drug screening.
 12 b. All urine specimen collection shall be observed by same sex congruent.
 13 c. Document results of the drug screening in the Resident's record.

14 11. MEETINGS – CONTRACTOR’s Director or designee shall participate, when requested, in
 15 meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to this Contract.

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

23 13. NO PROSELYTIZING POLICY – CONTRACTOR shall not conduct any proselytizing
 24 activities, regardless of funding sources, with respect to any person who has been referred to
 25 CONTRACTOR by COUNTY under the terms of this Contract. Further, CONTRACTOR agrees that the
 26 funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious creed
 27 or cult, denomination or sectarian institution, or religious belief.

28 14. AUTHORITY – CONTRACTOR shall recognize the authority of Orange County Probation
 29 Department (OCPD) as officers of the court, and shall extend cooperation to OCPD within the constraints
 30 of CONTRACTOR’s Perinatal Recovery Residence services.

31 15. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy
 32 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy
 33 shall specify that the facility is “smoke free” and that designated smoking areas are outside the visiting
 34 areas at the facility.

35 16. GOOD NEIGHBOR POLICY - ADMINISTRATOR has established a Good Neighbor
 36 Policy for the purpose of identifying community impacts and measures to mitigate those impacts. The
 37 Good Neighbor Policy is a set of principles and activities designed to provide a consistent means of

1 communication between facilities that provide resident services and their respective neighbors. The Good
2 Neighbor Policy is applicable for Residential Programs when CONTRACTOR provides service to County
3 residents and the services have a potential impact including but not limited to community safety,
4 cleanliness, and security in the surrounding neighborhood(s).

5 a. ADMINISTRATOR shall provide CONTRACTOR with a copy of the Good Neighbor
6 Policy, attached hereto as Exhibit D.

7 b. CONTRACTOR agrees to adhere to the Good Neighbor Policy to the fullest extent
8 possible. In addition, each facility shall develop a written procedure for the handling of neighborhood
9 complaints which shall be approved by ADMINISTRATOR. Approved procedure must be available
10 onsite, readily accessible upon request, and include ADMINISTRATOR's contact information as
11 provided.

12 c. Non-compliance with this Paragraph and Exhibit D shall constitute a material breach of
13 this Contract and constitute cause for immediate termination of this Contract.

14 17. TRANSGENDER POLICY – CONTRACTOR shall establish a written Transgender Policy,
15 which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not limited
16 to, the following:

- 17 a. Admission
- 18 b. Housing arrangement
- 19 c. Bathroom privacy
- 20 d. Drug testing

21 18. MEDICATION POLICY – CONTRACTOR shall establish a written Medication Policy,
22 which shall be reviewed and approved by ADMINISTRATOR. The policy shall include but not be limited
23 to the securing, handling, and administration of Resident prescribed medication(s). Such policy shall
24 address medications that are prescribed for substance and mental health disorders. Residents shall have
25 medications during their stay with the program, and/or to have the ability to get refill(s).

26 19. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have
27 available at each program site a minimum two (2) unexpired Naloxone doses for the treatment of known
28 or suspected opioid overdose. House manager and residents shall be trained in administering the
29 Naloxone. Naloxone is not a substitute for emergency medical care. CONTRACTOR shall always seek
30 emergency medical assistance in the event of a suspected, potentially life-threatening opioid emergency.

31 20. VISITATION POLICY – CONTRACTOR shall establish a written visitation policy and
32 procedure that limits access by individuals who are not Residents, staff, volunteers, or authorized visitors,
33 which shall be reviewed and approved by ADMINISTRATOR, which shall include, but not be limited to,
34 the following:

- 35 a. Sign in logs.
- 36 b. Visitation hours.
- 37 c. Designated visiting areas at the facility.

1 21. POSTINGS – CONTRACTOR shall post the following in a prominent place within the
2 facility:

- 3 a. Sheriff Certification Certificate of Compliance.
- 4 b. Prohibition against Alcohol and Non-Prescription Drugs.
- 5 c. Sexual Harassment of Resident or Staff is Prohibited Notice.
- 6 d. House Rules, Visitation, and Smoking Polices.
- 7 e. Grievance procedure.
- 8 f. Evacuation plans.
- 9 g. Hours that individual staff members will be onsite and contact phone number when staff

10 is offsite.

11 h. List of resources within community which shall include medical, dental, mental health,
12 public health, social services and where to apply for determination of eligibility for State, Federal or
13 county entitlement programs.

- 14 i. Information on self-help meetings. AA, NA, and non-12 step meetings shall be included.

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

17 **VII. STAFFING**

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

21 B. CODE OF CONDUCT – CONTRACTOR shall establish written policies and procedures for
22 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be
23 limited to, standards related to the use of drugs and/or alcohol; staff-Resident relationships; prohibition of
24 sexual conduct with Resident; prohibition of forging or falsifying documents or drug tests; and real or
25 perceived conflict of interest.

26 C. STAFF/VOLUNTEER/INTERN SCREENING – All staff shall be subject to sanction screening
27 as referenced in the Compliance paragraph. All staff must have a criminal clearance conducted by the
28 OC Sheriff Coordinator prior to hire. All staff shall also be screened by Megan’s Law, OC Courts and
29 OC Sheriff’s Department websites on an annual basis. Results must remain in staff file.

30 1. All staff/volunteers/interns, prior to starting services, shall meet the following requirements:
31 a. No person shall have been convicted of a sex offense for which the person is required to
32 register as a sex offender under PC section 290;

33 b. No person shall have been convicted of an arson offense – Violation of PC sections 451,
34 451.1, 451.5, 452, 45231, 453, 454, or 455;

35 c. No person shall have been convicted of any violent felony as defined in PC section 667.5,
36 which involves doing bodily harm to another person, for which the staff member was convicted within
37

1 five (5) years prior to employment; and

2 d. No person shall be on parole or probation.

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

6 D. STAFF TRAINING – CONTRACTOR shall be subject to training as referenced in the
7 Compliance paragraph. CONTRACTOR shall develop a written plan for staff training. All Staff training
8 shall be documented and maintained as part of the training plan.

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

12 a. infectious disease recognition.

13 b. crisis intervention.

14 c. recognizing physical and psychiatric symptoms that require appropriate referrals to other
15 agencies.

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

18 a. County Annual Provider Training.

19 b. County Annual Compliance Training.

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

21 d. Minimum one hour training in cultural competence.

22 3. CONTRACTOR shall ensure that staff working onsite at the home:

23 a. Complete naloxone training at hire and annually; and

24 b. Have current certification in adult and infant/child CPR/first aid.

25 c. Complete safety training at hire and quarterly that covers:

26 i. emergency procedures.

27 ii. individual and agency emergency preparedness.

28 iii. emotional responses to emergency.

29 iv. utility shut-off procedures.

30 v. fire suppression and proper use of fire extinguishers.

31 vi. Special Incident Report completion per COUNTY requirements.

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1 EXHIBIT B
 2 TO CONTRACT FOR PROVISION OF
 3 PERINATAL RECOVERY RESIDENCE SERVICES
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 CLEAN PATH RECOVERY, LLC
 8 JULY 1, 2022 THROUGH JUNE 30, 2025
 9

10 **I. BUSINESS ASSOCIATE CONTRACT**

11 **A. GENERAL PROVISIONS AND RECITALS**

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

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

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

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

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

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

1 | electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Contract.

2 | B. DEFINITIONS

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

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

9 | a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 15. “Subcontractor” shall have the meaning given to such term under the HIPAA regulations in
23 45 CFR § 160.103.

24 16. “Technical Safeguards” means the technology and the policy and procedures for its use that
25 protect electronic PHI and control access to it.

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

29 18. “Use” shall have the meaning given to such term under the HIPAA regulations in
30 45 CFR § 160.103.

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

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

35 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business
36 Associate Contract and the Contract, to prevent use or disclosure of PHI COUNTY discloses to
37 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY

1 other than as provided for by this Business Associate Contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36 17. CONTRACTOR shall work with COUNTY upon notification by CONTRACTOR to
37 COUNTY of a Breach to properly determine if any Breach exclusions exist as defined in Subparagraph

1 B.2.a above.

2 D. SECURITY RULE

3 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish and
4 maintain appropriate Administrative, Physical and Technical Safeguards in accordance with
5 45 CFR § 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to
6 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.
7 CONTRACTOR shall develop and maintain a written information privacy and security program that
8 includes Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of
9 CONTRACTOR's operations and the nature and scope of its activities.

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

14 3. CONTRACTOR shall ensure the continuous security of all computerized data systems
15 containing electronic PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives,
16 maintains, or transmits on behalf of COUNTY. CONTRACTOR shall protect paper documents
17 containing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
18 or transmits on behalf of COUNTY. These steps shall include, at a minimum:

19 a. Complying with all of the data system security precautions listed under Subparagraphs
20 E, below;

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

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

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

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

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

36 E. DATA SECURITY REQUIREMENTS

37 1. Personal Controls

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

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

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

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

26 2. Technical Security Controls

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

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

36 c. Minimum Necessary. Only the minimum necessary amount of PHI COUNTY discloses
37 to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY

1 required to perform necessary business functions may be copied, downloaded, or exported.

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

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

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

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

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

35 h. Data Destruction. When no longer needed, all PHI COUNTY discloses to
36 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
37 must be wiped using the Gutmann or DoD 5220.22-M (7 Pass) standard, or by degaussing. Media may

1 also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods require
2 prior written permission by COUNTY.

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

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

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

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

22 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
23 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
24 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
25 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
26 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website
27 access, file transfer, and E-Mail.

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

32 3. Audit Controls

33 a. System Security Review. CONTRACTOR must ensure audit control mechanisms that
34 record and examine system activity are in place. All systems processing and/or storing PHI COUNTY
35 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
36 COUNTY must have at least an annual system risk assessment/security review which provides assurance
37 that administrative, physical, and technical controls are functioning effectively and providing adequate

1 levels of protection. Reviews should include vulnerability scanning tools.

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

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

9 4. Business Continuity/Disaster Recovery Control

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

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

22 5. Paper Document Controls

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

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

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

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

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

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

13 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

37 b. CONTRACTOR may disclose PHI COUNTY discloses to CONTRACTOR for the

1 proper management and administration of CONTRACTOR or to carry out the legal responsibilities of
2 CONTRACTOR, if:

3 1) The Disclosure is required by law; or

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

8 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to
9 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of
10 CONTRACTOR.

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

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

15 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
16 required by law.

17 H. PROHIBITED USES AND DISCLOSURES

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

23 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
24 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
25 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
26 42 USC § 17935(d)(2).

27 I. OBLIGATIONS OF COUNTY

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

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

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

37 4. COUNTY shall not request CONTRACTOR to use or disclose PHI in any manner that would

1 not be permissible under the HIPAA Privacy Rule if done by COUNTY.

2 J. BUSINESS ASSOCIATE TERMINATION

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

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

7 b. Immediately terminate the Contract, if CONTRACTOR is unwilling or unable to cure
8 the material Breach or end the violation within thirty (30) calendar or business days, provided termination
9 of the Contract is feasible.

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

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

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

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

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

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EXHIBIT C
 TO CONTRACT FOR PROVISION OF
 PERINATAL RECOVERY RESIDENCE SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 CLEAN PATH RECOVERY, LLC
 JULY 1, 2022 THROUGH JUNE 30, 2025

I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT

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

A. DEFINITIONS

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

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

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

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

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

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

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

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

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

1 with respect to health care providers participating in the program, and statutes or regulations that require
2 the production of information, including statutes or regulations that require such information if payment
3 is sought under a government program providing public benefits.

4 10. "Security Incident" means the attempted or successful unauthorized access, use, disclosure,
5 modification, or destruction of PI, or confidential data utilized in complying with this Contract; or
6 interference with system operations in an information system that processes, maintains or 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 the 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 required
15 by this Personal Information Privacy and Security Contract or as required by applicable state and federal
16 law.

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

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

29 1) Complying with all of the data system security precautions listed in Subparagraph
30 E of the Business Associate Contract, Exhibit B to the 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 Office of Management and Budget in OMB Circular No. A-130,
33 Appendix III-Security of Federal Automated Information Systems, which sets forth guidelines for
34 automated information systems in Federal agencies.

35 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
36 CONTRACTOR shall also comply with the substantive privacy and security requirements in the CMPPA
37 Agreement between the SSA and the CHHS and in the Agreement between the 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 Exchange
 3 Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging
 4 Electronic Information with the SSA. CONTRACTOR also agrees to ensure that any of
 5 CONTRACTOR’s agents or subcontractors, to whom CONTRACTOR provides DHCS PII agree to the
 6 same requirements for privacy and security safeguards for confidential data that apply to CONTRACTOR
 7 with respect to such information.

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

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

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

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

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

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

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1 EXHIBIT D
2 TO CONTRACT FOR PROVISION OF
3 PERINATAL RECOVERY RESIDENCE SERVICES
4 BETWEEN
5 COUNTY OF ORANGE
6 AND
7 CLEAN PATH RECOVERY, LLC
8

9 Preface

10 The COUNTY as a political subdivision of the State of California, is mandated by state and federal law
11 to provide certain services to all County residents. In addition, the COUNTY provides certain other non-
12 mandated services to enhance the well-being and quality of life for its residents. The COUNTY is
13 committed to ensuring positive relations through this Good Neighbor Policy in the neighborhoods and
14 communities in which its Residential Program contractors provide services to its residents.

15
16 Following effective date of this Contract, but no later than thirty (30) days after the start of services,
17 CONTRACTOR shall conduct reasonable outreach to cities, neighborhoods and communities that could
18 be affected by services provided by CONTRACTOR.

19
20 Good Neighbor Policy

21 This Policy applies only to the extent CONTRACTOR provides direct services to County clients pursuant
22 to this Contract. The intent of this Policy is to identify community impacts and measures to mitigate those
23 impacts to be an integral part of the neighborhood and community the COUNTY serves.

24
25 CONTRACTOR shall establish a policy that includes all of the following elements:

- 26 • Ensure staff and clients conduct themselves in a manner that demonstrates respect for the
27 community and consideration of neighbors when entering/exiting the facility or outdoors.
- 28 • Establish and maintain early communication with cities, neighborhoods and communities as a
29 way to identify potential impacts to neighborhoods and mitigate as needed.
- 30 • Establish cooperative relationships with cities, neighborhoods and communities where services
31 are being rendered and mitigate impact as needed.
- 32 • Collaborate with cities, neighborhoods and communities as a way to promote integration of
33 facilities into the community and determine the effectiveness of established good neighbor practices.
- 34 • Develop written procedures to track, respond and mitigate neighborhood complaints. Procedures
35 should include identification of a contact person for complaint resolution and identification of COUNTY
36 contact if complaint is not adequately resolved. The procedures must also identify how these incidents
37 will be reported to the appropriate COUNTY contact in a timely manner.

- 1 • Establish generalized good neighbor practices for services and facility(ies) that include:
- 2 - Adequate parking
- 3 - Adequate waiting and visiting areas
- 4 - Adequate restroom facilities
- 5 - Property maintenance and appearance
- 6 - Community safety
- 7 - Congregation guidelines
- 8 - Security provisions

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10 CONTRACTOR shall submit its policy to COUNTY for review and approval prior to the commencing of

11 services.

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