

1 AMENDMENT NO. ~~4~~5 CONTRACT FOR PROVISION OF
2 DRUG MEDI-CAL NARCOTIC REPLACEMENT
3 THERAPY TREATMENT SERVICES
4 BETWEEN
5 COUNTY OF ORANGE
6 AND
7 WESTERN PACIFIC RE-HAB
8 NOVEMBER 06, 2020 THROUGH JUNE 30, 2023

9
10 This Amendment ("Amendment No. 4") to Contract No. MA-042-21010263 for Drug
11 Medi-Cal Narcotic Replacement Therapy Treatment Services is made and entered into on ~~January~~
12 ~~07~~April 26, 2022, 2022 ("Effective Date") between Western Pacific Re-Hab ("Contractor"), with a place
13 of business at 4544 San Fernando Road., Suite 202, Glendale, CA 91204, and the County of Orange, a
14 political subdivision of the State of California ("County"), through its Health Care Agency, with a place of
15 business at 405 W. 5th St., Ste. 600, Santa Ana, CA 92701. Contractor and County may sometimes be
16 referred to individually as "Party" or collectively as "Parties".

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

20
21 WHEREAS, COUNTY wishes to contract with Western Pacific Re-Hab, for the provision of Drug
22 Medi-Cal Narcotic Replacement Therapy Treatment Services described herein to the Health Care
23 Agency Staff and those at Health Care Agency contracted providers of Orange County; and

24 WHEREAS, the Parties executed Contract No. MA-042-21010263 for Drug Medi-Cal Narcotic
25 Replacement Therapy Treatment Services, effective November 6, 2020 through June 30, 2023, in an
26 amount not to exceed \$1,333,333, renewable for two additional one-year periods ("Contract"); and

27 WHEREAS, the Parties executed Amendment No. 1 to amend the Contract to incorporate the
28 Fiscal Year 2020-21 State Mandated Narcotic Treatment Program (NTP) Drug Medi-Cal (DMC)
29 Organized Delivery System (ODS) Rates of reimbursement; and

30 WHEREAS, the Parties executed Amendment No. 2 to amend the Term on the Referenced
31 Contract Provisions page to correct a clerical error; and

32 WHEREAS, the Parties executed Amendment No. 3 to amend the Contract, effective July 1,
33 2021, to update the State Mandated NTP DMC ODS rates of reimbursement; and

34 ~~WHEREAS, the Parties now desire to enter into this Amendment No. 4 to expand the scope of~~
35 ~~work in Exhibit A of the Contract for Contractor to provide Drug Medi-Cal Narcotic Replacement Therapy~~
36 ~~Treatment Services to adolescents 12 through 17 years of age~~

1 WHEREAS, the Parties executed Amendment No. 4 to expand the scope of work in Exhibit A of
2 the Contract for Contractor to provide Drug Medi-Cal Narcotic Replacement Therapy Treatment
3 Services to adolescents 12 through 17 years of age; and

4 WHEREAS, the Parties now desire to enter into this Amendment No. 5 to increase the Period
5 Two Amount Not To Exceed by \$200,000 from \$500,000 to \$700,000.

6 NOW THEREFORE, Contractor and County agree to amend the Contract as follows:

7 1. The Contract's Period Two Amount Not To Exceed is increased by \$200,000 from
8 \$500,000 to \$700,000, for a revised cumulative total amount not to exceed \$1,533,333.

9 2. All references in the Contract to "Maximum Obligation" shall be deleted and replaced with
10 "Amount Not to Exceed".

11 3. Referenced Contract Provisions, Amount Not To Exceed provision, of the Contract is
12 deleted in its entirety and replaced with the following:

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

15 NOW, THEREFORE, in consideration of the mutual covenants, benefits, and promises contained
16 herein, COUNTY and CONTRACTOR do hereby agree as follows:

17 //
18 //
19 //
20 //
21 //
22 //
23 //
24 //
25 //
26 //
27 //
28 //

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
Title Page.....	1
Table of Contents	2
Referenced Contract Provisions	4
I. Acronyms	5
II. Alteration of Terms	8
III. Assignment of Debts.....	8
IV. Compliance	8
V. Confidentiality.....	12
VI. Conflict of Interest	13
VII. Expenditure and Revenue Report.....	13
VIII. Patients' Rights	14
IX. Delegation, Assignment and Subcontracts.....	14
X. Dispute Resolution.....	16
XI. Employee Eligibility Verification	17
XII. Equipment	17
XIII. Facilities, Payments and Services.....	18
XIV. Indemnification and Insurance	19
XV. Inspections and Audits.....	23
XVI. Licenses and Laws	24
XVII. Literature, Advertisements and Social Media.....	25
XVIII. Maximum Obligation.....	26
XIX. Minimum Wage Laws	26
XX. Nondiscrimination.....	26
XXI. Notices.....	29
XXII. Notification of Death	29
XXIII. Notification of Public Events and Meetings	30
XXIV. Records Management and Maintenance	30
XXV. Research and Publication.....	32
XXVI. Severability.....	32
XXVII. Special Provisions	32
XXVIII. Status of Contractor	34
XXIX. Term	34
XXX. Termination	34
XXXI. Third Party Beneficiary	36
XXXII. Waiver of Default or Breach.....	36
XXXIII. Revenue	37 36

1 XXXIV. Signature Page..... 37

2 **TABLE OF CONTENTS**

3
4 **EXHIBIT A**

PAGE

5 I. Common Terms and Definitions 1

6 II. Payments 4

7 III. Records 5

8 IV. Reports..... 6

9 V. Services 7

10 VI. Staffing ~~13~~¹⁶

11
12
13 **EXHIBIT B**

14 I. Business Associate Contract..... 1

15
16 **EXHIBIT C**

17 I. Personal Information Privacy and Security Contract..... 1

18 II.

19 //

20 //

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //

29 //

30 //

31 //

32 //

33 //

34 //

35 //

36 //

37 //

REFERENCED CONTRACT PROVISIONS

Term: : November 06, 2020 through June 30, 2023

Period One means the period from November 06, 2020 through June 30, 2021

Period Two means the period from July 1, 2021 through June 30, 2022

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

Maximum Obligation Amount Not To Exceed:

~~Period One Maximum Obligation: \$333,333~~

~~Period Two Maximum Obligation: \$500,000~~

~~Period Three Maximum Obligation: \$500,000~~

~~TOTAL MAXIMUM OBLIGATION: \$1,333,333~~

Period One Amount Not To Exceed: \$ 333,333

Period Two Amount Not To Exceed: 700,000

Period Three Amount Not To Exceed: 500,000

TOTAL AMOUNT NOT TO EXCEED: \$1,533,333

Basis for Reimbursement: Negotiated Rate

Payment Method: Monthly in Arrears

CONTRACTOR DUNS Number: 07-956-7920

CONTRACTOR TAX ID Number: 95-4168437

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: Western Pacific Re-Hab
4544 San Fernando Road, Suite 202
Glendale, CA 91204
Mark Hickman, CEO
mark@westpacmed.com

I. ACRONYMS

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

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

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

1	BQ. PSC	Professional Services Contract System
2	BR. SAPTBG	Substance Abuse Prevention and Treatment Block Grant
3	BS. SIR	Self-Insured Retention
4	BT. SMA	Statewide Maximum Allowable (rate)
5	BU. SOW	Scope of Work
6	BV. SUD	Substance Use Disorder
7	BW. UMDAP	Uniform Method of Determining Ability to Pay
8	BX. UOS	Units of Service
9	BY. USC	United States Code
10	BZ. WIC	Women, Infants and Children

II. ALTERATION OF TERMS

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

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

III. ASSIGNMENT OF DEBTS

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

IV. COMPLIANCE

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

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

37 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own

1 compliance program, code of conduct and any compliance related policies and procedures.
 2 CONTRACTOR's compliance program, code of conduct and any related policies and procedures shall
 3 be verified by ADMINISTRATOR's Compliance Department to ensure they include all required
 4 elements by ADMINISTRATOR's Compliance Officer as described in this Compliance Paragraph to
 5 this Contract. These elements include:

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

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

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

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

37 B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed or

1 retained to provide services related to this Contract monthly to ensure that they are not designated as
2 Ineligible Persons, as pursuant to this Contract. Screening shall be conducted against the General
3 Services Administration's Excluded Parties List System or System for Award Management, the Health
4 and Human Services/Office of Inspector General List of Excluded Individuals/Entities, and the
5 California Medi-Cal Suspended and Ineligible Provider List, the Social Security Administration's Death
6 Master File at date of employment, and/or any other list or system as identified by ADMINISTRATOR.

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

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

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

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

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

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

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

3 //

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

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

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

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

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

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

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

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

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

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

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

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

37 5. Each Covered Individual attending a group training shall certify, in writing, attendance at

1 compliance training. ADMINISTRATOR shall provide instructions on completing the training in a
 2 group setting while CONTRACTOR shall retain the certifications. Upon written request by
 3 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

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

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

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

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

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

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

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

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

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

34
 35 **V. CONFIDENTIALITY**

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

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

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

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

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

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

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

24 **VI. CONFLICT OF INTEREST**

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

34 **VII. EXPENDITURE AND REVENUE REPORT**

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

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

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

4 //

5 **VIII. PATIENTS'S RIGHTS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36 1. After approval of the subcontractor, ADMINISTRATOR may revoke the approval of the
37 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor

1 subsequently fails to meet the requirements of this Contract or any provisions that ADMINISTRATOR
2 has required. ADMINISTRATOR may disallow subcontractor expenses reported by CONTRACTOR.

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

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

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

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

19 20 **X. DISPUTE RESOLUTION**

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

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

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

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

1 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and
 2 shall be signed by a COUNTY Deputy Purchasing Agent. If COUNTY fails to render a decision within
 3 ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final decision
 4 adverse to CONTRACTOR's contentions.

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

12 **XI. EMPLOYEE ELIGIBILITY VERIFICATION**

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

23 **XII. EQUIPMENT**

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

36 B. CONTRACTOR shall obtain ADMINISTRATOR's written approval prior to purchase of any
 37 Equipment with funds paid pursuant to this Contract. Upon delivery of Equipment, CONTRACTOR

1 shall forward to ADMINISTRATOR, copies of the purchase order, receipt, and other supporting
 2 documentation, which includes delivery date, unit price, tax, shipping and serial numbers.
 3 CONTRACTOR shall request an applicable asset tag for said Equipment and shall include each
 4 purchased asset in an Equipment inventory.

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

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

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

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

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

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

27 28 **XIII. FACILITIES, PAYMENTS AND SERVICES**

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

34 B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or
 35 supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Total Maximum
 36 Obligation for the appropriate Period as well as the Total Maximum Obligation shall be in an amount
 37 proportionate to the number of days in which CONTRACTOR was determined to be unable to provide

1 services, staffing, facilities or supplies.

2 //

3 //

4 //

6 **XIV. INDEMNIFICATION AND INSURANCE**

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

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

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

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

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

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

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

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

12 F. **QUALIFIED INSURER**

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

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

21 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
22 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 less)	\$5,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence

1	Network Security & Privacy Liability	\$1,000,000 per claims-made
2		
3	Professional Liability Insurance	\$1,000,000 per claims-made
4		\$1,000,000 aggregate
5	Sexual Misconduct Liability	\$1,000,000 per occurrence
6		

7 H. REQUIRED COVERAGE FORMS

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

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

12 I. REQUIRED ENDORSEMENTS

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

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

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

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

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

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

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

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

36 L. CONTRACTOR shall notify COUNTY in writing within thirty (30) calendar days of any policy
37 cancellation and within ten (10) calendar days for non-payment of premium and provide a copy of the

1 cancellation notice to COUNTY. Failure to provide written notice of cancellation shall constitute a
 2 breach of CONTRACTOR's obligation hereunder and ground for COUNTY to suspend or terminate
 3 this Contract.

4 M. If CONTRACTOR's Professional Liability, Network Security & Privacy Liability are "Claims -
 5 Made" policies, CONTRACTOR shall agree to maintain coverage for two (2) years following the
 6 completion of the Contract.

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

9 O. Insurance certificates should be forwarded to the department address listed in the Referenced
 10 Contract Provision.

11 P. If the Contractor fails to provide the insurance certificates and endorsements within seven (7)
 12 days of notification by COUNTY, COUNTY may terminate this Contract immediately, upon written
 13 notice.

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

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

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

26 T. SUBMISSION OF INSURANCE DOCUMENTS

27 1. The COI and endorsements shall be provided to COUNTY as follows:
 28 a. Prior to the start date of this Contract.
 29 b. No later than the expiration date for each policy.
 30 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
 31 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

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

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

37 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR

1 pursuant to any and all Contracts between COUNTY and CONTRACTOR until such time that the
 2 required COI and endorsements that meet the insurance provisions stipulated in this Contract are
 3 submitted to ADMINISTRATOR.

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

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

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

13 **XV. INSPECTIONS AND AUDITS**

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

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

28 C. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records,
 29 documents, contracts, computers, or other electronic systems pertaining to Medi-Cal/Drug Medi-Cal
 30 enrollees, Medi-Cal/Drug Medi-Cal-related activities, services and activities furnished under the terms
 31 of the Contract or determinations of amounts payable available at any time for inspection, examination
 32 of copying by the State, CMS, HHS Inspector General, the United States Comptroller General, their
 33 designees, and other authorized federal and state agencies. (42 CFR §438.3(h)) This audit right will
 34 exist for ten (10) years from the final date of the contract period or from the date of completion of any
 35 audit, whichever is later. (42 CFR §438.230(c)(3)(iii).) The State, CMS, or the HHS Inspector General
 36 may inspect, evaluate, and audit the CONTRACTOR at any time if there is a reasonable possibility of
 37

1 fraud or similar risk, then. (42 CFR §438.230(c)(3)(iv).)

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

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

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

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

13 3. The availability of assistance to the beneficiary with filling grievances and appeals.

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

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

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

24 **XVI. LICENSES AND LAWS**

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

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

36 1. HSC, §§11758.40 through 11758.47, Medi-Cal Drug Treatment Program.
37

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

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

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

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

32 C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly
 33 available social media sites) in support of the services described within this Contract, CONTRACTOR
 34 shall develop social media policies and procedures and have them available to ADMINISTRATOR
 35 upon reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social media
 36 used to either directly or indirectly support the services described within this Contract. CONTRACTOR
 37 shall comply with COUNTY Social Media Use Policy and Procedures as they pertain to any social

1 media developed in support of the services described within this Contract. CONTRACTOR shall also
 2 include any required funding statement information on social media when required by
 3 ADMINISTRATOR.

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

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

10 **XVIII. MAXIMUM OBLIGATION**

11 A. The Total Maximum Obligation of COUNTY for services provided in accordance with this
 12 Contract, and the separate Maximum Obligations for each period under this Contract, are as specified in
 13 the Referenced Contract Provisions of this Contract, except as allowed for in Subparagraph B. below.

14 B. ADMINISTRATOR may amend the Maximum Obligation by an amount not to exceed ten
 15 percent (10%) of Period One funding for this Contract.

17 **XIX. MINIMUM WAGE LAWS**

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

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

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

33 **XX. NONDISCRIMINATION**

34 **A. EMPLOYMENT**

35 1. During the term of this Contract, CONTRACTOR and its Covered Individuals (as defined
 36 in the “Compliance” paragraph of this Contract) shall not unlawfully discriminate against any employee
 37 or applicant for employment because of his/her race, religious creed, color, national origin, ancestry,

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

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

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

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

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

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

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

1 regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all
 2 may now exist or be hereafter amended or changed. For the purpose of this Nondiscrimination
 3 paragraph, discrimination includes, but is not limited to the following based on one or more of the
 4 factors identified above:

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

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

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

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

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

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

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

1 enforce rights secured by federal or state law.

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

6 **XXI. NOTICES**

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

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

13 2. When faxed, transmission confirmed;

14 3. When sent by Email; or

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

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

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

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

27 **XXII. NOTIFICATION OF DEATH**

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

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

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

37 2. WRITTEN NOTIFICATION

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

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

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

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

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

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

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

22 **XXIV. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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

36 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
37

1 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
2 necessity of the service, and the quality of care provided. Records shall be maintained in accordance
3 with §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

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

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

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

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

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

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

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

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

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

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

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

37 1. Have documents readily available within twenty-four (24) hour notice of a scheduled audit

1 or site visit.

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

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

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

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

23 24 **XXV. RESEARCH AND PUBLICATION**

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

28 **XXVI. SEVERABILITY**

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

34 35 **XXVII. SPECIAL PROVISIONS**

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

- 1 1. Making cash payments to intended recipients of services through this Contract.
- 2 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
- 3 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on
- 4 use of appropriated funds to influence certain federal contracting and financial transactions).
- 5 3. Fundraising.
- 6 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
- 7 CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of
- 8 Directors or governing body.
- 9 5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing
- 10 body for expenses or services.
- 11 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,
- 12 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
- 13 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
- 14 7. Paying an individual salary or compensation for services at a rate in excess of the current
- 15 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary
- 16 Schedule may be found at www.opm.gov.
- 17 8. Severance pay for separating employees.
- 18 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
- 19 codes and obtaining all necessary building permits for any associated construction.
- 20 10. Purchasing or improving land, including constructing or permanently improving any
- 21 building or facility, except for tenant improvements.
- 22 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal
- 23 funds (matching).
- 24 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.
- 25 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or
- 26 alcohol.
- 27 14. Promoting the legalization of any drug or other substance included in Schedule 1 of the
- 28 Controlled Substance Act (21 USC 812).
- 29 15. Distributing or aiding in the distribution of sterile needles or syringes for the hypodermic
- 30 injection of any illegal drug.
- 31 16. Assisting, promoting, or deterring union organizing.
- 32 17. Providing inpatient hospital services or purchasing major medical equipment.
- 33 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR
- 34 shall not use the funds provided by means of this Contract for the following purposes:
- 35 1. Funding travel or training (excluding mileage or parking).
- 36 2. Making phone calls outside of the local area unless documented to be directly for the
- 37 purpose of Client care.

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

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

4 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
5 CONTRACTOR's Clients.

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

10 **XXVIII. STATUS OF CONTRACTOR**

11 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
12 wholly responsible for the manner in which it performs the services required of it by the terms of this
13 Contract. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and
14 consultants employed by CONTRACTOR. This Contract shall not be construed as creating the
15 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR
16 or any of CONTRACTOR's employees, agents, consultants, volunteers, interns, or subcontractors.
17 CONTRACTOR assumes exclusively the responsibility for the acts of its employees, agents,
18 consultants, volunteers, interns, or subcontractors as they relate to the services to be provided during the
19 course and scope of their employment. CONTRACTOR, its agents, employees, consultants, volunteers,
20 interns, or subcontractors, shall not be entitled to any rights or privileges of COUNTY's employees and
21 shall not be considered in any manner to be COUNTY's employees.
22

23 **XXIX. TERM**

24 A. The term of this Contract shall commence as specified in the Referenced Contract Provisions of
25 this Contract or the execution date, whichever is later. This Contract shall terminate as specified in the
26 Referenced Contract Provisions of this Contract unless otherwise sooner terminated as provided in this
27 Contract. CONTRACTOR shall be obligated to perform such duties as would normally extend beyond
28 this term, including but not limited to, obligations with respect to confidentiality, indemnification,
29 audits, reporting, and accounting.
30

31 B. Any administrative duty or obligation to be performed pursuant to this Contract on a weekend
32 or holiday may be performed on the next regular business day.
33

34 **XXX. TERMINATION**

35 A. Either party may terminate this Contract, without cause, upon thirty (30) calendar day written
36 notice given the other party. CONTRACTOR shall be responsible for meeting all programmatic and
37 administrative contracted objectives and requirements as indicated in this Contract. CONTRACTOR

1 shall be subject to the issuance of a CAP for the failure to perform to the level of contracted objectives,
 2 continuing to not meet goals and expectations, and/or for non-compliance. If CAPs are not completed
 3 within timeframe as determined by ADMINISTRATOR notice, payments may be reduced or withheld
 4 until CAP is resolved and/or the Contract could be terminated.

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

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

21 C. CONTINGENT FUNDING

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

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

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

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

XXXIII. REVENUE

1
2 A. CLIENT FEES – CONTRACTOR shall not charge a fee to DMC beneficiaries to whom
3 services are provided pursuant to this Agreement, their estates and/or responsible relatives, unless a
4 Share of Cost is determined per Medi-Cal eligibility.

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

9 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately
10 ensure proper billing and collection procedures.

11 CONTRACTOR’s procedures shall specifically provide for the identification of delinquent accounts and
12 methods for pursuing such accounts. CONTRACTOR shall provide ADMINISTRATOR, monthly, a
13 written report specifying the current status of fees which are billed, collected, transferred to a collection
14 agency, or deemed by CONTRACTOR to be uncollectible.

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

3 **WESTERN PACIFIC RE-HAB**

4
5
6 BY: _____ DATED: _____

7
8 TITLE: _____

9
10
11
12
13
14 **COUNTY OF ORANGE**

15
16
17 BY: _____ DATED: _____

18 **HEALTH CARE AGENCY**

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

26
27
28 BY: _____ DATED: _____

29 **DEPUTY**

30
31
32
33
34 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
35 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer
36 or any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution
37 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
 AMENDMENT NO. 4 TO AGREEMENT FOR PROVISION OF
 DRUG MEDICAL NARCOTIC REPLACEMENT
 THERAPY TREATMENT SERVICES
 WITH
 WESTERN PACIFIC RE-HAB
 NOVEMBER 06, 2020 THROUGH JUNE 30, 2023

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 this Agreement.

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

2. CalOMS is a statewide Client based data collection and outcomes measurement system as required by the state to effectively manage and improve the provision of alcohol and other drug services at the state, COUNTY, and provider levels.

3. Case Management means services which include, but are not limited to, referral and linkage to ancillary services not provided by the Contractor such as contacting outside agencies and making referrals for services, including academic education, vocational training, medical and dental treatment, pre-and-post counseling and testing for infectious diseases, legal assistance, job search assistance, financial assistance, childcare, and self-help programs such as 12-step programs. Additionally, Case Management includes helping Clients build support in the community and helping Clients deal with impairments in life skills due to their substance use problems. Case management service include periodic reassessment of the Client's need for continued case management services and assistance to successfully transition to lower or higher levels of care, as determined by review of the treatment plans.

4. Client means an adolescent 12 through 17 years old or an adult aged 18 and over residing in the County of Orange who has a primary problem of opiate addiction and/or other MAT allowable by the DMC-ODS formulary that also qualifies for admission as per Title 9 and contractual eligibility requirements.

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

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

1 7. Diagnosis means the identification of the nature of the Client's substance use disorder.
2 When formulating the diagnosis of a Client, the CONTRACTOR shall use the diagnosis codes as
3 specified in the most current edition of the DSM published by the American Psychiatric Association.
4 The Contractor shall record all DSM diagnoses as the basis for services, on all IRIS documents and in
5 the Client files as appropriate (i.e. treatment plan).

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

11 9. Dose means the administration of a specific amount of methadone and/or other MAT
12 prescribed by a physician for the Maintenance Client's care along with medical care and individual
13 and/or group counseling.

14 10. Drug/Alcohol Screening means providing drug/alcohol screening/testing once a month or as
15 delineated by HCA.

16 11. Dual Diagnosed Client means a Client having co-occurring mental illness and substance
17 abuse diagnosis, of which SUD is the primary diagnosis.

18 12. Family Counseling/Collateral Counseling means a face-to-face contact between a
19 Counselor and members of a Client's family or significant other. The Client may or may not be present.

20 13. Follow-Up/After Care means protocol to be followed by CONTRACTOR to follow-up with
21 Clients ninety (90) days post discharge from treatment to review progress and offer drop-in counseling
22 or other services on an as needed basis.

23 14. Group Counseling means sessions based on Client need for ninety (90) minutes each with a
24 minimum of two (2) Clients and a maximum of twelve (12) Clients with at least one DMC beneficiary
25 per group billed in fifteen (15) minute increments. Group counseling sessions need to be set up in a
26 developmentally appropriate environment (i.e., age, culture, etc.) and utilize Evidence-Based Practices.

27 15. Individual Counseling means counseling provided to an individual as needed and identified
28 on the treatment plan as appropriate for Clients. Individual Counseling shall be performed at a minimum
29 of one (1) fifty (50) minute session per month. Utilization of EBPs in these sessions is required by the
30 County DMC-ODS implementation plan. Outpatient Drug Free individual counseling sessions are
31 limited to intake, crisis intervention, collateral services, treatment planning and discharge planning
32 billed in fifteen (15) minute increments up to fifty (50) minutes for each session.

33 16. Intake/Assessment means utilizing the Full County ASAM-based Assessment and
34 Placement Tool, or any other tools as designated by County HCA, to provide a standardized,
35 comprehensive risk and needs assessment to each client to assess substance use history, family history,
36 mental and emotional status, education needs, legal status and vocational background as well as daily
37 //

1 living skills, stress management, literacy, employment, and money management. Assessment tools will
2 be co-occurring capable, and meet best practice standards.

3 17. Intake/Screening means that CONTRACTOR will screen the individual for placement into
4 outpatient treatment using Brief County ASAM Screening and Placement Tool or any other tools as
5 designated by County HCA including an SBIRT, prior to admission. Individuals needing a higher level
6 of care shall be provided appropriate services until linkage to a higher level of care is made.
7 Information will be shared between programs in compliance with 42 CFR Part 2 requirements.

8 18. IRIS means a collection of applications and data bases that serve the needs of programs
9 within HCA and includes functionality such as registration and scheduling, laboratory information
10 system, billing and reporting capabilities, compliance with regulatory requirements, electronic medical
11 records and other relevant information.

12 19. Maintenance Therapy means the treatment modality whereby replacement narcotic therapy
13 is used in sustained, stable, medically determined dosage levels for a period in excess of twenty-one (21)
14 days, to reduce or eliminate chronic opiate addiction, while the patient is provided a comprehensive
15 range of treatment services.

16 20. Medical Director means the physician licensed to practice medicine in California who is
17 responsible for medical services provided by CONTRACTOR. The Medical Director shall be enrolled
18 with DHCS under applicable state regulations. The Medical Director duties encompass signing of notes,
19 placing clients in treatment, initiating, altering and terminating therapy medications and dosage
20 amounts, supervising the administration and dispensing of medications, and planning and supervising
21 provision of treatment including regular review and notes in the clients' records.

22 21. Medical Necessity means the decision by Contractor's Medical Director that a Client meets
23 admission criteria and continuing care justification pursuant to CCR, Title 22 and Title 9, Section
24 10270. Medically Necessary services are provided in accordance with an individualized treatment plan
25 determined by a licensed physician or licensed prescriber and approved and authorized according to
26 State requirements.

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

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

34 24. Physician Extender means a registered nurse practitioner and physicians' assistants only.

35 25. Program Protocol means the written program description, goals, objectives, and policies
36 established by CONTRACTOR for the methadone therapy program provided pursuant to the
37 Agreement.

1 26. Token means the security device which allows an individual user to access the HCA
2 computer based IRIS.

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

5 6 **II. PAYMENTS**

7 BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided
8 pursuant to the Agreement, COUNTY shall pay CONTRACTOR monthly in arrears at the State
9 Mandated NTP DMC ODS rates of reimbursement, as listed below, or as amended by State mandate:

12 Service	13 Unit of Service	14 Fee Determination	15 Regular DMC Rate per unit	16 Perinatal DMC Rate per unit
17 Physician Consultation	18 15 minute increments	19 County Determined	20 \$89.30	21 \$89.30
22 NTP – Buprenorphine - Mono	23 Daily	24 State Mandated	25 \$30.02	26 \$35.20
27 NTP – Buprenorphine - Naloxone Combination	28 Daily	29 State Mandated	30 \$30.81	31 \$35.98
32 NTP - Disulfiram	33 Daily	34 State Mandated	35 \$10.88	36 \$11.05
37 NTP – Naloxone: 2-pack	Dispensed according to need	State Mandated	\$144.66	\$144.66
NTP - Methadone	Daily	State Mandated	\$14.65	\$15.78
NTP – Individual Counseling	10 minute increments	State Mandated	\$17.18	\$24.60
NTP – Individual Group	10 minute increments	State Mandated	\$4.06	\$8.22

33 MAT will be reimbursed for onsite administration and dispensing at NTP programs; additionally,
34 physicians and licensed prescribers in DMC programs will be reimbursed for the ordering, prescribing,
35 administering, and monitoring of MAT as per DMC-ODS Waiver STC's. However, the total of
36 monthly payments to CONTRACTOR shall not exceed COUNTY's Maximum Obligation set forth in
37 the Referenced Contract Provisions of the Agreement and provided further, that CONTRACTOR's costs

1 are allowable pursuant to applicable COUNTY, federal and state regulations. Non-compliance will
 2 require the completion of a CAP by CONTRACTOR. If CAPs are not completed within timeframes
 3 approved by ADMINISTRATOR, payments may be reduced accordingly. B. COUNTY shall pay
 4 CONTRACTOR monthly, in arrears. CONTRACTOR's invoice shall be on an approved invoice form,
 5 approved or supplied by ADMINISTRATOR, and provide such information as is required by
 6 ADMINISTRATOR.

7 C. Invoices are due by the twentieth (20th) calendar day of each month, and payments to
 8 CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of
 9 the correctly completed invoice form.

10 D. All billings to COUNTY shall be supported by supporting documentation that clearly show
 11 CONTRACTOR is entitled to compensation as a result of and in the performance of duties for
 12 COUNTY.

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

16 F. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
 17 and/or termination of the Agreement, except as may otherwise be provided for under the Agreement.

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

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

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

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

34 **III. RECORDS**

35
 36 A. CLIENT RECORDS – CONTRACTOR shall maintain adequate records in accordance with the
 37 ADMINISTRATOR's ODS-DMC Waiver STC's, Title 22, and Title 9 on each individual Client in

1 sufficient detail to permit an evaluation of services, which shall include, but need not be limited to
2 unless otherwise approved by ADMINISTRATOR:

- 3 1. SUD Diagnosis;
- 4 2. ASAM based screening tool (psycho/social);
- 5 3. Medical Questionnaire and Physical;
- 6 4. Tuberculosis clearance and other lab results as required by Title 9 and HCA Contract;
- 7 5. Emergency notification information and authorization to disclose to client's emergency
8 contact;
- 9 6. Treatment Plan;
- 10 7. Discharge Plan if applicable and Discharge Summary; and
- 11 8. Quality Review Check Sheet.

12 B. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete
13 financial records of its costs and operating expenses. Such records shall reflect the actual costs of the
14 type of service for which payment is claimed in accordance with generally accepted accounting
15 principles, the ASRS Manual.

16 1. Any apportionment of or distribution of costs, including indirect costs, to or between
17 programs or cost centers of CONTRACTOR shall be documented, and shall be made in accordance with
18 generally accepted principles, the ASRS Manual, and the DPFS Manual.

19 2. CONTRACTOR shall account for funds provided through the Agreement separately from
20 other funds, and maintain a clear audit trail for the expenditure of funds.

21 3. The Client eligibility determination and fee charged to and collected from Clients, together
22 with a record of all billings rendered and revenues received from any source, on behalf of Clients treated
23 pursuant to the Agreement, must be reflected in CONTRACTOR's financial records.

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

27 **IV. REPORTS**

28 **A. MONTHLY PROGRAMMATIC**

29 1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR,
30 including information required and on a form approved or provided by ADMINISTRATOR, in
31 conjunction with the billing described in the Payments paragraph of this Exhibit A of the Agreement.
32 These monthly programmatic reports should be received by ADMINISTRATOR no later than the
33 twentieth (20th) business day of the month following the report month.

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

1 achieving all the terms of the Agreement shall be included.

2 B. MONTHLY IRIS – CONTRACTOR shall input all CalOMS data for the preceding month no
3 later than the fifth (5th) calendar day of the month following the report month. CONTRACTOR shall
4 correct and submit all errors from the CalOMS Feedback and Error Report within seven (7) calendar
5 days of receipt of the report. CalOMS discharges shall be entered no later than seven (7) calendar days
6 after Client’s discharge.

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

10 D. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports, as required by
11 ADMINISTRATOR, concerning CONTRACTOR’s activities as they affect the services hereunder.
12 ADMINISTRATOR will be specific as to the nature of information requested.

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

18 F. CONTRACTOR agrees to submit reports as required by the ADMINISTRATOR and/or the
19 State.

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

22 **V. SERVICES**

23
24 A. The CONTRACTOR shall order, prescribe, administer and monitor methadone as a substitute
25 narcotic analgesic drug. Under the DMC-ODS demonstration project, NTP’s will also prescribe,
26 monitor and administer naloxone, buprenorphine and disulfiram. CONTRACTOR shall operate a
27 licensed accredited and certified alcohol and drug abuse NRT program, in accordance with the standards
28 established by COUNTY and under Title 9, Division 4, Chapter 4 of the CCR by the State of California,
29 DHCS at the following location(s) or any other location as approved by ADMINISTRATOR.

30
31 275 Victoria St. 1H
32 Costa Mesa, CA 92627-1905

33
34 B. PERSONS TO BE SERVED – CONTRACTOR shall provide NRT services for Drug
35 Medi-Cal beneficiaries in the form on ongoing maintenance services which shall be provided to
36 Orange County residents, adolescents 12 through 17 years old and adults aged 18 and over,
37 who meet Medical Necessity for dependence on heroin or other morphine-like opioids and/or

1 alcohol to provide methadone and other medication assisted treatment as described in the
2 DMC-ODS Waiver and HCA Contract. Services shall be available 365 days per year.

3 1. CONTRACTOR shall provide individual case management, treatment planning, individual
4 and/or group counseling, client education, crisis intervention, medication services, collateral services,
5 medical psychotherapy and discharge services, as required by federal, state, and COUNTY rules and
6 regulations. No persons eligible for DMC-ODS services, including Medi-Cal funded NTP treatment
7 services, will be placed on waiting lists for such services due to budgetary constraints.

8 2. CONTRACTOR's program must include an introduction to appropriate self-help structured
9 support programs as approved by ADMINISTRATOR.

10 C. CONTENT OF CLIENT RECORDS – Each program shall document the following information
11 in the individual Client record:

- 12 1. Date of Birth
- 13 2. Physical examination data, including laboratory results for required tests and analyses.
- 14 3. Evidence of current use of heroin, other opiates, and/or alcohol.
- 15 4. Date of admission, plan of treatment, and medication orders signed by the physician.
- 16 5. Program's response to a test or analysis for illicit drug use which discloses the absence of
17 both methadone and its primary metabolite, the presence of any illicit drugs, or abuse of other
18 substances, including alcohol.
- 19 6. Incidence of arrest and conviction or any other signs of retrogression.
- 20 7. Any other client information which the program finds useful in treating the client or as
21 ADMINISTRATOR deems necessary.

22 D. INTAKE/ASSESSMENT – Before admitting an applicant to Maintenance Therapy, the Medical
23 Director shall determine Medical Necessity by either conducting a medical evaluation or documenting
24 the review in agreement with a medical evaluation conducted by the physician's designee.

25 1. Within three (3) calendar days of admission, CONTRACTOR shall provide a standardized,
26 comprehensive risk and needs assessment developed by COUNTY on each DMC funded Maintenance
27 Client to assess alcohol and drug abuse history, family history, mental and emotional status, educational
28 and vocational background, as well as daily living skills, stress management, literacy, employment,
29 coping skills, educational needs and money management. The content of Client records shall follow
30 Title 9, Section 10165, County of Orange DMC-ODS implementation plan and all requirements
31 specified by this Agreement.

32 2. In the event of non-compliance with timely access to care requirements,
33 ADMINISTRATOR shall provide the CONTRACTOR assistance to adhere to the requirements.
34 ADMINISTRATOR shall also issue a written report documenting the non-compliance and require the
35 CONTRACTOR to submit a CAP within thirty (30) days of the report. ADMINISTRATOR is
36 responsible for approving the CAP and verifying that corrections have been made to resolve timely
37 access.

1 E. PROGRAM ORIENTATION – CONTRACTOR shall, within seventy-two (72) hours of
 2 Client’s admission into the program, provide an overview of the program. The program orientation
 3 shall be documented in the Client’s file, and shall include, but not be limited to:

- 4 1. Overview of program structure and schedules;
- 5 2. Program rules and regulations;
- 6 3. Effects of medication used in Narcotic Replacement Therapy and adverse effects of abrupt
 7 withdrawal;
- 8 4. Policies regarding Client fees;
- 9 5. Client rights and responsibilities;
- 10 6. Assignment of a counselor;
- 11 7. Staff code of conduct;
- 12 8. Confidentiality Statement, and how release of information is permitted in accordance with
 13 42 CFR Part 2 and 45 CFR (HIPAA);
- 14 9. Agreements needed to exchange appropriate information within the network of consultants
 15 and linkage agencies in accordance with HIPAA regulations and 42 CFR Part 2; and Title 9, Division 4,
 16 Chapter 4, Section 10290; and
- 17 10. Continuing care services.

18 F. TREATMENT PLAN

19 1. CONTRACTOR shall, within twenty-eight (28) calendar days of initiation of Narcotic
 20 Replacement Therapy for a Maintenance Client, have a registered, certified, and/or licensed Counselor/
 21 LPHA develop an individualized treatment plan with each Client per Title 9, Section 10305 which shall
 22 be based on the multi-dimensional assessment and health assessment and shall include:

23 a. Goals, based on identified needs, to be achieved by the Client with estimated target
 24 dates for attainment in accordance with the following:

25 1) Short-term goals which are estimated to require eighty-nine (89) calendar days or
 26 less for Client to achieve;

27 2) Long-term goals which are estimated to require a specified time exceeding ninety
 28 (90) calendar days for Client to achieve;

29 b. Specific behavioral tasks the Client must accomplish to complete each short-term and
 30 long-term goal;

31 c. A description of the type and frequency of counseling services to be provided to the
 32 Client;

33 d. An effective date based on the day the Counselor signed the initial treatment plan;

34 e. The SUD diagnosis shall appear on the treatment plan utilizing DSM-5 CPT 10 codes;

35 f. The Supervising Counselor shall review the initial maintenance services plan, along
 36 with the needs assessment, and all updated maintenance services plans within fourteen (14) calendar
 37 days from the effective dates and shall countersign these documents to signify concurrence with the

1 findings; and

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

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

7 a. A summary of the Client's progress or lack of progress toward each goal identified in
8 the initial treatment plan;

9 b. New goals and behavioral tasks for any newly identified needs, and related changes in
10 the type and frequency of counseling services.

11 G. COUNSELING – Upon completion of the initial treatment plan, CONTRACTOR shall arrange
12 for Client to receive a minimum of fifty (50) minutes to a maximum of two hundred (200) minutes of
13 counseling services per calendar month for Maintenance, in accordance with the following
14 requirements:

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

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

18 3. The format of the counseling session shall be in an Individual or Group session, with face-
19 to-face discussion with the Client on issues identified in the Client's treatment plan. Counselor shall
20 document this session in Client's file.

21 H. ADDITIONAL REQUIREMENTS FOR PREGNANT CLIENTS

22 Within fourteen (14) calendar days from the date the primary counselor becomes aware the
23 client may be pregnant, as documented in the client's file, the medical director shall review, sign, and
24 date a confirmation of pregnancy, documents acceptance of medical responsibility of the Client's
25 prenatal care or verify and document the client is under the care of a physician licensed by the State of
26 California and trained in obstetrics and/or gynecology.

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

31 a. periodic face-to-face consultation at least monthly with the medical director or
32 physician extender designated by the medical director;

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

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

37 2. Any refusals to access on-site prenatal care or referrals for such, shall be documented in the

1 Client's file and have the client acknowledge in writing said refusals for these treatment services.

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

4 a. the hospital's or attending physician's summary of the delivery and treatment outcome
5 for the client and child; or

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

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

11 I. ADDITIONAL REQUIREMENTS FOR ADOLESCENT CLIENTS

12 1. Detoxification treatment for Clients who are under 18 years old requires written consent
13 of their parent(s) or guardian prior to the administration of the first medication dose.

14 2. In order for Clients who are under 18 years old to receive maintenance treatment, there
15 must be a documented history of two unsuccessful attempts at short-term detoxification or
16 drug-free treatment within a twelve (12) month period. The methods to confirm this history
17 and the types of documentation to be maintained in the patient's record shall be stated in the
18 protocol. Additionally, for Clients under the age of 18 years old, written consent of their
19 parent(s) or guardian prior to the admission into maintenance treatment is required.

20 3. Clients 12 through 15 years old who present for treatment will be considered on a case by
21 case basis.

22 4. CONTRACTOR shall adhere to DHCS Youth Treatment Guidelines when treatment
23 adolescents 12 through 17 years old.

24 I. ADDITIONAL REQUIREMENTS FOR ADOLESCENT CLIENTS

25 1. Detoxification treatment for Clients who are under 18 years old requires written
26 consent of their parent(s) or guardian prior to the administration of the first medication dose.

27 2. In order for Clients who are under 18 years old to receive maintenance treatment,
28 there must be a documented history of two unsuccessful attempts at short-term detoxification or
29 drug-free treatment within a twelve (12) month period. The methods to confirm this history and
30 the types of documentation to be maintained in the patient's record shall be stated in the
31 protocol. Additionally, for Clients under the age of 18 years old, written consent of their parent(s)
32 or guardian prior to the admission into maintenance treatment is required.

33 3. CONTRACTOR shall adhere to DHCS Youth Treatment Guidelines when treating
34 adolescents 12 through 17 years old.

35 J. CONTINUATION OF TREATMENT – CONTRACTOR shall provide justification for
36 treatment to Clients who have been on methadone maintenance for a period of two (2) years,
37 and annually thereafter as per Title 9, Section 10410. Justification shall be provided by the
38 Medical Director or program physician and noted in Clients' files. Without said justification the
39 medical director or program physician shall discontinue a Client's maintenance services.

40 K. DISCHARGE PLAN/EXIT PLANNING/TERMINATION – CONTRACTOR shall begin
41 discharge planning immediately after enrollment. CONTRACTOR shall develop a formal
42 discharge plan within thirty (30) calendar days of the last face-to-face service with the Client. A
43 discharge plan is to be completed for each Client, except a Client with whom the provider loses

1 contact. The discharge plan shall be completed and signed by the CONTRACTOR staff and the
 2 Client. A copy of the discharge plan shall be provided to the Client and retained in the Client's
 3 record. CONTRACTOR shall establish a protocol for scheduled termination of services and
 4 document any discharge via a discharge summary.

5 1. The transition/exit plan shall include:

6 a. A strategy or strategies to assist the Client in maintaining an alcohol and drug
 7 free lifestyle;

8 b. A continuing treatment exit plan that includes linkage and referral of the Client
 9 to appropriate services (such as outpatient treatment), other support services (such as self-help
 10 groups), social services, vocational rehabilitation, job training and other services, if needed, and
 11 document this in Client's chart. The continuing treatment exit plan also shall include the goals
 12 identified in the Client's treatment plan; and

13 c. Referrals to appropriate non-substance abuse resources such as continuing
 14 education and vocational rehabilitation.

15 2. Written criteria for the discharge summary shall include:

16 a. Reason for discharge;

17 b. Client's achievements while in the Treatment Program such as meeting or
 18 progressing towards educational or vocational goals;

19 c. Description of maintenance services and Client progress;

20 d. Current alcohol and/or drug usage at discharge;

21 e. Vocational and educational achievements;

22 f. Any outstanding legal concerns;

23 g. Linkages and referrals made;

24 h. Client's comments; and

25 i. Prognosis.

26 L. PERFORMANCE OBJECTIVES AND OUTCOMES – CONTRACTOR shall be required to
 27 meet the following performance Objectives and Outcomes:

28 1. Achieve a goal of twenty percent (20%) or fewer of all unduplicated Clients
 29 testing positive for illicit drugs after an enrollment of ninety (90) days.

30 2. Achieve a goal of seventy percent (70%) or above of all unduplicated Clients who,
 31 after an enrollment of ninety (90) days, self-report being able to lead a productive lifestyle.
 32 A productive lifestyle includes employment, being enrolled in school, becoming a
 33 caretaker, or community volunteer.

34 3. Submit monthly Performance Outcome Reports to evaluate the impact or

35 contribution of Contractor's services on the well-being of HCA client being served.

36 4. Implement a process improvement project as outlined in the NIATx model,

37 targeting at least one (1) of the following four (4) NIATx aims:

a. Reduce waiting times;

b. Reduce no-shows;

c. Increase admissions;

d. Increase continuation in treatment.

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

M. ADDITIONAL REPORTING – CONTRACTOR shall submit written report to
 ADMINISTRATOR on a weekly basis, or as arranged by ADMINISTRATOR, for all Clients
 participating in treatment as part of the Agreement. Report will note all current Clients.
 ADMINISTRATOR will approve CONTRACTOR's form for report and determine mode of
 transmission of said report from CONTRACTOR to ADMINISTRATOR.

N. CASE MANAGEMENT – CONTRACTOR shall provide Case Management services which
 include the process of identification, assessment of need, planning, coordination and linking,

1 monitoring and continuous evaluation of Clients and of available resources, and advocacy
2 through a process of casework activities in order to achieve the best possible resolution of
3 individual needs in the most effective way possible.

4 O. REFERRAL AND LINKAGE – As a function of Case Management, CONTRACTOR shall
5 provide effective linkage of a Client to other ancillary services to include literacy training,
6 vocational counseling, and other Client services, with follow-up to be provided and documented
7 in the Client file to ensure that the Client has contacted the referred service provider. Referrals
8 shall also be made for individuals having special needs, such as persons living with chronic
9 diseases. Referrals shall be sensitive to the Client's cultural needs.

10 P. ALCOHOL AND/OR DRUG SCREENING – CONTRACTOR shall have a written policy and
11 procedure regarding alcohol and/or drug testing at a minimum of one (1) time per month for all
12 Maintenance Clients, which must be approved by ADMINISTRATOR. Urine specimen collection
13 shall be observed by same sex staff and policy shall include procedures to ensure falsification
14 of the sample does not occur. Results of these screenings shall be documented in the Client's
15 file. If any Maintenance Client's drug screen results indicate a negative pattern of testing
16 positive for non-opioid illegal substances, or methadone diversion, CONTRACTOR shall list on
17 the Monthly Report, the corrective action taken to refocus the Client. CONTRACTOR also shall
18 document this in the Client's file. All counseling session discussions and referrals/linkages shall
19 be documented in the Client's file.

20 Q. TOKENS – ADMINISTRATOR shall provide CONTRACTOR the necessary number of
21 Tokens for appropriate individual staff to access the HCA IRIS at no cost to CONTRACTOR.

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

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

27 3. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the
28 following conditions:

- 29 a. Token of each staff member who no longer supports the Agreement;
- 30 b. Token of each staff member who no longer requires access to
31 the IRIS;
- 32 c. Token of each staff member who leaves employment of
33 CONTRACTOR; or
- 34 d. Token is malfunctioning.

35 4. ADMINISTRATOR shall issue Tokens for CONTRACTOR's staff members
36 who require access to the IRIS upon initial training or as a replacement for
37 malfunctioning Tokens.

5. CONTRACTOR shall reimburse COUNTY for Tokens lost, stolen, or
damaged through acts of negligence.

R. CONTRACTOR shall establish a good neighbor policy, which shall be reviewed and
approved by ADMINISTRATOR on an annual basis. The policy shall include, but is not limited
to, staff training to deal with neighbor complaints and staff contact information available to
neighboring residents.

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

VI. STAFFING

1 A. CONTRACTOR shall ensure that all clinical staffing, including those providing direct Client
2 services, meet the requirements of Title 22, Title 9 of the CCR and DMC 2020 Waiver as it exists now
3 or may hereafter be amended or changed and all standards of the Department of Health Care Services.

4 B. CONTRACTOR shall include bilingual/bicultural services to meet the needs of the population
5 to be served under the Agreement. Whenever possible, bilingual/bicultural staff should be retained.

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

13 D. CONTRACTOR shall ensure that administrative staffing is sufficient to support the
14 performance of services pursuant to the Agreement.

15 E. CONTRACTOR shall ensure staffing includes a Compliance Officer and Quality Management
16 personnel.

17 F. STAFF CONDUCT – CONTRACTOR shall establish a written policies and procedures for
18 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be
19 limited to, standards related to the use of drugs and/or alcohol; staff-Client relationships; prohibition of
20 sexual conduct with Clients; prohibition of forging or falsifying documents or drug tests; and real or
21 perceived conflict of interest. Situations that may be perceived as a conflict of interest shall be brought
22 to the ADMINISTRATOR’s attention prior to the occurrence. Prior to providing any services pursuant
23 to the Agreement all employees, volunteers, and interns shall agree in writing to maintain the standards
24 set forth in the said policies and procedures. A copy of said policies and procedures shall be provided to
25 each Client upon admission and shall be posted in writing in a prominent place in the treatment facility.

26 G. CONTRACTOR shall provide pre-employment screening of any staff person providing any
27 service pursuant to the Agreement. All new staff, volunteers, and interns shall pass a one-time “live
28 scan” fingerprinting background check. ADMINISTRATOR may change this approval mechanism at
29 their discretion.

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

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

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

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

1 d. No person shall be on parole or probation, unless approved in advance by
2 ADMINISTRATOR; and

3 e. No prior employment history of improper conduct, including but not limited to, forging
4 or falsifying documents or drug tests, sexual assault or sexual harassment, or inappropriate behavior
5 with staff at another treatment facility.

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

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

11 H. CONTRACTOR shall provide or ensure staff obtain ongoing training in topics related to
12 alcohol and drug use on an annual basis including:

13 1. Analysis of illicit drug use, the meaning of the analysis results, and procedures to be
14 followed by CONTRACTOR to alleviate continued use;

15 2. Confidentiality requirements;

16 3. Compliance training;

17 4. DMC NTP documentation training;

18 5. Law and ethics;

19 6. Evidence based practices (e.g. Motivational Interviewing, CBT, MRT or others);

20 7. Co-occurring Mental Health/SUD diagnoses;

21 8. Suicide prevention training; and

22 9. Any other training required to maintain staff certification/licensure.

23 I. All staff providing services shall be licensed and/or certified in accordance with the
24 requirements and professional guidelines as applicable.

25 J. All personnel files shall be complete and made readily accessible to ADMINISTRATOR for
26 purposes of audits and investigation or any other reason deemed necessary by ADMINISTRATOR.

27 K. CONTRACTOR's Executive Director or designee shall participate, when requested, in
28 meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to the
29 Agreement.

30 L. Any CONTRACTOR staff participating in the delivery of services to Clients shall complete the
31 Annual Provider Training made available by ADMINISTRATOR. Completion certificates shall be
32 placed in each personnel file as applicable.

33 M. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,
34 with respect to any person who has been referred to CONTRACTOR by COUNTY under the terms of
35 the Agreement. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to
36 promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian
37 institution, or religious belief.

1 N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
2 Staffing Paragraph of this Exhibit A to the Agreement.

3 //
4 //
5 //

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

EXHIBIT B
 DRUG MEDICAL NARCOTIC REPLACEMENT
 THERAPY TREATMENT SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 WESTERN PACIFIC REHAB.
 NOVEMBER 06, 2020 THROUGH JUNE 30, 2023

I. BUSINESS ASSOCIATE CONTRACT

A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

6. The parties understand that the HIPAA Privacy and Security rules, as defined below in Subparagraphs B.9 and B.14, apply to the CONTRACTOR in the same manner as they apply to the covered entity (COUNTY). CONTRACTOR agrees therefore to be in compliance at all times with the terms of this Business Associate Contract, as it exists now or be hereafter updated with notice to CONTRACTOR and the applicable standards, implementation specifications, and requirements of the 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
6 | of 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
12 | was made in good faith and within the scope of authority and does not result in further use or disclosure
13 | in a 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
19 | that an unauthorized person to whom the disclosure was made would not reasonably have been able to
20 | retain such information.

21 | b. Except as provided in Subparagraph 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
2 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance
3 with 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
6 and environmental hazards, and unauthorized intrusion.

7 9. "The HIPAA Privacy Rule" shall mean the Standards for Privacy of Individually
8 Identifiable 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
14 his 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
28 methodology specified by the Secretary of Health and Human Services in the guidance issued on the
29 HHS Web site.

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

32 **C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE:**

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

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

1 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
2 other than as provided for by this Business Associate Contract.

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

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

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

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

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

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

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

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

35 11. CONTRACTOR agrees to provide COUNTY or an Individual, as directed by COUNTY, in
36 a time and manner to be determined by COUNTY, that information collected in accordance with the
37 //

1 Contract, in order to permit COUNTY to respond to a request by an Individual for an accounting of
2 Disclosures of PHI in accordance with 45 CFR § 164.528.

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

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

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

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

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

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

36 //

37 //

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

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

7 D. SECURITY RULE

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

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

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

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

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

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

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

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

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

4 E. DATA SECURITY REQUIREMENTS

5 1. Personal Controls

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

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

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

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

31 2. Technical Security Controls

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

37 //

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

35 n. Intrusion Detection. All systems involved in accessing, holding, transporting, and
36 protecting PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
37 //

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

3 3. Audit Controls

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

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

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

17 4. Business Continuity/Disaster Recovery Control

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

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

30 5. Paper Document Controls

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

37 //

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

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

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

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

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

22 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

13 1) The Disclosure is required by law; or

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

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

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

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

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

28 H. PROHIBITED USES AND DISCLOSURES

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

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

1 I. OBLIGATIONS OF COUNTY

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

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

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

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

13 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

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

35 //

36 //

37 //

EXHIBIT C
 DRUG MEDI-CAL NARCOTIC REPLACEMENT
 THERAPY TREATMENT SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 WESTERN PACIFIC RE-HAB
 NOVEMBER 06, 2020 THROUGH JUNE 30, 2023

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 SSA and CHHS.

4. "DHCS PI" shall mean PI, 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 IEA currently in effect between SSA and DHCS.

6. "Notice-triggering PI" shall mean the PI 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 with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such

1 information if payment is sought under a government program providing public benefits.

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

5 B. TERMS OF AGREEMENT

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

10 2. Responsibilities of CONTRACTOR

11 CONTRACTOR agrees:

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

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

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

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

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

33 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
34 CONTRACTOR shall also comply with the substantive privacy and security requirements in the
35 CMPPA Agreement between SSA and CHHS and in the Agreement between SSA and DHCS, known as
36 the IEA. The specific sections of the IEA with substantive privacy and security requirements to be
37 complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information

1 Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies
2 Exchanging Electronic Information with SSA. CONTRACTOR also agrees to ensure that any of
3 CONTRACTOR's agents or subcontractor, to whom CONTRACTOR provides DHCS PII agree to the
4 same requirements for privacy and security safeguards for confidential data that apply to
5 CONTRACTOR with respect to such information.

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

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

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

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

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

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

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