

1 CONTRACT FOR PROVISION OF
2 ADULT RESIDENTIAL DRUG MEDI-CAL
3 WITHDRAWAL MANAGEMENT SERVICES

4 BETWEEN
5 COUNTY OF ORANGE

6 AND
7 CACTUS GARDENS OPPORTUNITY HOUSE, INC. DBA RECOVERY BEACH
8 JULY 1, 2024 THROUGH JUNE 30, 2027
9

10 THIS CONTRACT entered into this 1st day of July 2024 (effective date), is by and between the
11 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and CACTUS
12 GARDENS OPPORTUNITY HOUSE, INC., DBA RECOVERY BEACH, a California nonprofit
13 corporation (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be referred to herein
14 individually as "Party" or collectively as "Parties." This Contract shall be administered by the County of
15 Orange Health Care Agency (ADMINISTRATOR).

16
17 **W I T N E S S E T H:**
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19 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Adult
20 Residential Drug Medi-Cal Withdrawal Management Services described herein to the residents of Orange
21 County; and

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

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

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REFERENCED CONTRACT PROVISIONS

Term: July 1, 2024 through June 30, 2027

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

Period Two means the period from July 1, 2025 through June 30, 2026

Period Three means the period from July 1, 2026 through June 30, 2027

Aggregate Amount Not To Exceed:

Period One Aggregate Amount Not To Exceed: \$ 3,600,000

Period Two Aggregate Amount Not To Exceed: 3,600,000

Period Three Aggregate Amount Not To Exceed: 3,600,000

TOTAL AGGREGATE AMOUNT NOT TO EXCEED: \$ 10,800,000

Basis for Reimbursement: Negotiated Rate and Actual Cost

Payment Method: Monthly in Arrears

CONTRACTOR UEI Number: YTNGH3US8XA5

CONTRACTOR TAX ID Number: 27-3705581

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: Jason Landver
Cactus Gardens Opportunity House, Inc., DBA Recovery Beach
13222 Chapman Ave
Garden Grove, CA 92840
jlandver@recoverybeach.com

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I. ACRONYMS

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

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4	A. AB 109	Assembly Bill 109, 2011 Public Safety Realignment
5	B. AIDS	Acquired Immune Deficiency Syndrome
6	C. AES	Advanced Encryption Standard
7	D. AOD	Alcohol and Other Drug
8	E. ARRA	American Recovery and Reinvestment Act
9	F. ASAM PPC	American Society of Addiction Medicine Patient Placement Criteria
10	G. ASI	Addiction Severity Index
11	H. ASRS	Alcohol and Drug Programs Reporting System
12	I. BCP	Business Continuity Plan
13	J. BHS	Behavioral Health Services
14	K. CalOMS	California Outcomes Measurement System
15	L. CalWORKs	California Work Opportunity and Responsibility for Kids
16	M. CAP	Corrective Action Plan
17	N. CCC	California Civil Code
18	O. CCR	California Code of Regulations
19	P. CD/DVD	Compact Disc/Digital Video or Versatile Disc
20	Q. CEO	County Executive Office
21	R. CESI	Client Evaluation of Self at Intake
22	S. CEST	Client Evaluation of Self and Treatment
23	T. CFDA	Catalog of Federal Domestic Assistance
24	U. CFR	Code of Federal Regulations
25	V. CHHS	California Health and Human Services Agency
26	W. CHPP	COUNTY HIPAA Policies and Procedures
27	X. CHS	Correctional Health Services
28	Y. CIPA	California Information Practices Act
29	Z. CMPPA	Computer Matching and Privacy Protection Act
30	AA. COI	Certificate of Insurance
31	AB. CPA	Certified Public Accountant
32	AC. CSU	Crisis Stabilization Unit
33	AD. CSW	Clinical Social Worker
34	AE. DATAR	Drug Abuse Treatment Access Report
35	AF. DHCS	Department of Health Care Services
36	AG. D/MC	Drug/Medi-Cal
37	AH. DMC ODS	Drug Medi-Cal Organized Delivery System

1	AI. DoD	US Department of Defense
2	AJ. DPFS	Drug Program Fiscal Systems
3	AK. DRP	Disaster Recovery Plan
4	AL. DRS	Designated Record Set
5	AM. DSM–5	Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition
6	AN. DSS	Department of Social Services
7	AO. EBPs	Evidenced Based Treatment Practices
8	AP. EEOC	Equal Employment Opportunity Commission
9	AQ. EHR	Electronic Health Records
10	AR. ePHI	Electronic Protected Health Information
11	AS. EPSDT	Early Periodic Screening, Diagnostic and Treatment
12	AT. FIPS	Federal Information Processing Standards
13	AU. FFS	Fee For Service
14	AV. FSP	Full Service Partnership
15	AW. FTE	Full Time Equivalent
16	AX. GAAP	Generally Accepted Accounting Principles
17	AY. HCA	Health Care Agency
18	AZ. HHS	Health and Human Services
19	BA. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
20		Law 104–191
21	BB. HITECH	The Health Information Technology for Economic and Clinical Health
22		Act, Public Law 111–005
23	BC. HIV	Human Immunodeficiency Virus
24	BD. HSC	California Health and Safety Code
25	BE. ID	Identification
26	BF. IEA	Information Exchange Agreement
27	BG. IRIS	Integrated Records and Information System
28	BH. ISO	Insurance Services Office
29	BI. ITC	Indigent Trauma Care
30	BJ. LCSW	Licensed Clinical Social Worker
31	BK. LPHA	Licensed Practitioner of the Healing Arts
32	BL. MAT	Medication Assisted Treatment
33	BM. MFT	Marriage and Family Therapist
34	BN. MH	Mental Health
35	BO. MHP	Mental Health Plan
36	BP. MHS	Mental Health Specialist
37	BQ. MHSA	Mental Health Services Act

1	BR. MSN	Medical Safety Net
2	BS. NIH	National Institutes of Health
3	BT. NIST	National Institute of Standards and Technology
4	BU. NPI	National Provider Identifier
5	BV. NPPES	National Plan and Provider Enumeration System
6	BW. OCPD	Orange County Probation Department
7	BX. OCR	Office for Civil Rights
8	BY. OIG	Office of Inspector General
9	BZ. OMB	Office of Management and Budget
10	CA. OPM	Federal Office of Personnel Management
11	CB. P&P	Policy and Procedure
12	CC. PA DSS	Payment Application Data Security Standard
13	CD. PATH	Projects for Assistance in Transition from Homelessness
14	CE. PC	State of California Penal Code
15	CF. PCI DSS	Payment Card Industry Data Security Standard
16	CG. PCS	Post-Release Community Supervision
17	CH. PHI	Protected Health Information
18	CI. PII	Personally Identifiable Information
19	CJ. PI	Personal Information
20	CK. RPC	Residential Placement Coordinator
21	CL. RTS	Residential Treatment Services
22	CM. SIR	Self-Insured Retention
23	CN. SMA	Statewide Maximum Allowance
24	CO. STC	Special Terms and Conditions
25	CP. SAPTBG	Substance Abuse Prevention and Treatment Block Grant
26	CQ. SMA	Statewide Maximum Allowable (rate)
27	CR. SOW	Scope of Work
28	CS. SUD	Substance Use Disorder
29	CT. TB	Tuberculosis
30	CU. UMDAP	Uniform method of Determining Ability to Pay
31	CV. UOS	Units of Service
32	CW. USC	United States Code
33	CX. WIC	Women, Infants and Children
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1 g. Methodology/Procedure for enforcing disciplinary standards.

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

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

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

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

34 1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees, interns,
35 volunteers, contractors, subcontractors, agents, and other persons who provide health care items or
36 services or who perform billing or coding functions on behalf of ADMINISTRATOR. CONTRACTOR
37 shall ensure that all Covered Individuals relative to this Contract are made aware of ADMINISTRATOR's

1 Compliance Program, Code of Conduct and related policies and procedures (or CONTRACTOR's own
2 compliance program, code of conduct and related policies and procedures if CONTRACTOR has elected
3 to use its own).

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

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

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

10 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
11 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
12 Contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 //

1 CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,
2 consultants, subcontractors, volunteers and interns.

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

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

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

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

17 18 **VI. CONFLICT OF INTEREST**

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

26 27 **VII. COST REPORT**

28 A. CONTRACTOR shall submit an individual and/or consolidated Cost Report for each Period, or
29 for a portion thereof to COUNTY no later than forty-five (45) calendar days following the period for
30 which they are prepared or termination of this Contract. CONTRACTOR shall prepare the individual
31 and/or consolidated Cost Report in accordance with all applicable federal, state and COUNTY
32 requirements, GAAP and the Special Provisions Paragraph of this Contract. CONTRACTOR shall
33 allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in
34 accordance with such requirements and consistent with prudent business practice, which costs and
35 allocations shall be supported by source documentation maintained by CONTRACTOR, and available at
36 any time to ADMINISTRATOR upon reasonable notice. In the event CONTRACTOR has multiple
37 contracts for mental health services that are administered by HCA, consolidation of the individual Cost

1 Reports into a single consolidated Cost Report may be required, as stipulated by ADMINISTRATOR.
2 CONTRACTOR shall submit the consolidated Cost Report to COUNTY no later than five (5) business
3 days following approval by ADMINISTRATOR of all individual Cost Reports to be incorporated into a
4 consolidated Cost Report.

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

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

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

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

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

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

29 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder, less
30 applicable revenues and any late penalty, not to exceed the negotiated rate as specified in the Contract.
31 CONTRACTOR shall not claim expenditures to COUNTY which are not reimbursable pursuant to
32 applicable federal, state and COUNTY laws, regulations and requirements. Any payment made by
33 COUNTY to CONTRACTOR, which is subsequently determined to have been for an unreimbursable
34 expenditure or service, shall be repaid by CONTRACTOR to COUNTY in cash, or other authorized form
35 of payment, within thirty (30) calendar days of submission of the Cost Report or COUNTY may elect to
36 reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

37 //

D. Costs of Medi-Cal services shall not exceed the negotiated rate as specified in this Contract.

E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to this Contract, less applicable revenues and any late penalty, are higher than the aggregate of interim monthly payments to CONTRACTOR, then COUNTY shall pay CONTRACTOR the difference, provided such payment does not exceed COUNTY's Total Aggregate Amount Not To Exceed and separate non-Medi-Cal Aggregate Amount Not To Exceed and Aggregate Medi-Cal Amount Not To Exceed.

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

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

Signed _____
Name _____
Title _____
Date _____"

VIII. DEBARMENT AND SUSPENSION CERTIFICATION

A. CONTRACTOR certifies that it and its principals:

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

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

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

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

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

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

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

13 14 **IX. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

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

20 B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR's
21 business prior to completion of this Contract, and COUNTY agrees to an assignment of the Contract, the
22 new owners shall be required under the terms of sale or other instruments of transfer to assume
23 CONTRACTOR's duties and obligations contained in this Contract and complete them to the satisfaction
24 of COUNTY. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without
25 the prior written consent of COUNTY.

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

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

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

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

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

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

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

22 1. After approval of the subcontractor, ADMINISTRATOR may revoke the approval of the
23 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor
24 subsequently fails to meet the requirements of this Contract or any provisions that ADMINISTRATOR
25 has required.

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

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

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

33 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status
34 with respect to name changes that do not require an assignment of the Contract. CONTRACTOR also
35 shall notify COUNTY in writing if CONTRACTOR becomes a party to any litigation against COUNTY,
36 or a party to litigation that may reasonably affect CONTRACTOR's performance under the Contract, as
37 well as any potential conflicts of interest between CONTRACTOR and COUNTY that may arise prior to

1 or during the period of Contract performance. While CONTRACTOR must provide this information
2 without prompting from COUNTY any time there is a change in CONTRACTOR's name, conflict of
3 interest or litigation status, CONTRACTOR must also provide an update to COUNTY of its status in
4 these areas whenever requested by COUNTY.

5 6 **X. DISPUTE RESOLUTION**

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

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

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

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

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

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

33 34 **XI. EMPLOYEE ELIGIBILITY VERIFICATION**

35 CONTRACTOR attests that it shall fully comply with all federal and state statutes and regulations
36 regarding the employment of aliens and others and to ensure that employees, subcontractors, and
37 consultants performing work under this Contract meet the citizenship or alien status requirements set forth

1 in federal statutes and regulations. CONTRACTOR shall obtain, from all employees, subcontractors, and
2 consultants performing work hereunder, all verification and other documentation of employment
3 eligibility status required by federal or state statutes and regulations including, but not limited to, the
4 Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently exist and as they
5 may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered
6 employees, subcontractors, and consultants for the period prescribed by the law.

7 8 **XII. EQUIPMENT**

9 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
10 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
11 ADMINISTRATOR to assist in performing the services described in this Contract. “Relatively
12 Permanent” is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000 or
13 over, including freight charges, sales taxes, and other taxes, and installation costs are defined as Capital
14 Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and other
15 taxes, and installation costs, or electronic equipment that costs less than \$600 but may contain PHI or PII,
16 are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to phones, tablets,
17 audio/visual equipment, computer equipment, and lab equipment. The cost of Equipment purchased, in
18 whole or in part, with funds paid pursuant to this Contract shall be depreciated according to GAAP.

19 B. CONTRACTOR shall obtain ADMINISTRATOR’s written approval prior to purchase of any
20 Equipment with funds paid pursuant to this Contract. Upon delivery of Equipment, CONTRACTOR shall
21 forward to ADMINISTRATOR, copies of the purchase order, receipt, and other supporting
22 documentation, which includes delivery date, unit price, tax, shipping and serial numbers.
23 CONTRACTOR shall request an applicable asset tag for said Equipment and shall include each purchased
24 asset in an Equipment inventory.

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

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

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

37 F. CONTRACTOR must report any loss or theft of Equipment in accordance with the procedure

1 approved by ADMINISTRATOR and the Notices Paragraph of this Contract. In addition,
2 CONTRACTOR must complete and submit to ADMINISTRATOR a notification form when items of
3 Equipment are moved from one location to another or returned to COUNTY as surplus.

4 G. Unless this Contract is followed without interruption by another agreement between the Parties
5 for substantially the same type and scope of services, at the termination of this Contract for
6 any cause, CONTRACTOR shall return to COUNTY all Equipment purchased with funds paid through
7 this Contract.

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

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

11 12 **XIII. FACILITIES, PAYMENTS AND SERVICES**

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

18 19 **XIV. INDEMNIFICATION AND INSURANCE**

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

30 B. Prior to the provision of services under this Contract, CONTRACTOR agrees to carry all required
31 insurance at CONTRACTOR's expense, including all endorsements required herein, necessary to satisfy
32 COUNTY that the insurance provisions of this Contract have been complied with. CONTRACTOR agrees
33 to keep such insurance coverage current, provide Certificates of Insurance, and endorsements to
34 COUNTY during the entire term of this Contract.

35 C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of
36 CONTRACTOR pursuant to this Contract shall be covered under CONTRACTOR's insurance as an
37 Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for

1 CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less
2 than the level of coverage required by COUNTY from CONTRACTOR under this Contract. It is the
3 obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor and
4 to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance
5 must be maintained by CONTRACTOR through the entirety of this Contract for inspection by COUNTY
6 representative(s) at any reasonable time.

7 D. All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any SIRs
8 in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by COUNTY's
9 Risk Manager, or designee. COUNTY reserves the right to require current audited financial reports from
10 CONTRACTOR. If CONTRACTOR is self-insured, CONTRACTOR will indemnify COUNTY for any
11 and all claims resulting or arising from CONTRACTOR's services in accordance with the indemnity
12 provision stated in this Contract. If CONTRACTOR's SIR is approved, CONTRACTOR, in addition to,
13 and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

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

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

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

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

25 F. QUALIFIED INSURER

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

29 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
30 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	\$1,000,000 per occurrence

1	for owned or scheduled, non-owned, and hired vehicles	
2	(4 passengers or less)	
3		
4	Passenger vehicles (7 passengers or less)	\$2,000,000 per occurrence
5		
6	Passenger vehicles (8 passengers or more)	\$5,000,000 per occurrence
7		
8	Workers' Compensation	Statutory
9		
10	Employers' Liability Insurance	\$1,000,000 per accident or disease
11		
12	Network Security & Privacy Liability	\$1,000,000 per claims -made
13		
14	Professional Liability Insurance	\$1,000,000 per claims -made or occurrence
15		\$1,000,000 aggregate
16		
17	Sexual Misconduct Liability	\$1,000,000 per occurrence
18		
19	Employee Dishonesty	\$1,000,000 per occurrence
20		

21 Increased insurance limits may be satisfied with Excess/Umbrella policies. Excess/Umbrella policies
 22 when required must provide Follow Form coverage.

23 H. REQUIRED COVERAGE FORMS

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

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

29 I. REQUIRED ENDORSEMENTS

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

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

36 b. A primary non-contributory endorsement using ISO form CG 20 01 04 13, or a form at
 37 least as broad evidencing that CONTRACTOR's insurance is primary, and any insurance or self-insurance

1 maintained by COUNTY shall be excess and non-contributing.

2 2. The Network Security and Privacy Liability policy shall contain the following endorsements
3 which shall accompany the Certificate of Insurance:

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

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

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

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

16 M. The County of Orange shall be the loss payee on the Employee Dishonesty coverage. A Loss
17 Payee endorsement evidencing that the County of Orange is a Loss Payee shall accompany the Certificate
18 of Insurance.

19 N. CONTRACTOR shall provide thirty (30) calendar days prior written notice to COUNTY of any
20 policy cancellation or non-renewal and ten (10) calendar days prior written notice where cancellation is
21 due to non-payment of premium and provide a copy of the cancellation notice to COUNTY. Failure to
22 provide written notice of cancellation may constitute a material breach of the Contract, upon which
23 COUNTY may suspend or terminate this Contract.

24 O. If CONTRACTOR's Professional Liability and/or Network Security & Privacy Liability are
25 "Claims-Made" policy(ies), CONTRACTOR shall agree to the following:

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

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

30 3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy
31 form with a retroactive date prior to the effective date of the contract services, CONTRACTOR must
32 purchase an extended reporting period for a minimum of three (3) years after expiration of earlier
33 termination of the Contract.

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

36 Q. Insurance certificates should be forwarded to the department address listed in the Referenced
37 Contract Provisions.

1 R. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7)
2 calendar days of notification by COUNTY, COUNTY may suspend or terminate this Contract.

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

7 T. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
8 CONTRACTOR does not provide acceptable Certificate of Insurance and endorsements to COUNTY
9 incorporating such changes within thirty (30) calendar days of receipt of such notice, this Contract may
10 be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal
11 remedies.

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

15 16 **XV. INSPECTIONS AND AUDITS**

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

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

31 **C. AUDIT RESPONSE**

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

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

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

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

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

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

16 2. The beneficiary’s right to file grievances and appeals and the requirements and timeframes
17 for filling.

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

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

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

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

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36 //

37 //

XVI. LICENSES AND LAWS

1
2 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
3 the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations,
4 waivers, and exemptions necessary for the provision of the services hereunder and required by the laws,
5 regulations and requirements of the United States, the State of California, COUNTY, and all other
6 applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and in
7 writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals,
8 permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be
9 cause for termination of this Contract. In addition, all treatment providers will be certified by the State
10 Department of Health Care Services as a Drug Medi-Cal provider and must meet any additional
11 requirements established by COUNTY as part of this certification.

B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

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

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

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

- 1 15. 42 CFR Part 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
- 2 16. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse
- 3 prevention and treatment block grants and/or projects for assistance in transition from homelessness
- 4 grants.
- 5 17. 45 CFR 93, New Restrictions on Lobbying.
- 6 18. 45 CFR 96.127, Requirements regarding Tuberculosis.
- 7 19. 45 CFR 96.132, Additional Agreements.
- 8 20. 45 CFR 96.135, Restrictions on Expenditure of Grant.
- 9 21. 45 CFR 160, General Administrative Requirements.
- 10 22. 45 CFR 162, Administrative Requirements.
- 11 23. 45 CFR 164, Security and Privacy.
- 12 24. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
- 13 25. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.
- 14 26. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
- 15 Contracting and Financial Transactions.
- 16 27. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism.
- 17 28. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
- 18 Administration.
- 19 29. 42 USC §290dd-2, Confidentiality of Records.
- 20 30. 42 USC §1320(a), Uniform reporting systems for health services facilities and organizations.
- 21 31. 42 USC §§1320d through 1320d-9, Administrative Simplification.
- 22 32. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
- 23 33. 42 USC §6101 et seq., Age Discrimination Act of 1975.
- 24 34. 42 USC §2000d, Civil Rights Act of 1964.
- 25 35. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
- 26 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 27 36. U.S. Department of Health and Human Services, National Institutes of Health (NIH), Grants
- 28 Policy Statement (10/13).
- 29 37. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-
- 30 Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.
- 31 38. State of California, Department of Health Care Services (DHCS), Alcohol and/or Other Drug
- 32 Program Certification Standards, December 2020.
- 33 39. CCR Title 22, §§70751(c), 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).
- 34 40. State of California, Department of Health Care Services ASRS Manual.
- 35 41. State of California, Department of Health Care Services DPFS Manual.
- 36 42. HSC §123145.
- 37 43. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).

- 1 44. 5 USC §7321 – §7326, Political Activities (Hatch Act)
- 2 45. 45 CFR 96.124(e), Certain Allocations (SAPTBG).
- 3 46. 45 CFR 96.131, Treatment Services for Pregnant Women.
- 4 47. HSC §11757.59, Perinatal State General Fund.
- 5 48. County of Orange, HCA, Alcohol Program and Drug Abuse Services D/MC Utilization
- 6 Control Plan for Perinatal Residential Services.
- 7 49. DHCS, Perinatal Services Guidelines.
- 8 50. 42 CFR, Section 438, Managed Care Regulations
- 9 51. CCR, Title 22, §51341.1(h)(5)(A), Drug Medi-Cal Substance Abuse Services.
- 10 52. DHCS, Office of Women’s and Perinatal Services, Perinatal Services Network Guidelines
- 11 2014.
- 12 53. CCR, Title 22, Division 3, Health Care Services.
- 13 54. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
- 14 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- 15 55. D/MC Certification Title 22, California Code of Regulations (CCR).
- 16 56. D/MC Billing Manual (March 23, 2010).
- 17 57. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 18 58. State of California-Health and Human Services Agency, Department of Health Care Services,
- 19 MHSD, Medi-Cal Billing Manual, October 2013.
- 20 59. Orange County Drug Medi-Cal Organized Delivery System Managed Care Plan
- 21 60. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,
- 22 August 2015, and subsequent versions.
- 23 61. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
- 24 62. Drug Medi-Cal Certification Standards for Substance Abuse Clinics (Document 2E).
- 25 63. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1, (Document 2C).
- 26 64. Standards for Drug Treatment Programs (October 21, 1981) (Document 2F).
- 27 65. Title 9, CCR, Division 4, Chapter 5, Subchapter 1, Sections 10000, et seq.
- 28 66. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.
- 29 67. Title 9, CCR, Section 1810.435.
- 30 68. Title 9, CCR, Section 1840.105.
- 31 69. Title 22, CCR, §51009, Confidentiality of Records.
- 32 70. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
- 33 71. HSC, §§11758.40 through 11758.47, Medi-Cal Drug Treatment Program.
- 34 72. U.S. Food and Drug Administration Guidelines for Vivitrol (currently listed at
- 35 <http://www.fda.gov/downloads/Drugs/DrugSafety/UMC206669.pdf>).
- 36 73. US Department of Justice, Drug Enforcement Administration.
- 37 74. 42 CFR, Public Health, Part 8 – Certification of Opioid Treatment Programs.

- 1 75. 21 CFR Part 1308-Schedules of Controlled Substances.
- 2 76. 21 CFR Parts 1300, 1301, 1304, et al. Disposal of Controlled Substances, Final Rule.
- 3 77. AB 109 2011 Public Safety Realignment.
- 4 78. 4.3.2: Intergovernmental Agreement Exhibit A, Attachment I, III, DD, 15, i-xiii:
- 5 a. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
- 6 nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000
- 7 funded by federal financial assistance.
- 8 b. Executive Order 13166 (67 FR 41455) to improve access to federal services for those
- 9 with limited English proficiency.
- 10 c. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
- 11 nondiscrimination on the basis of drug abuse.
- 12 d. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and
- 13 Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of
- 14 alcohol abuse or alcoholism.
- 15 79. 4.3.3: Intergovernmental Agreement Exhibit A, Attachment I, III, DD, 16, i-v:
- 16 a. Fair Employment and Housing Act (Gov. Code Section 12900 et seq.) and the applicable
- 17 regulations promulgated thereunder (Cal. Code Regs., tit. 2, Div. 4 § 7285.0 et seq.).
- 18 b. Title 2, Division 3, Article 9.5 of the Gov. Code, commencing with Section 11135.
- 19 c. Noncompliance with the requirements of nondiscrimination in services shall constitute
- 20 grounds for state to withhold payments under this Contract or terminate all, or any type, of funding
- 21 provided hereunder.
- 22 80. 1.5.3: SABG Application, Enclosure 2, II General, 20:
- 23 a. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting
- 24 discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the
- 25 sale or rental of housing.
- 26 b. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101 –
- 27 6107), which prohibits discrimination on the basis of age.
- 28 c. Age Discrimination in Employment Act (29 CFR Part 1625).
- 29 d. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting
- 30 discrimination against the disabled in employment.
- 31 e. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting
- 32 discrimination against the disabled by public entities.
- 33 f. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
- 34 g. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794),
- 35 prohibiting discrimination on the basis of individuals with disabilities.
- 36 h. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
- 37 nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000

1 funded by federal financial assistance.

2 i. Executive Order 13166 (67 FR 41455) to improve access to federal services for those
3 with limited English proficiency.

4 j. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
5 nondiscrimination on the basis of drug abuse.

6 k. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A
7 – E).

8 81. 1.5.4: SABG Application Enclosure 2, II General 21:

9 a. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the
10 applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).

11 b. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section
12 11135.

13 c. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.

14 d. No federal funds shall be used by CONTRACTOR or its subcontractors for sectarian
15 worship, instruction, or proselytization. No federal funds shall be used by CONTRACTOR or its
16 subcontractors to provide direct, immediate, or substantial support to any religious activity.

17
18 **XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

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

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

4 5 **XVIII. AMOUNT NOT TO EXCEED**

6 A. The Aggregate Amount Not To Exceed of COUNTY for services provided in accordance with
7 all contracts for Adult Residential Drug Medi-Cal Withdrawal Management Services during each Period
8 are as specified in the Referenced Contract Provisions of this Contract. This specific Contract with
9 CONTRACTOR is only one of several agreements to which this Aggregate Amount Not To Exceed
10 applies. It therefore is understood by the Parties that reimbursement to CONTRACTOR will be only a
11 fraction of these Aggregate Amount Not to Exceed.

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

14 15 **XIX. MINIMUM WAGE LAWS**

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

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

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

30 31 **XX. NONDISCRIMINATION**

32 **A. EMPLOYMENT**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36 F. In the event of non-compliance with this paragraph or as otherwise provided by federal and state
37 law, this Contract may be canceled, terminated or suspended in whole or in part and CONTRACTOR or

1 subcontractor may be declared ineligible for further contracts involving federal, state or COUNTY funds.

2 G. Nondiscrimination in Employment and Services: CONTRACTOR certifies that under the laws of
3 the United States and the State of California, CONTRACTOR will not unlawfully discriminate against
4 any person.

6 **XXI. NOTICES**

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

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

12 2. When faxed, transmission confirmed;

13 3. When sent by Email; or

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

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

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

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

27 **XXII. NOTIFICATION OF DEATH**

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

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

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

36 2. WRITTEN NOTIFICATION

37 a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send via

1 encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming aware
2 of the death due to non-terminal illness of any person served pursuant to this Contract.

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

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

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

12 13 **XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

21 22 **XXIV. BENEFICIARIES' RIGHTS**

23 A. CONTRACTOR shall post the current Drug Medi-Cal Organized Delivery System (DMC-ODS)
24 Grievance and Appeals poster in locations readily available to Clients and staff and have Grievance and
25 Appeal forms in the threshold languages and envelopes readily accessible to Clients to take without having
26 to request it on the unit.

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

29 1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance and/or
30 utilization management guidelines and procedures. The beneficiary has the right to utilize either or both
31 grievance process simultaneously in order to resolve their dissatisfaction.

32 C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to
33 CONTRACTOR and file a grievance or complaint.

34 35 **XXV. RECORDS MANAGEMENT AND MAINTENANCE**

36 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term of
37 this Contract, prepare, maintain and manage records appropriate to the services provided and in

1 | accordance with this Contract and all applicable requirements.

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

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

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

12 | 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
13 | through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
14 | necessity of the service, and the quality of care provided. Records shall be maintained in accordance with
15 | §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

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

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

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

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

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

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

36 | H. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that clients,
37 | participants and/or patients be provided the right to access or receive a copy of their DRS and/or request

1 addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records maintained by or
2 for a covered entity that is:

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

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

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

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

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

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

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

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

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

23 L. CONTRACTOR shall obtain a NPI for each site identified as a location for providing contractual
24 services. CONTRACTOR's site NPIs must be submitted to ADMINISTRATOR prior to rendering
25 services to Clients. CONTRACTOR providing direct or indirect services for State reporting must also
26 submit rendering (individual) provider NPIs to ADMINISTRATOR for each staff member providing
27 Medi-Cal billable services. CONTRACTOR reimbursement will not be processed unless NPIs are on
28 file with ADMINISTRATOR in advance of providing services to Clients. It is the responsibility of
29 CONTRACTOR site and individual staff member that bills Medi-Cal to obtain a NPI from the NPPEs.
30 Each Contract site, as well as every staff member that provides billable services, is responsible for
31 notifying the NPPEs within thirty (30) calendar days of any updates to personal information, which may
32 include, but is not limited to, worksite address, name changes, taxonomy code changes, etc.

33 34 **XXVI. RESEARCH AND PUBLICATION**

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

XXVII. REVENUE

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

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

9 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately
10 ensure proper billing and collection procedures. CONTRACTOR’s procedures shall specifically provide
11 for the identification of delinquent accounts and methods for pursuing such accounts.

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

XXVIII. SEVERABILITY

14
15
16 If a court of competent jurisdiction declares any provision of this Contract or application thereof to
17 any person or circumstances to be invalid or if any provision of this Contract contravenes any federal,
18 state or county statute, ordinance, or regulation, the remaining provisions of this Contract or the
19 application thereof shall remain valid, and the remaining provisions of this Contract shall remain in full
20 force and effect, and to that extent the provisions of this Contract are severable.

XXIX. SPECIAL PROVISIONS

21
22
23 A. CONTRACTOR shall not use the funds provided by means of this Contract for the following
24 purposes:

- 25 1. Making cash payments to intended recipients of services through this Contract.
- 26 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
27 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use
28 of appropriated funds to influence certain federal contracting and financial transactions).
- 29 3. Fundraising.
- 30 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
31 CONTRACTOR’s staff, volunteers, or members of the Board of Directors or governing body.
- 32 5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing body
33 for expenses or services.
- 34 6. Making personal loans to CONTRACTOR’s staff, volunteers, interns, consultants,
35 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
36 agent, or making salary advances or giving bonuses to CONTRACTOR’s staff.
- 37 7. Paying an individual salary or compensation for services at a rate in excess of the current

1 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule
2 may be found at www.opm.gov.

3 8. Severance pay for separating employees.

4 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
5 codes and obtaining all necessary building permits for any associated construction.

6 10. Purchasing or improving land, including constructing or permanently improving any building
7 or facility, except for tenant improvements.

8 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds
9 (matching).

10 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.

11 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or
12 alcohol.

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

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

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

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

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

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

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

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

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

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

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

34 **XXX. STATUS OF CONTRACTOR**

35 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
36 wholly responsible for the manner in which it performs the services required of it by the terms of this
37 Contract. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and consultants

1 employed by CONTRACTOR. This Contract shall not be construed as creating the relationship of
2 employer and employee, or principal and agent, between COUNTY and CONTRACTOR or any of
3 CONTRACTOR's employees, agents, consultants, volunteers, interns, or subcontractors.
4 CONTRACTOR assumes exclusively the responsibility for the acts of its employees, agents, consultants,
5 volunteers, interns, or subcontractors as they relate to the services to be provided during the course and
6 scope of their employment. CONTRACTOR, its agents, employees, consultants, volunteers, interns, or
7 subcontractors, shall not be entitled to any rights or privileges of COUNTY's employees and shall not be
8 considered in any manner to be COUNTY's employees.

9 10 **XXXI. TERM**

11 A. This specific Contract with CONTRACTOR is only one of several contracts to which the term of
12 this Contract applies. This specific Contract shall commence as specified in the Referenced Contract
13 Provisions of this Contract or the execution date, whichever is later. This specific Contract shall terminate
14 as specified in the Referenced Contract Provisions of this Contract, unless otherwise sooner terminated as
15 provided in this Contract. CONTRACTOR shall be obligated to perform such duties as would normally
16 extend beyond this term, including but not limited to, obligations with respect to confidentiality,
17 indemnification, audits, reporting and accounting.

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

20 21 **XXXII. TERMINATION**

22 A. CONTRACTOR shall be responsible for meeting all programmatic and administrative contracted
23 objectives and requirements as indicated in this Contract. CONTRACTOR shall be subject to the issuance
24 of a CAP for the failure to perform to the level of contracted objectives, continuing to not meet goals and
25 expectations, and/or for non-compliance. If CAPs are not completed within timeframe as determined by
26 ADMINISTRATOR notice, payments may be reduced or withheld until CAP is resolved and/or the
27 Contract could be terminated.

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

- 30 1. The loss by CONTRACTOR of legal capacity.
- 31 2. Cessation of services.
- 32 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
33 another entity without the prior written consent of COUNTY.
- 34 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
35 required pursuant to this Contract.
- 36 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this
37 Contract.

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

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

7 C. CONTINGENT FUNDING

8 1. Any obligation of COUNTY under this Contract is contingent upon the following:

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

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

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

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

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

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

24 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
25 performance during the remaining Contract term.

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

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

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

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

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

37 8. To the extent services are terminated, cancel outstanding commitments covering the

1 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding
2 commitments which relate to personal services. With respect to these canceled commitments,
3 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims
4 arising out of such cancellation of commitment which shall be subject to written approval of
5 ADMINISTRATOR.

6 9. Provide written notice of termination of services to each Client being served under this
7 Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of
8 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendars
9 day period.

10 F. COUNTY may terminate this Contract, without cause, upon thirty (30) calendar days' written
11 notice.

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

14 **XXXIII. THIRD-PARTY BENEFICIARY**

15 Neither Party hereto intends that this Contract shall create rights hereunder in third parties including,
16 but not limited to, any subcontractors or any Clients provided services pursuant to this Contract.

17 **XXXIV. WAIVER OF DEFAULT OR BREACH**

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

22 **XXXV. PARTICIPATION OF COUNTY BEHAVIORAL HEALTH DIRECTOR'S** 23 **ASSOCIATION OF CALIFORNIA**

24 The County AOD Program Administrator shall participate and represent COUNTY in meetings of
25 the County Behavioral Health Director's Association of California for the purposes of representing the
26 counties in their relationship with DHCS with respect to policies, standards, and administration for AOD
27 abuse services. The County AOD Program Administrator shall attend any special meetings called by the
28 Director of DHCS. Participation and representation shall also be provided by the County Behavioral
29 Health Director's Association of California.

30 **XXXVI. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)** 31 **OF 1996**

32 All work performed under this Contract is subject to HIPAA. COUNTY shall perform the work in
33 compliance with all applicable provisions of HIPAA. As identified in Exhibit E of DHCS Agreement #21-
34

1 10100, DHCS and COUNTY shall cooperate to assure mutual agreement as to those transactions between
2 them, to which this provision applies. Refer to Exhibit E of DHCS Agreement #21-10100 for additional
3 information.

4
5 **XXXVII. INTRAVENOUS DRUG USE (IVDU) TREATMENT**

6 COUNTY shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo
7 AOD treatment (42 USC 300x-23 (45 CFR 96.126(e)).

8
9 **XXXVIII. YOUTH TREATMENT GUIDELINES**

10 COUNTY must comply with DHCS guidelines in developing and implementing youth treatment
11 programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted.

12 Adolescent Substance Use Disorder Best Practices Guide found here:

13 [https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdolBestPr
acGuideOCTOBER2020.pdf](https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdolBestPr
14 acGuideOCTOBER2020.pdf).

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

3
4
5 CACTUS GARDENS OPPORTUNITY HOUSE, INC. DBA RECOVERY BEACH

6
7 DocuSigned by:
8 BY: Jason Landner DATED: 4/17/2024
9 091F7D914587460...

10 TITLE: Designated Representative

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12
13 COUNTY OF ORANGE

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15
16 BY: _____ DATED: _____
17 HEALTH CARE AGENCY

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

24 DocuSigned by:
25 BY: Brittany McLean DATED: 4/18/2024
26 71CFE638662E411...
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34 If CONTRACTOR is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
35 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or
36 any Assistant Treasurer. If the Contract is signed by one (1) authorized individual only, a copy of the corporate resolution or
37 by-laws whereby the Board of Directors has empowered said authorized individual to act on its behalf by his or her signature
alone is required by ADMINISTRATOR.

1 EXHIBIT A
 2 TO CONTRACT FOR PROVISION OF
 3 ADULT RESIDENTIAL DRUG MEDI-CAL
 4 WITHDRAWAL MANAGEMENT SERVICES
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 CACTUS GARDENS OPPORTUNITY HOUSE, INC. DBA RECOVERY BEACH
 9 JULY 1, 2024 THROUGH JUNE 30, 2027

10
11 **I. COMMON TERMS AND DEFINITIONS**

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

14 1. AB109 means services for those Clients deemed eligible by Assembly Bill 109, Public Safety
15 Realignment, under which the Client’s last offense was non-violent, non-sexual, and non-serious.

16 2. AB109 Supervision means an offender released from prison to OCPD or sentenced under
17 AB109 and is doing their incarceration in jail instead of prison.

18 3. Ancillary Service means to include individualized connection, referral, and linkages to
19 community-based services and supports.

20 4. ASAM Criteria means a comprehensive set of guidelines for placement, continued stay and
21 transfer/discharge of Clients with addiction and co-occurring conditions.

22 5. ART Team means a Health Care Agency team that assesses for treatment, authorizes services
23 and refers for treatment.

24 6. Beneficiary means a person who: (a) has been determined eligible for Medi-Cal; (b) is not
25 institutionalized; (c) has a substance-related disorder per the current "Diagnostic and Statistical Manual
26 of Mental Disorders (DSM)” criteria; and (d) meets the admission criteria to receive DMC covered
27 services

28 7. CalOMS means a statewide Client-based data collection and outcomes measurement system
29 as required by the State to effectively manage and improve the provision of alcohol and drug treatment
30 services at the State, COUNTY, and provider levels.

31 8. Care Coordination means services that assist a Client to access needed medical, educational,
32 social, prevocational, vocational, rehabilitative, or other community services.

33 9. Client means a Beneficiary or unfunded person who has a substance use disorder, for whom
34 a COUNTY-approved intake and admission for Residential Treatment Services as appropriate have been
35 completed pursuant to this Contract.

36 //
37 //

1 10. Clinically Managed means services are directed by addiction professional such as therapist
2 or counselor as opposed to services directed by medical physician. These services are designed to improve
3 a Client's ability to structure and organize tasks of daily living and recovery.

4 11. Closed-loop referral means the people, processes and technologies that are deployed to
5 coordinate and refer Clients to available community resources (i.e., health care, behavioral health services,
6 and/or other support services) and follow-up to verify if services were rendered.

7 12. Completion means the Client has made sufficient progress on goals and objectives identified
8 during treatment planning activities to be safely transitioned to lower level of care.

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

11 14. DATAR means the DHCS system used to collect data on SUD treatment capacity and waiting
12 lists.

13 15. DHCS (DHCS)-Designated Levels of Care (LOC) means a designation that is issued by
14 DHCS to a residential program based on the services provided at the facility. For the purposes of this
15 Contract, CONTRACTOR shall provide services in accordance with the following DHCS-Designated
16 Level of Care:

17 a. 3.2 - Clinically Managed Residential Withdrawal Management (3.2 WM) means twenty-
18 four (24) hour structure and support with trained and credentialed personnel providing organized services
19 in a social setting emphasizing peer support for individuals with moderate risk of withdrawal.

20 16. EPSDT means the federally mandated Medicaid benefit that entitles full-scope Medi-Cal-
21 covered beneficiaries less than twenty-one (21) years of age to receive any Medicaid service necessary to
22 correct or help to improve a defect, mental illness, or other condition, such as a substance-related disorder,
23 that is discovered during a health screening.

24 17. Incidental Medical Services means optional services, approved by DHCS to be provided at a
25 licensed adult alcoholism or drug use residential treatment facility by or under the supervision of a LPHA
26 that addresses medical issues associated with either detoxification or substance use.

27 18. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in
28 which specific information about the Client is gathered including the ability to pay and standard admission
29 forms pursuant to this Contract.

30 19. IRIS means a collection of applications and databases that serve the needs of programs within
31 HCA and includes functionality such as registration and scheduling, laboratory information system,
32 invoices and reporting capabilities, compliance with regulatory requirements, electronic medical records
33 and other relevant applications.

34 20. Linkage means when a Client has attended at least one appointment or made one visit to the
35 identified program or service for which the Participant has received a referral or to which they have self-
36 referred.

37 //

1 21. Licensed Practitioners of the Healing Arts (LPHA) means any of the following: Physician,
2 Nurse Practitioner (NP), Physician Assistant (PA), Registered Nurse, Registered Pharmacist, Licensed
3 Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW), Licensed Professional Clinical
4 Counselor (LPCC), and Licensed Marriage and Family Therapist (LMFT), and licensed-eligible
5 practitioner registered with the Board of Psychology or Behavioral Science Board working under the
6 supervision of a licensed clinician.

7 22. MAT for Alcohol Use Disorders (AUD) and Non-Opioid Substance Use Disorders means all
8 FDA-approved drugs and services to treat AUD and other non-opioid SUDs involving FDA-approved
9 medications to treat AUD and non-opioid SUDs.

10 23. MAT for Opioid Use Disorders (OUD) means all medications approved under section 505 of
11 the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) and all biological products licensed under
12 section 351 of the Public Health Service Act (42 U.S.C. 262) to treat opioid use disorders.

13 24. Medication Services means the prescription or administration of medication related to
14 substance use disorder services, or the assessment of the side effects or results of the medication.
15 Medication Services does not include MAT for Opioid Use Disorders (OUD) or MAT for Alcohol Use
16 Disorders (AUD) and other Non-Opioid Substance Use Disorders. Medication Services includes
17 prescribing, administering, and monitoring medications used in the treatment or management of SUD
18 and/or withdrawal management not included in the definitions of MAT for OUD or MAT for AUD
19 services.

20 25. Patient Education means education for the Client on addiction, treatment, recovery and
21 associated health risks. Patient Education groups may exceed 12 participants.

22 26. Recovery Services means billable services available after the Client has completed the
23 residential episode of care. While in residential treatment recovery services are part of the bundled day
24 rate. Recovery Services are designed to support recovery and prevent relapse with the objective of
25 restoring the Client to their best possible functional level. Recovery services emphasize the Client's
26 central role in managing their health, use effective self-management support strategies, and organize
27 internal and community resources to provide ongoing self-management support to clients.

28 27. Referral means the process of sending a Client from one service provider to another service
29 provider for health care, behavioral health services, and/or other support services, by electronic
30 transmission, in writing or verbally, regardless of Linkage status.

31 28. Residential Treatment Authorization means the approval that is provided by the HCA ART
32 Team for a Client to receive residential services to ensure that the Client meets the requirements for the
33 service. Decisions for service authorization are provided by the ART team for admission with exception
34 determined by CONTRACTOR.

35 29. Resource Recommendation means the process of providing a Client with one or more
36 suggested resources, without plans and/or an ability to follow up on Linkage status.

37 //

1 1. If CONTRACTOR decides to perform Alcohol and/or Drug Screening, CONTRACTOR
2 must:

3 a. Establish procedures that protect against the falsification and/or contamination of any
4 body specimen sample collected for drug screening; and,

5 b. Assure that all urine specimen collections are observed by sex congruent or same-sex
6 staff; and,

7 c. Document results of the drug screening in the Client's record.

8 2. In the event CONTRACTOR wishes to utilize a COUNTY-contracted laboratory for drug
9 screening purposes, CONTRACTOR shall collect and label samples from Clients. Such testing shall be
10 provided at COUNTY's expense. For tests not already covered in COUNTY-contracted laboratory
11 agreement, CONTRACTOR must receive approval from ADMINISTRATOR prior to using COUNTY-
12 contracted laboratory for drug screenings.

13 C. CULTURAL COMPETENCY - CONTRACTOR shall provide culturally competent services.
14 CONTRACTOR must ensure that their policies, procedures, and practices are consistent with the
15 principles outlined and are embedded in the organizational structure, as well as being upheld in day-to-
16 day operations. Translation services must be available for Clients, as needed. CONTRACTOR shall
17 maintain documentation of such efforts which may include; but not be limited to: records of participation
18 in COUNTY-sponsored or other applicable training; recruitment and hiring policies and procedures;
19 copies of literature in multiple languages and formats, as appropriate; and descriptions of measures taken
20 to enhance accessibility for, and sensitivity to, individuals who are physically challenged.

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

28 E. POSTINGS - CONTRACTOR shall post the following in a prominent place within the facility:

- 29 1. State Licensure and Certification
- 30 2. Business License
- 31 3. Conditional Use Permit (if applicable)
- 32 4. Fire clearance
- 33 5. Client rights
- 34 6. Grievance procedure
- 35 7. Employee Code of Conduct
- 36 8. Evacuation floor plan
- 37 9. Equal Employment Opportunity notices

1 10. Name, address, telephone number for fire department, crisis program, local law enforcement,
2 and ambulance service.

3 11. List of resources within community which shall include medical, dental, mental health, public
4 health, social services and where to apply for determination of eligibility for Federal, State, or County
5 entitlement programs.

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

7 F. CONTRACTOR shall utilize protocols developed and supported by the Medical Director. These
8 protocols shall provide procedures should a Client's condition deteriorate and appear to need medical
9 intervention.

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

15 H. AUTHORITY - CONTRACTOR shall recognize the authority of OCPD as officers of the court,
16 and shall extend cooperation to OCPD within the constraints of CONTRACTOR's program of substance
17 use disorder residential services.

18 I. NON-SMOKING POLICY - CONTRACTOR shall establish a written non-smoking policy
19 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy
20 shall specify that the facility is "smoke free" and that designated smoking areas are outside the visiting
21 areas at the facility.

22 J. GOOD NEIGHBOR POLICY – ADMINISTRATOR has established a Good Neighbor Policy
23 for the purpose of identifying community impacts and measures to mitigate those impacts. The Good
24 Neighbor Policy is a set of principles and activities designed to provide a consistent means of
25 communication between facilities that provide client services and their respective neighbors. The Good
26 Neighbor Policy is applicable for Residential Programs when CONTRACTOR provides service to County
27 residents and the services have a potential impact including but not limited to community safety,
28 cleanliness, and security in the surrounding neighborhood(s).

29 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the Good Neighbor
30 Policy, attached hereto as Exhibit D.

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

35 3. Non-compliance with this Paragraph and Exhibit D shall constitute a material breach of this
36 Contract and constitute cause for immediate termination of this Contract.

37 //

1 K. VISITATION POLICY - CONTRACTOR shall establish a written Visitation Policy, which shall
2 be reviewed and approved by ADMINISTRATOR, which shall include, but not be limited to, the
3 following:

- 4 1. Sign in logs;
- 5 2. Visitation hours; and
- 6 3. Designated visiting areas at the Facility.

7 L. TRANSGENDER POLICY - CONTRACTOR shall establish a written Transgender Policy,
8 which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not limited
9 to, the following:

- 10 1. Admission
- 11 2. Housing arrangement
- 12 3. Bathroom privacy
- 13 4. Drug testing

14 M. MEDICATION POLICY - CONTRACTOR shall establish a written Medication Policy, which
15 shall be reviewed and approved by ADMINISTRATOR. The policy shall include but not be limited to
16 the securing, handling, and administering medication(s) prescribed to the Client. The policy shall address
17 Medications that are prescribed for substance and mental health disorders. Clients shall be allowed to
18 have Medications during their stay with the program, and/or to have the ability to get refill(s).

19 N. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available at
20 each program site at minimum two (2) unexpired Naloxone doses or other opioid reversal medication for
21 the treatment of known or suspected opioid overdose. Staff shall be trained in how to access and
22 administer the Naloxone. Training may include review of online resources and the National Harm
23 Reduction Coalition's Opioid Overdose Basics website to respond effectively to an opioid-associated
24 overdose emergency. Staff shall certify that they have reviewed and undergone training in opioid overdose
25 prevention and treatment. Completion of training shall be documented in the staff member’s individual
26 personnel file. Naloxone is not a substitute for emergency medical care. CONTRACTOR shall always
27 seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid
28 emergency.

29 O. TOKENS - ADMINISTRATOR will provide CONTRACTOR the necessary number of Tokens
30 for appropriate individual staff to access IRIS at no cost to CONTRACTOR.

- 31 1. CONTRACTOR recognizes that a Token is assigned to a specific individual staff member
32 with a unique password. Tokens and passwords shall not be shared with anyone.
- 33 2. CONTRACTOR shall maintain an inventory of the Tokens, by serial number, and the staff
34 member to whom each is assigned.
- 35 3. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the Token
36 for each staff member assigned a Token.

37 //

1 4. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following
2 conditions:

- 3 a. Token of each staff member who no longer supports this Contract.
- 4 b. Token of each staff member who no longer requires access to IRIS.
- 5 c. Token of each staff member who leaves employment of CONTRACTOR.
- 6 d. Tokens malfunctioning.

7 5. ADMINISTRATOR will issue Tokens for CONTRACTOR's staff members who require
8 access to the IRIS upon initial training or as a replacement for malfunctioning Tokens. CONTRACTOR
9 shall reimburse COUNTY for Tokens lost, stolen, or damaged through acts of negligence.

10 P. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the General
11 Requirements Paragraph of this Exhibit A to the Contract.

12 **III. PAYMENTS**

13 A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided
14 pursuant to the Contract, COUNTY shall pay CONTRACTOR monthly in arrears at the following rates
15 of reimbursement; provided, however, the total of all such payments to CONTRACTOR and all other
16 COUNTY contractors for all substance use disorder treatment services for substance users shall not
17 exceed COUNTY's Aggregate Amount Not To Exceed as set forth in the Referenced Contract Provisions
18 of the Contract; and provided further, that CONTRACTOR's costs are allowable pursuant to applicable
19 COUNTY, federal, and state regulations. Furthermore, if CONTRACTOR is ineligible to provide
20 services due to non-compliance with licensure and/or certification standards of the state, COUNTY or
21 OCPD, ADMINISTRATOR may elect to reduce COUNTY's Aggregate Amount Not To Exceed
22 proportionate to the length of time that CONTRACTOR is ineligible to provide services. CONTRACTOR
23 shall ensure compliance with all DMC billing and documentation requirements when entering Units of
24 Service into COUNTY's IRIS system. ADMINISTRATOR may reduce, withhold or delay any payment
25 associated with non-compliant billing practices. If CAPs are not completed within timeframes as
26 determined by ADMINISTRATOR, payments may be reduced accordingly.

27 1. For Medi-Cal services provided pursuant to the Contract, COUNTY shall claim
28 reimbursement to the State Medi-Cal unit on behalf of CONTRACTOR to the extent these services are
29 eligible.
30

31 2. Proper DMC certification and enrollment with the Provider Enrollment Division (PED) of
32 DHCS, through the Provider Application and Validation for Enrollment (PAVE) system is required.
33 CONTRACTOR shall submit proof of enrollment for each new rendering provider as required by
34 regulations. Failure to demonstrate provider enrollment within six months of services being rendered shall
35 result in disallowance of those services by pending providers.

36 3. CONTRACTOR shall submit appropriate Medi-Cal billing to ADMINISTRATOR on a
37 monthly basis. CONTRACTOR shall review billing queues in IRIS for billing errors and make necessary

1 corrections. ADMINISTRATOR shall review billing and remit to Accounting for submission to the State
2 Medi-Cal unit.

3 4. CONTRACTOR shall assume responsibility for any audit disallowances or penalties
4 imposed on COUNTY by the State related to amounts or services claimed by COUNTY on behalf of
5 CONTRACTOR. CONTRACTOR shall reimburse COUNTY for any such disallowances or penalties
6 within thirty (30) calendar days of written notification by COUNTY.

7 5. For unfunded services provided pursuant to the Contract, CONTRACTOR will work with
8 ADMINISTRATOR to obtain proof of a Medi-Cal denial. Any payment made by COUNTY to
9 CONTRACTOR, which is unsupported by proof of a denial by the end of the current contract period,
10 shall be repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within
11 thirty (30) calendar days of submission of the Cost Report or ADMINISTRATOR may elect to reduce
12 any amount owed to CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

Modes of Service	Reimbursement Rate		
	Period One	Period Two	Period Three
Withdrawal Management 3.2 Treatment Services (per bed day)	\$278.99	\$278.99	\$278.99
Room and Board (per bed day)	Actual Cost	Actual Cost	Actual Cost
Care Coordination (per 15 minute increment)	\$34.30	\$34.30	\$34.30
Medication Assisted Treatment (per 15 minute increment)	\$105.06	\$105.06	\$105.06

33
34 B. PAYMENT METHOD - COUNTY shall pay CONTRACTOR monthly in arrears provided,
35 however, the total of such payments shall not exceed COUNTY's Aggregate Amount Not To Exceed.
36 CONTRACTOR's invoices shall be on a form approved or provided by ADMINISTRATOR and shall
37 provide such information as is required by ADMINISTRATOR. Invoices are due by the twentieth (20th)

1 calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later
2 than thirty (30) calendar days after receipt of the correctly completed invoice form.

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

6 D. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source
7 documentation including, but not limited to, ledgers, books, vouchers, journals, time sheets, payrolls,
8 appointment schedules, schedules for allocating costs, invoices, bank statements, canceled checks,
9 receipts, receiving records, and records of services provided.

10 E. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with
11 any provision of this Contract.

12 F. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
13 and/or termination of this Contract.

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

21 H. CONTRACTOR shall ensure compliance with all DMC billing and documentation requirements
22 when entering Units of Service into COUNTY's IRIS system. ADMINISTRATOR shall withhold
23 payment for non-compliant Units of Service, and may reduce, withhold or delay any payment associated
24 with non-compliant billing practices.

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

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

30 31 **III. RECORDS**

32 A. FINANCIAL RECORDS - CONTRACTOR shall prepare and maintain accurate and complete
33 financial records of its costs and operating expenses. Such records shall reflect the actual costs of the type
34 of service for which payment is claimed in accordance with generally accepted accounting principles.

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

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

3 3. CLIENT FEES - Pursuant to 42 CFR 438.106, CONTRACTOR shall not collect fees from a
4 Medi-Cal beneficiary or persons acting on behalf of the beneficiary for any SUD or related administrative
5 services provided under this Contract, except to collect other health insurance coverage, share of cost, and
6 co-payments. Drug Medi-Cal is payment in full for treatment services rendered for Medi-Cal
7 beneficiaries.

8 B. CLIENT RECORDS - CONTRACTOR shall maintain adequate records in accordance with the
9 licensing authority, DHCS, the Orange County DMC ODS CalAIM Documentation Manual, related to
10 DMC on each individual Client in sufficient detail to permit an evaluation of services, which shall include,
11 but not limited to:

12 1. Documentation that Withdrawal Management for substance use disorders are appropriate for
13 the Client. This shall include initial medical necessity determination for the DMC-ODS benefit performed
14 through a review by a LPHA. Additionally, the ASAM Criteria assessment will be applied to determine
15 placement into the level of assessed services and documented in the Client record;

16 2. Intake and admission data, including, if applicable, a physical examination;

17 3. Problem list;

18 4. Observation checks;

19 5. Laboratory test orders and results;

20 6. Referrals;

21 7. Progress notes;

22 8. Discharge plan;

23 9. Discharge summary; and/or

24 10. Any other information relating to the treatment services rendered to the Client.

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

27
28 **IV. REPORTS**

29 **A. PROGRAMMATIC**

30 1. Monthly Data and Performance Outcome Report (MDPOR) - CONTRACTOR shall submit
31 a MDPOR to ADMINISTRATOR, on a template provided by ADMINISTRATOR.

32 2. DATAR – CONTRACTOR shall provide reports under the DATAR, and/or any other State
33 reporting system in a manner prescribed by ADMINISTRATOR, no later than the fifth (5th) calendar day
34 of the month following the report month.

35 3. DAILY BED CAPACITY- CONTRACTOR shall notify ART team daily regarding status of
36 bed availability slots and percentage of total capacity being utilized.

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1 B. MANAGED CARE

2 1. Provider Directory - CONTRACTOR shall submit list of service providers for their
3 designated program(s) with updates to provider status, license and/or certification, and specialties on a
4 form provided by ADMINISTRATOR monthly no later than the 15th of each month.

5 2. Clinical Supervision Reporting – Provider shall provide supervisor information for all
6 treatment/counseling staff.

7 3. Grievance Reporting – Provider shall submit Managed Care Team Grievance Tracking form
8 when grievances are filed.

9 4. Provider shall provide Managed Care Team copy of Notice of Adverse Benefit
10 Determinations issued to beneficiaries.

11 5. Provider shall submit Change of Provider/Second Opinion Tracking on quarterly basis.

12 C. FISCAL

13 1. In support of the monthly invoice, CONTRACTOR shall submit monthly Expenditure and
14 Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by
15 ADMINISTRATOR and shall report actual costs and revenues for each of CONTRACTOR's program(s)
16 or cost center(s) described in the Services Paragraph of Exhibit A to the Contract. CONTRACTOR shall
17 submit these reports by no later than twenty (20) calendar days following the end of the month reported.

18 2. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR. These
19 reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report anticipated
20 year-end actual costs and revenues for CONTRACTOR's program(s) or cost center(s) described in the
21 Services Paragraph of Exhibit A to the Contract. Such reports shall include actual monthly costs and
22 revenue to date and anticipated monthly costs and revenue to the end of the fiscal year. Year-End
23 Projection Reports shall be submitted at the same time as the monthly Expenditure and Revenue Reports

24 D. IRIS

25 1. CONTRACTOR shall input all Units of Service provided in COUNTY's IRIS database for the
26 preceding month no later than the fifth (5th) calendar day of the month following the report month.

27 2. CalOMS – CONTRACTOR shall complete a CalOMS encounter and a CalOMS admission
28 record in IRIS within seven (7) calendar days of Client admission. CONTRACTOR shall complete a
29 CalOMS discharge record in IRIS within seven (7) calendar days of Client discharge. CONTRACTOR
30 shall run a CalOMS error report (CEDR) and correct any errors within two (2) business days of submitting
31 the CalOMS admission or discharge, and continue to recheck until error free.

32 3. ACCESS LOG – CONTRACTOR shall track and enter information on initial requests for
33 DMC ODS services into access log form in IRIS.

34 4. LEVEL OF CARE SUMMARY – CONTRACTOR shall enter ASAM level of care
35 information into IRIS on each ASAM level of care assessment and re-assessment completed.

36 E. CONTRACTOR agrees to enter psychometrics into COUNTY's EHR system as requested by
37 ADMINISTRATOR. Said psychometrics are for COUNTY's analytical uses only, and shall not be relied

1 upon by CONTRACTOR to make clinical decisions. CONTRACTOR agrees to hold COUNTY harmless,
2 and indemnify pursuant to Section XIV, from any claims that arise from non-COUNTY use of said
3 psychometrics.

4 F. ADDITIONAL REPORTS - CONTRACTOR shall make additional reports as required by
5 ADMINISTRATOR and/or the State concerning CONTRACTOR’s activities as they affect the services
6 hereunder. ADMINISTRATOR will be specific as to the nature of the information requested and the
7 timeframe the information is needed.

8 G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports
9 Paragraph of this Exhibit A to the Contract.

10
11 **V. SERVICES**

12 A. FACILITY – CONTRACTOR shall operate a DHCS licensed substance use disorder residential
13 treatment facility with DHCS approval to provide detoxification services in accordance with the standards
14 established by COUNTY and the State within the specifications stated below, unless otherwise authorized
15 by ADMINISTRATOR. Program shall have DMC certification and must be designated by DHCS or
16 ASAM as capable of delivering care consistent with ASAM treatment criteria. Residential services may
17 be provided in facilities with no bed capacity limit. The environment shall be healthy and safe and the
18 facility shall be clean and in good repair. Unless otherwise authorized in writing by ADMINISTRATOR,
19 CONTRACTOR shall maintain regularly scheduled service hours, seven (7) days a week, twenty-four
20 (24) hours per day, three hundred sixty-five (365) days a year. Services shall be provided at the following
21 locations, or at any other location approved in advance, in writing, by ADMINISTRATOR:

22
23 13222 Chapman Ave
24 Garden Grove, CA 94806
25

26 B. PERSONS TO BE SERVED – In order to receive services through the DMC-ODS, Client must
27 be a current beneficiary or must enroll in Medi-Cal, reside in Orange County, and meet the medical
28 necessity and access criteria outlined below. CONTRACTOR may serve Clients without insurance, as
29 COUNTY resources allow. Services shall be provided when determined by a Medical Director or LPHA
30 as medically necessary. Appropriateness for services must adhere to all DHCS requirements, meet ASAM
31 Criteria and be documented in the Client’s file.

32 C. MEDI-CAL ELIGIBILITY

- 33 1. CONTRACTOR must verify the Medi-Cal eligibility determination of potential Clients.
34 2. ADMINISTRATOR will reimburse treatment for unfunded Clients and undocumented
35 Clients with realignment funding while CONTRACTOR assists Client in applying for benefits or
36 transferring Medi-Cal benefits to Orange County. The Heath plan in IRIS will be assigned as “Self Pay”.
37 When applying for Medi-Cal, Client shall request that Medi-Cal coverage is retroactively applied to date

1 of admission. If current Medi-Cal is assigned to a different county (not Orange County), Client must
2 initiate transfer at admission. If county of responsibility is other than Orange County and county of
3 residence in Medical Eligibility Data System is Orange County and Medi-Cal transfer has been initiated,
4 CONTRACTOR shall enter Health plan as "Medi-Cal" in IRIS. These claims will be accepted by the
5 State. If both county of responsibility and county of residence are other than Orange County, or Client is
6 undocumented, Contractor shall assign the Health plan as "Self-Pay". CONTRACTOR shall review Self
7 Pay Health Plan claims from the previous six months and recheck eligibility status. If claims dates are
8 covered by Medi-Cal, CONTRACTOR shall update the Health Plan and these claims will be automatically
9 credited and re-dropped by the IRIS system.

10 D. MEDICAL NECESSITY - DMC-ODS services must be medically necessary.

11 1. Pursuant to W&I Code section 14059.5(a), for individuals 21 years of age or older, a service
12 is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to
13 prevent significant illness or significant disability, or to alleviate severe pain.

14 2. For individuals under 21 years of age, a service is "medically necessary" or a "medical
15 necessity" if the service is necessary to correct or ameliorate screened health conditions. Consistent with
16 federal guidance, services need not be curative or completely restorative to ameliorate a health condition,
17 including substance misuse and SUDs. Services that sustain, support, improve, or make more tolerable
18 substance misuse or a SUD are considered to ameliorate the condition and are thus covered as EPSDT
19 services. (Section 1396d(r)(5) of Title 42 of the United States Code; W&I Section 14059.5(b)(1)).

20 3. The ASAM Criteria shall be used to determine placement into the appropriate level of care
21 for all members and is separate and distinct from determining medical necessity.

22 E. ADMISSIONS:

23 1. CONTRACTOR shall accept any person who is physically and mentally able to comply with
24 the program's rules and regulations. Said persons shall include persons with a concurrent diagnosis of
25 mental illness, i.e., those identified as having a co-occurring diagnosis. Persons with co-occurring
26 disorders and others who require prescribed medication shall not be precluded from acceptance or
27 admission solely based on their licit use of prescribed medications.

28 2. CONTRACTOR may accept unfunded Clients with proof of Medi-Cal application. Clients
29 may be referred to an outpatient clinic or a Social Service office to complete an application if necessary.
30 CONTRACTOR is responsible for verification of application and status.

31 3. CONTRACTOR shall have policies and procedures in place to screen for emergency medical
32 conditions and immediately refer Clients to emergency medical care.

33 4. CONTRACTOR shall have a policy that requires a Client who shows signs of any
34 communicable disease or through medical disclosure during the intake process admits to a health related
35 problem that would put others at risk, to be cleared medically before services are provided.

36 5. CONTRACTOR's Admission Policy must reflect all applicable federal, state, and county
37 regulations. CONTRACTOR has the right to refuse admission of a person only in accordance with its

1 written Admission Policy; provided, however, CONTRACTOR complies with the Nondiscrimination
2 provisions of this Contract.

3 6. CONTRACTOR shall initiate services within forty-eight (48) hours of request. If unable,
4 CONTRACTOR shall warm link Client to an alternative DMC ODS provider and/or higher level of care
5 as appropriate. CONTRACTOR shall have a documented system for monitoring and evaluating the
6 quality, appropriateness, and accessibility of care, including a system for addressing problems that
7 develop regarding admission wait times.

8 F. INFORMING MATERIALS - CONTRACTOR is responsible for distributing informing
9 materials and provider lists that meet the content requirements of 42 CRF 438.100 to beneficiaries when
10 they first access SUD services through the DMC-ODS and on request. Informing materials will be
11 provided by ADMINISTRATOR.

12 G. SERVICES - CONTRACTOR shall provide medically necessary habilitative and rehabilitative
13 services in accordance with an individualized treatment plan prescribed by a licensed physician or licensed
14 prescriber. Withdrawal Management program shall consist of the following:

15 1. Assessment: A compilation of information gathered from the Client and if applicable
16 significant others, to determine a diagnosis, that Client meets access criteria, and level of care placement
17 needs. Assessment is to be completed and signed within 24 hours of admission. A full ASAM Criteria
18 assessment is not required for admission. The assessment tool utilized should be robust enough to identify
19 the need for the stabilization and management of symptoms associated with withdrawal and coordination
20 of care for effectively transitioning to a level of care for additional treatment services.

21 2. Observation:

22 a. At least one staff member shall be assigned to the observation of Withdrawal
23 Management Clients at all times and be certified in cardiopulmonary resuscitation, first aid, and Naloxone
24 administration. In facilities with sixteen (16) or more clients, two (2) staff or volunteers shall be present
25 at all times.

26 b. Staff shall physically check each Client for breathing by a face-to-face physical
27 observation at least every thirty (30) minutes and monitor vital signs at least once every six (6) hours at a
28 minimum during the first seventy-two (72) hours following admission. The close observation and
29 physical checks shall continue beyond the initial seventy-two (72) hour period for as long as the
30 withdrawal signs and symptoms warrant. After twenty-four (24) hours, close observations and physical
31 checks may be discontinued or reduced based upon a determination by a staff member trained in providing
32 Withdrawal Management Services. Documentation of the information that supports a decrease in close
33 observation and physical checks shall be recorded in the Client's file.

34 c. Documentation of observations and physical checks shall be recorded in a systematic
35 manner in the Client file including information supporting a decrease in observation and physical checks
36 and signature of staff.

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1 d. Only program staff that have been trained in the provisions of Withdrawal Management
2 Services may conduct observations and physical checks of Clients receiving Withdrawal Management
3 Services. Training shall include information on detoxification medications, and signs and symptoms that
4 require referral to a higher level of care. Training shall also include first aid cardiopulmonary
5 resuscitation, and Naloxone administration. Copies of detoxification training records shall be kept in
6 personnel files.

7 3. Range of cognitive and behavioral therapies administered on an individual and group settings,
8 depending on the Client's progress through Withdrawal Management.

9 4. Health education service.

10 5. Arrangements of services for Client's family and significant others, as appropriate to advance
11 treatment goals and objectives.

12 6. Care Coordination - Care Coordination services shall be provided by a LPHA or registered/
13 certified counselor and shall include one or more of the following components:

14 a. Coordinating with medical and mental health care providers to monitor and support
15 comorbid health conditions.

16 b. Discharge planning, including coordinating with SUD treatment providers to support
17 transitions between levels of care and to recovery resources, referrals to mental health providers, and
18 referrals to primary or specialty medical providers. When Residential Treatment Services are appropriate,
19 CONTRACTOR must complete and submit a Treatment Authorization Form to the ART team. If a bed
20 is not secured via the ART team, provider may also coordinate directly with a residential provider at time
21 of discharge to check for available bed.

22 c. Coordinating with ancillary services, including individualized connection, referral, and
23 linkages to community-based services and supports including but not limited to educational, social,
24 prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child
25 development, family/marriage education, cultural sources, and mutual aid support groups.
26 CONTRACTOR shall provide Care Coordination services for the Client during treatment, transition to
27 other levels of care and follow ups, to encourage the Client to engage and participate in an appropriate
28 level of care or Recovery Services after discharge. Care Coordination becomes the responsibility of the
29 next treating provider after successful transition to a different level of care. Care Coordination services
30 may be provided face-to-face, by telephone, or by telehealth with the Client and may be provided
31 anywhere in the community.

32 7. EBPs - Providers will implement at least two (2) of the following EBPs based on the timeline
33 established in COUNTY implementation plan. The two EBPs are per provider per service modality. The
34 required EBPs include:

35 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
36 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach

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1 frequently includes other problem-solving or solution-focused strategies that build on Clients' past
2 successes.

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

5 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
6 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
7 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved
8 during initial substance use treatment.

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

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

17 8. Medication Assisted Treatment

18 a. CONTRACTOR must offer or have an effective referral process in place to the most
19 clinically appropriate MAT services pursuant to the requirements set forth in DHCS information notices.
20 An effective referral process shall include an established relationship with a MAT provider and
21 transportation to appointments for MAT. Providing a Client the contact information for a treatment
22 program does not meet the requirement of an effective referral. A facilitated referral to any Medi-Cal
23 provider rendering MAT to a beneficiary is compliant whether or not that provider seeks reimbursement
24 through DMC-ODS. Clients needing or utilizing MAT shall be served and cannot be denied treatment
25 services or be required to be tapered off medications as a condition of entering or remaining in the
26 program.

27 b. MAT services may be provided onsite with approval for Incidental Medical Services
28 from DHCS. Medically necessary MAT services must be provided in accordance with an individualized
29 treatment plan determined by a Licensed Physician, Registered Nurse Practitioner, Physician Assistant,
30 or Registered Nurse working within their scope of practice.

31 c. MAT services must be provided in compliance with Policy and Procedures submitted to
32 DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
33 through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
34 ordering, prescribing, administering, and monitoring of all medications for SUDs.

35 d. CONTRACTOR shall provide administration of buprenorphine, naltrexone (oral and
36 injectable), acamprosate, disulfiram, and vivitrol. Other approved medications in the treatment of SUDs
37 may also be prescribed and administered, as medically necessary.

1 e. CONTRACTOR must provide care coordination with treatment and ancillary service
2 providers and facilitate transitions between levels of care. Clients may simultaneously participate in MAT
3 services and other ASAM LOCs.

4 f. CONTRACTOR must participate in ADMINISTRATOR's Medication Monitoring
5 practices process as a quality assurance measure. Medication Monitoring is to assure the appropriateness
6 of medication prescriptions for Mental Health and Recovery (MHRS) clients and to establish practices for
7 monitoring the safety and effectiveness of medication practices in MHRS.

8 9. Health, Medical, Psychiatric and Emergency Services

9 a. CONTRACTOR shall ensure that all persons admitted for Residential Treatment
10 Services have a health questionnaire completed using DHCS 5103 form, or may develop their own form
11 provided it contains, at a minimum, the information requested in the DHCS 5103 form. The health
12 questionnaire is a Client's self-assessment of his/her current health status and shall be completed by Client.

13 1) CONTRACTOR shall review and approve the health questionnaire form prior to
14 Client's admission to the program. The completed health questionnaire shall be signed and dated by
15 CONTRACTOR and Client, prior to admission.

16 2) A copy of the questionnaire shall be filed in the Client's record.

17 b. CONTRACTOR shall, based on information provided by Client on the health
18 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
19 examinations as appropriate.

20 1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to
21 Client's admission to the program when applicable.

22 2) A copy of the referral and clearance shall be kept in the Client's record.

23 c. CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV
24 antibody testing and risk assessment and disclosure counseling.

25 d. The programs shall have written procedures for obtaining medical or psychiatric
26 evaluation and emergency and non-emergency services.

27 e. The programs shall post the name, address, and telephone number for the fire department,
28 a crisis program, local law enforcement, and ambulance service.

29 10. Clinician Consultation Services

30 a. Clinician Consultation Services consist of DMC-ODS providers who are qualified to
31 perform assessments, consulting with providers, such as addiction medicine physicians, licensed
32 clinicians, addiction psychiatrists, or clinical pharmacists, to support the provision of care.

33 b. Clinician Consultation is not a direct service provided to Clients. Clinician Consultation
34 supports DMC-ODS licensed clinicians with complex cases and may address medication selection,
35 dosing, side effect management, adherence, drug-drug interactions, or level of care considerations. It
36 includes consultations between clinicians designed to assist DMC clinicians with seeking expert advice

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1 on treatment needs for specific DMC-ODS beneficiaries. These consultations can occur in person, by
2 telehealth, by telephone, or by asynchronous telecommunication systems.

3 11. Discharge Services - The process to prepare the Client for referral into another level of care,
4 post treatment return or reentry into the community, and/or the linkage of the individual to essential
5 community treatment, housing and human services. CONTRACTOR shall provide or arrange for
6 transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
7 immediately after enrollment.

8 a. Discharge Plan – CONTRACTOR shall develop a formal discharge plan within thirty
9 (30) calendar days prior to Client’s planned discharge from the program. A discharge plan is to be
10 completed for each Client, except a Client with whom CONTRACTOR loses contact. The discharge plan
11 shall be completed and signed by the LPHA or counselor and the Client. A copy of the discharge plan
12 shall be provided to the Client and retained in the Client’s record.

13 b. Discharge Summary – The discharge summary is to be completed by the LPHA or
14 counselor within thirty (30) calendar days of the date of the last face-to-face treatment contact with the
15 Client.

16 12. Food and Other Services – CONTRACTOR shall provide a clean, safe environment,
17 toiletries, clean linen, and food service.

18 13. Support Services – CONTRACTOR shall provide housekeeping, laundry, and maintenance.

19 14. Transportation Services

20 a. COUNTY shall only pay for medical ambulance or medical van transportation to and
21 from designated residential substance use disorder treatment programs or health facilities through
22 COUNTY’s Medical Transportation Agreement under the following conditions:

23 1) Ambulance transportation shall be used for services requiring immediate attention
24 for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where
25 delay in providing such services may aggravate the medical condition or cause the loss of life.

26 2) When any Client needs non-emergency transportation as identified in Subparagraph
27 14.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but
28 not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client’s
29 physical condition and/or limitations.

30 3) CONTRACTOR shall utilize COUNTY’s Ambulance Monthly Rotation Call Log to
31 request transportation services from Ambulance Providers designated for transportation within the city of
32 CONTRACTOR’s facility for each said month as identified on the log.

33 4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified
34 on the Monthly Rotation Call Log as those providers who offer van transportation services if and when
35 an ambulance is not required.

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1 5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider
2 for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service
3 under this section by COUNTY.

4 b. Non-Emergency Transportation - CONTRACTOR shall arrange or transport a Client to
5 locations that are considered necessary and/or important to the Client's recovery plan including, but not
6 limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-
7 emergency medical or mental health services not identified in Subparagraph 14.a. above, that require
8 treatment at a physician office, urgent care, or emergency room when an ambulance provider is not
9 necessary or required for transportation based on the level of severity and/or services required by the
10 Client.

11 H. PERFORMANCE OUTCOMES

12 1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance
13 Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR
14 recognizes that alterations may be necessary to the above services to meet the objectives, and, therefore,
15 revisions to objectives and services may be implemented by mutual agreement between CONTRACTOR
16 and ADMINISTRATOR.

17 2. Performance Outcome Objectives

18 a. Objective 1: CONTRACTOR shall provide effective Withdrawal Management Services
19 to Clients who meet medical necessity, as measured by completion rates.

20 1) Successful Completion rates shall be calculated by using the number of Clients who
21 leave with satisfactory progress divided by the total number of Clients discharged during the evaluation
22 period. At least seventy percent (70%) of Clients who enroll in treatment will successfully complete
23 treatment as per the CalOMS discharge disposition.

24 b. Objective 2: CONTRACTOR shall provide linkage to the next level of care for Clients
25 upon discharge. Thirty percent (30%) of Clients who have discharged will be linked with a lower level
26 of care within thirty (30) calendar days, as measured by charge data entered into the IRIS. Linkage rates
27 for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS
28 administrative discharge dispositions will be excluded.

29 I. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Services
30 paragraph of this Exhibit A to the Contract.

31
32 **VI. STAFFING**

33 A. CONTRACTOR shall provide twenty-four (24) hour awake supervision with at least one (1)
34 trained staff member on-site at all times. When sixteen (16) or more clients are present at least two trained
35 (2) staff shall be on-site at all times.

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1 B. Professional staff shall be licensed, registered, certified or recognized under California scope of
2 practice statutes. Professional staff shall provide services within their individual scope of practice and
3 receive supervision required under their scope of practice laws.

4 C. Professional staff must complete the HCA credentialing process by the QMS Managed Care
5 Support Team (MCST) prior to rendering any Medi-Cal covered services.

6 1. CONTRACTOR must comply with the requirements of the state's established uniform
7 credentialing and re-credentialing policy that addresses behavioral and substance use disorders, outlined
8 in DHCS Information Notice 18-019.

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

12 D. Non-professional staff shall receive appropriate onsite orientation and training by
13 CONTRACTOR prior to performing assigned duties. Non-professional staff shall be supervised by
14 CONTRACTOR by professional and/or administrative staff.

15 E. Professional and Non-professional staff are required to have appropriate experience and any
16 necessary training at the time of hiring and prior to providing services under this Contract.

17 F. Registered and certified SUD counselors shall adhere to all requirements in the CCR, Title 9,
18 Division 4, Chapter 8.

19 G. Pursuant to the CCR, Title 9, Division 4, Chapter 8, Subchapter 2, at least thirty percent (30%)
20 of CONTRACTOR staff providing counseling services shall be licensed or certified. All other counseling
21 staff shall be registered.

22 H. CONTRACTOR must have a SUD Medical Director who, prior to the delivery of services under
23 this Contract, has enrolled with DHCS under applicable state regulations, has been screened in accordance
24 with 42 CFR 455.450(a) as a "limited" categorical risk within a year prior to serving as a Medical Director
25 under this Contract, and has signed a Medicaid provider agreement with DHCS as required by 42 CFR
26 431.107.

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

1 g. Ensure that provider's physicians are adequately trained to perform other physician
2 duties, as outlined in this section.

3 2. Medical Director may delegate his/her responsibilities to a physician consistent with the
4 provider's medical policies and standards; however, the Substance Use Medical Director shall remain
5 responsible for ensuring all delegated duties are properly performed.

6 3. Written roles and responsibilities for the Medical Director shall be clearly documented,
7 signed and dated by a provider representative and the physician.

8 4. A code of conduct for the Medical Director shall be clearly documented, signed and dated by
9 a provider representative and the physician.

10 I. CONTRACTOR's certification to participate in the DMC program shall automatically terminate
11 in the event that CONTRACTOR or its owners, officers or directors are convicted of Medi-Cal fraud,
12 abuse or malfeasance. For purposes of this section, a conviction shall include a plea of guilty or nolo
13 contendere.

14 J. VOLUNTEERS/INTERNS – CONTRACTOR may augment the above paid staff with volunteers
15 or part-time student interns. Unless waived by ADMINISTRATOR, prior to providing services pursuant
16 to this Contract, interns shall be Master's Candidates in Counseling or Social Work or have a Bachelor's
17 Degree in a related field or be participating in any state recognized counselor certification program.
18 Additionally, volunteers or student interns must be AOD registered or certified. CONTRACTOR shall
19 provide supervision of work by interns or consistent with school or licensing Board requirements.
20 CONTRACTOR shall provide supervision to volunteers as specified in the respective job descriptions or
21 work contracts. Volunteer or student intern services may not comprise more than twenty percent (20%)
22 of the services provided, unless approved in advance by ADMINISTRATOR.

23 K. STAFF CONDUCT – CONTRACTOR shall establish written Policies and Procedures for
24 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be
25 limited to, standards related to the use of drugs and/or alcohol; staff-Client relationships; prohibition of
26 sexual conduct with Clients; prohibition of forging or falsifying documents or drug tests; and real or
27 perceived conflict of interest. Situations that may be perceived as a conflict of interest shall be brought
28 to ADMINISTRATOR's attention prior to the occurrence. Prior to providing any services pursuant to
29 this Contract all employees, volunteers, and interns shall agree in writing to maintain the standards set
30 forth in the said Policies and Procedures. A copy of the said Policies and Procedures shall be posted in
31 writing in a prominent place in the treatment facility and updated annually by the Board of Directors.

32 L. STAFF/VOLUNTEER/INTERN SCREENING – CONTRACTOR shall provide pre-
33 employment "live scan" screening of any staff person providing services pursuant to this Contract. All
34 new staff, volunteers, and interns shall pass a one-time "live scan" finger printing background check prior
35 to employment. In addition, all staff shall be subject to sanction screening as referenced in the Compliance
36 paragraph on a bi-annual basis. All staff shall be screened via the following websites: Megan's Law, OC
37 Courts and OC Sheriff's Department on an annual basis. The results of the fingerprint checks will be sent

1 directly from DOJ to CONTRACTOR. DOJ results along with website reviews must be documented in
2 staff file. ADMINISTRATOR may change this approval mechanism at its discretion.

3 1. All staff, prior to hiring, must meet the following requirements:

4 a. No person shall have been convicted of a sex offense for which the person is required to
5 register as a sex offender under PC section 290;

6 b. No person shall have been convicted of an arson offense – violation of PC sections 451,
7 451.1, 451.5, 452, 45231, 453, 454, or 455;

8 c. No person shall have been convicted of any violent felony as defined in PC section 667.5,
9 which involves doing bodily harm to another person, for which the staff member was convicted within
10 five (5) years prior to employment;

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

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

15 M. STAFF TRAINING – CONTRACTOR shall develop an annual written plan for staff training.
16 All Staff training shall be documented and maintained as part of the training plan. Training may be
17 conducted in person or web-based.

18 1. CONTRACTOR shall ensure that PRIOR to providing services all professional staff
19 complete the following:

20 a. ASAM Training (2 modules) provided by ADMINISTRATOR:

21 i. ASAM A (or I) Multidimensional Assessment.

22 ii. ASAM B (or II) Assessment to Service Planning and Level of Care.

23 iii. This requirement may only be waived for physicians/Medical Directors who are
24 Board Certified with an Addiction sub-specialty.

25 b. Annual Provider Training (APT) – Professional staff and administrators must receive
26 training on DMC-ODS requirements prior to providing services and annually thereafter. These
27 requirements will be contained in COUNTY-developed Annual Provider Training.

28 c. Cultural Competency Training as approved by ADMINISTRATOR

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

30 a. LPHAs including Medical Directors, shall receive a minimum of five (5) hours of
31 continuing education related to addiction medicine annually.

32 b. SUD documentation training within ninety (90) calendar days of hire is mandatory for
33 all professional staff, Quality Management staff, and supervisors; however, compliant documentation is
34 required from the onset of services;

35 c. Annual training in the two minimum evidence-based practices (EBP) utilized at the
36 program. Motivational Interviewing must be taken at least once and will count as one EBP for the year;
37 CONTRACTOR may choose other EBP courses after.

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

- 4 a. Naloxone Administration Training;
- 5 b. CPR / first aid Training;
- 6 c. Training in facility MAT policy;
- 7 d. Training in risks and benefits of MAT;
- 8 e. General knowledge of alcohol and/or drug abuse and alcoholism and the principles of
9 recovery;
- 10 f. Housekeeping and sanitation principles;
- 11 g. Principles of communicable disease prevention and control;
- 12 h. Recognition of early signs of illness and the need for professional assistance;
- 13 i. Availability of community services and resources;
- 14 j. Recognition of individuals under the influence of alcohol and/or drugs;
- 15 k. Principles of nutrition, food preparation and storage, and menu planning.

16 4. Facility personnel who provide withdrawal management services or who monitor or
17 supervise the provision of such services must:

- 18 a. Complete six (6) hours of orientation training that covers the needs of the Clients;
- 19 b. Repeat the orientation training within fourteen (14) calendar days of return after not
20 working for one hundred and eighty (180) or more consecutive calendar days; and
- 21 c. Complete eight (8) hours of training on an annual basis covering the needs of residents
22 receiving withdrawal management services.

23 N. PERSONNEL FILES – CONTRACTOR must maintain personnel files and ensure continued
24 compliance with required credentials and trainings for each staff persons, including management and other
25 administrative positions, subcontractors, and volunteers/interns, both direct and indirect to the Contract,
26 which must include, but not be limited to, the following:

- 27 1. Application for employment and/or resume;
- 28 2. Signed employment confirmation statement/duty statement;
- 29 3. Job description;
- 30 4. Salary schedule and salary adjustment information;
- 31 5. Performance evaluations;
- 32 6. Health records/status as required by the provider, AOD Certification or Title 9;
- 33 7. Other personnel actions (e.g. commendations, discipline, status change, employment
34 incidents and/or injuries);
- 35 8. Training documentation relevant to substance use disorders and treatment; to include:
 - 36 a. Training identified above
 - 37 b. Training in program's MAT policy (assigned staff per policy)

- 1 c. Training in risks and benefits of MAT (assigned staff per policy)
- 2 9. Current registration, certification, intern status, or licensure;
- 3 10. Proof of continuing education required by licensing or certifying agency and program; and
- 4 11. CONTRACTOR’s Code of Conduct and for registered, certified, and licensed staff, a copy
- 5 of the certifying/licensing body’s code of conduct.
- 6 12. All personnel files must be complete and made readily accessible to ADMINISTRATOR for
- 7 purposes of audits and investigations or any other reason deemed necessary by ADMINISTRATOR.
- 8 O. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing
- 9 Paragraph of this Exhibit A to the Contract.

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1 EXHIBIT B
 2 TO CONTRACT FOR PROVISION OF
 3 ADULT RESIDENTIAL DRUG MEDI-CAL
 4 WITHDRAWAL MANAGEMENT SERVICES
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 CACTUS GARDENS OPPORTUNITY HOUSE, INC. DBA RECOVERY BEACH
 9 JULY 1, 2024 THROUGH JUNE 30, 2027

10
11 **I. BUSINESS ASSOCIATE CONTRACT**

12 A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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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 and
9 maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR §
10 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to CONTRACTOR
11 or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY. CONTRACTOR
12 shall develop and maintain a written information privacy and security program that includes
13 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 45 CFR Part 164,
17 Subpart C, in compliance with 45 CFR § 164.316. CONTRACTOR will provide COUNTY with its
18 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, maintains,
23 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 Subparagraphs
25 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 subcontractors 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 security
3 matters with COUNTY.

4 E. DATA SECURITY REQUIREMENTS

5 1. Personal Controls

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

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

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

36 b. Server Security. Servers containing unencrypted PHI COUNTY discloses to
37 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY

1 must have sufficient administrative, physical, and technical controls in place to protect that data, based
2 upon a risk assessment/system security review.

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

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

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

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

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

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

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

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

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

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

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

25 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
26 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
27 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
28 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
29 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website
30 access, file transfer, and E-Mail.

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

35 3. Audit Controls

36 a. System Security Review. CONTRACTOR must ensure audit control mechanisms that
37 record and examine system activity are in place. All systems processing and/or storing PHI COUNTY

1 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
2 COUNTY must have at least an annual system risk assessment/security review which provides assurance
3 that administrative, physical, and technical controls are functioning effectively and providing adequate
4 levels of protection. Reviews should include vulnerability scanning tools.

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

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

12 4. Business Continuity/Disaster Recovery Control

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

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

25 5. Paper Document Controls

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

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

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

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

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

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

16 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

33 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

6 1) The Disclosure is required by law; or

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

11 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to
12 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of
13 CONTRACTOR.

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

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

18 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
19 required by law.

20 H. PROHIBITED USES AND DISCLOSURES

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

26 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
27 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
28 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
29 42 USC § 17935(d)(2).

30 I. OBLIGATIONS OF COUNTY

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

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

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

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

6 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

26 3. The obligations of this Business Associate Contract shall survive the termination of the
27 Contract.

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1 EXHIBIT C
 2 TO CONTRACT FOR PROVISION OF
 3 ADULT RESIDENTIAL DRUG MEDI-CAL
 4 WITHDRAWAL MANAGEMENT SERVICES
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 CACTUS GARDENS OPPORTUNITY HOUSE, INC. DBA RECOVERY BEACH
 9 JULY 1, 2024 THROUGH JUNE 30, 2027

10
11 **I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT**

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

14 A. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

6 B. TERMS OF AGREEMENT

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

11 2. Responsibilities of CONTRACTOR

12 CONTRACTOR agrees:

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

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

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

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

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

34 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
35 CONTRACTOR shall also comply with the substantive privacy and security requirements in the CMPPA
36 Contract between the SSA and the CHHS and in the Contract between the SSA and DHCS, known as the
37 IEA. The specific sections of the IEA with substantive privacy and security requirements to be complied

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

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

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

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

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

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

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

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1 EXHIBIT D
 2 TO CONTRACT FOR PROVISION OF
 3 ADULT RESIDENTIAL DRUG MEDI-CAL
 4 WITHDRAWAL MANAGEMENT SERVICES
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 CACTUS GARDENS OPPORTUNITY HOUSE, INC. DBA RECOVERY BEACH
 9 JULY 1, 2024 THROUGH JUNE 30, 2027

10
11 Preface

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

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

21
22 Good Neighbor Policy

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

26
27 CONTRACTOR shall establish a policy that includes all of the following elements:

- 28 • Ensure staff and clients conduct themselves in a manner that demonstrates respect for the
29 community and consideration of neighbors when entering/exiting the facility or outdoors.
- 30 • Establish and maintain early communication with cities, neighborhoods and communities as a
31 way to identify potential impacts to neighborhoods and mitigate as needed.
- 32 • Establish cooperative relationships with cities, neighborhoods and communities where services
33 are being rendered and mitigate impact as needed.
- 34 • Collaborate with cities, neighborhoods and communities as a way to promote integration of
35 facilities into the community and determine the effectiveness of established good neighbor practices.
- 36 • Develop written procedures to track, respond and mitigate neighborhood complaints. Procedures
37 should include identification of a contact person for complaint resolution and identification of COUNTY

1 contact if complaint is not adequately resolved. The procedures must also identify how these incidents
2 will be reported to the appropriate COUNTY contact in a timely manner.

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

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12 CONTRACTOR shall submit its policy to COUNTY for review and approval prior to the commencing of
13 services.

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