

~~CONTRACT FOR PROVISION OF
ADMINISTRATIVE SERVICES ORGANIZATION
FOR SPECIALTY MENTAL HEALTH
AND DRUG MEDICAL SUBSTANCE ABUSE SERVICES~~

~~BETWEEN
COUNTY OF ORANGE
AND
BEACON HEALTH OPTIONS OF CALIFORNIA, INC.~~

~~JULY 1, 2021 THROUGH JUNE 30, 2023~~

~~THIS CONTRACT entered into this 1st day of July 2021 (effective date), is by and between the COUNTY OF ORANGE, a political subdivision of the State of California (COUNTY), and BEACON HEALTH OPTIONS OF CALIFORNIA, INC., a California specialized health care service plan licensed under the Knox Keene Health Care Service Plan Act of 1975, as amended (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be referred to herein individually as "Party" or collectively as "Parties." This Contract shall be administered by the County of Orange Health Care Agency (ADMINISTRATOR).~~

WITNESSETH:

~~WHEREAS, the State of California Managed Care Plan for Medi-Cal Mental Health Services, dated June 1, 1994, defines and describes the principles and elements of the managed mental health care design for the public mental health system; and~~

~~WHEREAS, COUNTY under the authority of Sections 5775, et seq. of the Welfare and Institutions Code and the regulations adopted pursuant thereto, is the Local Mental Health Managed Care Administrator for Specialty Medi-Cal Mental Health Services; and~~

~~**WHEREAS, COUNTY WISHES TO CONTRACT WITH CONTRACTOR FOR THE PROVISION OF AMENDMENT NO. 3**~~

TO

CONTRACT NO. MA-042-21011458

FOR

ADMINISTRATIVE SERVICES ORGANIZATION FOR SPECIALTY MENTAL HEALTH AND DRUG MEDICAL SUBSTANCE ABUSE SERVICES

~~This Amendment ("Amendment No. 3") to Contract No. MA-042-21011458 for Administrative Services Organization for Specialty Mental Health and Drug Medi-Cal Substance Abuse Services described herein to the residents of Orange County; and is made and entered into on November 29, 2022 ("Effective Date") between Beacon Health Options of California, Inc., ("Contractor"), with a place of business at 12898~~

1 Towne Center Drive, Cerritos, CA 90703, and the County of Orange, a political subdivision of the State
2 of California (“County”), through its Health Care Agency, with a place of business at 405 W. 5th St., Ste.
3 600, Santa Ana, CA 92701. Contractor and County may sometimes be referred to individually as “Party”
4 or collectively as “Parties”.

5 ~~WHEREAS, CONTRACTOR is agreeable to the rendering of such services on the terms and~~
6 ~~conditions hereinafter set forth:~~

7 RECITALS

8 WHEREAS, the Parties executed Contract No. MA-042-21011458 for Administrative Services
9 Organization for Specialty Mental Health and Drug Medi-Cal Substance Abuse Services, effective July 1,
10 2021 through June 30, 2023, in a total amount not to exceed \$14,283,643, renewable for three additional
11 one-year periods (“Contract”); and

12 WHEREAS, the Parties on or about September 13, 2021, executed Amendment No. 1 to the
13 Contract to correct Contractor DUNS Number and Contractor Tax ID Number and to amend Exhibit A due
14 to budget revisions with no alterations to the scope and services Contractor is required to provide; and

15 WHEREAS, the Parties on or about September 15, 2022, executed Amendment No. 2 to the
16 Contract to amend Exhibit A payment provision; and

17 WHEREAS, the Parties desire to enter into this Amendment No. 3 to the Contract to increase the
18 Contract’s Period One Amount Not to Exceed by \$2,030,133 and Period Two Amount Not to Exceed by
19 \$4,697,690, and to amend Exhibit A to reflect changes in budget and staffing needs with no alterations to
20 the scope and services Contractor is required to provide;

21 ~~NOW, THEREFORE, in consideration of the mutual covenants, benefits, and promises contained~~
22 ~~herein, COUNTY and CONTRACTOR do hereby the Parties agree to amend the Contract as follows:~~

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REFERENCED CONTRACT PROVISIONS

~~Term: July 1, 2021 through June 30, 2023~~

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

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

Amount Not to Exceed:

_____ Period One Amount Not to Exceed: ~~\$ 7,285,105~~ \$ 9,315,238

_____ Period Two Amount Not to Exceed: ~~6,998,538~~ \$11,696,228

_____ TOTAL AMOUNT NOT TO EXCEED: ~~\$14,283,643~~ \$21,011,466

~~Basis for Reimbursement: Indirect Costs: _____ Negotiated Amount~~

_____ Administrative Costs: _____ Actual Cost

_____ Program Services: _____ Actual Cost

_____ Mental Health Claims: _____ Actual Cost

~~Payment Method: _____ Monthly in Arrears~~

~~CONTRACTOR DUNS Number: 95-4297574~~

~~CONTRACTOR TAX ID Number: 04-3324848~~

~~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: _____ Beacon Health Options of California, Inc.~~

- 1 12898 Towne Center Drive
- 2 Cerritos, CA, 90703
- 3 Sarah Arnquist, President
- 4 Email: sarah.arnquist@beaconhealthoptions.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:~~

A.	AA	Alcoholics Anonymous
B.	ADL	Activities of Daily Living
C.	AES	Advanced Encryption Standard
D.	AOABS	Adult and Older Adult Behavioral Health
E.	ABC	Allied Behavioral Care
F.	ARRA	American Recovery and Reinvestment Act
G.	ASIST	Applied Suicide Intervention Skills Training
H.	ASO	Administrative Services Organization
I.	ASRS	Alcohol and Drug Programs Reporting System
J.	AQIS	Authority and Quality Improvement Services
K.	BBS	Board of Behavioral Sciences
L.	BCP	Business Continuity Plan
M.	BHS	Behavioral Health Services
N.	CalWORKs	California Work Opportunity and Responsibility for Kids
O.	CAT	Centralized Assessment Team
P.	CCC	California Civil Code
Q.	CCR	California Code of Regulations
R.	CD/DVD	Compact Disc/Digital Video or Versatile Disc
S.	CFR	Code of Federal Regulations
T.	CHHS	California Health and Human Services Agency
U.	CHPP	COUNTY HIPAA Policies and Procedures
V.	CHS	Correctional Health Services
W.	CIPA	California Information Practices Act
X.	CMPPA	Computer Matching and Privacy Protection Act
Y.	COI	Certificate of Insurance
Z.	CSI	Client and Services Information
AA.	CSW	Clinical Social Worker
AB.	CYBH	Children and Youth Behavioral Health Services
AC.	D/MC	Drug/Medi-Cal
AD.	DCR	Data Collection and Reporting
AE.	DD	Dual Disorders
AF.	DHCS	Department of Health Care Services
AG.	DoD	Department of Defense
AH.	DPFS	Drug Program Fiscal Systems

1	AI. DRP	Disaster Recovery Plan
2	AJ. DRS	Designated Record Set
3	AK. DSM	Diagnostic and Statistical Manual of Mental Disorders
4	AL. DSM V	Diagnostic and Statistical Manual of Mental Disorders 5th Edition
5	AM. EBP	Evidence Based Practice
6	AN. EHR	Electronic Health Record
7	AO. E Mail	Electronic Mail
8	AP. EPSDT	Early and Periodic Screening, Diagnosis and Treatment
9	AQ. FAX	Facsimile Machine
10	AR. FFS	Fee For Service
11	AS. FIPS	Federal Information Processing Standards
12	AT. FSP	Full Service Partnership
13	AU. FTE	Full Time Equivalent
14	AV. GAAP	Generally Accepted Accounting Principles
15	AW. HCA	Health Care Agency
16	AX. HHS	Health and Human Services
17	AY. HIPAA	Health Insurance Portability and Accountability Act
18	AZ. HSC	California Health and Safety Code
19	BA. ID	Identification
20	BB. IEA	Information Exchange Agreement
21	BC. IMD	Institute for Mental Disease
22	BD. IBNR	Incurred But Not Reported
23	BE. IRIS	Integrated Records Information System
24	BF. LGBTQI	Lesbian, Gay, Bisexual, Transgender, Questioning, and Intersex
25	BG. LCSW	Licensed Clinical Social Worker
26	BH. LPT	Licensed Psychiatric Technician
27	BI. MEDS	Medi-Cal Eligibility Determination System
28	BJ. MFT	Marriage and Family Therapist
29	BK. MHP	Mental Health Plan
30	BL. MHRC	Mental Health Rehabilitation Centers
31	BM. MHS	Mental Health Specialist
32	BN. MHSA	Mental Health Services Act
33	BO. MIHS	Medical and Institutional Health Services
34	BP. MORS	Milestones of Recovery Scale
35	BQ. MTP	Master Treatment Plan
36	BR. NA	Narcotics Anonymous
37	BS. NIST	National Institute of Standards and Technology

1	BT. NOABD	Notice of Action
2	BU. NP	Nurse Practitioner
3	BV. NPDB	National Provider Data Bank
4	BW. NPI	National Provider Identifier
5	BX. NPP	Notice of Privacy Practices
6	BY. OCJS	Orange County Jail System
7	BZ. OCPD	Orange County Probation Department
8	CA. OCR	Office for Civil Rights
9	CB. OCSD	Orange County Sheriff's Department
10	CC. OIG	Office of Inspector General
11	CD. OMB	Office of Management and Budget
12	CE. OPM	Office of Personnel Management
13	CF. P&P	Policy and Procedure
14	CG. PADSS	Payment Application Data Security Standard
15	CH. PAF	Partnership Assessment Form
16	CI. PAR	Prior Authorization Request
17	CJ. PBM	Pharmaceutical Benefits Management
18	CK. PC	Penal Code
19	CL. PCP	Primary Care Provider
20	CM. PHI	Protected Health Information
21	CN. PI	Personal Information
22	CO. PII	Personally Identifiable Information
23	CP. PRA	Public Records Act
24	CQ. PSC	Personal Services Coordinator
25	CR. QI	Quality Improvement
26	CS. QIC	Quality Improvement Committee
27	CT. RN	Registered Nurse
28	CU. RSA	Remote Site Access
29	CV. SNF	Skilled Nursing Facility
30	CW. SSI	Supplemental Security Income
31	CX. SSA	Social Services Agency
32	CY. HITECH Act	The Health Information Technology for Economic and Clinical Health Act, Public Law 111-005
33	CZ. TAR	Treatment Authorization Request
34	DA. TAY	Transitional Age Youth
35	DB. TTY	Teletypewriter
36	DC. UMDAP	Universal Method of Determining Ability to Pay

~~DD. USC United States Code~~

~~DE. WIC State of California Welfare and Institutions Code~~

~~II. ALTERATION OF TERMS~~

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

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

~~III. ASSIGNMENT OF DEBTS~~

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

~~IV. COMPLIANCE~~

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

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

~~2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own compliance program, code of conduct and any compliance related policies and procedures. CONTRACTOR's compliance program, code of conduct and any related policies and procedures shall be verified by ADMINISTRATOR's Compliance Department to ensure they include all required elements by ADMINISTRATOR's Compliance Officer as described in this Compliance Paragraph to this Contract.~~

~~These elements include:~~

~~a. Designation of a Compliance Officer and/or compliance staff.~~

~~b. Written standards, policies and/or procedures.~~

~~c. Compliance related training and/or education program and proof of completion.~~

~~1 d. Communication methods for reporting concerns to the Compliance Officer.~~

~~2 e. Methodology for conducting internal monitoring and auditing.~~

~~3 f. Methodology for detecting and correcting offenses.~~

~~4 g. Methodology/Procedure for enforcing disciplinary standards.~~

~~5 3. If CONTRACTOR does not provide proof of its own compliance program to
ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR's Compliance
6 Program and Code of Conduct, CONTRACTOR shall submit to ADMINISTRATOR within thirty (30)
7 calendar days of execution of this Contract a signed acknowledgement that CONTRACTOR shall
internally comply with ADMINISTRATOR's Compliance Program and Code of Conduct.
8 CONTRACTOR shall have as many Covered Individuals as it determines necessary complete
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
shall submit a copy of its compliance program, code of conduct and all relevant policies and procedures
11 to ADMINISTRATOR within thirty (30) calendar days of execution of this Contract.
ADMINISTRATOR's Compliance Officer, or designee, shall review said documents within a reasonable
12 time, which shall not exceed forty five (45) calendar days, and determine if CONTRACTOR's proposed
13 compliance program and code of conduct contain all required elements to ADMINISTRATOR's
14 satisfaction as consistent with the HCA's Compliance Program and Code of Conduct.
ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and
15 CONTRACTOR shall revise its compliance program and code of conduct to meet ADMINISTRATOR's
16 required elements within thirty (30) calendar days after ADMINISTRATOR's Compliance Officer's
17 determination and resubmit the same for review by ADMINISTRATOR.~~

~~18 5. Upon written confirmation from ADMINISTRATOR's compliance officer that
19 CONTRACTOR's compliance program, code of conduct and any compliance related policies and
20 procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals
relative to this Contract are made aware of CONTRACTOR's compliance program, code of conduct,
21 related policies and procedures and contact information for ADMINISTRATOR's Compliance Program.~~

~~22 B. SANCTION SCREENING—CONTRACTOR shall screen all Covered Individuals employed or
retained to provide services related to this Contract monthly to ensure that they are not designated as
23 Ineligible Persons, as pursuant to this Contract. Screening shall be conducted against the General Services
Administration's Excluded Parties List System or System for Award Management, the Health and Human
24 Services/Office of Inspector General List of Excluded Individuals/Entities, and the California Medi-Cal
25 Suspended and Ineligible Provider List, the Social Security Administration's Death Master File, and/or
26 any other list or system as identified by ADMINISTRATOR.~~

~~27 1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees,
interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items~~

~~1 or services or who perform billing or coding functions on behalf of ADMINISTRATOR.
2 CONTRACTOR shall ensure that all Covered Individuals relative to this Contract are made aware of
3 ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures (or
4 CONTRACTOR's own compliance program, code of conduct and related policies and procedures if
5 CONTRACTOR has elected to use its own).~~

~~6 2. An Ineligible Person shall be any individual or entity who:~~

~~7 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in federal
8 and state health care programs; or~~

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

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

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

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

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

~~7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or
entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.
Such individual or entity shall be immediately removed from participating in any activity associated with
this Contract. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to
CONTRACTOR for services provided by ineligible person or individual.~~

~~#~~

~~CONTRACTOR shall promptly return any overpayments within forty five (45) business days after the~~

1 ~~overpayment is verified by ADMINISTRATOR.~~

2 ~~— C. GENERAL COMPLIANCE TRAINING— ADMINISTRATOR shall make General Compliance~~
 3 ~~Training available to Covered Individuals.~~

4 ~~— 1. CONTRACTOR that has acknowledged to comply with ADMINISTRATOR’s Compliance~~
 5 ~~Program shall use its best efforts to encourage completion by all Covered Individuals; provided, however,~~
 6 ~~that at a minimum CONTRACTOR shall assign at least one (1) designated representative to complete the~~
 7 ~~General Compliance Training when offered.~~

8 ~~— 2. Such training shall be made available to Covered Individuals within thirty (30) calendar days~~
 9 ~~of employment or engagement.~~

10 ~~— 3. Such training shall be made available to each Covered Individual annually.~~

11 ~~— 4. ADMINISTRATOR will track training completion while CONTRACTOR shall provide~~
 12 ~~copies of training certification upon request.~~

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

17 ~~— D. SPECIALIZED PROVIDER TRAINING— ADMINISTRATOR shall make Specialized Provider~~
 18 ~~Training, where appropriate, available to Covered Individuals.~~

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

23 ~~— 2. Such training shall be made available to Covered Individuals within thirty (30) calendar days~~
 24 ~~of employment or engagement.~~

25 ~~— 3. Such training shall be made available to each Covered Individual annually.~~

26 ~~— 4. ADMINISTRATOR will track online completion of training while CONTRACTOR shall~~
 27 ~~provide copies of the certifications upon request.~~

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

32 ~~— E. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS~~

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

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

3 ~~3. CONTRACTOR shall bill only for those eligible services actually rendered which are also~~
 4 ~~fully documented. When such services are coded, CONTRACTOR shall use proper billing codes which~~
 5 ~~accurately describe the services provided and must ensure compliance with all billing and documentation~~
 6 ~~requirements.~~

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

9 ~~5. CONTRACTOR shall promptly return any overpayments within forty five (45) business~~
 10 ~~days after the overpayment is verified by ADMINISTRATOR.~~

11 ~~6. CONTRACTOR shall meet the HCA MHP Quality Management Program Standards and~~
 12 ~~participate in the quality improvement activities developed in the implementation of the Quality~~
 13 ~~Management Program.~~

14 ~~7. CONTRACTOR shall comply with the provisions of ADMINISTRATOR's Cultural~~
 15 ~~Competency Plan submitted and approved by the State. ADMINISTRATOR shall update the Cultural~~
 16 ~~Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,~~
 17 ~~§1810.410.subds. (c) (d)).~~

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

~~V. CONFIDENTIALITY~~

24 ~~A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any audio~~
 25 ~~and/or video recordings, in accordance with all applicable federal, state and county codes and regulations,~~
 26 ~~as they now exist or may hereafter be amended or changed.~~

27 ~~1. CONTRACTOR acknowledges and agrees that all persons served pursuant to this Contract~~
 28 ~~are Clients of the Orange County Mental Health services system, and therefore it may be necessary for~~
 29 ~~authorized staff of ADMINISTRATOR to audit Client files, or to exchange information regarding specific~~
 30 ~~Clients with COUNTY or other providers of related services contracting with COUNTY.~~

31 ~~2. CONTRACTOR acknowledges and agrees that it shall be responsible for obtaining written~~
 32 ~~consents for the release of information from all persons served by CONTRACTOR pursuant to this~~
 33 ~~Contract. Such consents shall be obtained by CONTRACTOR in accordance with CCC, Division 1, Part~~
 34 ~~2.6, relating to confidentiality of medical information.~~

35 ~~3. In the event of a collaborative service agreement between Mental Health services providers,~~

~~CONTRACTOR acknowledges and agrees that it is responsible for obtaining releases of information, from the collaborative agency, for Clients receiving services through the collaborative agreement.~~

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

VI. CONFLICT OF INTEREST

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

VII. COST REPORT

~~— A. CONTRACTOR shall submit separate individual and/or consolidated Cost Reports for Period One, and Period Two, or for a portion thereof, to COUNTY no later than sixty (60) calendar days following the period for which they are prepared or termination of this Contract. CONTRACTOR shall prepare the individual and/or consolidated Cost Report in accordance with all applicable federal, state and COUNTY requirements, GAAP and the Special Provisions Paragraph of this Contract. CONTRACTOR shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in accordance with such requirements and consistent with prudent business practice, which costs and allocations shall be supported by source documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon reasonable notice. In the event CONTRACTOR has multiple Contracts for mental health services that are administered by HCA, consolidation of the individual Cost Reports into a single consolidated Cost Report may be required, as stipulated by ADMINISTRATOR. CONTRACTOR shall submit the consolidated Cost Report to COUNTY no later than five (5) business days following approval by ADMINISTRATOR of all individual Cost Reports to be incorporated into a consolidated Cost Report.~~

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

~~1 a. CONTRACTOR may be assessed a late penalty of five hundred dollars (\$500) for each
2 business day after the above specified due date that the accurate and complete individual and/or
3 consolidated Cost Report is not submitted. Imposition of the late penalty shall be at the sole discretion of
4 ADMINISTRATOR. The late penalty shall be assessed separately on each outstanding individual and/or
5 consolidated Cost Report due COUNTY by CONTRACTOR.~~

~~6 b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
7 pursuant to any or all Contracts between COUNTY and CONTRACTOR until such time that the accurate
8 and complete individual and/or consolidated Cost Report is delivered to ADMINISTRATOR.~~

~~9 2. CONTRACTOR may request, in advance and in writing, an extension of the due date of the
10 individual and/or consolidated Cost Report setting forth good cause for justification of the request.
11 Approval of such requests shall be at the sole discretion of ADMINISTRATOR and shall not be
12 unreasonably denied.~~

~~13 3. In the event that CONTRACTOR does not submit an accurate and complete individual and/or
14 consolidated Cost Report within one hundred and eighty (180) calendar days following the termination of
15 this Contract, and CONTRACTOR has not entered into a subsequent or new contract for any other
16 services with COUNTY, then all amounts paid to CONTRACTOR by COUNTY during the term of the
17 Contract shall be immediately reimbursed to COUNTY.~~

~~18 B. The individual and/or consolidated Cost Report shall be the final financial and statistical report
19 submitted by CONTRACTOR to COUNTY and shall serve as the basis for final settlement to
20 CONTRACTOR. CONTRACTOR shall document that costs are reasonable and allowable and directly
21 or indirectly related to the services to be provided hereunder. The individual and/or consolidated Cost
22 Report shall be the final financial record for subsequent audits, if any.~~

~~23 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder, less
24 applicable revenues and any late penalty, not to exceed COUNTY's Total Amount Not to Exceed as set
25 forth in the Referenced Contract Provisions of this Contract. CONTRACTOR shall not claim
26 expenditures to COUNTY which are not reimbursable pursuant to applicable federal, state and COUNTY
27 laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR, which is
subsequently determined to have been for an unreimbursable expenditure or service, shall be repaid by
CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30) calendar
days of submission of the individual and/or consolidated Cost Report or COUNTY may elect to reduce
any amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.~~

~~D. If the individual and/or consolidated Cost Report indicates the actual and reimbursable costs of
services provided pursuant to this Contract, less applicable revenues and late penalty, are lower than the
aggregate of interim monthly payments to CONTRACTOR, CONTRACTOR shall remit the difference
to COUNTY. Such reimbursement shall be made, in cash, or other authorized form of payment, with the
submission of the individual and/or consolidated Cost Report. If such reimbursement is not made by
CONTRACTOR within thirty (30) calendar days after submission of the individual and/or consolidated~~

1 ~~Cost Report, COUNTY may, in addition to any other remedies, reduce any amount owed CONTRACTOR~~
2 ~~by an amount not to exceed the reimbursement due COUNTY.~~

3 ~~— E. If the individual and/or consolidated Cost Report indicates the actual and reimbursable costs of~~
4 ~~services provided pursuant to this Contract, less applicable revenues and late penalty, are higher than the~~
5 ~~aggregate of interim monthly payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the~~
6 ~~difference, provided such payment does not exceed the Total Amount Not to Exceed of COUNTY.~~

7 ~~— F. Unless approved by ADMINISTRATOR, costs that exceed the Statewide Maximum Allowance~~
8 ~~(SMA) rates per Medi-Cal Unit of Services, as determined by the DHCS, shall be unreimbursable to~~
9 ~~CONTRACTOR.~~

10 ~~— G. In the event that CONTRACTOR is authorized to retain unanticipated revenues as described in~~
11 ~~the Budget Paragraph of Exhibit A to this Contract, CONTRACTOR shall specify in the individual and/or~~
12 ~~consolidated Cost Report the services rendered with such revenues.~~

13 ~~— H. All Cost Reports shall contain the following attestation, which may be typed directly on or~~
14 ~~attached to the Cost Report:~~

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

23 _____ Signed _____
24 _____ Name _____
25 _____ Title _____
26 _____ Date _____"

27 **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,~~

~~1 theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen
2 property.~~

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

~~6 — 4. Have not within a three-year period preceding this Contract had one or more public
7 transactions (federal, state, or local) terminated for cause or default.~~

~~8 — 5. Shall not knowingly enter into any lower tier covered transaction with a person who is
9 proposed for debarment under federal regulations (i.e., 48 CFR Part 9, Subpart 9.4), debarred, suspended,
10 declared ineligible, or voluntarily excluded from participation in such transaction unless authorized by the
11 State of California.~~

~~12 — 6. Shall include without modification, the clause titled "Certification Regarding Debarment,
13 Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction," (i.e., transactions
14 with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in
15 accordance with 2 CFR Part 376.~~

~~16 — B. The terms and definitions of this paragraph have the meanings set out in the Definitions and
17 Coverage sections of the rules implementing 51 F.R. 6370.~~

~~18 **IX. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**~~

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

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

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

~~7 — 2. If CONTRACTOR is a for profit organization, any change in the business structure,~~

1 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of
 2 ~~CONTRACTOR~~, change to another corporate structure, including a change to a sole proprietorship, or a
 3 change in fifty percent (50%) or more of Board of Directors or any governing body of ~~CONTRACTOR~~
 4 at one time shall be deemed an assignment pursuant to this paragraph. Any attempted assignment or
 5 delegation in derogation of this subparagraph shall be void.

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

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

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

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

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

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

31 ~~2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY~~
 32 ~~pursuant to this Contract.~~

33 #

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

36 ~~4. This provision shall not be applicable to service agreements usually and customarily entered~~
 37 ~~into by CONTRACTOR to obtain or arrange for supplies, technical support, and professional services~~

1 provided by consultants.

2 ~~— D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status~~
 3 ~~with respect to name changes that do not require an assignment of the Contract. CONTRACTOR is also~~
 4 ~~obligated to notify COUNTY in writing if CONTRACTOR becomes a party to any litigation against~~
 5 ~~COUNTY, or a party to litigation that may reasonably affect CONTRACTOR's performance under the~~
 6 ~~Contract, as well as any potential conflicts of interest between CONTRACTOR and COUNTY that may~~
 7 ~~arise prior to or during the period of Contract performance. While CONTRACTOR is required to provide~~
 8 ~~this information without prompting from COUNTY any time there is a change in CONTRACTOR's~~
 9 ~~name, conflict of interest or litigation status, CONTRACTOR must also provide an update to COUNTY~~
 10 ~~of its status in these areas whenever requested by COUNTY.~~

9 X. DISPUTE RESOLUTION

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

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

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

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

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

30 ~~— D. This Contract has been negotiated and executed in the State of California and shall be governed~~
 31 ~~by and construed under the laws of the State of California. In the event of any legal action to enforce or~~
 32 ~~interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in~~
 33 ~~Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such~~
 34 ~~court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree~~

1 to waive any and all rights to request that an action be transferred for adjudication to another county.

2 XI. EMPLOYEE ELIGIBILITY VERIFICATION

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

12 XII. EQUIPMENT

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

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

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

34 ~~— D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part with~~
 35 ~~funds paid through this Contract, including date of purchase, purchase price, serial number, model and~~

1 type of Equipment. Such inventory shall be available for review by ADMINISTRATOR, and shall
2 include the original purchase date and price, useful life, and balance of depreciated Equipment cost, if
any.

3 ~~E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical~~
4 ~~inventories of all Equipment. Upon demand by ADMINISTRATOR, CONTRACTOR shall return any~~
5 ~~or all Equipment to COUNTY.~~

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

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

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

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

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

21 ~~B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or supplies~~
22 ~~as required, ADMINISTRATOR may, at its sole discretion, reduce the Amount Not to Exceed for the~~
23 ~~appropriate Period as well as the Total Amount Not to Exceed. The reduction to the Amount Not to~~
24 ~~Exceed for the appropriate Period as well as the Total Amount Not to Exceed shall be in an amount~~
25 ~~proportionate to the number of days in which CONTRACTOR was determined to be unable to provide~~
26 ~~services, staffing, facilities or supplies.~~

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XIV. INDEMNIFICATION AND INSURANCE

~~A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,~~
~~and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special~~
~~districts and agencies for which COUNTY's Board of Supervisors acts as the governing Board~~
~~("COUNTY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature,~~
~~including but not limited to personal injury or property damage, arising from or related to the services,~~
~~products or other performance provided by CONTRACTOR pursuant to this Contract. If judgment is~~

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

4 — B. Prior to the provision of services under this Contract, CONTRACTOR agrees to purchase all
 5 required insurance at CONTRACTOR's expense, including all endorsements required herein, necessary
 6 to satisfy COUNTY that the insurance provisions of this Contract have been complied with.
 7 CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on
 deposit with COUNTY during the entire term of this Contract.

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

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

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

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

23 #

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

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

— F. QUALIFIED INSURER

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

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

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

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

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

~~H. REQUIRED COVERAGE FORMS~~

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

~~#~~

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

~~I. REQUIRED ENDORSEMENTS~~

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

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

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

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

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

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

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

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

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

29 ~~M. If CONTRACTOR's Professional Liability and/or Network Security & Privacy Liability are~~
30 ~~"Claims Made" policies, CONTRACTOR shall agree to maintain coverage for two (2) years following~~
31 ~~the completion of the Contract.~~

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

34 ~~#~~

35 ~~O. Insurance certificates should be forwarded to the agency/department address specified in the~~
36 ~~Referenced Contract Provisions of this Contract.~~

37 ~~P. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7)~~

~~calendar days of notification by CEO/Purchasing or the agency/department purchasing division, it shall constitute a breach of CONTRACTOR's obligation hereunder and ground for COUNTY to suspend or terminate this Contract.~~

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

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

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

~~T. SUBMISSION OF INSURANCE DOCUMENTS~~

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

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

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

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

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

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

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

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

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

~~4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any~~

1 ~~insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs~~
 2 ~~and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.~~

3 ~~XV. INSPECTIONS AND AUDITS~~

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

14 ~~— B. CONTRACTOR shall actively participate and cooperate with any person specified in~~
 15 ~~Subparagraph A. above in any evaluation or monitoring of the services provided pursuant to this Contract~~
 16 ~~and shall provide the above mentioned persons adequate office space to conduct such evaluation or~~
 17 ~~monitoring.~~

18 ~~C. AUDIT RESPONSE~~

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

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

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

36 ~~— E. CONTRACTOR shall forward to ADMINISTRATOR a copy of any audit report within fourteen~~

~~(14) calendar days of receipt. Such audit shall include, but not be limited to, management, financial, programmatic or any other type of audit of CONTRACTOR's operations, whether or not the cost of such operation or audit is reimbursed in whole or in part through this Contract.~~

~~**XVI. LICENSES AND LAWS**~~

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

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

- ~~1. ARRA of 2009.~~
- ~~2. Trafficking Victims Protection Act of 2000.~~
- ~~3. Title 22, CCR, §51009, Confidentiality of Records.~~
- ~~4. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.~~
- ~~5. Federal Medicare Cost reimbursement principles and cost reporting standards.~~
- ~~6. State of California Health and Human Services Agency, Department of Health Care Services, MHSD, Medi-Cal Billing Manual, October 2013.~~
- ~~7. Orange County Medi-Cal Mental Health Managed Care Plan.~~
- ~~8. Short Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management.~~
- ~~9. Short Doyle/Medi-Cal Modifications/Revisions for the Rehabilitation Option and Targeted Case Management Manual, including DMH Letter 94-14, dated July 7, 1994, DMH Letter No. 95-04, dated July 27, 1995, DMH Letter 96-03, dated August 13, 1996.~~
- ~~10. WIC, Division 5, Community Mental Health Services.~~
- ~~11. WIC, Division 6, Admissions and Judicial Commitments.~~
- ~~12. WIC, Division 7, Mental Institutions.~~
- ~~13. HSC, §§1250 et seq., Health Facilities.~~
- ~~14. PC, §§11164-11174.3, Child Abuse and Neglect Reporting Act.~~
- ~~15. CCR, Title 9, Rehabilitative and Developmental Services.~~
- ~~16. CCR, Title 17, Public Health.~~
- ~~17. CCR, Title 22, Social Security.~~

- 1 ~~18. CFR, Title 42, Public Health.~~
 2 ~~19. CFR, Title 45, Public Welfare.~~
 3 ~~20. USC Title 42, Public Health and Welfare.~~
 4 ~~21. Federal Social Security Act, Title XVIII and Title XIX Medicare and Medicaid.~~
 5 ~~22. 42 USC §12101 et seq., Americans with Disabilities Act of 1990.~~
 6 ~~23. 42 USC §1857, et seq., Clean Air Act.~~
 7 ~~24. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.~~
 8 ~~25. 31 USC 7501.70, Federal Single Audit Act of 1984.~~
 9 ~~26. Policies and procedures set forth in Mental Health Services Act.~~
 10 ~~27. Policies and procedures set forth in DHCS Letters.~~
 11 ~~28. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.~~
 12 ~~29. 31 USC 7501—7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.~~

13 ~~C. CONTRACTOR shall at all times be capable and authorized by the State of California to provide
 treatment and bill for services provided to Medi-Cal eligible Clients while working under the terms of this
 Contract, if applicable.~~

14 ~~D. CONTRACTOR shall make every reasonable effort to obtain appropriate licenses and/or waivers
 to provide Medi-Cal billable treatment services at school or other sites requested by ADMINISTRATOR,
 if applicable.~~

15 ~~XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA~~

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

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

23 ~~C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly
 24 available social media sites) in support of the services described within this Contract, CONTRACTOR
 25 shall develop social media policies and procedures and have them available to ADMINISTRATOR upon
 26 reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social media used
 27 to either directly or indirectly support the services described within this Contract. CONTRACTOR shall
 comply with COUNTY Social Media Use Policy and Procedures as they pertain to any social media
 developed in support of the services described within this Contract. CONTRACTOR shall also include~~

1 ~~any required funding statement information on social media when required by ADMINISTRATOR.~~
2 ~~— D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by~~
3 ~~COUNTY, unless ADMINISTRATOR consents thereto in writing.~~

4 **XVIII. AMOUNT NOT TO EXCEED**

5 ~~— A. The Total Amount Not to Exceed of COUNTY for services provided in accordance with this~~
6 ~~Contract, and the separate Amount Not to Exceeds for each Period under this Contract, are as specified in~~
7 ~~the Referenced Contract Provisions of this Contract, except as allowed for in Subparagraph B. below.~~

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

10 **XIX. MINIMUM WAGE LAWS**

11 ~~— A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and~~
12 ~~State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the federal~~
13 ~~or California Minimum Wage to all its employees that directly or indirectly provide services pursuant to~~
14 ~~this Contract, in any manner whatsoever. CONTRACTOR shall require and verify that all its contractors~~
15 ~~or other persons providing services pursuant to this Contract on behalf of CONTRACTOR also pay their~~
16 ~~employees no less than the greater of the federal or California Minimum Wage.~~

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

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

24 **XX. NONDISCRIMINATION**

25 ~~— A. EMPLOYMENT~~

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

1 ~~expression, age, sexual orientation, or military and veteran status.~~

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

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

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

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

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

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

35 ~~1. Denying a Client or potential Client any service, benefit, or accommodation.~~

36 ~~2. Providing any service or benefit to a Client which is different or is provided in a different~~
 37 ~~manner or at a different time from that provided to other Clients.~~

~~3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service and/or benefit.~~

~~4. Treating a Client differently from others in satisfying any admission requirement or condition, or eligibility requirement or condition, which individuals must meet in order to be provided any service and/or benefit.~~

~~5. Assignment of times or places for the provision of services.~~

~~C. COMPLAINT PROCESS~~ CONTRACTOR shall establish procedures for advising all Clients through a written statement that CONTRACTOR's and/or subcontractor's Clients may file all complaints alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and ADMINISTRATOR.

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

~~a. COUNTY shall establish a formal resolution and grievance process in the event informal processes do not yield a resolution.~~

~~b. Throughout the problem resolution and grievance process, Client rights shall be maintained, including access to COUNTY's Patients' Rights Contractor at any point in the process. Clients shall be informed of their right to access COUNTY's Patients' Rights Contractor at any time.~~

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

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

~~#~~

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

~~F. In the event of non-compliance with this paragraph or as otherwise provided by federal and state 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 XXI. NOTICES

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

5 ~~— 1. When written and deposited in the United States mail, first class postage prepaid and~~
 6 ~~addressed as specified in the Referenced Contract Provisions of this Contract or as otherwise directed by~~
 7 ~~ADMINISTRATOR;~~

8 ~~— 2. When faxed, transmission confirmed;~~

9 ~~— 3. When sent by Email; or~~

10 ~~— 4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel Service,~~
 11 ~~or any other expedited delivery service.~~

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

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

20 ~~— D. For purposes of this Contract, any notice to be provided by COUNTY may be given by~~
 21 ~~ADMINISTRATOR.~~

22 XXII. NOTIFICATION OF DEATH

23 ~~— A. Upon becoming aware of the death of any person served pursuant to this Contract,~~
 24 ~~CONTRACTOR shall immediately notify ADMINISTRATOR.~~

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

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

31 ~~— 2. WRITTEN NOTIFICATION~~

32 ~~— a. NON-TERMINAL ILLNESS — CONTRACTOR shall hand deliver, fax, and/or send via~~
 33 ~~encrypted email to ADMINISTRATOR a written report within one (1) business day after becoming aware~~
 34 ~~of the death due to non-terminal illness of any person served pursuant to this Contract.~~

35 ~~— b. TERMINAL ILLNESS — CONTRACTOR shall notify ADMINISTRATOR by written~~

1 ~~report hand delivered, faxed, sent via encrypted email, within forty eight (48) hours of becoming aware~~
 2 ~~of the death due to terminal illness of any person served pursuant to this Contract.~~

3 ~~_____ c. When notification via encrypted email is not possible or practical CONTRACTOR may~~
 4 ~~hand deliver or fax to a known number said notification.~~

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

9 ~~**XXIII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**~~

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

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

17 ~~**XXIV. PATIENT'S RIGHTS**~~

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

22 ~~_____ B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have an~~
 23 ~~internal grievance process approved by ADMINISTRATOR, to which the Beneficiary shall have access.~~

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

27 ~~#~~

28 ~~_____ 2. Title IX Rights Advocacy. This process may be initiated by a Client who registers a statutory~~
 29 ~~rights violation or a denial or abuse complaint with the County Patients' Rights Contractor. The Patients'~~
 30 ~~Rights Contractor shall investigate the complaint, and Title IX grievance procedures shall apply, which~~
 31 ~~involve ADMINISTRATOR'S Director of Behavioral Health Care and the State Patients' Rights~~
 32 ~~Contractor.~~

33 ~~_____ C. The Parties agree that Clients have recourse to initiate an expression of dissatisfaction to~~
 34 ~~CONTRACTOR, appeal to the County Patients' Rights Contractor, file a grievance, and file a Title IX~~
 35 ~~complaint. The Patients' Advocate shall advise and assist the Client, investigate the cause of the~~

1 ~~grievance, and attempt to resolve the matter.~~

2 ~~— D. No provision of this Contract shall be construed as to replacing or conflicting with the duties of~~
 3 ~~County Patients' Rights Contractor pursuant to Welfare and Institutions Code Section 5500.~~

4 ~~**XXV. RECORDS MANAGEMENT AND MAINTENANCE**~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~1. Have documents readily available within forty eight (48) hour and/or two (2) full business days' notice of a scheduled audit or site visit.~~

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

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

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

~~#~~

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

XXVI. RESEARCH AND PUBLICATION

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

XXVIII SEVERABILITY

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

XXIX. SPECIAL PROVISIONS

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

~~— 1. Making cash payments to intended recipients of services through this Contract.~~

~~— 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use of appropriated funds to influence certain federal contracting and financial transactions).~~

~~— 3. Fundraising.~~

~~— 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or governing body.~~

~~— 5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing body for expenses or services.~~

~~— 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or governing body, or its designee or authorized agent, or making salary advances or giving bonuses to CONTRACTOR's staff.~~

~~— 7. Paying an individual salary or compensation for services at a rate in excess of the current Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule may be found at www.opm.gov.~~

~~— 8. Severance pay for separating employees.~~

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

~~— 10. Supplanting current funding for existing services.~~

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

~~— 1. Funding travel or training (excluding mileage or parking).~~

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

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

~~— 4. Purchase of artwork or other items that are for decorative purposes and do not directly~~

1 contribute to the quality of services to be provided pursuant to this Contract.

2 ~~5. Purchasing or improving land, including constructing or permanently improving any building~~
3 ~~or facility, except for tenant improvements.~~

4 ~~6. Providing inpatient hospital services or purchasing major medical equipment.~~

5 ~~7. Satisfying any expenditure of non federal funds as a condition for the receipt of federal funds~~
6 ~~(matching).~~

7 ~~8. Purchase of gifts, meals, entertainment, awards, or other personal expenses for~~
8 ~~CONTRACTOR's Clients.~~

9 **XXX. STATUS OF CONTRACTOR**

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

21 **XXXI. TERM**

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

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

31 **XXXII. TERMINATION**

32 ~~A. Either Party may terminate this Contract, without cause, upon ninety (90) calendar days' and no~~
33 ~~more than one hundred eighty (180) calendar days' upon review and mutual agreement of any open clients~~
34 ~~with prior authorizations written notice given the other Party.~~

~~1 B. CONTRACTOR shall be responsible for meeting all programmatic and administrative contracted
2 objectives and requirements as indicated in this Contract. CONTRACTOR shall be subject to the issuance
3 of a CAP for the failure to perform to the level of contracted objectives, continuing to not meet goals and
4 expectations, and/or for non-compliance. If CAPs are not completed within timeframe as determined by
5 ADMINISTRATOR notice, payments may be reduced or withheld until CAP is resolved and/or the
6 Contract could be terminated.~~

~~7 C. COUNTY may terminate this Contract immediately, upon written notice, on the occurrence of
8 any of the following events:~~

~~9 1. The loss by CONTRACTOR of legal capacity.~~

~~10 2. Cessation of services.~~

~~11 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
12 another entity without the prior written consent of COUNTY.~~

~~13 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
14 required pursuant to this Contract.~~

~~15 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this
16 Contract.~~

~~17 6. The continued incapacity of any physician or licensed person to perform duties required
18 pursuant to this Contract.~~

~~19 7. Unethical conduct or malpractice by any physician or licensed person providing services
20 pursuant to this Contract; provided, however, COUNTY may waive this option if CONTRACTOR
21 removes such physician or licensed person from serving persons treated or assisted pursuant to this
22 Contract.~~

~~23 D. CONTINGENT FUNDING~~

~~24 1. Any obligation of COUNTY under this Contract is contingent upon the following:~~

~~25 a. The continued availability of federal, state and county funds for reimbursement of
26 COUNTY's expenditures, and~~

~~27 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)
approved by the Board of Supervisors.~~

~~28 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
29 terminate or renegotiate this Contract upon thirty (30) calendar days' written notice given
30 CONTRACTOR. If COUNTY elects to renegotiate this Contract due to reduced or terminated funding,
31 CONTRACTOR shall not be obligated to accept the renegotiated terms.~~

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

~~36 F. In the event this Contract is terminated, CONTRACTOR shall do the following:~~

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

3 ~~2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract~~
4 ~~performance during the remaining contract term.~~

5 ~~3. Until the date of termination, continue to provide the same level of service required by this~~
6 ~~Contract.~~

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

10 ~~5. Assist ADMINISTRATOR in effecting the transfer of Clients in a manner consistent with~~
11 ~~Client's best interests.~~

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

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

16 ~~8. To the extent services are terminated, cancel outstanding commitments covering the~~
17 ~~procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding~~
18 ~~commitments which relate to personal services. With respect to these canceled commitments,~~
19 ~~CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims~~
20 ~~arising out of such cancellation of commitment which shall be subject to written approval of~~
21 ~~ADMINISTRATOR.~~

22 ~~9. Provide written notice of termination of services to each Client being served under this~~
23 ~~Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of~~
24 ~~termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendar~~
25 ~~day period.~~

26 ~~G. COUNTY may terminate this Contract, without cause, to agreed upon termination language in A~~
27 ~~above of the Termination paragraph of this contract.~~

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

XXXIII. THIRD PARTY BENEFICIARY

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

XXXIV. WAIVER OF DEFAULT OR BREACH

~~Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any~~

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COUNTY OF ORANGE

BY: _____ DATED: _____

HEALTH CARE AGENCY

~~APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA~~

BY: _____ DATED: _____

DEPUTY

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

EXHIBIT A

ADMINISTRATIVE SERVICES ORGANIZATION

FOR SPECIALTY MENTAL HEALTH

AND DRUG MEDICAL SUBSTANCE ABUSE SERVICES

~~I. COMMON TERMS AND DEFINITIONS~~

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

~~1. Acute Administrative Day means those days authorized by a designated point of authorization or utilization review committee in an acute inpatient facility when, due to the lack of a payer approved and/or county approved lower level of care placement, the Beneficiary's stay at an acute inpatient facility must be continued beyond the Beneficiary's need for acute care.~~

~~2. Acute Psychiatric Inpatient Hospital Services means services provided either in an acute care hospital, a freestanding psychiatric hospital or psychiatric health facility for the care and treatment of an acute episode of mental illness meeting the medical necessity criteria covered by the Medi-Cal program. Services provided in a freestanding hospital may only be reimbursed for person's age 21 or younger and 65 or older, unless a letter of agreement (LOA) or other contract permits otherwise.~~

~~3. Adult Mental Health Inpatient (AMHI) means the County contracted hospital(s) that provide adult mental health inpatient services for unfunded clients.~~

~~4. Authorizations means a unique individual's complete UM process, which includes reviewing clinical documents when clinically indicated, evaluating medical necessity and formally deciding to authorize/deny additional inpatient psychiatric services, that lasts for the duration of the inpatient stay, i.e. initial admission notification to discharge aftercare planning whichever comes first.~~

~~5. Beneficiary means the primary Orange County Medi-Cal eligible user of Mental Health Services.~~

~~6. Beneficiary directed means services delivered in a therapeutic alliance between providers and Beneficiaries where both are partners in goal setting and treatment planning. The final decision for treatment options rests with the Beneficiary and designated family members.~~

~~7. Beneficiary Satisfaction Surveys means surveys to measure Beneficiaries' overall satisfaction with Mental Health Services, and with specific aspects of those services in order to identify problems and opportunities for improvement.~~

~~8. Beneficiary Support System/Family means immediate family members, extended family members, significant others or other supports designated by the Beneficiary.~~

~~9. CalWORKs means the program implemented by COUNTY's SSA after passage of AB 1542 regarding welfare reform.~~

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~~10. Care Coordination means the activities of managing services and coordinating care to Beneficiaries, including assessments, referrals, service planning, linkage, consultation, discharge planning and coordination. These functions shall be performed by COUNTY and COUNTY contracted staff.~~

~~11. Clinical Documents means any clinical information, documentation or data collected from the service provider for purposes of conducting concurrent review and coordinating treatment.~~

~~12. Concurrent Review means the review of treatment authorization requests for inpatient mental health services by providers in order to approve, modify, or deny requests based on medical necessity. The review of the treatment authorization requests is concurrent with the provision of services and is required after the first day of admission through discharge.~~

~~13. Contract Monitor means a person designated by COUNTY to consult with and assist CONTRACTOR in the provision of services to COUNTY Beneficiaries as specified herein. The Contract Monitor shall at no time be construed as being ADMINISTRATOR.~~

~~14. Credentialing means a review process, including a peer review process, based upon specific criteria, standards and prerequisites, to approve a provider or professional who applies to be contracted to provide care in a hospital, clinic, medical group or in a health plan.~~

~~15. CSI means DHCS required data elements pertaining to mental health Beneficiaries and the services they receive formulated in a database and reported to the State.~~

~~16. CYBH means the division of Behavioral Health Services responsible for the administration and oversight of Mental Health Services to children and adolescents.~~

~~17. Diagnosis means the definition of the nature of the Beneficiary's disorder. When formulating the diagnosis of the Beneficiary, CONTRACTOR shall use the diagnostic codes and axes as specified in the most current edition of the DSM published by the American Psychiatric Association. CONTRACTOR shall follow DSM procedures for all Beneficiaries.~~

~~18. EPSDT means the Early and Periodic Screening, Diagnosis and Treatment program permitting a state to cover, under Medicaid law, services necessary to correct or ameliorate a mental illness even if the service is not otherwise included in the state's Medicaid Plan. EPSDT covers persons under twenty one (21) years of age who have full-scope Medi-Cal.~~

~~19. Family Member means any traditional or non-traditional support system, significant other or natural support designated by the Beneficiary.~~

~~20. FFS Provider means a Medi-Cal outpatient FFS provider serving Beneficiaries in his or her own independent practice or in a group practice.~~

~~21. IRIS means a collection of applications and databases that serve the needs of programs and include functionality such as registration and scheduling, laboratory information system, billing and reporting capabilities, compliance with regulatory requirements, electronic medical records and other relevant applications.~~

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1 ~~22. MEDS means the information systems maintained by DHCS for all Medi-Cal recipient~~
2 ~~eligibility information.~~

3 ~~23. Medical Necessity means criteria set forth by Title 9, California Code of Regulations, Chapter~~
4 ~~11, Medi-Cal Specialty Mental Health Services for MHP reimbursement of Specialty Mental Health~~
5 ~~Services.~~

6 ~~24. Medication Services means face-to-face or telephone services provided by a licensed~~
7 ~~physician, licensed psychiatric nurse practitioner, or other qualified medical staff. This service shall~~
8 ~~include documentation of the clinical justification for use of the medication, dosage, side effects,~~
9 ~~compliance, and response to medication.~~

10 ~~25. MHP means COUNTY as the MHP Manager with COUNTY clinics as well as COUNTY~~
11 ~~contracted clinics, including CONTRACTOR, being providers in the Plan.~~

12 ~~26. Mental Health Services means interventions designed to provide the maximum reduction of~~
13 ~~mental disability and restoration or maintenance of functioning consistent with the requirements for~~
14 ~~learning, development, and enhanced self-sufficiency. Services shall include:~~

15 ~~a. Assessment/Mental Health Evaluation means services designed to provide formal,~~
16 ~~documented evaluation or analysis of the cause or nature of a Beneficiary's mental, emotional, or~~
17 ~~behavioral disorders. The Parties understand that such services shall be primarily limited to initial~~
18 ~~telephone intake examinations to triage and refer the Beneficiary to a Network Provider who shall develop~~
19 ~~the treatment/service plan. Cultural issues should be addressed where appropriate. Additionally, this~~
20 ~~evaluation should include an appraisal of the individual's community functioning in several areas~~
21 ~~including living situation, daily activities, social support systems and health status.~~

22 ~~b. Collateral Therapy means face to face or telephone contact(s) with significant others in~~
23 ~~the life of the Beneficiary necessary to meet the mental health needs of the Beneficiary. Family therapy~~
24 ~~provided on behalf of the individual Beneficiary is also considered collateral.~~

25 ~~c. Individual Therapy means a goal directed face to face therapeutic intervention with the~~
26 ~~Beneficiary which focuses on the mental health needs of the Beneficiary.~~

27 ~~d. Group Therapy means a goal directed face to face therapeutic intervention with a group~~
28 ~~of no less than two (2) and no more than eight (8) Beneficiaries receiving services at the same time. Such~~
29 ~~intervention shall be consistent with the Beneficiaries' goals and focus primarily on symptom reduction~~
30 ~~as a means to improve functional impairments.~~

31 ~~27. MMEF means Monthly MEDS Extract file. This file contains data of current month and~~
32 ~~previous fifteen (15) months which provides eligibility data for all Orange County residents.~~

33 ~~28. NPI means the standard unique health identifier that was adopted by the Secretary of HHS~~
34 ~~under HIPAA of 1996 for health care providers. All HIPAA covered healthcare providers, individuals~~
35 ~~and organizations must obtain an NPI for use to identify themselves in HIPAA standard transactions. The~~
36 ~~NPI is assigned to individuals for life.~~

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1 ~~29. Network Provider means mental health service providers credentialed and under contract~~
 2 ~~with CONTRACTOR. Such providers may be individual practitioners, provider groups, or clinics.~~

3 ~~30. NPP means a document that notifies individuals of uses and disclosures of PHI that may be~~
 4 ~~made by or on behalf of the health plan or health care provided as set forth in HIPAA.~~

5 ~~31. Patients' Rights Advocacy means group responsible for providing outreach and educational~~
 6 ~~materials to inform Beneficiaries about their rights and remedies in receiving mental health treatment;~~
 7 ~~representing Beneficiaries' interests in fair hearings, grievances and other legal proceedings related to the~~
 8 ~~provision of services; and monitoring mental health programs for compliance with patients' rights legal~~
 9 ~~standards as the designee of the Local Mental Health Director.~~

10 ~~32. Out of County means any California county other than COUNTY or Border Community.~~

11 ~~33. Primary Source Verification means procedures for the review and direct verification of~~
 12 ~~credentialing information submitted by care providers, including, but not limited to, confirmation of~~
 13 ~~references, appointments, and licensure.~~

14 ~~34. QI means the use of interdisciplinary teams to review performance measures to identify~~
 15 ~~opportunities for improvement. The teams use participatory processes to analyze and confirm causes for~~
 16 ~~poor performance, design interventions to address causes, implement interventions, and measure~~
 17 ~~improvement. Successful improvements are then implemented wherever appropriate. Where~~
 18 ~~interventions are unsuccessful, the team again addresses the causes and designs new interventions until~~
 19 ~~improvements are achieved.~~

20 ~~35. Referral means providing effective linkage of a Beneficiary to another service, when~~
 21 ~~indicated; with follow up to be provided to assure that the Beneficiary has made contact with the referred~~
 22 ~~service.~~

23 ~~36. Retrospective Review means determination of the appropriateness or necessity of services~~
 24 ~~after they have been delivered, generally through the review of the medical or treatment record.~~

25 ~~37. RSA Token means the security device which allows an individual user to access IRIS.~~

26 ~~38. Service Authorization means the determination of appropriateness of services prior to the~~
 27 ~~services being rendered, based upon medical or service necessity criteria. This includes the authorization~~
 28 ~~of outpatient services authorized by CONTRACTOR.~~

29 ~~39. Share of Cost means a monthly amount that the Beneficiary is to pay to receive Medi-Cal~~
 30 ~~services.~~

31 ~~40. SSA means COUNTY department responsible for child welfare services and Medi-Cal~~
 32 ~~eligibility determination.~~

33 ~~41. Utilization Management Program means the infrastructure required to carry out the~~
 34 ~~concurrent review services according to this Contract including, but not limited to, policies and~~
 35 ~~procedures, request staffing and information systems.~~

36 ~~42. Warm Transfer means the referring party stays on the telephone call until the transfer and~~
 37 ~~exchange of relevant information to the receiving party is complete.~~

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

~~**II. BENEFICIARY RIGHTS**~~

~~A. ADVISEMENT NOTICES~~

~~1. CONTRACTOR shall ensure that all Beneficiaries, upon request or access into the program, shall be given a member handbook, developed by COUNTY.~~

~~2. CONTRACTOR shall also assure that Beneficiaries are aware of their rights at all times by:~~

~~a. Publishing the Beneficiary Rights in provider manuals, which shall be available to all providers.~~

~~b. Including a copy of the Beneficiary Rights as an attachment to all written correspondence related to complaints, grievances, and reductions or denials of treatment.~~

~~3. CONTRACTOR shall use NOABD forms to notify Beneficiaries and Network Providers when services are denied, reduced, or terminated pursuant to Services Paragraph of this Exhibit A to the Contract.~~

~~4. CONTRACTOR shall ensure that each Network Provider has posted in a conspicuous area a notice advising Beneficiaries of their rights as well as CONTRACTOR's toll-free telephone number and Patients' Rights Contractor availability to initiate a complaint or grievance.~~

~~5. All Network Providers' mental health facilities and programs shall have in place a mechanism for Beneficiaries to file grievances regarding quality of treatment services issues.~~

~~6. COUNTY shall provide its MHP, NPP to CONTRACTOR. CONTRACTOR shall provide the NPP for COUNTY, as the MHP, at the time of the first service provided under the Contract to individuals who are covered by Medi Cal and have not previously received services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon request, the NPP for COUNTY, as the MHP, to any individual who received services under the Contract.~~

~~B. INTERNAL BENEFICIARY PROBLEM RESOLUTION~~

~~1. Whenever possible, problems shall be resolved informally and at the point of service. CONTRACTOR shall establish a formal grievance process, in the event informal processes do not yield a resolution.~~

~~2. CONTRACTOR's Internal Beneficiary Problem Resolution process shall include the designation of an Ombudsman from COUNTY who shall be the person responsible to assist Beneficiaries with CONTRACTOR's grievance process.~~

~~3. Throughout the grievance process, Beneficiary rights shall be maintained, including access to the Patients' Rights Advocates at any point in the process. Beneficiaries shall be informed of their right to access the Patients' Rights Advocates at any time.~~

~~4. CONTRACTOR shall not penalize or discriminate against Beneficiaries for filing a grievance.~~

~~5. Complaints regarding the quality of treatment services issues shall initially go to the direct~~

~~care provider, therapist, facility staff, or other persons involved in the issue at hand. Problems not resolved to Beneficiary's satisfaction shall, upon the request of the Beneficiary or Network Provider, be reviewed for resolution by CONTRACTOR's Ombudsman. All Network Providers shall be required to have grievance forms available to Beneficiaries; provided, however, CONTRACTOR shall also allow Beneficiaries to initiate a grievance directly with CONTRACTOR either orally or in writing.~~

~~a. CONTRACTOR's Ombudsman shall respond within sixty (60) calendar days from receipt of the grievance.~~

~~b. Within confidentiality parameters, CONTRACTOR's Ombudsman shall consider all relevant information and resources, and shall involve other persons to resolve the grievance.~~

~~c. Beneficiaries shall also be informed of their right to speak to Patients' Rights Advocates at any time.~~

~~6. If CONTRACTOR's Ombudsman is not able to achieve resolution to the satisfaction of the Beneficiary, either the Beneficiary or CONTRACTOR's Ombudsman may request an appeal. An appeal shall be resolved by referring the grievance to Director level clinical staff not involved in the decision-making process of the grievance.~~

~~7. CONTRACTOR shall maintain a Grievance Log for documentation of dispositions and outcomes of Beneficiary grievances.~~

~~a. Such log shall be available upon request and be submitted to ADMINISTRATOR quarterly.~~

~~b. CONTRACTOR shall submit quarterly a list of grievances, by issue, to ADMINISTRATOR.~~

~~c. Should CONTRACTOR not complete the grievance process for a Beneficiary within the timelines required by State Medi-Cal, CONTRACTOR shall send a NOABD Denial to the Beneficiary.~~

~~8. CONTRACTOR shall ensure the Beneficiary's care is continued during any formal appeals, in accordance with the guidelines specified in WIC.~~

~~C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Beneficiary Right's Paragraph of this Exhibit A to the Contract.~~

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~~**III. BUDGET**~~

~~1. _____ Exhibit A, Paragraph III. Budget, subparagraph A., of the Contract is deleted~~

in its entirety and replaced with the following

"A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph in this Exhibit A to the Contract and the following budgets, which are set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

	PERIOD <u>ONE</u>	PERIOD <u>TWO</u>	<u>TOTAL</u>
ADMINISTRATIVE COST			
Salaries	\$ 38,094	\$	\$
		<u>39,237,411.18</u>	<u>76,331,792,277</u>
		<u>3</u>	
Benefits	8,952	<u>9,221,14,034</u>	<u>18,173,22,986</u>
Services and Supplies	4,793	<u>4,818,5,519</u>	<u>9,611,10,312</u>
Indirect Costs	<u>675,532,66</u>		<u>1,364,574</u>
	<u>8,026</u>	<u>689,042,808.</u>	<u>476,502</u>
		<u>476</u>	
SUBTOTAL	<u>727,371,71</u>	<u>\$742,318,86</u>	<u>\$1,469,689,58</u>
ADMINISTRATIVE COST	<u>9,865</u>	<u>9,212</u>	<u>9,077</u>
PROGRAM COST			
Salaries	<u>\$3,031,444</u>	<u>\$3,122,3884</u>	<u>\$6,153,83289</u>
	<u>451,804</u>	<u>45,244</u>	<u>7,048</u>
Benefits	<u>712,389,70</u>	<u>733,761,1,18</u>	<u>1,446,150,885.</u>
	<u>3,074</u>	<u>2,321</u>	<u>395</u>
Services and Supplies	<u>1,084,229</u>	<u>1,100,070,18</u>	<u>2,184,299</u>
		<u>9,451</u>	<u>273,680</u>
SUBTOTAL	<u>\$4,828,063</u>	<u>\$4,956,2195</u>	<u>\$9,784,282</u>
PROGRAM COST	<u>5,239,107</u>	<u>,817,016</u>	<u>11,056,123</u>
Mental Health	<u>\$1,300,000</u>	<u>\$1,300,5,010</u>	<u>\$2,600,000,7.8</u>
Claims/ <u>Settlements</u>	<u>2,870,133</u>	<u>,000</u>	<u>10,133</u>
Implementation Costs	<u>429,672,48</u>	0.00	<u>\$429,672,486.</u>
	<u>6,133</u>		<u>133</u>
TOTAL GROSS COST	<u>\$7,285,105</u>	<u>\$6,998,5381</u>	<u>\$14,283,6432</u>
	<u>9,315,238</u>	<u>1,696,228</u>	<u>1,011,466</u>

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REVENUE				
Fed Grant (DMC)	\$ 437,106	\$419,912 <u>43</u>	\$	-B.
		<u>7,106</u>	<u>857,019</u> <u>874,2</u>	
			<u>12</u>	
FFP/Other	2,986,893	2,869,400 <u>98</u>	5,856,294 <u>973,</u>	
		<u>6,893</u>	<u>786</u>	
State (MH Realignment Managed Care)	3,788,255 <u>5</u>	3,639,240 <u>8,</u>	7,427,494 <u>14,0</u>	
	<u>,818,388</u>	<u>199,378</u>	<u>17,766</u>	
Discretionary (NCC)	<u>72,851</u>			
		<u>69,985</u> <u>72,85</u>	<u>142,836</u> <u>145,7</u>	
		<u>1</u>	<u>02</u>	
TOTAL REVENUE	\$7,285,105	\$6,998,538 <u>1</u>	\$14,283,643 <u>2</u>	
	<u>9,315,238</u>	<u>1,696,228</u>	<u>1,011,466</u>	
TOTAL AMOUNT NOT TO EXCEED	\$7,285,105	\$6,998,538 <u>1</u>	\$14,283,643 <u>2</u>	
	<u>9,315,238</u>	<u>1,696,228</u>	<u>1,011,466</u>	

~~— BUDGET/STAFFING MODIFICATIONS — CONTRACTOR may request to shift funds between budgeted line items for the purpose of meeting specific program needs or for providing continuity of care to its members, by utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance, which shall include a justification narrative specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining impact of the shift as may be applicable to the current contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.~~

~~1. Administrative Costs — General administrative costs to include MIS/IT functions.~~

~~2. Program Costs — Program Costs specified above are subject to reimbursement as specified in the Cost Report~~

1 Exhibit A, Paragraph V. Payments, subparagraph A. (not including subparagraphs A.1, A.2, A.3 or A.4),
2 of the Contract-

3 ~~_____ a. Mental Health Program Direct Costs:~~

4 ~~_____ 1) Staff who shall provide initial brief screening, case management, and other services~~
5 ~~identified in the Services Paragraph of this Exhibit A to the Contract.~~

6 ~~_____ 2) General Program Operating Costs:~~

7 ~~_____ 3. Mental Health Claims — Claims paid to both Network Providers and Out of County~~
8 ~~Providers, and professional fees paid to Inpatient Providers. Mental Health claims shall be paid at rates~~
9 ~~set by CONTRACTOR is deleted in its entirety and replaced with mutual agreement by~~
10 ~~ADMINISTRATOR, for all services, as referenced in the Services Paragraph of this Exhibit A to the~~
11 ~~Contract.~~

12 ~~_____ C. CONTRACTOR shall make its best efforts to manage the services under the Contract within the~~
13 ~~Amount Not to Exceed. Through appropriate program oversight and monitoring, monthly cost~~
14 ~~projections, and regular and routine communications with ADMINISTRATOR, if it is indicated that the~~
15 ~~Amount Not to Exceed may be exceeded prior to the end of the term of the Contract, then COUNTY~~
16 ~~agrees to adjust the Amount Not to Exceed via Amendment to the Contract, prior to exhausting funds~~
17 ~~allocated to the Contract, and in order to avoid any disruption of services.~~

18 ~~_____ D. Unless otherwise authorized by ADMINISTRATOR, CONTRACTOR agrees that the amount of~~
19 ~~State Medi-Cal is dependent upon, and shall at no time be greater than, the amount of Federal Medi-Cal~~
20 ~~actually generated by CONTRACTOR.~~

21 ~~_____ E. CONTRACTOR agrees that fees received from private resources on behalf of Medi-Cal~~
22 ~~Beneficiaries shall not be eligible for retention by CONTRACTOR. It is understood by the Parties that~~
23 ~~such fees shall not include Share of Cost.~~

24 ~~_____ F. FINANCIAL RECORDS — CONTRACTOR shall prepare and maintain accurate and complete~~
25 ~~financial records of its cost and operating expenses. Such records shall reflect the actual cost of the type~~
26 ~~of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect~~
27 ~~costs, to or between programs or cost centers of CONTRACTOR shall be documented, and shall be made~~
in accordance with GAAP.

~~_____ G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget~~
~~Paragraph of this Exhibit A to the Contract.~~

EXHA IV. ISSUE RESOLUTION

2. ~~_____ A. For resolution of issues between CONTRACTOR and COUNTY with~~
respect to the implementation and operation of the Contract or ADMINISTRATOR's policies and
procedures regarding services described herein, the following sequential steps shall apply:

~~_____ 1. CONTRACTOR shall routinely utilize all informal communication processes and methods~~
with ADMINISTRATOR including, but not limited to, telephone contact, facsimile machine (FAX), e-

1 mail, written correspondence and meetings, to resolve any issues or problems regarding the
 2 implementation and operation of the Contract or ADMINISTRATOR's policies and procedures regarding
 3 services described herein.

4 ~~2. If the Parties are unable to resolve an issue(s), CONTRACTOR shall give written notice to~~
 5 ~~ADMINISTRATOR setting forth in specific terms the existence and nature of any unresolved matter or~~
 6 ~~concern related to the obligations under the Contract. ADMINISTRATOR shall have fifteen (15) calendar~~
 7 ~~days following such notice to resolve of any issue(s) identified in this manner. However, by mutual~~
 8 ~~consent, this period of time may be extended to thirty (30) calendar days.~~

9 ~~3. If the Parties are unable to resolve the issue, they shall submit a joint written statement~~
 10 ~~describing the facts of the issue, within thirty (30) calendar days after the written notice described above,~~
 11 ~~to COUNTY's Director of Behavioral Health Services for final resolution.~~

12 ~~4. The rights and remedies provided by this paragraph are in addition to those provided by law~~
 13 ~~to either Party.~~

14 ~~B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Issue~~
 15 ~~Resolution Paragraph of this Exhibit A to the Contract.~~

16 V. PAYMENTS

17 ~~A. "A. For Period One, COUNTY shall pay CONTRACTOR monthly, in arrears, at the~~
 18 ~~negotiated amount of \$56,295, per month for Indirect Costs and the provisional amount of~~
 19 ~~\$550,798,720,601, per month for Implementation, Administrative, Program Direct Costs, and Mental~~
 20 ~~healthHealth Claims Costs, for. For Period One, and Two, COUNTY shall pay CONTRACTOR at the~~
 21 ~~negotiated amount of \$57,420, per month for the first four (4) months and the negotiated amount of~~
 22 ~~\$73,439, per month for the second eight (8) months for Indirect Costs and the provisional amount~~
 23 ~~amounts of \$525,791, per month for the first four (4) months for Administrative, Program Direct Costs, and Mental~~
 24 ~~healthHealth Claims Costs, for Period Two and \$643,323, for the second eight (8) months for~~
 25 ~~Administrative and Program Direct Costs, and the provisional amount of \$387,500, for the second eight~~
 26 ~~(8) months for Mental Health Claims, and one time provisional amount of \$610,000 for Mental Health~~
 27 ~~Claims settlement billable at time of Amendment execution. All payments are interim payments only,~~
 and subject to Final Settlement in accordance with the Cost Report Paragraph of the Contract for which
 CONTRACTOR shall be reimbursed for the actual cost of providing the services hereunder; provided,
 however, the total of such payments does not exceed COUNTY's Total Amount Not to Exceed as
 specified in the Referenced Contract Provisions of the Contract and, provided further, CONTRACTOR's
 costs are reimbursable pursuant to COUNTY, state, and federal regulations. ADMINISTRATOR may,
 at its discretion, pay supplemental invoices for any month for which the provisional amount specified
 above has not been fully paid.:"

~~1. Payments of claims to providers shall be at rates set by CONTRACTOR, with mutual~~

1 ~~agreement by ADMINISTRATOR, for all services.~~

2 ~~2. In support of the monthly invoice, CONTRACTOR shall submit an Expenditure and Revenue~~
3 ~~Report as specified in the Reports Paragraph of this Exhibit A to the Contract. ADMINISTRATOR shall~~
4 ~~use the Expenditure and Revenue Report to determine payment to CONTRACTOR as specified in~~
5 ~~Subparagraphs A.3. and A.4., below.~~

6 ~~3. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the~~
7 ~~provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may~~
8 ~~reduce payments to CONTRACTOR by an amount not to exceed the difference between the~~
9 ~~year to date provisional amount payments to CONTRACTOR and the year to date actual cost incurred~~
10 ~~by CONTRACTOR.~~

11 ~~4. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the~~
12 ~~provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR may~~
13 ~~authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to exceed~~
14 ~~the difference between the year to date provisional amount payments to CONTRACTOR and the year-~~
15 ~~to date actual cost incurred by CONTRACTOR.~~

16 ~~B. CONTRACTOR's invoices shall be on a form approved or supplied by ADMINISTRATOR and~~
17 ~~provide such information as is required by ADMINISTRATOR. Invoices are due the tenth (10th) day of~~
18 ~~each month. Invoices received after the due date may not be paid within the same month. Payments to~~
19 ~~CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of~~
20 ~~the correctly completed invoice.~~

21 ~~C. All invoices to COUNTY shall be supported at CONTRACTOR's facility, by source~~
22 ~~documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements,~~
23 ~~canceled checks, receipts, receiving records, and records of services provided.~~

24 ~~D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with~~
25 ~~any provision of the Contract.~~

26 ~~E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration~~
27 ~~and/or termination of the Contract, except as may otherwise be provided under the Contract, or specifically~~
28 ~~agreed upon in a subsequent contract.~~

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

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34 **VI. QUALITY IMPROVEMENT**

35 ~~A. QI Program~~

36 ~~1. CONTRACTOR shall participate with ADMINISTRATOR in the planning, design, and~~

1 ~~execution of the QI Program along with Beneficiaries and Family Members. CONTRACTOR shall~~
 2 ~~participate in quarterly QI meetings with ADMINISTRATOR to develop and implement the QI Program.~~

3 ~~2. CONTRACTOR shall operate a comprehensive QI Program designed to monitor all aspects~~
 4 ~~of the services provided by CONTRACTOR and the care provided by Network Providers. This program~~
 5 ~~shall be reviewed annually by CONTRACTOR's QI Committee and results of review provided to~~
 6 ~~ADMINISTRATOR in writing within sixty (60) calendar days of CONTRACTOR'S QI Committee~~
 7 ~~annual review.~~

8 ~~3. CONTRACTOR shall implement the QI Program for its Network Providers and require their~~
 9 ~~participation and cooperation in the QI Program.~~

10 ~~4. CONTRACTOR shall report results of QI activities to ADMINISTRATOR on an annual~~
 11 ~~basis pursuant to the Reports Paragraph of this Exhibit A to the Contract. These reports, including an~~
 12 ~~analysis by CONTRACTOR of the findings, together with recommendations for QI and corrective actions~~
 13 ~~plans, shall be provided to CONTRACTOR's Behavioral Health AQIS for their action and presented in~~
 14 ~~quarterly meetings to ADMINISTRATOR.~~

15 ~~B. Satisfaction Surveys CONTRACTOR shall monitor Beneficiary satisfaction.~~

16 ~~1. CONTRACTOR shall survey a sample of the Beneficiaries to assess satisfaction with the~~
 17 ~~process through which the Beneficiary received a referral, within ninety (90) calendar days of service and~~
 18 ~~report to ADMINISTRATOR quarterly.~~

19 ~~2. CONTRACTOR shall survey a sample of the Beneficiaries to assess satisfaction with the~~
 20 ~~services received from the Network Provider, and report to ADMINISTRATOR annually.~~

21 ~~C. Performance Outcome Measures~~

22 ~~1. CONTRACTOR shall maintain an ongoing performance outcomes monitoring program~~
 23 ~~using information in its provider database, Beneficiary satisfaction surveys, and documentation~~
 24 ~~completed by providers, including but not limited to monitoring of claims utilization patterns, assessment~~
 25 ~~and screening tools, direct peer review and medical record audits. CONTRACTOR shall include in the~~
 26 ~~outcomes monitoring program items required or recommended by the DHCS, as communicated by~~
 27 ~~ADMINISTRATOR, and specified in the Reports Paragraph of this Exhibit A to the Contract.~~

~~a. Objective 1: CONTRACTOR shall achieve, track and evaluate timeliness of access for~~
 Beneficiaries and Network Providers calling the Access Line. Timeliness measurements should include,
 but are not limited to, percentage and number of abandoned member calls to be no more than five percent
 (5%) of total monthly member calls, percentage and number of member calls answered within thirty (30)
 seconds to be no less than eighty five percent (85%) and track call volume, service verification, and
 timeframe for routine calls from point of authorization to provider appointment.

~~b. Objective 2: CONTRACTOR shall achieve, track and evaluate utilization trends from~~
 claims based data, identifying quality of care concerns related to over and underutilization
 patterns. CONTRACTOR shall report on the number and outcomes for cases exceeding utilization criteria
 approved by ADMINISTRATOR and conduct clinical reviews including but not limited to provider peer

1 ~~consultation, beneficiary rescreening, Level of Care (LOC) reassignment and transition and Medical~~
 2 ~~Director review for no less than twenty percent (20%) of identified outliers within thirty (30) calendar~~
 3 ~~days of each monthly report.~~

4 ~~_____ c. Objective 3: CONTRACTOR shall achieve, track and evaluate no less than ninety~~
 5 ~~percent (90%) satisfactory Beneficiary survey results with the customer service provided on the twenty-~~
 6 ~~four (24) hour seven (7) days a week Access Line. Measurement of satisfaction shall be determined by,~~
 7 ~~but not be limited to; overall satisfaction with informing Beneficiaries of grievance and appeals, State Fair~~
 8 ~~Hearings, accessing services, brief screening for services, and providing referral processes.~~

9 ~~_____ 2. ADMINISTRATOR may identify contracted Network Providers to be reviewed.~~
 10 ~~CONTRACTOR shall initiate review within thirty (30) calendar days of notification from~~
 11 ~~ADMINISTRATOR and shall advise contracted Network Providers of reason(s) for the review.~~
 12 ~~CONTRACTOR shall adhere to its standard treatment and/or site review audits as deemed necessary or~~
 13 ~~shall provide ADMINISTRATOR with claims and/or treatment related data. Treatment related data may~~
 14 ~~be obtained from clinical or legacy systems in the same manner that treatment related data is gathered~~
 15 ~~during claims processing and provider assessment reports.~~

16 ~~_____ 3. CONTRACTOR agrees to comply with the state requirements and standards for performance~~
 17 ~~outcome measures, which may be implemented by the State at any time during the term of the Contract.~~

18 ~~_____ D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Quality~~
 19 ~~Improvement Paragraph of this Exhibit A to the Contract.~~

20 ~~VII. RECORDS~~

21 ~~_____ A. CLIENT RECORDS _____ CONTRACTOR shall maintain adequate medical records on each~~
 22 ~~individual Client which shall include legal status; diagnosis; psychiatric evaluation; medical history;~~
 23 ~~individual treatment plan; records of Client interviews; progress notes; recommended continuing care~~
 24 ~~plan; discharge summary and records of service provided by various professional and paraprofessional~~
 25 ~~personnel in sufficient detail to permit an evaluation of services.~~

26 ~~_____ B. FINANCIAL RECORDS _____ CONTRACTOR shall prepare and maintain accurate and complete~~
 27 ~~financial records of its cost and operating expenses. Such records shall reflect the actual cost of the type~~
 28 ~~of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect~~
 29 ~~costs, to or between programs or cost centers of CONTRACTOR shall be documented, and shall be made~~
 30 ~~in accordance with generally accepted principles of accounting, the CRDC Manual, and Medicare~~
 31 ~~regulations. The Client eligibility determination and fee charged to and collected from Clients, together~~
 32 ~~with a record of all billings rendered and revenues received from any source, on behalf of Clients treated~~
 33 ~~pursuant to the Contract, must be reflected in CONTRACTOR's financial records.~~

34 ~~_____ C. RECORDS LOCATION _____ All CONTRACTOR's books of accounts and records related to the~~
 35 ~~costs of services, Client fees, charges, billings, and revenues received shall be made available at one (1)~~
 36 ~~location within the limits of Orange County or other local location approved, in writing, by~~

1 ~~ADMINISTRATOR.~~

2 ~~VIII. REPORTS~~

3 ~~— A. CONTRACTOR shall maintain records, create and analyze statistical reports as required by~~
 4 ~~ADMINISTRATOR and DHCS in a format approved by ADMINISTRATOR. CONTRACTOR shall~~
 5 ~~provide ADMINISTRATOR with the following:~~

6 ~~1. FISCAL~~

7 ~~— a. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to~~
 8 ~~ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR~~
 9 ~~and shall report actual costs and revenues for CONTRACTOR's program described in the Services~~
 10 ~~Paragraph of this Exhibit A to the Contract. Any changes, modifications, or deviations to any approved~~
 11 ~~budget line item must be approved in advance and in writing by ADMINISTRATOR and annotated on~~
 12 ~~the monthly Expenditure and Revenue Report, or said cost deviations may be subject to disallowance.~~
 13 ~~Such reports shall be received by ADMINISTRATOR no later than twenty (20) calendar days following~~
 14 ~~the end of the month being reported.~~

15 ~~— b. CONTRACTOR shall provide a check register and remittance summary by provider, as~~
 16 ~~well as a turnaround summary, for services provided by Network Providers, to ADMINISTRATOR upon~~
 17 ~~request.~~

18 ~~— c. CONTRACTOR shall track and provide IBNR information on a monthly basis. Monthly~~
 19 ~~IBNR shall be calculated and compared with the record of uncashed checks and stop payment checks, as~~
 20 ~~well as to the undeliverable check report and the donated checks report. CONTRACTOR shall prepare~~
 21 ~~and submit to ADMINISTRATOR a monthly report showing total IBNR liability and revenue received~~
 22 ~~based upon the provisional payments received from COUNTY.~~

23 ~~— d. CONTRACTOR shall submit Year End Projection Reports to ADMINISTRATOR.~~
 24 ~~These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report~~
 25 ~~anticipated year end actual costs and revenues for CONTRACTOR's program described in the Services~~
 26 ~~Paragraph of this Exhibit A to the Contract. Such reports shall include actual monthly costs and revenue~~
 27 ~~to date and anticipated monthly costs and revenue to the end of the fiscal year, and shall include a~~
 28 ~~projection narrative justifying the year end projections. Year End Projection Reports shall be submitted~~
 29 ~~in conjunction with the Monthly Expenditure and Revenue Reports.~~

30 #

31 ~~2. STAFFING REPORT — CONTRACTOR shall submit monthly Staffing Reports to~~
 32 ~~ADMINISTRATOR. CONTRACTOR's reports shall contain required information, and be on a form~~
 33 ~~acceptable to, or provided by ADMINISTRATOR. CONTRACTOR shall submit these reports no later~~
 34 ~~than twenty (20) calendar days following the end of the month being reported.~~

35 ~~3. PROGRAMMATIC REPORTS — CONTRACTOR shall submit monthly Programmatic~~
 36 ~~reports to ADMINISTRATOR. These reports shall be in a format approved by ADMINISTRATOR and~~
 37

1 shall include but not limited to, descriptions of any performance objectives, outcomes, and or interim
2 findings as directed by ADMINISTRATOR. CONTRACTOR shall be prepared to present and discuss
3 the programmatic reports at the monthly and quarterly meetings with ADMINISTRATOR, to include an
4 analysis of data and findings, and whether or not CONTRACTOR is progressing satisfactorily and if not,
5 specify what steps are being taken to achieve satisfactory progress.

6 ~~B. CONTRACTOR shall provide records and program reports, as listed below, which shall be
7 received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month
8 being reported or as requested by ADMINISTRATOR.~~

9 ~~1. MONTHLY~~

- 10 ~~a. Access Log~~
- 11 ~~b. Telephone Access Summary: Performance Targets~~
- 12 ~~c. Lower Level of Care Transitions~~
- 13 ~~d. Requested 837 UOS Reports by fiscal year~~
- 14 ~~e. UM Reports will be mutually agreed upon implementation of services~~
- 15 ~~f. Credentialing Reports~~

16 ~~2. QUARTERLY~~

- 17 ~~a. QI Beneficiary Satisfaction Survey, ASO's Access Line~~
- 18 ~~b. QI Grievance Report~~
- 19 ~~c. QI Provider Claims Appeals~~
- 20 ~~d. QI NOA and Second Opinion Log~~
- 21 ~~e. High Utilizer by Provider~~
- 22 ~~f. Timeliness of Utilization Management Decision Making~~
- 23 ~~g. Authorizations and Access to Services~~
- 24 ~~h. Requested UOS Reports (837, ASO UOS, Cost Report UOS)~~
- 25 ~~i. Cost of Service Reports will be mutually agreed upon implementation of
26 revised Mental Health Claims processing~~

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~~Period of Quarterly Reports~~

~~July 1 through September 30~~

~~October 1 through December 31~~

~~January 1 through March 31~~

~~April 1 through June 30~~

- ~~3. ANNUAL~~
- ~~a. QI Member Satisfaction Survey~~
- ~~b. QI Provider Satisfaction Survey~~
- ~~c. QI Committee Review~~
- ~~d. Year end ASO UOS and Cost report UOS~~
- ~~d. Demographics Network Providers~~

~~4. ACCESS LOG CONTRACTOR shall develop and maintain a written Access Log of all requests for services received via telephone, in writing, or in person. CONTRACTOR is responsible for this written log that meets the DHCS regulations and requirements, as interpreted by COUNTY, and records all services requested twenty four (24) hours seven (7) days a week. The Access Log shall contain, at a minimum, whether or not the caller has Medi Cal, the name of the individual, date of the request, nature of the request, call status (emergent, urgent, routine), if the request is an initial request for Specialty Mental Health Services, and the disposition of the request, which shall include interventions. CONTRACTOR must be able to produce a sortable log, for any time period specified by COUNTY within twenty four (24) hours of receiving the request from COUNTY. If the caller's name is not provided, then the log shall reflect that the caller did not provide a name. CONTRACTOR shall make available to ADMINISTRATOR upon request, the most recent telephone log which shall include previous day's calls.~~

~~5. DATA COLLECTION AND REPORTING ADMINISTRATOR shall provide CONTRACTOR with the exact specifications required to enter data into ADMINISTRATOR approved CONTRACTOR reporting system to allow ADMINISTRATOR to create the claims file used for Medi Cal claiming and for ADMINISTRATOR's CSI data reporting. CONTRACTOR shall submit Medi Cal 837 claims, voids, and replacements, and CSI files electronically to ADMINISTRATOR. The Parties understand that such requirements may be modified periodically by the State.~~

~~a. ADMINISTRATOR shall provide CONTRACTOR with a monthly MEDS Extract file (MMFE) when available from DHCS.~~

~~b. CONTRACTOR shall ensure the timely data entry of information into COUNTY approved CONTRACTOR reporting system.~~

~~c. CONTRACTOR shall conduct up front and retrospective auditing of data to ensure the accuracy, completeness, and timeliness of the information input into CONTRACTOR's reporting system. CONTRACTOR shall build in audit trails and reconciliation reports to ensure accuracy and comprehensiveness of the input data. In addition, transaction audit trails shall be thoroughly monitored for accuracy and conformance to operating procedures.~~

~~d. CONTRACTOR shall input all required data regarding services provided to Beneficiaries who are deemed, by the appropriate state or federal authorities, to be COUNTY's responsibility.~~

~~e. CONTRACTOR shall correct all input data resulting in CSI and 837 Medi Cal claim~~

1 ~~denials and rejections. These errors will be communicated to CONTRACTOR immediately upon~~
2 ~~discovery and must be corrected in a timely manner.~~

3 ~~_____ f. CONTRACTOR shall ensure the confidentiality of all administrative and clinical data.~~
4 ~~This shall include both the electronic system as well as printed public reports. No identifying information~~
5 ~~or data on the system shall be exchanged with any external entity or other business, or among providers~~
6 ~~without prior written approval of the Beneficiary or ADMINISTRATOR. Confidentiality procedures~~
7 ~~shall meet all local, state, and federal requirements.~~

8 ~~_____ g. CONTRACTOR shall ensure that information is safeguarded in the event of a disaster~~
9 ~~and that appropriate service authorization and data collection continues.~~

10 ~~_____ C. CONTRACTOR shall respond to any requests that are needed with an immediate response time~~
11 ~~due to any requests from entities that could include but not be limited to DHCS, internal and/or external~~
12 ~~audits.~~

13 ~~_____ D. CONTRACTOR shall provide ADMINISTRATOR with a report key, established by~~
14 ~~CONTRACTOR, and as agreed upon by ADMINISTRATOR, that describes each report, its purpose and~~
15 ~~usefulness. CONTRACTOR shall update the report key when reports are added or deleted and provide~~
16 ~~updated report key to ADMINISTRATOR within thirty (30) calendar days.~~

17 ~~_____ E. CONTRACTOR shall upon ADMINISTRATOR's request revise and make changes to all reports~~
18 ~~as needed.~~

19 ~~_____ F. ADMINISTRATOR and CONTRACTOR may mutually agree, in writing, to modify the~~
20 ~~frequency of the reports. Each report shall include an unduplicated client count and a fiscal year to date~~
21 ~~summary and, unless otherwise specified, shall be reported in aggregate.~~

22 ~~_____ G. ADDITIONAL REPORTS Upon ADMINISTRATOR's request, CONTRACTOR shall make~~
23 ~~such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as~~
24 ~~they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information~~
25 ~~requested and allow thirty (30) calendar days for CONTRACTOR to respond.~~

26 ~~_____ H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports~~
27 ~~Paragraph of this Exhibit A to the Contract.~~

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IX. SERVICES

_____ A. FACILITIES: CONTRACTOR shall maintain appropriate facility(ies) for the provision of
services described herein at the following location(s), or any other location approved, in advance, in
writing, by ADMINISTRATOR. The facility shall include space to support the services identified within
the Contract.

Beacon Health Options of California

1 12898 Towne Center Drive
2 Cerritos, California 90730

3 ~~B. ADMINISTRATIVE STAFF SCHEDULE: CONTRACTOR shall provide administrative~~
4 ~~coverage, Monday through Friday 8:00 a.m. – 5:00 p.m. PST.~~

5 ~~C. PROVIDER NETWORK~~

6 ~~1. DEVELOPMENT AND MANAGEMENT~~

7 ~~a. CONTRACTOR shall maintain a limited Provider Network, as approved by~~
8 ~~ADMINISTRATOR and CONTRACTOR, to provide Specialty Mental Health Services at provider's~~
9 ~~individual offices or facilities, based upon County assessment needs, including, but not limited to,~~
10 ~~addressing geographic accessibility and cultural competency, which includes service availability in~~
11 ~~threshold languages that include English, Spanish, Farsi, Korean, Arabic, and Vietnamese. Additional~~
12 ~~languages required may be added should DHCS designate additional languages as meeting the threshold~~
13 ~~for language requirements.~~

14 ~~b. CONTRACTOR shall provide a range of Network Providers capable of delivering~~
15 ~~services as set forth by this Contract which may include but is not limited to: psychiatrists; licensed~~
16 ~~psychiatric nurse practitioners, Licensed Professional of the Healing Arts (LPHA) as determined by~~
17 ~~DHCS; and other providers as approved by ADMINISTRATOR.~~

18 ~~c. CONTRACTOR shall identify and recruit those Network Providers who are serving a~~
19 ~~specialty population, such as ECT or culturally specific, or who are in geographic location(s) that would~~
20 ~~maximize Beneficiary. Such providers shall be pursued to participate in the Provider Network, and their~~
21 ~~credentialing process shall be expedited in order to maintain limited Provider Network.~~

22 ~~d. CONTRACTOR shall work ADMINISTRATOR on credentialing specified in the~~
23 ~~Services Paragraph of this Exhibit A to the Contract. Individual, group and organizational providers must~~
24 ~~meet the following criteria to be a CONTRACTOR Network Provider:~~

25 ~~1) Comply with all applicable Federal Medicaid (Medi-Cal) laws, regulations, and~~
26 ~~guidelines, and all applicable state statutes and regulations;~~

27 ~~2) Provide Specialty Mental Health Services, within scope of licensure, to all~~
Beneficiaries who are referred by CONTRACTOR. To assist in referrals, providers shall, as a part of
their application, indicate their specialties, which CONTRACTOR shall verify to the extent possible;

~~3) Appropriately refer Beneficiaries for other services when necessary;~~

~~4) Not refuse to provide services solely on the basis of age, sex, race, religion, physical~~
or mental disability, or national origin;

~~5) Maintain a safe facility;~~

~~6) If applicable, store and dispense medications according to state and federal~~
standards;

~~7) Maintain client records that meet state and federal standards; including but not~~

1 ~~limited to individualized treatment plans separate case notes. These shall be developed with Client and~~
 2 ~~signed by Client.~~

3 ~~8) Provide services at the rates established by CONTRACTOR, as agreed by~~
 4 ~~ADMINISTRATOR;~~

5 ~~9) Demonstrate positive outcomes as defined by CONTRACTOR;~~

6 ~~10) Address the needs of Beneficiaries based on factors including age, language, culture,~~
 7 ~~physical disability, psychiatric disability, and specified clinical interventions;~~

8 ~~11) Meet QI, authorization, clinical, and administrative requirements of COUNTY and~~
 9 ~~CONTRACTOR;~~

10 ~~12) Work with Beneficiaries, their families, and other providers in a collaborative and~~
 11 ~~supportive manner; and~~

12 ~~13) Provide services in a managed care environment.~~

13 ~~e. CONTRACTOR shall maintain a complete list of all Network Providers including name,~~
 14 ~~license number, provider number(s), number of open clients, NPI number, specialty or specialties,~~
 15 ~~language capabilities other than English, and geographic location and ethnicity. Any changes to the~~
 16 ~~Network Provider list shall be submitted to ADMINISTRATOR on a monthly basis or as requested.~~

17 ~~2. PROVIDER SELECTION AND CREDENTIALING CONTRACTOR shall comply with~~
 18 ~~Title 9, CCR, Section 1810.435 in the selection of providers and shall review its providers for continued~~
 19 ~~compliance with standards at least once every three years, except as otherwise provided in the Contract.~~

20 ~~a. CONTRACTOR shall include in its written provider selection P&P, a copy of which~~
 21 ~~shall be provided to ADMINISTRATOR upon request, a provision that practitioners shall not be excluded~~
 22 ~~solely because of the practitioner's type of license or certification.~~

23 ~~b. CONTRACTOR shall give practitioners, or groups of practitioners, who apply to be~~
 24 ~~MHP Network Providers, and with whom the MHP decides not to contract with, written notice for the~~
 25 ~~reason for a decision not to contract.~~

26 ~~c. CONTRACTOR shall not discriminate against particular providers that serve high-risk~~
 27 ~~populations or specialize in conditions that require costly treatment.~~

28 ~~3. NETWORK PROVIDER CREDENTIALING~~

29 ~~a. CONTRACTOR and ADMINISTRATOR shall work together on credentialing Network~~
 30 ~~Providers in accordance with State guidelines which include, but are not limited to, verifying the following~~
 31 ~~information. Unless otherwise specified, primary source verification of information shall be required.~~
 32 ~~Primary source verification means confirmation and evidence from the issuing source or designated~~
 33 ~~monitoring entity of the requested information.~~

34 ~~1) A current valid license to practice as an independent mental health practitioner;~~

35 ~~2) A valid DEA certificate for physicians (primary source not required);~~

36 ~~3) Graduation from an accredited professional school and/or highest training program~~
 37 ~~applicable to the academic degree, discipline, and licensure of the mental health practitioner which is~~

1 ~~verified through license verification;~~

2 ~~4) Board certification if the practitioner states that he/she is board certified on the~~
 3 ~~application;~~

4 ~~5) Work history (primary source not required);~~

5 ~~6) Current, adequate malpractice insurance in accordance with the Indemnification and~~
 6 ~~Insurance Paragraph of the Contract;~~

7 ~~7) History of professional liability claims; and~~

8 ~~8) Information from recognized monitoring organizations regarding the applicant's~~
 9 ~~sanctions or limitations of licensure from:~~

10 ~~a) State Board of Licensure or Certification and/or the National Practitioner Data~~
 11 ~~Bank;~~

12 ~~b) State Board of Medical Examiners, the Federation of State Medical Boards, or~~
 13 ~~appropriate agency; and~~

14 ~~c) OIG.~~

15 ~~b. CONTRACTOR shall make every effort to ensure that the credentialing process does not~~
 16 ~~exceed one hundred eighty (180) calendar days for any provider applying to become a Network~~
 17 ~~Provider as evidenced by CONTRACTOR's receipt of a completed application, with the expectation that~~
 18 ~~the average time for credentialing shall not exceed one hundred twenty (120) calendar days.~~

19 ~~c. CONTRACTOR shall provide to COUNTY the names of providers denied participation~~
 20 ~~in CONTRACTOR's Provider Network upon request.~~

21 ~~4. OUT-OF-COUNTY PROVIDERS~~

22 ~~a. CONTRACTOR may accept claims for services provided to a COUNTY Beneficiary by~~
 23 ~~any out-of-county provider that has met the foundation criteria for the county in which services are~~
 24 ~~provided.~~

25 ~~b. CONTRACTOR shall provide names of its credentialed providers to other counties upon~~
 26 ~~request.~~

27 ~~5. RE-CREDENTIALING~~

~~a. CONTRACTOR shall update, verify and review all pertinent provider credentialing~~
~~information and qualifications, and assess the provider's performance over the previous three (3) years.~~

~~b. CONTRACTOR shall identify and evaluate any changes in the provider's licensure,~~
~~clinical privileges, training, experience, current competence, or health status that may affect the provider's~~
~~ability to perform the services he or she is providing to members.~~

~~c. In order to determine whether to re-approve the provider's participation in~~
~~CONTRACTOR's network, CONTRACTOR shall, in addition to updating credentialing information,~~
~~examine the provider's clinical competence, examine QI, review patient complaints, and conduct site~~
~~visits when appropriate, in accordance with CONTRACTOR's site audit policy, a copy of which shall be~~
~~provided to ADMINISTRATOR upon request.~~

~~d. CONTRACTOR shall provide to COUNTY the names of providers denied participation in CONTRACTOR's Provider Network and the reason for the denial upon request.~~

~~6. PROVIDER APPLICATION REVIEW PROCESS~~

~~a. All credentialing and re-credentialing applications shall be reviewed by CONTRACTOR. Providers with identified adverse issues shall be asked to provide a written explanation prior to CONTRACTOR review. In addition, CONTRACTOR shall maintain P&Ps for altering the conditions of the practitioner's participation in the network based on issues of the quality of care and service that may arise after completing the credentialing process. Such P&Ps shall be provided to ADMINISTRATOR, upon request. Decisions to alter or terminate a provider's participation in the network shall be made by CONTRACTOR. Providers with identified quality of care or service concerns shall be presented to the Peer Review Committee established by CONTRACTOR. Providers shall be advised in advance of the identified problems and shall be invited to respond in writing to the issues to go before the Peer Review Committee. The provider's response, along with any additional documentation supplied by CONTRACTOR, shall be reviewed by the Peer Review Committee. The Peer Review Committee may recommend that no action be taken, that the provider be issued a Corrective Action Plan, or that the provider be terminated from the network.~~

~~b. CONTRACTOR shall provide notice and a fair hearing to CONTRACTOR's Network Providers, as required under applicable state and federal law, or at the discretion of CONTRACTOR's Medical Director, in any case in which action is proposed to be taken by CONTRACTOR to restrict, suspend or terminate the Network Provider's ability to provide health care services to Beneficiaries for reasons relating to deficiencies in quality of care, professional competence, or professional conduct which affects or could adversely affect the health, safety or welfare of any Beneficiaries and/or is reasonably likely to be detrimental to the delivery of quality care. If CONTRACTOR takes adverse action against a provider based on a quality of care issue, CONTRACTOR shall report as required by state and federal agencies and as required by the NPDB.~~

~~c. ADMINISTRATOR shall be notified of any providers required to submit a Corrective Action Plan, or terminated as the result of a quality of care issue, within fourteen (14) calendar days of such action. The quality of care issue shall also be summarized and included with the notification.~~

~~7. PROVIDER TRAINING~~

~~a. CONTRACTOR, in consultation with ADMINISTRATOR shall train individual Network Providers to the model and delivery of Specialty Mental Health Services requested by COUNTY. Documentation, appropriate referral resource, and service linkage protocols shall be emphasized.~~

~~b. All Network Providers shall have access to a Provider Manual, developed by CONTRACTOR, at the commencement of their contract with CONTRACTOR. The Provider Manual shall be provided to ADMINISTRATOR, upon request.~~

~~c. CONTRACTOR shall publish provider newsletters, which shall serve to update providers on operational and clinical requirements and to provide clarification on contractual issues. A~~

1 ~~copy of such newsletters shall be sent to ADMINISTRATOR.~~

2 ~~_____ d. CONTRACTOR shall conduct and/or sponsor in service training for all of its Network~~
3 ~~Providers and any non-network providers as requested by ADMINISTRATOR. These trainings shall~~
4 ~~address both operational and clinical standards. For the purpose of coordinating trainings,~~
5 ~~CONTRACTOR shall provide a list of its scheduled trainings to ADMINISTRATOR.~~

6 ~~_____ 8. CULTURAL AND LINGUISTIC CAPABILITY: CONTRACTOR shall make its best~~
7 ~~efforts to provide services pursuant to the Contract in a manner that is culturally and linguistically~~
8 ~~appropriate for the population(s) served. CONTRACTOR shall maintain documentation of such efforts~~
9 ~~which may include, but not be limited to: records of participation in COUNTY sponsored or other~~
10 ~~applicable training; recruitment and hiring P&Ps; copies of literature in multiple languages and formats,~~
11 ~~as appropriate; and descriptions of measures taken to enhance accessibility for, and sensitivity to, persons~~
12 ~~who are physically challenged.~~

13 ~~_____ a. CONTRACTOR shall recruit and retain culturally competent staff reflective of the~~
14 ~~populations receiving services including bilingual/bicultural professional staff. These staff shall have~~
15 ~~passed a proficiency exam that was approved by ADMINISTRATOR. CONTRACTOR shall utilize a~~
16 ~~language translation or interpreter or other service acceptable to ADMINISTRATOR.~~

17 ~~_____ b. CONTRACTOR shall actively solicit providers for its network to ensure that Beneficiary~~
18 ~~requests to use culture specific providers are met. CONTRACTOR is not required to solicit only Medi-~~
19 ~~Cal providers for its network. Regular analysis of the Provider Network, including reports of Beneficiary~~
20 ~~satisfaction, shall be conducted in order to identify any network needs that might arise. In cases where a~~
21 ~~Beneficiary's request for a culture specific provider cannot be met, CONTRACTOR shall conduct an~~
22 ~~immediate provider search to meet the Beneficiary's need and shall begin an expedited credentialing~~
23 ~~process in order to add the identified provider to the network. Qualified interpreters shall not be used to~~
24 ~~replace bilingual professionals, but may be utilized when no alternative is immediately available. A~~
25 ~~qualified interpreter shall be defined as a person not trained in mental health services that has completed~~
26 ~~an appropriate course which covers terms and concepts associated with mental illness, psychotropic~~
27 ~~medications, and cultural beliefs and practices which may influence the Client's mental health.~~

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22 ~~_____ D. CLAIMS PROCESSING AND ADJUDICATION NETWORK PROVIDERS~~

23 ~~_____ 1. CONTRACTOR shall maintain a rules based and date sensitive claims system to meet the~~
24 ~~needs of all standard Medi-Cal beneficiary claims.~~

25 ~~_____ 2. CONTRACTOR shall establish a claims adjudication process which shall accept either paper~~
26 ~~or electronic claims including, but not limited to, verification that if the Beneficiary has a Share of Cost~~
27 ~~that the Share of Cost has been met.~~

28 ~~_____ 3. CONTRACTOR shall maintain timelines in the claims process as follows:~~

29 ~~_____ a. Clean claims for services shall be requested to be submitted to CONTRACTOR by the~~

~~Network Providers within thirty (30) calendar days of the date of services but in no case shall CONTRACTOR process any claim that is initially submitted more than ninety (90) calendar days from the date of service, except as required otherwise by law, rules, or regulation as described in the Licenses and Laws Paragraph of this Contract.~~

~~_____ b. CONTRACTOR shall maintain a thirty (30) calendar day or less turnaround on clean claims. Clean claims shall be those that require no additional information (such as provider identification, diagnosis and/or CPT codes) and which can be processed completely upon initial entry.~~

~~_____ c. When pending a claim for missing data, the Network Provider shall receive notification from CONTRACTOR within fourteen (14) calendar days from the date of receipt. This notification shall include what is needed to continue processing the claim.~~

~~_____ d. CONTRACTOR shall request that the information be returned within fourteen (14) calendar days.~~

~~4. CONTRACTOR shall:~~

~~_____ a. Provide adequately trained claims processing and clerical staff, and suitable equipment.~~

~~_____ b. Review each completed claim to determine that the services rendered are within the Medi-Cal scope of service, and that applicable prior approvals have been obtained.~~

~~_____ c. Share of Cost — CONTRACTOR shall require that all Network Providers attempt to collect the Share of Cost from Beneficiaries and that reimbursement of claims shall be reduced by the Beneficiaries' Share of Cost.~~

~~_____ d. CONTRACTOR shall have access to the Medi-Cal Eligibility Website to determine client eligibility and any Share of Cost remaining for the date of service. ADMINISTRATOR will provide technical assistance and support as needed to identify client fall out from eligibility file as it relates to claims payment~~

~~_____ e. CONTRACTOR shall have access to the twice weekly inpatient and monthly IMD lists as they relate to paying inpatient and IMD claims. These lists will be provided by ADMINISTRATOR.~~

~~_____ f. CONTRACTOR shall ensure that the Network Providers notify the Beneficiary of his/her Share of Cost obligation. The Beneficiary shall be made to understand that when the Share of Cost obligation is met, Medi-Cal will cover the remainder of the unit cost.~~

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~~_____ g. For Beneficiaries with a Share of Cost who have the ability to meet their Share of Cost obligation, CONTRACTOR shall maintain authorization procedures that include ongoing review of a Beneficiary's Share of Cost status. CONTRACTOR shall make all reasonable efforts to ensure that all authorized services are eligible for Medi-Cal reimbursement.~~

~~_____ h. CONTRACTOR shall ensure that a Beneficiary with a Share of Cost was eligible for Medi-Cal on the date of service during the adjudication process of the Network Provider's claim.~~

~~_____ i. The spend down of Share of Cost is the amount remaining for the month of the date of service, or the amount of the service, whichever is less.~~

1 ~~_____ j. CONTRACTOR shall maintain procedures regarding the referral of Beneficiaries who:~~
2 ~~_____ 1.) Are unable to pay their Share of Cost and for whom the denial of mental health~~
3 ~~services based on inability to pay Share of Cost would result in a significant functional impairment, or~~
4 ~~_____ 2.) CONTRACTOR is unable to determine if they have met their Share of Cost for other~~
5 ~~Medi-Cal services received and for whom the denial of Mental Health Services based on inability to pay~~
6 ~~Share of Cost would result in a significant functional impairment.~~
7 ~~_____ k. The Network Provider shall send in a claim form, reflecting the gross amount, Share of~~
8 ~~Cost amount (if applicable) and the balance due after the Share of Cost has been met.~~
9 ~~_____ l. If the Network Provider's claim is sent with a balance due, CONTRACTOR shall verify~~
10 ~~Share of Cost remaining to avoid double payment, as well as verify if payment is correct due to Share of~~
11 ~~Cost reporting lag.~~
12 ~~_____ 5. Other Health Coverage CONTRACTOR shall direct Beneficiaries with Other Health~~
13 ~~Coverage that includes behavioral health coverage to seek services through Network Providers who take~~
14 ~~the Other Health Coverage in which they are enrolled.~~
15 ~~_____ a. CONTRACTOR shall direct Beneficiaries who obtain Other Health Coverage that~~
16 ~~includes behavioral health coverage, and who have been receiving services by an ASO Network Provider~~
17 ~~to seek services as soon as possible through other Providers who take Other Health Coverage in which~~
18 ~~they have become enrolled.~~
19 ~~_____ b. CONTRACTOR shall direct Beneficiaries with Other Health Coverage that does not~~
20 ~~include behavioral health coverage to seek services through COUNTY for a level of care assessment and~~
21 ~~further treatment if medically necessary.~~
22 ~~_____ c. CONTRACTOR shall direct Beneficiaries who obtain Other Health Coverage that does~~
23 ~~not include behavioral health coverage after they have been seeing an ASO Network Provider to seek~~
24 ~~services as soon as possible through COUNTY for a level of care assessment and further treatment if~~
25 ~~medically necessary.~~
26 ~~_____ d. This is subject to change if the DHCS rules change regarding accepting claims for Other~~
27 ~~Health Coverage that does not include behavioral health coverage.~~
28 ~~_____ e. CONTRACTOR shall direct inpatient providers who submit claims for Beneficiaries~~
29 ~~with Medicare to bill fee-for-service Medi-Cal directly as described in the Medi-Cal manual.~~
30 ~~_____ f. CONTRACTOR shall direct inpatient providers who submit claims for Beneficiaries~~
31 ~~with Other Health Coverage other than Medicare to also send proof of denial or partial payment with the~~
32 ~~CMS1500 to CONTRACTOR who shall pay remainder up to what would have been paid if only Medi-~~
33 ~~Cal eligible.~~
34 ~~_____ 6. Payment/Claim Resolution~~
35 ~~_____ a. CONTRACTOR shall facilitate the resolution of problems concerning payment and any~~
36 ~~billing documentation (if necessary) with Network Providers.~~
37 ~~_____ b. In the event a payment dispute arises between CONTRACTOR and a Network Provider,~~

~~CONTRACTOR shall make every attempt to resolve such disputes up to and including the use of a formal provider appeal process. All CONTRACTOR actions shall be undertaken while keeping the rights of the Beneficiary the foremost priority.~~

~~_____ c. If a Network Provider disputes the denial of a submitted claim or the amount of payment, he/she may contact CONTRACTOR’s Claims Department. The Claims Department shall be able to review the adjudication process with the Network Provider and give a more detailed explanation of a denied encounter unit or a reduced payment. If, in the course of such contact, CONTRACTOR is able to determine that an error was made on the part of CONTRACTOR, a re-adjudication of the claim shall be made so that the proper payment amount may be remitted.~~

~~_____ d. If, for any reason, CONTRACTOR is unable to resolve the problem to the full satisfaction of the Network Provider, CONTRACTOR shall offer to facilitate the formal second level PDR review. CONTRACTOR’s appeal process shall include review by CONTRACTOR’s Account Executive, CONTRACTOR’s AVP of Operations, and CONTRACTOR’s VP of Operations. If, after the third level appeal, the provider still is not satisfied, he/she will be referred to COUNTY or State Medi-Cal appeals process.~~

~~_____ e. All appeals processes shall be communicated to Network Providers via the distribution of CONTRACTOR’s provider manual at the time of contracting.~~

~~_____ f. CONTRACTOR shall be responsible to all Network Providers for funds paid, in any form, for non-reimbursable services, for services to persons who are not Medi-Cal Beneficiaries, or for payment to any provider or other entity not entitled to such payment. CONTRACTOR shall reimburse the ASO Account for any such payments. CONTRACTOR may pursue reimbursement from affected providers, as appropriate.~~

~~E. MEDICAL CLAIMS PROCESSING AND REVIEW CONTRACTOR shall provide COUNTY, at a minimum, a monthly Medi-Cal 837 claiming file:~~

~~_____ 1. With the exception of claims for IMD, this file shall contain a matching Medi-Cal claim for each Medi-Cal claim that was adjudicated by CONTRACTOR to the Network Provider.~~

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~~_____ 2. CONTRACTOR shall also:~~

~~_____ a. Ensure that all billing activity is maintained, controlled and exchanged as necessary in compliance with all current Federal requirements, as well as State regulatory requirements as set forth by DHCS;~~

~~_____ b. Ensure that billing staff has a thorough knowledge and understanding of SDMC billing on an ongoing basis. It is the responsibility of CONTRACTOR to maintain this knowledge and train staff when changes in staffing and/or regulations occur. ADMINISTRATOR is available to be a consultant on fine points or details; but will not train CONTRACTOR’s new staff.~~

~~c. Ensure compliance on an ongoing basis with emerging and future Federal and State regulatory requirements within established deadlines;~~

~~d. Work cooperatively with ADMINISTRATOR during any system/application changes or enhancements to ensure continuity of compliant operations;~~

~~e. Ensure Federal HIPAA compliance;~~

~~f. Have ability to compile and electronically transmit Medi-Cal 837 claim files to ADMINISTRATOR for submission to and adjudication by the State of California;~~

~~g. Have ability to receive electronic transmissions of Medi-Cal 835 adjudicated claims files back from ADMINISTRATOR, if necessary, as received by the State of California;~~

~~h. Resolve any issues with errors in claim submissions within the established timeframes, and perform re-submissions as necessary;~~

~~i. Review all claims to see that the claims are billed within the twelve (12) months from DOS requirement. Any stale dated claims (those over twelve (12) months) shall be the responsibility of CONTRACTOR and not billed to ADMINISTRATOR. Any stale dated claims that may have been previously reported to and paid by ADMINISTRATOR shall be reimbursed to ADMINISTRATOR as indicated in the Services Paragraph of this Exhibit A to the Contract.~~

~~j. Report all stale dated costs to ADMINISTRATOR. These costs shall be reported on the monthly Expenditure and Revenue Report; as requested by ADMINISTRATOR.~~

~~k. Conduct reviews and audits to see that claims submissions by Network Providers and payments for approved claims are accurate. If the review/audit reveals that money is payable from one Party to the other, that is, reimbursement by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said funds shall be due and payable from one Party to the other within sixty (60) calendar days of receipt of the review/audit results.~~

~~1) If claims to be reimbursed are within the current fiscal period, the claims shall be settled through the monthly Expense and Revenue Report and payment process.~~

~~2) If claims to be reimbursed are not within the current fiscal period, CONTRACTOR shall reimburse COUNTY.~~

~~3) If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.~~

~~3. CONTRACTOR shall establish an ongoing primary technical contact or project manager with whom issues can be discussed and resolved.~~

~~4. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the terms of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or~~

1 ~~sectarian institution, or religious belief.~~

2 ~~5. CONTRACTOR shall provide effective Administrative management of the budget, staffing,~~
3 ~~recording, and reporting portion of the Contract with COUNTY. If administrative responsibilities are~~
4 ~~delegated to subcontractors, CONTRACTOR must ensure that any subcontractor(s) possesses the~~
5 ~~qualifications and capacity to perform all delegated responsibilities, including but not limited to the~~
6 ~~following:~~

7 ~~a. Designate the responsible position(s) in your organization for managing the funds~~
8 ~~allocated to this program;~~

9 ~~b. Maximize the use of the allocated funds;~~

10 ~~c. Ensure timely and accurate reporting of monthly expenditures;~~

11 ~~d. Maintain appropriate staffing levels;~~

12 ~~e. Request budget and/or staffing modifications to the Contract;~~

13 ~~f. Effectively communicate and monitor the program for its success;~~

14 ~~g. Track and report expenditures electronically;~~

15 ~~h. Maintain electronic and telephone communication between key staff and the Contract~~
16 ~~and Program Administrators; and~~

17 ~~i. Act quickly to identify and solve problems.~~

18 ~~F. ACCESS LINE~~

19 ~~1. CONTRACTOR shall staff and operate a twenty four (24) hour seven (7) days a week toll~~
20 ~~free Access Line which is a primary portal of entry for providers and Orange County Medi Cal~~
21 ~~Beneficiaries and their families. This line may not be a taped recording and must have a live operator at~~
22 ~~all times.~~

23 ~~2. CONTRACTOR shall utilize a script developed by ADMINISTRATOR for answering~~
24 ~~Access Line requests for services.~~

25 ~~3. CONTRACTOR's Access Line shall ensure that service are available in all threshold~~
26 ~~languages. For enrollees who may require language translation, CONTRACTOR shall utilize a language~~
27 ~~interpreter service or other service acceptable to ADMINISTRATOR. The California Relay Service may~~
28 ~~be used for hearing impaired members.~~

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30 ~~G. MENTAL HEALTH SERVICES~~

31 ~~1. SCREENING~~

32 ~~a. CONTRACTOR shall provide the Beneficiary with a very brief screening to first~~
33 ~~determine if the Beneficiary is seeking mental health services followed by verification of Medi Cal~~
34 ~~eligibility.~~

35 ~~b. If the caller is not verified to be a Medi Cal Beneficiary, CONTRACTOR shall complete~~
36 ~~brief screening and refer the individual to the local COUNTY Medi Cal Office for potential enrollment~~
37 ~~and provide community resources for treatment.~~

~~c. At no time, shall a caller be offered a call back to conduct screening and complete linkage to services unless stated in Telephone Access Log as a caller's request.~~

~~d. CONTRACTOR shall screen Beneficiaries who are requesting services not provided by CONTRACTOR and identify and provide resources.~~

~~2. CASE MANAGEMENT SERVICES Whenever clinically necessary, CONTRACTOR's case managers shall assist and support Beneficiaries as part of care coordination services. Clinicians shall link Beneficiaries with complex or co-morbid conditions to appropriate care, focus on the integration of mental health and primary care, and help Beneficiaries connect to their PCPs or collaborate with their health plan to assure timely services are received.~~

~~3. TIMELY ACCESS TO SERVICES When a call is received through the Access Line, CONTRACTOR shall determine and document in Access Log if the request for services is emergent, urgent, or routine.~~

~~a. If the caller's needs are indicated as requiring emergent or urgent care, CONTRACTOR shall make a referral to COUNTY's CAT or COUNTY Mental Health Outpatient Clinic without delay to prevent further decompensation or compromise of the member's condition. CONTRACTOR shall at no time refer callers to inpatient care and must follow COUNTY criteria for inpatient assessment.~~

~~1) Emergent services shall be indicated when the Beneficiary has a psychiatric condition that meets COUNTY's criteria for acute psychiatric hospitalization and cannot be treated at a lower level of care. These criteria include the Beneficiary being a danger to himself/herself or others or an immediate inability of the Beneficiary to provide for, or utilize food, shelter or clothing as a result of a mental disorder. These calls must be linked within two (2) hours.~~

~~2) Urgent services shall be indicated when a situation experienced by a Beneficiary that, without timely intervention, is highly likely to result in an immediate emergency psychiatric condition. Beneficiaries in need of urgent services shall receive timely mental health intervention that shall be appropriate to the severity of the condition. Linkage for these services must be within twenty four (24) hours.~~

~~3) CONTRACTOR must obtain confirmation that any caller assessed as requiring emergent or urgent care has been appropriately connected to COUNTY or police. If the Beneficiary did not show up to the appointed session/evaluation, CONTRACTOR shall contact the Beneficiary to further facilitate services.~~

~~4) Appointment standards regarding emergent and urgent care shall be communicated to Network Providers as part of the Network Provider handbook and shall be incorporated in their Network Provider contractual agreement with CONTRACTOR.~~

~~b. If the caller's needs are indicated as requiring routine care, CONTRACTOR shall make a referral to COUNTY for an appointment to be offered within ten (10) business days of the referral. Routine services shall be indicated when a Beneficiary's mental health needs are not urgent, but for whom mental health services of some type can improve functioning and/or reduce symptoms, or for whom~~

1 ~~mental health services are necessary to maintain his or her highest level of functioning.~~

2 ~~_____ c. CONTRACTOR's Access Line clinicians shall be available to briefly screen and triage~~
 3 ~~all of the Beneficiary's mental health needs. All of CONTRACTOR's Access Line clinicians providing~~
 4 ~~brief screening services shall be licensed by the State of California, Board of Behavioral Sciences. Access~~
 5 ~~Line clinicians shall be trained to identify signs of distress in callers.~~

6 ~~_____ d. Beneficiaries requesting mental health services shall not be denied services solely based~~
 7 ~~upon a telephone clinical screening. Should it not be possible to determine a Beneficiary's needs, during~~
 8 ~~the brief telephone clinical screening, CONTRACTOR shall take further steps to ensure Beneficiaries are~~
 9 ~~referred to the most appropriate level of care by referring the Beneficiary for a face to face assessment by~~
 10 ~~COUNTY provider.~~

11 ~~_____ 1) A referral for a face to face assessment shall be culturally appropriate.~~

12 ~~_____ a) CONTRACTOR shall require that testing be provided only by licensed clinical~~
 13 ~~psychologists.~~

14 ~~_____ b) Network Providers requesting psychological testing related to treatment~~
 15 ~~decisions must submit a request, to CONTRACTOR, which shall be reviewed by CONTRACTOR.~~

16 ~~_____ c. Access Line clinicians shall be evaluated at least once annually by CONTRACTOR to~~
 17 ~~ensure consistency and appropriateness of referrals. CONTRACTOR shall make findings available to~~
 18 ~~ADMINISTRATOR.~~

19 ~~_____ 1) CONTRACTOR's Access Line clinicians shall be periodically evaluated by~~
 20 ~~CONTRACTOR through routine audits and formal reliability studies to ensure consistency in decisions~~
 21 ~~related to medical necessity and clinical impressions.~~

22 ~~_____ 2) A randomly selected sample of member files shall be audited by CONTRACTOR at~~
 23 ~~least quarterly to evaluate Access Line clinician decision compliance with decision-making criteria.~~

24 ~~_____ 4. SCREENING and ASSESSMENT CATEGORIES As a result of the telephone clinical~~
 25 ~~brief screening, or face to face assessment, as appropriate, CONTRACTOR's Access Line clinicians shall~~
 26 ~~refer the Beneficiary for further assessment and treatment according to the following guidelines.~~

27 ~~_____ a. Severe/Complex Need for Services Beneficiaries screened or assessed to have a severe~~
 28 ~~or complex need for Mental Health Services if they meet the state standards for medical necessity for~~
 29 ~~treatment and COUNTY's admission criteria. These Beneficiaries shall be referred to COUNTY for~~
 30 ~~further assessment and care coordination. CONTRACTOR shall ensure a timely and successful referral~~
 31 ~~for these Beneficiaries.~~

32 ~~_____ b. Medication Management Need for Services~~

33 ~~_____ 1) These Beneficiaries shall meet medical necessity criteria for treatment or meet~~
 34 ~~COUNTY admission criteria. These Beneficiaries shall either be able to attend scheduled outpatient office~~
 35 ~~appointments or be in a facility such as a Board and Care. Beneficiaries in a SNF or Medical/Surgical~~
 36 ~~hospital or in some cases in an ER shall be eligible for psychiatric consultation/treatment. Authorization~~
 37 ~~and process shall be determined with ADMINISTRATOR.~~

~~2) Beneficiaries referred from COUNTY, no additional screening or assessment shall be required by CONTRACTOR.~~

~~3) CONTRACTOR shall collaborate with physical health care providers to ensure the most appropriate level of medication management is provided.~~

~~c. Episodic Need for Services — Beneficiaries referred to CONTRACTOR’s Network of Providers for services shall receive up to a total of twelve (12) psychiatry or a maximum of twenty-six (26) routine psychotherapy treatment hours to include assessment within a period of six months. The parties agree that, due to the episodic nature of illness experienced by the Specialty Mental Health population, it is expected that many Beneficiaries’ needs shall be met by these initial hours authorized. Additional hours of service will require Continued Care Review (CCR) by CONTRACTOR.~~

~~d. Out of County Services — CONTRACTOR shall be responsible for processing and paying claims for services provided to COUNTY Beneficiaries who meet medical necessity for treatment and may require services while out of County as a result of urgent need or placement by COUNTY care coordinators and/or Social Services staff.~~

~~1) CONTRACTOR shall comply in good faith with all Medi-Cal rules and regulations applicable to the provision of Specialty Mental Health Services for Medi-Cal Beneficiaries who are minors and who reside out of home and out of County.~~

~~2) COUNTY shall cooperate with CONTRACTOR in connection with providing authorization for services to Beneficiaries who are deemed by the appropriate state or federal authorities to be COUNTY’s Medi-Cal responsibility. COUNTY may retain responsibility for providing services for any minor placed out of County at COUNTY’s discretion, after notification to CONTRACTOR, at any point in the treatment.~~

~~e. Other Need for Services — Beneficiaries shall be referred to their MCP or PCP for treatment, if Beneficiary’s face-to-face assessment determines that the mental health need would be responsive to physical health care based treatment. Mental disorders that result from a general medical condition shall be excluded from the medical necessity criteria for treatment, provided a NOABD, if applicable and, beyond assessment, are not the responsibility of COUNTY or CONTRACTOR.~~

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~~f. Excluded Diagnosis — A Beneficiary’s face-to-face assessment determines that the Beneficiary has an excluded diagnosis and therefore does not meet medical necessity criteria for receiving treatment from either COUNTY or CONTRACTOR, and a NOABD shall be provided, if applicable. CONTRACTOR may refer these Beneficiaries to those community clinics not under contract with COUNTY to provide mental health services for these Beneficiaries.~~

~~5. AUTHORIZATION OF SERVICES~~

~~a. Inpatient and IMD Attending — These Beneficiaries shall meet medical necessity for treatment and COUNTY admission criteria; therefore, no additional screening shall be required by CONTRACTOR. CONTRACTOR shall be responsible for reimbursing attending psychiatrists. Claims~~

1 ~~for services for these Beneficiaries shall be processed in accordance with the following:~~

2 ~~1) Acute Psychiatric Hospitals and IMDs—Attending psychiatrists shall be reimbursed~~
 3 ~~by FFS rates set by COUNTY.~~

4 ~~2) CONTRACTOR must ensure that it does not reimburse for more than one (1)~~
 5 ~~professional service per day without prior authorization.~~

6 ~~b. Out of County Treatment Authorization~~

7 ~~1) CONTRACTOR may accept claims for authorized outpatient Specialty Mental~~
 8 ~~Health Services by any out of County provider that has completed a single case agreement with~~
 9 ~~CONTRACTOR.~~

10 ~~2) CONTRACTOR shall monitor claims payments to non-contracted out of County~~
 11 ~~providers for outpatient Specialty Mental Health Services billed to CONTRACTOR. Any out of County~~
 12 ~~provider meeting this criterion shall be advised in writing by CONTRACTOR that the cumulative claims~~
 13 ~~exceeding \$1,000 shall be denied unless provider becomes a Network Provider in CONTRACTOR's~~
 14 ~~network. CONTRACTOR shall also advise Network Providers that they must obtain authorization from~~
 15 ~~CONTRACTOR for ongoing services. These services shall be authorized following the in-county benefit~~
 16 ~~guidelines.~~

17 ~~3) Children and adolescent Beneficiaries shall be allowed up to fifteen (15) visits for~~
 18 ~~medication management; one (1) assessment visit, one (1) hour in duration; and fourteen (14) follow-up~~
 19 ~~visits, fifteen (15) minutes in duration.~~

20 ~~4) Contractor shall authorize up to twenty six (26) therapy visits over a six (6) month~~
 21 ~~period. The type of therapy; Individual, Group, or Family therapy; shall be at the discretion of the~~
 22 ~~Network Provider.~~

23 ~~c. If a Beneficiary is identified through CONTRACTOR's automated UM monitoring~~
 24 ~~report as continuing or exceeding treatment allowed in Services Paragraph of this Exhibit A to the~~
 25 ~~Agreement, an Access Line clinician will conduct additional review and/or assessment via CCR to~~
 26 ~~determine medical necessity and level of care remain appropriate to the beneficiaries needs and the~~
 27 ~~planned treatment will potentially improve beneficiaries condition and level of functioning.~~

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1 ~~1) The CCR involves consultation with Network Providers and shall include, at a~~
 2 ~~minimum, a statement of presenting problems including diagnosis, justification for extended services, a~~
 3 ~~brief treatment plan including the number of additional requested services to resolve the problem,~~
 4 ~~treatment goals, as well as information relevant to the specific diagnosis, mental status, symptomatology,~~
 5 ~~functional impairment, and a description of linkages to other community resources and support groups.~~
 6 ~~The CCR also may involve rescreening the beneficiary which, if applicable, shall include, at a minimum,~~
 7 ~~determination of appropriate level of care, functional limitations and treatment barriers, service~~
 8 ~~verification, identification of unmet resource needs and self-report measure of treatment effectiveness and~~
 9 ~~satisfaction.~~

~~2) The Access Line clinician determines the Beneficiary may require COUNTY level of care and may be better served by COUNTY, the Beneficiary may be referred and linked to COUNTY for further assessment. If COUNTY assessment determines COUNTY level of care is not appropriate, COUNTY reserves the right to refer back to CONTRACTOR for services~~

~~3) With approval from ADMINISTRATOR, the utilization process can be modified and/or replaced by other similar systems that authorize more hours of treatment than initially allowed to a Beneficiary provided that justification includes utilizing the minimum criteria detailed in the Services Paragraph of this Exhibit A to the Agreement.~~

~~4) Access Line clinicians shall utilize Medical Necessity criteria and as needed, consultations with designated COUNTY staff to guide the screening for medical necessity and appropriateness of mental health services.~~

~~d. Outpatient Psychiatric Medication and Adult Psychotherapy Services~~

~~1) Beneficiaries shall be allowed up to twelve (12) visits for psychiatry and up to twenty six (26) visits for routine psychotherapy within the initial six (6) months. Additional hours of service will require CCR by CONTRACTOR with oversight by the Medical Director.~~

~~2) The CONTRACTOR, by CCR can allow up to twelve (12) visits for psychiatry and up to twenty six (26) visits for routine psychotherapy within the subsequent six (6) months before additional review is required. CONTRACTOR shall develop appropriate service utilization criteria."~~

~~6. COORDINATION WITH PHYSICAL HEALTH CARE CONTRACTOR shall address the following issues in coordinating mental health and physical health care services with the managed care plan:~~

~~a. Timely coordination and referral.~~

~~b. Timely exchange of information.~~

~~c. Education of both Beneficiaries and Network Providers regarding system coordination.~~

~~d. Coordination of medications and laboratory services as they relate to the mental health and physical needs of the Beneficiary.~~

~~1) A part of CONTRACTOR's CCR process shall include collecting and evaluating the Beneficiary's medication regimen.~~

~~2) If CONTRACTOR's Access Line clinicians discover potential coordination of medication concerns, telephone calls shall be placed to the Network Provider and managed care plan to ensure appropriate coordination of care.~~

~~e. Defining responsibility/roles of case management/care coordination services.~~

~~1) Whenever clinically necessary, CONTRACTOR's clinicians shall work with the local managed care plan(s) case management departments and membership liaison staff to coordinate necessary services.~~

~~2) CONTRACTOR shall also have access to IRIS to assist in identifying which Beneficiaries are accessing the traditional Short Doyle delivery system and shall coordinate client care~~

1 with COUNTY mental health staff at corresponding program(s) where client is receiving services.

2 ~~3) Specialty Network Provider consultation shall be provided to the Beneficiary's PCP. Upon appropriate Beneficiary consent, Network Providers shall coordinate with the PCP regarding a patient concern. With proper Beneficiary consent, CONTRACTOR shall release the information from the Network Provider to the PCP to facilitate care coordination.~~

3 ~~4) CONTRACTOR shall require its Network Providers to follow community standards of good clinical practice, provide informed consent and clarification to Beneficiaries about treatments that may impact their service delivery, and to update the PCP regarding the progress of the treatment.~~

4 ~~7. DENIALS, REDUCTIONS, OR TERMINATION OF MENTAL HEALTH SERVICES~~

5 ~~a. All reductions in benefits and/or denials of treatment authorization shall be reviewed by CONTRACTOR.~~

6 ~~b. In the event that CONTRACTOR reduces benefits or denies further treatment entirely, both the Network Provider and Beneficiary shall be notified by CONTRACTOR in writing by sending a NOABD form.~~

7 ~~1) If services are denied, CONTRACTOR shall send an NOABD form.~~

8 ~~2) If services, as requested by the Network Provider, are terminated, reduced, or changed and authorized by CONTRACTOR, CONTRACTOR shall send a NOABD form.~~

9 ~~3) Quarterly, CONTRACTOR shall submit, to COUNTY, a report listing all NOABDs issued by type.~~

10 ~~4) CONTRACTOR shall provide detailed information substantiating the issuance of a NOABD, upon request of ADMINISTRATOR.~~

11 ~~c. COUNTY shall supply CONTRACTOR with NOABD forms. All NOABD forms include instructions regarding second opinion and appeals processes.~~

12 ~~1) A Beneficiary may request a second opinion. CONTRACTOR is responsible for second opinions for NOABDs issued by CONTRACTOR.~~

13 ~~2) A Network Provider or Beneficiary may request an expedited appeal review in the event that treatment is ongoing.~~

14 ~~3) Should CONTRACTOR fail to respond to the appeal or expedited appeal within the mandated timelines, CONTRACTOR shall send the Beneficiary a NOABD form.~~

15 ~~H. UTILIZATION MANAGEMENT CONCURRENT REVIEW OF INPATIENT HOSPITAL SERVICES~~

16 ~~1. In accordance with the Mental Health Plan (MHP) Agreement with the Department of Health Care Services (DHCS) and federal Medicaid Managed Care and Parity Final Rule 42 CFR, Part 438, 440, 456, and 457 (Code of Federal Regulations), WIC 14197, 14705(a)(3), California Code of Regulations (CCR), Title 9, Chapter 11, Sections 1810.216, 1810.440(b), 1820.205, 220-225, 230, 245, 18220.205(a), 1830.220-225, HSC 1367.01(h)(3) & 1371.4(a), CONTRACTOR agrees to render psychiatric inpatient hospital Initial and Continuing Stay Concurrent Review services, also referred to as utilization management (UM) services, to eligible beneficiaries/clients for Specialty Mental Health Services (SMHS) as set forth in this Exhibit A of the Contract in accordance with Mental Health Substance Use Disorder~~

1 ~~(MHSUDS) Information Notice (IN) 19-026. COUNTY agrees to pay CONTRACTOR for such services rendered in accordance with the terms and under the express conditions of this Contract.~~

2 ~~_____ a. Service Delivery~~

3 ~~_____ 1) CONTRACTOR's UM services shall evaluate and authorize inpatient psychiatric~~
4 ~~hospital admissions and continued stay days based on Specialty Mental Health Services (SMHS) medical~~
5 ~~necessity criteria, and consistent with current clinical practice guidelines, principles and process.~~
6 ~~CONTRACTOR shall authorize service appropriateness and efficiency of services provided to Medi-Cal~~
7 ~~Beneficiaries, and those County residents COUNTY designates AMHI (unfunded) clients, prospectively~~
8 ~~through initial and concurrent authorization procedures. CONTRACTOR may place appropriate limits~~
9 ~~on a service based on medical necessity, or for the purpose of utilization management, provided that the~~
10 ~~services furnished are sufficient in amount, duration, or scope to reasonably achieve their purpose and~~
11 ~~that services for Beneficiaries with ongoing or chronic conditions are authorized in a manner that reflects~~
12 ~~the Beneficiary's ongoing need for such services and supports.~~

13 ~~_____ 2) CONTRACTOR shall maintain telephonic and electronic methods for providers to~~
14 ~~submit notification of admission 24/7, so that inpatient hospital providers to make admission notifications~~
15 ~~and request authorization for inpatient acute psychiatric hospital services.~~

16 ~~_____ 3) CONTRACTOR may not arbitrarily deny or reduce the amount, duration, or scope~~
17 ~~of the required service solely because of diagnosis, type of illness or condition of the Beneficiary (CCR~~
18 ~~Title 9, 1810; 42 Code of Federal Regulations (CFR) 438.210, 438.330, 438.608; 438.910).~~

19 #

20 ~~_____ 4) CONTRACTOR shall provide written notification to COUNTY regarding~~
21 ~~authorization decisions in accordance with the established timeframes based on medical necessity via~~
22 ~~Daily Census Report and weekly Authorization List.~~

23 ~~_____ 5) CONTRACTOR hereby represents and warrants that it operates a utilization~~
24 ~~management program based on the National Committee for Quality Assurance (NCQA) and Centers for~~
25 ~~Medicare and Medicaid Services' (CMS) standards for Medicaid/Medi-Cal; provided, however, that it~~
26 ~~makes no representation or warranty that it is accredited by NCQA. CONTRACTOR's UM program shall~~
27 ~~set quality standards based on the Healthcare Effectiveness Data and Information Set (HEDIS) and other~~
28 ~~related performance measures.~~

29 ~~_____ b. Utilization Management Service Implementation~~

30 ~~_____ 1) COUNTY does not require prior authorization for an emergency admission for~~
31 ~~psychiatric inpatient hospital services or to a psychiatric health facility, whether the admission is voluntary~~
32 ~~or involuntary, and the Beneficiary, due to a mental disorder, is a current danger to self or others, or~~
33 ~~immediately unable to provide for, or utilize, food, shelter, or clothing. (CCR Title 9, 1820, 1830 sections).~~

34 ~~_____ 2) After the date of admission, CONTRACTOR shall review requests from hospitals~~
35 ~~for authorization of continued stay services for the Beneficiary subject to concurrent review by~~

1 ~~CONTRACTOR in accordance with MHSUDS IN 19-026 and regulations listed above.~~

2 ~~3) CONTRACTOR shall implement UM services and begin performing reviews within~~
3 ~~ninety (90) business days of effective date of Contract or mutually agreed upon extended date..~~
4 ~~CONTRACTOR shall schedule and facilitate an implementation plan with COUNTY and agreed upon~~
5 ~~activities shall be managed by CONTRACTOR implementation team in collaboration with~~
6 ~~CONTRACTOR.~~

7 ~~4) Key CONTRACTOR implementation activities include, but are not limited to:~~

8 ~~a) Establish Information Technology (IT) system configuration that includes list of~~
9 ~~Medi-Cal covered diagnoses for inpatient mental health services; secure protocol for electronic~~
10 ~~communication between CONTRACTOR and COUNTY, covered county responsible and Medi-Cal~~
11 ~~client eligibility, authorization, and inpatient acute mental health provider information.~~

12 ~~b) Establish and maintain Phone system and encrypted email inbox set up with~~
13 ~~dedicated telephone number and phone tree for provider calls for County.~~

14 ~~c) Develop UM Service Design Document that reflects tasks and responsibilities set~~
15 ~~for in this Exhibit A.~~

16 ~~d) Provide mutually agreed upon reports as defined in this Exhibit A. However,~~
17 ~~CONTRACTOR shall provide to COUNTY any additional reports COUNTY requires to comply with~~
18 ~~applicable law or government agency instruction. COUNTY shall cooperate with collecting and~~
19 ~~providing any data needed to perform the services and supply reports required under this section.~~

20 ~~//~~

21 ~~e) Develop UM Program including but not limited to, creating workflows, written~~
22 ~~guidelines for the application of medical necessity for inpatient mental health services, development of~~
23 ~~forms to facilitate communication and implementation of continuous services, census forms, and~~
24 ~~communication points of contact.~~

25 ~~f) Develop eligibility verification process for Orange County responsible Clients,~~
26 ~~including Medi-Cal and uninsured / AMHI Orange County residents.~~

27 ~~g) Develop and share policies and procedures in compliance with the Final rule and~~
28 ~~DHCS regulatory and MHP agreement requirements to address the following areas including, but not~~
29 ~~limited to:~~

30 ~~i. Medical necessity criteria, as defined in CCR Title 9, section 1820.205 for~~
31 ~~initial and continued stay services and 1820.220 for administrative day services;~~

32 ~~ii. Clinical coverage and access to utilization management staff 24 hour access~~
33 ~~to utilization review staff;~~

34 ~~iii. Timeliness of authorization decisions and notification;~~

35 ~~iv. Discharge planning;~~

36 ~~v. Clinical documentation;~~

37 ~~vi. Evaluation of utilization management services, including but not limited to,~~

1 ~~interrater reliability and objectivity in clinical decision making;~~

2 ~~_____ vii. Notification requirements and content of authorization and need for adverse~~
 3 ~~benefit determination notices (COUNTY conduct NOABD);~~

4 ~~_____ viii. Required UM staffing and scope of practice, including licensed mental~~
 5 ~~health professional licensure, verified credentialing, sanction/exclusion monitoring and certification of~~
 6 ~~clinical staff; and~~

7 ~~_____ ix. UM staffing compensation is not structured so as to provide incentives for~~
 8 ~~the individual or entity to deny, limit, or discontinue medically necessary services to a Client.~~

9 ~~_____ h) Purchase equipment and set up new information technology equipment for new~~
 10 ~~staff.~~

11 ~~_____ i) Train UM staff on new workflows, medical necessity criteria and new required~~
 12 ~~system.~~

13 ~~_____ j) Monitor Concurrent Review activities performed by UM staff to ensure~~
 14 ~~compliance to the established workflows and documentation requirements preapproved by COUNTY and~~
 15 ~~set forth in this Exhibit A.~~

16 ~~_____ k) Member/facility notification development.~~

17 ~~_____ c. Utilization Management Program Scope and Design~~

18 ~~_____ 1) CONTRACTOR'S Clinical UM Program shall assign a designated point of contact~~
 19 ~~with COUNTY. This individual shall be responsible for the performance of the joint CONTRACTOR~~
 20 ~~team designated for COUNTY account and shall be located in CONTRACTOR's Service Center. The~~
 21 ~~UM team shall include designated licensed practitioners of the healing arts, UM clinicians, including UM~~
 22 ~~physicians, intake coordinators and shared reporting and oversight resources, to support the Contract.~~

23 ~~_____ 2) CONTRACTOR team shall be responsible for the following:~~

24 ~~_____ a) COUNTY specific admission notification phone number and secure electronic~~
 25 ~~submission process available to providers and COUNTY 24 hours, 7 days a week for initial and~~
 26 ~~continuing stay authorization requests. COUNTY will access CONTRACTOR's notification services~~
 27 ~~upon receiving direct contact from a facility regarding notification and authorization request.~~

28 ~~_____ b) Daily intake of an admissions census showing current admissions at designated~~
 29 ~~facilities for mental health. CONTRACTOR shall update COUNTY of all completed admissions through~~
 30 ~~a COUNTY pre approved authorization extract via daily email delivery to COUNTY email address~~
 31 ~~determined by COUNTY.~~

32 ~~_____ c) Beneficiary eligibility verification by utilizing via an eligibility file and/or face~~
 33 ~~sheet provided by COUNTY. Eligibility verification shall include adult and children who have County~~
 34 ~~30 Medi-Cal or County Responsible benefits.~~

35 ~~_____ d) Timely review and approval, denial or modification of requests for authorization~~
 36 ~~of inpatient mental health services. CONTRACTOR shall not deny authorization of emergency~~
 37 ~~placements.~~

~~e) Use written Concurrent Review decision-making criteria, pre-approved by COUNTY, that are objective and based on inpatient acute psychiatric hospital/PHF medical necessity as defined in CCR Title 9 Section 1820.205 for initial and continuing stay services and 1820.220 for administrative day services.~~

~~f) Review clinical documentation, when necessary, sufficient to determine that medical necessity criteria are met for acute days and administrative day criteria are met for administrative day authorized by CONTRACTOR.~~

~~g) Formal and informal case collaboration with COUNTY or Inpatient Setting staff, including physician peer review for resolving disputed requests for authorization.~~

~~h) Provide peer to peer consultation from board certified physicians to facilities as clinically appropriate for each Client.~~

~~i) Ensure that medical necessity adverse benefit decisions, based on medical necessity criteria are reviewed and approved by a physician as set forth in CCR Title 9 section 1820.220, prior to providing COUNTY with written reasons for generating a Notice of Adverse Benefit Determination (NOABD) letter.~~

~~j) Coordination and discharge planning with facility and COUNTY staff as appropriate, including but not limited to:~~

~~i. CONTRACTOR to notify COUNTY designated contacts via email of Client's planned discharge date from inpatient unit no less than twenty four (24) hours prior to discharge/final day authorized, or the next business day if notified outside of the work week, or as soon as CONTRACTOR is made aware of a discharge if not informed sooner than twenty four (24) hours.~~

~~ii. CONTRACTOR to obtain and document discharge plan, including aftercare appointment information, during Concurrent Review process, for non-Orange County SMHS discharges or Out-of-County aftercare services.~~

~~iii. CONTRACTOR to notify inpatient hospital unit social worker staff/UM representative that they are to contact COUNTY ACCESS clinical staff to coordinate discharge plan for SMHS by calling number provided by ADMINISTRATOR prior to discharge.~~

~~k) Routine Activity Report deliveries, including but not limited to facility type, average length of stay, recidivism, and Beneficiary demographic information.~~

~~i. COUNTY will continue to manage all facility and provider contracts. The above activities will be completed for acute mental health inpatient care and any UM review services mutually agreed upon by CONTRACTOR and ADMINISTRATOR.~~

~~ii. COUNTY will assign a designated point of contact with CONTRACTOR.~~

~~iii. CONTRACTOR shall respond to up to two (2) clinical audits from COUNTY per calendar year and shall participate in clinical audits of COUNTY by state or federal authorities as needed. Notwithstanding audits initiated by state or federal authorities, COUNTY shall give CONTRACTOR no less than thirty (30) business days' notice to respond to a clinical audit request. If~~

1 ~~CONTRACTOR successfully passes two audits in a row, this will be reduced to one year.~~

2 ~~d. Workflow Overview~~

3 ~~_____ 1) CONTRACTOR shall implement effective workflows for clinical review based on~~
 4 ~~established policies and practices.~~

5 ~~_____ 2) Initial Admission Authorizations:~~

6 ~~_____ a) Assignment CONTRACTOR shall verify COUNTY eligibility upon an individual~~
 7 ~~admission. COUNTY support staff will ensure any questions are addressed to determine eligibility status.~~
 8 ~~CONTRACTOR shall acknowledge received hospital admission notifications via the daily census.~~

9 ~~_____ b) For eligible admissions, CONTRACTOR support staff shall set up a member file~~
 10 ~~in CONTRACTOR care management system that includes member demographics, eligibility, and other~~
 11 ~~pertinent details. CONTRACTOR support staff shall conduct screening and enter notes into~~
 12 ~~CONTRACTOR care management system. Any case requiring clinical review by a clinician shall be~~
 13 ~~transferred to an UM Coordinator.~~

14 ~~_____ 3) UM Reviews: Provide Concurrent Review services for Clients placed in inpatient~~
 15 ~~psychiatric facilities as directed by COUNTY, including but not limited to, the following:~~

16 ~~_____ a) Provide timely review and approval, denial or modification of requests for~~
 17 ~~authorization of inpatient mental health services.~~

18 ~~_____ b) Use Concurrent Review decision-making criteria, pre-approved by COUNTY,~~
 19 ~~that are objective and based on medical necessity as defined in CCR Title 9 Section 1820.205 for initial~~
 20 ~~and continuing stay services and 1820.220 for administrative day services.~~

21 ~~_____ c) Inform Clients in writing how they can obtain the Concurrent Review criteria and~~
 22 ~~make the criteria available to Clients upon request.~~

23 ~~_____ d) Once daily, on business days, send census to COUNTY Utilization Review team~~
 24 ~~email. To be determined by COUNTY, at minimum, the following information for all Clients currently~~
 25 ~~in inpatient psychiatric placement shall be provided:~~

26 ~~_____ i. Client name Date of Birth, and Alternate ID;~~

27 ~~_____ ii. Primary diagnosis;~~

~~_____ iii. Placement facility name, address and contact number;~~

~~_____ iv. Admission date;~~

~~_____ v. Last authorized date; and~~

~~_____ vi. Total number of days authorized (Days).~~

~~_____ 4) Concurrent Reviews:~~

~~_____ a) Inpatient acute psychiatric level of care reviews shall be conducted telephonically,~~
 26 ~~or as required per MHP DHCS Agreement requirements and as defined by CCR Title 9 section 1810.100~~
 27 ~~and 1810.110, at intervals appropriate to the intensity of care.~~

~~_____ b) Additional reviews shall be conducted as needed or upon request from~~

~~CONTRACTOR's Medical Director, and urgent reviews may be conducted when circumstances warrant. Lengthy stays may require consultations with CONTRACTOR's Medical Director.~~

~~c) All concurrent reviews, or peer-to-peer reviews shall be documented in CONTRACTOR care management system.~~

~~5) Review with Stay Denials:~~

~~a) CONTRACTOR shall offer a peer-to-peer review prior to issuing a clinical denial based on not meeting medical necessity for either acute or administrative stay; CONTRACTOR shall not pend authorizations while waiting for the review to occur. Once the peer-to-peer is offered, CONTRACTOR shall issue the denial if the attending Medical Doctor does not call for the review. Determination regarding authorization or denial shall be completed within twenty four (24) hours from the time of a completed request.~~

~~b) All clinical denials are reviewed by CONTRACTOR's Medical Director or Physician Reviewer. Once a final determination has been made, verbal and written notifications shall be sent via agreed upon means to the facility and COUNTY.~~

~~6) Retroactive Authorizations: Retroactive authorization reviews for facility post service payment will be conducted by COUNTY.~~

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

~~**X. STAFFING**~~

~~3. Exhibit A, Paragraph X. Staffing, subparagraph A., of the Contract is deleted in its entirety and replaced with the following:~~

~~"A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-Time Equivalents (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal to an average of forty (40) hours work per week.~~

ADMINISTRATION	<u>FTEs</u>
Accounting Manager	0.01
Telecom Analyst	0.15
Desktop Support	0.10
Security Specialist	<u>0.4719</u>

1	SUBTOTAL ADMINISTRATION	0.4345
2		
3	PROGRAM	
4	<u>Implementation Program Staff (2021-22)</u>	<u>2.51</u>
5	<u>ASO DMC Staffing</u>	
6	Program Director	0.35
7	Operation Director	0.30
8	Regional Operation Analyst	0.35
9	Quality Department Management (Pooled)	0.4704
10	Quality Improvement Coordinator/Grievance and Complaints (Pooled)	0.9960
11	Utilization Review Clinician – Screener (Pooled)	6.00
12	<u>Clinical Director</u>	<u>1.00</u>
13	Clinical Manager	1.00
14	Clinical Supervisor <u>Team Lead</u> (Pooled)	1.00
15	After Hours Supervisor (Pooled Staff)	0.11
16	After Hours Clinician & DMC Clinician (Pooled Staff)	<u>1.752.00</u>
17	Membership Service Supervisor (Pooled)	1.00
18	Membership Service Representative (Pooled)	<u>76.00</u>
19	Care Coordinator II (Pooled)	4.00
20	Credentialing Specialist (Pooled)	0.20
21	Network Development Manager	0.20
22	Provider Relations/Dispute Resolution	0.30
23	Claims Processor (Pooled)	0.50
24	Claims Analyst (Pooled)	0.10
25	Claims Supervisor (Pooled Staff)	0.05
26	Finance - Sr. Accountant	0.10
27		

1	Database Administrator	0.30
2	Database Developer	<u>0.15</u>
3	<u>ASO DMC SUBTOTAL PROGRAM</u>	25.83 <u>24.65</u>
4	<u>Utilization Management Staffing</u>	
5	Quality Analyst (Pooled)	0.34 <u>40</u>
6	Quality Specialist (Pooled)	0.57
7	Manager of Provider Quality (Pooled)	1.00
8	Supervisor of Utilization Management	1.00
9	Utilization Management Clinician (Pooled)	8 <u>11.00</u>
10	Utilization Management Denials/Correspondence	0.20
11	Utilization Management Intake Coordinator (Pooled)	24.00
12	Medical Director	0.80 <u>1.00</u>
13	Peer Advisor Scheduler (Pooled)	1.00
14	Claims Appeals Management	0.15
15	Appeals Review & Support	1.00 <u>0.50</u>
16	<u>Clinical Support</u>	<u>1.00</u>
17	<u>Regional Operations Analyst</u>	<u>0.65</u>
18		
19	SUBTOTAL UM PROGRAM	1621.06
20	SUBTOTAL PROGRAM <u>PROGRAMS</u>	41.89 <u>45.71</u>
21	TOTAL FTEs	42.32
22		<u>46.16"</u>
23		
24		
25	B. CONTRACTOR shall provide sufficient administrative and program staffing to ensure its delivery of all services specified in this Exhibit A to	
26	<u>This Amendment No. 3 modifies the Contract:</u>	
27	C. CONTRACTOR shall, at its own expense, provide and maintain licensed practitioners of the	

1 ~~healing arts and supportive personnel to provide all necessary and appropriate psychiatric inpatient~~
2 ~~hospital utilization management (UM) services.~~

3 ~~— D. CONTRACTOR agrees Access Line team shall be located in Orange County, California and shall~~
4 ~~be available to COUNTY Monday through Friday, from 8:00 a.m. through 6:00 p.m. Pacific Time.~~
5 ~~CONTRACTOR shall staff an after hours Access Line team, which shall be available from 6:00 p.m.~~
6 ~~through 8:00 a.m. Pacific Time.~~

7 ~~— E. CONTRACTOR shall attempt in good faith to recruit and retain bilingual, culturally competent~~
8 ~~staff to meet the diverse needs of the community threshold languages as determined by COUNTY.~~
9 ~~CONTRACTOR shall also ensure recruitment and retention of staff that have experience in working with~~
10 ~~diverse populations with specialty needs, including but not limited to, children/adolescents and older~~
11 ~~adults. When staffing vacancies occur; CONTRACTOR shall attempt to fill with bilingual and bicultural~~
12 ~~staff. If CONTRACTOR's available candidates require filling those positions with non-bilingual and~~
13 ~~bicultural staff ADMINISTRATOR will be notified in writing, at least 7 days in advance of hiring.~~

14 ~~— F. CONTRACTOR shall use an interpreter service when a caller speaks a language not spoken by~~
15 ~~staff, as well as the California Relay Service for hearing impaired members.~~

16 ~~— G. CONTRACTOR shall maintain personnel files for each staff member, both administrative and~~
17 ~~programmatic, both direct and indirect, which shall include, but not be limited to, an application for~~
18 ~~employment, qualifications for the position, documentation of bicultural/bilingual capabilities (if~~
19 ~~applicable), valid licensure verification, if applicable, and pay rate and evaluations justifying pay~~
20 ~~increases.~~

21 ~~— H. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy two (72) hours of~~
22 ~~any non-pooled staffing vacancies that occur during the term of the Contract. CONTRACTOR's~~
23 ~~notification shall include at a minimum the following information: employee name(s), position title(s),~~
24 ~~date(s) of resignation, date(s) of hire, and a description of recruitment activity.~~

25 ~~— I. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) calendar days in~~
26 ~~advance, of any new non-pooled staffing changes; including promotions, temporary FTE changes and~~
27 ~~internal or external temporary staffing assignment requests that occur during the term of the Contract.~~

~~— J. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all P&Ps.~~
~~CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and place~~
~~it in their personnel files.~~

~~— K. CONTRACTOR shall ensure that all staff, albeit paid or unpaid, complete necessary training~~
~~prior to discharging duties associated with their titles and any other training necessary to assist~~
~~CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as State~~
~~and Federal regulatory requirements.~~

~~— L. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, albeit paid~~
~~or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness.~~
~~Supervision methods should include debriefings and consultation as needed, individual supervision or~~

~~one on one support, and team meetings. Supervision should be provided by a supervisor who has extensive knowledge regarding mental health issues.~~

~~M. CONTRACTOR shall ensure that designated staff completes COUNTY's Annual Provider Training and Annual Compliance and Cultural Competency Training.~~

~~N. TOKENS ADMINISTRATOR shall provide CONTRACTOR the necessary number of Tokens for appropriate individual staff to access ADMINISTRATOR designated reporting system at no cost to CONTRACTOR.~~

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

~~2. CONTRACTOR shall ensure information obtained by the use of a Token is used for the sole purpose of this Contract and shall not be shared with any other lines of business without the expressed or written consent of the Beneficiary.~~

~~3. CONTRACTOR shall request and return tokens pursuant to COUNTY Standard Operating Procedure (SOP) for Processing Token Requests for Administrative Services Organization (ASO).~~

~~4. CONTRACTOR shall maintain an inventory of the Tokens, by serial number, date issued/returned and the staff member to whom each is assigned.~~

~~#~~

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

~~6. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following conditions:~~

- ~~a. Token of any staff member who no longer supports the Contract;~~
- ~~b. Token of any staff member who no longer requires access to ADMINISTRATOR designated reporting system;~~
- ~~c. Token of any staff member who leaves employment of CONTRACTOR;~~
- ~~d. Token is malfunctioning; or~~
- ~~e. Termination of Contract.~~

~~7. CONTRACTOR shall reimburse COUNTY for Tokens lost, stolen, or damaged through acts of negligence.~~

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

1 EXHIBIT B
2 ADMINISTRATIVE SERVICES ORGANIZATION
3 FOR SPECIALTY MENTAL HEALTH
4 AND DRUG MEDICAL SUBSTANCE ABUSE SERVICES

5
6 I. BUSINESS ASSOCIATE CONTRACT

7 ~~A. GENERAL PROVISIONS AND RECITALS~~

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

12 ~~2. The parties agree that a business associate relationship under HIPAA, the HITECH Act, and~~
13 ~~the HIPAA regulations between CONTRACTOR and COUNTY arises to the extent that CONTRACTOR~~
14 ~~performs, or delegates to subcontractors to perform, functions or activities on behalf of COUNTY~~
15 ~~pursuant to, and as its previous amendments, only as expressly set forth in, the Contract that are described~~
16 ~~in the definition of “Business Associate” in 45 CFR § 160.103.~~

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

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

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

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

ORANGE COUNTY HEALTH CARE AGENCY

~~B. DEFINITIONS~~

~~1. "Administrative Safeguards" are administrative actions, and P&Ps, to manage the selection, development, implementation, and maintenance of security measures to protect ePHI and to manage the conduct of CONTRACTOR's workforce in relation to the protection of that information.~~

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

~~a. Breach excludes:~~

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

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

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

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

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

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

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

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

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

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

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

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

ORANGE COUNTY HEALTH CARE AGENCY

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

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

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

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

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

13 ~~12. "Secretary" shall mean the Secretary of the Department of HHS or his or her designee.~~

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

19 ~~14. "The HIPAA Security Rule" shall mean the Security Standards for the Protection of ePHI at~~
 20 ~~45 CFR Part 160, Part 162, and Part 164, Subparts A and C.~~

21 ~~15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in~~
 22 ~~45 CFR § 160.103.~~

23 ~~16. "Technical safeguards" means the technology and the P&Ps for its use that protect electronic~~
 24 ~~PHI and control access to it.~~

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

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

~~C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE~~

1 ~~1. CONTRACTOR agrees not to use or further disclose PHI COUNTY discloses to~~
 2 ~~CONTRACTOR other than as permitted or required by conditions between this Business Associate~~
 3 ~~Amendment No. 3 and the Contract or as required by law.~~

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

ORANGE COUNTY HEALTH CARE AGENCY

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

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

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

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

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

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

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

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

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

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

ORANGE COUNTY HEALTH CARE AGENCY

1 ~~Disclosures of PHI in accordance with 45 CFR § 164.528.~~

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

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

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

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

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

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

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

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

~~D. SECURITY RULE~~

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

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

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

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

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

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

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

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

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

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1 ~~matters with COUNTY.~~

2 ~~— E. DATA SECURITY REQUIREMENTS~~

3 ~~— 1. Personal Controls~~

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

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

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

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

29 ~~— 2. Technical Security Controls~~

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

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

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

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

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

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

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

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

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

~~3. Audit Controls~~

~~a. System Security Review. CONTRACTOR must ensure audit control mechanisms that~~

ORANGE COUNTY HEALTH CARE AGENCY

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

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

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

13 ~~4. Business Continuity/Disaster Recovery Control~~

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

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

26 ~~5. Paper Document Controls~~

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

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

36 ~~_____ c. Confidential Destruction. PHI COUNTY discloses to CONTRACTOR or~~
 37 ~~CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall be destroyed~~

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~~CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY must be disposed of through confidential means, such as cross cut shredding and pulverizing.~~

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

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

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

~~F. BREACH DISCOVERY AND NOTIFICATION~~

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

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

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

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

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

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

~~_____ b. Any other information that COUNTY is required to include in the notification to Individual under 45 CFR §164.404 (e) at the time CONTRACTOR is required to notify COUNTY or promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period~~

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1 ~~set forth in 45 CFR § 164.410 (b) has elapsed, including:~~

2 ~~1) A brief description of what happened, including the date of the Breach and the date~~
3 ~~of the discovery of the Breach, if known;~~

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

7 ~~3) Any steps Individuals should take to protect themselves from potential harm~~
8 ~~resulting from the Breach;~~

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

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

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

15 ~~5. of this Amendment No. 3 prevail. In the event that CONTRACTOR is responsible~~
16 ~~for a Breach of Unsecured PHI in violation of the HIPAA Privacy Rule, CONTRACTOR shall have the~~
17 ~~burden of demonstrating that CONTRACTOR made all notifications to COUNTY consistent with this~~
18 ~~Subparagraph F and as required by the Breach notification regulations, or, in the alternative, that the~~
19 ~~acquisition, access, use, or disclosure of PHI did not constitute a Breach. all other respects, the terms and~~
20 ~~conditions of the Contract, remain in full force and effect.~~

21 **SIGNATURE PAGE FOLLOWS**

22
23
24
25
26
27 ORANGE COUNTY HEALTH CARE AGENCY

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 3. If Contractor is a corporation, Contractor shall provide two signatures as follows: 1) the first signature must be either the Chairman of the Board, the President, or any Vice President; 2) the second signature must be either the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution or by-laws demonstrating the legal authority of the signature to bind the company.

Contractor: Beacon Health Options of California, Inc.

Print Name

Title

Signature

Date

County of Orange, a political subdivision of the State of California

Purchasing Agent/Designee Authorized Signature:

Print Name

Title

Signature

Date

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

BY:

DATED:

DEPUTY

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

~~7. CONTRACTOR shall provide to COUNTY all specific and pertinent information about the Breach, including the information listed in Section E.3.b. (1) (5) above, if not yet provided, to permit~~

ORANGE COUNTY HEALTH CARE AGENCY

~~COUNTY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as practicable, but in no event later than fifteen (15) calendar days after CONTRACTOR's initial report of the Breach to COUNTY pursuant to Subparagraph F.2. above.~~

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

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

~~G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR~~

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

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

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

~~1) The Disclosure is required by law; or~~

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

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

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

~~3. CONTRACTOR may use and disclose PHI COUNTY discloses to CONTRACTOR consistent with the minimum necessary P&Ps of COUNTY.~~

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

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~~H. PROHIBITED USES AND DISCLOSURES~~

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

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

~~I. OBLIGATIONS OF COUNTY~~

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

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

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

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

~~J. BUSINESS ASSOCIATE TERMINATION~~

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

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

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

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

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

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

ORANGE COUNTY HEALTH CARE AGENCY

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

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

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ORANGE COUNTY HEALTH CARE AGENCY



~~EXHIBIT C
ADMINISTRATIVE SERVICES ORGANIZATION
FOR SPECIALTY MENTAL HEALTH
AND DRUG MEDICAL SUBSTANCE ABUSE SERVICES~~

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

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

~~A. DEFINITIONS~~

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

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

~~3. "CMPPA Contract" means the CMPPA Contract between the SSA and CHHS.~~

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

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

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

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

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

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

1 ~~statutes or regulations that require such information if payment is sought under a government~~
2 ~~program providing public benefits.~~

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

7 ~~B. TERMS OF CONTRACT~~

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

13 ~~2. Responsibilities of CONTRACTOR~~

14 ~~CONTRACTOR agrees:~~

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

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

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

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

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

1 information systems in Federal agencies.

2 ~~3) If the data obtained by CONTRACTOR from COUNTY includes PII, CONTRACTOR shall also comply with the substantive privacy and security requirements in the~~
3 ~~CMPPA Contract between the SSA and the CHHS and in the Contract between the SSA and~~
4 ~~DHCS, known as the IEA. The specific sections of the IEA with substantive privacy and security~~
5 ~~requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA,~~
6 ~~Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal,~~
7 ~~State and Local Agencies Exchanging Electronic Information with the SSA. CONTRACTOR~~
8 ~~also agrees to ensure that any of CONTRACTOR's agents or subcontractors, to whom~~
9 ~~CONTRACTOR provides DHCS PII agree to the same requirements for privacy and security~~
10 ~~safeguards for confidential data that apply to CONTRACTOR with respect to such information.~~

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

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

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

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

31 ~~h. Breaches and Security Incidents. During the term of the Contract,~~
32 ~~CONTRACTOR agrees to implement reasonable systems for the discovery of any Breach of~~
33 ~~unsecured DHCS PI and PII or security incident. CONTRACTOR agrees to give notification of~~

1 ~~any Breach of unsecured DHCS PI and PII or security incident in accordance with Subparagraph~~
2 ~~F, of the Business Associate Contract, Exhibit B to the Contract.~~

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

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~~Orange County Health Care Agency 4 of 3 EXHIBIT C~~

~~ASO FY 2021-23 MA 042-21011456~~