

1 AGREEMENT FOR PROVISION OF
2 AB 109 RESIDENTIAL TREATMENT SERVICES

3 BETWEEN
4 COUNTY OF ORANGE

5 AND

6 «UC_NAME»

7 JULY 1, 2019 THROUGH ~~JUNE 30, 2022~~ JUNE 30, 2024

8
9 THIS AGREEMENT entered into this 1st day of July 2019 (effective date), is by and between the
10 COUNTY OF ORANGE, a political subdivision of the State of California (COUNTY), and
11 «UC_NAME» a «CORP_STATUS» (CONTRACTOR). COUNTY and CONTRACTOR may
12 sometimes be referred to herein individually as “Party” or collectively as “Parties.” This Agreement
13 shall be administered by the Director of the County of Orange Health Care Agency
14 (ADMINISTRATOR).

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

17
18 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of
19 AB 109 Residential Treatment Services described herein to the residents of Orange County; and

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

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

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REFERENCED CONTRACT PROVISIONS

~~**Term:** July 1, 2019 through June 30, 2022~~

~~Period One means the period from July 1, 2019 through June 30, 2020~~

~~Period Two means the period from July 1, 2020 through June 30, 2021~~

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

~~**Aggregate Maximum Obligation:**~~

~~Period One Aggregate Maximum Obligation: \$2,021,725~~

~~Period Two Aggregate Maximum Obligation: 2,021,725~~

~~Period Three Aggregate Maximum Obligation: 2,021,725~~

~~TOTAL AGGREGATE MAXIMUM OBLIGATION: \$6,065,175~~

Term: July 1, 2019 through June 30, 2024

Period One means the period from July 1, 2019 through June 30, 2020

Period Two means the period from July 1, 2020 through June 30, 2021

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

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

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

Aggregate Maximum Obligation:

Period One Aggregate Maximum Obligation: \$ 2,021,725

Period Two Aggregate Maximum Obligation: 2,021,725

Period Three Aggregate Maximum Obligation: 2,021,725

Period Four Aggregate Maximum Obligation: 1,500,000

Period Five Aggregate Maximum Obligation: 1,500,000

TOTAL AGGREGATE MAXIMUM OBLIGATION: \$ 9,065,175

Basis for Reimbursement: Fee-for-Service

Payment Method: Monthly in Arrears

CONTRACTOR DUNS Number: «DUNS_NUMBER»

CONTRACTOR TAX ID Number:«TAX_ID»

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: «UC_NAME»
 «ADDRESS»
 «CITY_STATE_ZIP»
 «CONTACT»
 «CONTACT_EMAIL»

<u>CFDA#</u>	<u>FAIN#</u>	<u>Program/ Service Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Amount</u>	<u>R&D Award (Y/N)</u>
93.959	TI0062-20	SAPT BG	HHS	FFY 20 (10/1/19—6/30/21)	19,276,499	No

<u>CFDA#</u>	<u>FAIN#</u>	<u>Program/ Service Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Amount</u>	<u>R&D Award (Y/N)</u>
93.959	TI0062-20	SABG	Substance Abuse and Mental Health Services Administration (SAMHSA)	7/1/2021 TO 6/30/2024	\$19,276,499 annually	No

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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 Agreement:

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

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

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

H. ALTERATION OF TERMS

~~A. This Agreement, together with Exhibits 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 Agreement.~~

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

II. ALTERATION OF TERMS

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

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

III. ASSIGNMENT OF DEBTS

Unless this Agreement is followed without interruption by another Agreement between the Parties hereto for the same services and substantially the same scope, at the termination of this Agreement, CONTRACTOR shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of persons receiving services pursuant to this Agreement. 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

1
2 A. COMPLIANCE PROGRAM - ADMINISTRATOR has established a Compliance Program for
3 the purpose of ensuring adherence to all rules and regulations related to federal and state health care
4 programs.

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

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

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

21 3. If CONTRACTOR does not provide proof of its own compliance program to
22 ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR's Compliance
23 Program and Code of Conduct, the CONTRACTOR shall submit to the ADMINISTRATOR within
24 thirty (30) calendar days of execution of this Agreement a signed acknowledgement that
25 CONTRACTOR will internally comply with ADMINISTRATOR's Compliance Program and Code of
26 Conduct. CONTRACTOR shall have as many Covered Individuals it determines necessary complete
27 ADMINISTRATOR's annual compliance training to ensure proper compliance.

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

1 ADMINISTRATOR's required elements within thirty (30) calendar days after ADMINISTRATOR's
2 Compliance Officer's determination and resubmit the same for review by the ADMINISTRATOR.

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

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

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

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

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

36 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
37 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this

1 Agreement.

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

8 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
9 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
10 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing
11 services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an
12 Ineligible Person.

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

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

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

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

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

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

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

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

1 compliance training. ADMINISTRATOR shall provide instruction on group training completion while
2 CONTRACTOR shall retain the training certifications. Upon written request by ADMINISTRATOR,
3 CONTRACTOR shall provide copies of the certifications.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Management Program.

2 7. CONTRACTOR shall comply with the provisions of the ADMINISTRATOR’s Cultural
3 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
4 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
5 §1810.410.subds.(c)-(d).

6 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a
7 breach of the Agreement on the part of CONTRACTOR and grounds for COUNTY to terminate the
8 Agreement. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty
9 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this
10 Compliance Paragraph prior to ADMINISTRATOR’s right to terminate this Agreement on the basis of
11 such default.

12
13 **V. CONFIDENTIALITY**

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

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

25
26 **VI. CONFLICT OF INTEREST**

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

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VII. COST REPORT

~~A. CONTRACTOR shall submit separate Cost Reports for Period One, Period Two and Period Three, or for a portion thereof, to COUNTY no later than forty five (45) calendar days following the period for which they are prepared or termination of this Agreement. 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.~~

A. CONTRACTOR shall submit separate Cost Reports for each Period, or for a portion thereof, to COUNTY no later than forty-five (45) calendar days following the period for which they are prepared or termination of this Agreement. 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.

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

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

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

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

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

B. The individual and/or consolidated Cost Report prepared for each period shall be the final financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis

1 for final settlement to CONTRACTOR for that period. CONTRACTOR shall document that costs are
2 reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The
3 Cost Report shall be the final financial record for subsequent audits, if any.

4 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder,
5 less applicable revenues and any late penalty, not to exceed COUNTY's Maximum Obligation as set
6 forth in the Referenced Contract Provisions of this Agreement. CONTRACTOR shall not claim
7 expenditures to COUNTY which are not reimbursable pursuant to applicable federal, state and
8 COUNTY laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR,
9 which is subsequently determined to have been for an unreimbursable expenditure or service, shall be
10 repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30)
11 calendar days of submission of the Cost Report or COUNTY may elect to reduce any amount owed
12 CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

13 D. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
14 this Agreement, less applicable revenues and late penalty, are lower than the aggregate of interim
15 monthly payments to CONTRACTOR, CONTRACTOR shall remit the difference to COUNTY. Such
16 reimbursement shall be made, in cash, or other authorized form of payment, with the submission of the
17 Cost Report. If such reimbursement is not made by CONTRACTOR within thirty (30) calendar days
18 after submission of the Cost Report, COUNTY may, in addition to any other remedies, reduce any
19 amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

20 E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
21 this Agreement, less applicable revenues and late penalty, are higher than the aggregate of interim
22 monthly payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the difference, provided
23 such payment does not exceed the Maximum Obligation of COUNTY.

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

26
27 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and
28 supporting documentation prepared by _____ for the cost report period
29 beginning _____ and ending _____ and that, to the best of my
30 knowledge and belief, costs reimbursed through this Agreement are reasonable and
31 allowable and directly or indirectly related to the services provided and that this Cost
32 Report is a true, correct, and complete statement from the books and records of
33 (provider name) in accordance with applicable instructions, except as noted. I also
34 hereby certify that I have the authority to execute the accompanying Cost Report.

35
36 Signed _____
37 Name _____

1 Title _____
2 Date _____ "

3
4 **VIII. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

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

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

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

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

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

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

37 5. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,

1 CONTRACTOR shall provide written notification within thirty (30) calendar days to
 2 ADMINISTRATOR when there is change of less than fifty percent (50%) of Board of Directors or any
 3 governing body of CONTRACTOR at one time.

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

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

12 1. After approval of the subcontractor, ADMNISTRATOR may revoke the approval of the
 13 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor
 14 subsequently fails to meet the requirements of this Agreement or any provisions that
 15 ADMINISTRATOR has required. ADMINISTRATOR may disallow subcontractor expenses reported
 16 by CONTRACTOR.

17 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY
 18 pursuant to this Agreement.

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

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

24 D. CONTRACTOR shall notify COUNTY in writing of any change in the CONTRACTOR's
 25 status with respect to name changes that do not require an assignment of the Agreement.
 26 CONTRACTOR is also obligated to notify COUNTY in writing if the CONTRACTOR becomes a party
 27 to any litigation against COUNTY, or a party to litigation that may reasonably affect the
 28 CONTRACTOR's performance under the Contract, as well as any potential conflicts of interest between
 29 CONTRACTOR and County that may arise prior to or during the period of Agreement performance.
 30 While CONTRACTOR will be required to provide this information without prompting from COUNTY
 31 any time there is a change in CONTRACTOR's name, conflict of interest or litigation status,
 32 CONTRACTOR must also provide an update to COUNTY of its status in these areas whenever
 33 requested by COUNTY.

34 **IX. DISPUTE RESOLUTION**

35
 36 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the
 37 dispute concerning a question of fact arising under the terms of this Agreement is not disposed of in a

1 reasonable period of time by the CONTRACTOR and the ADMINISTRATOR, such matter shall be
2 brought to the attention of the COUNTY Purchasing Agency by way of the following process:

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

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

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

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

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

27 28 **X. EMPLOYEE ELIGIBILITY VERIFICATION**

29 CONTRACTOR attests that it shall fully comply with all federal and state statutes and regulations
30 regarding the employment of aliens and others and to ensure that employees, subcontractors, and
31 consultants performing work under this Agreement meet the citizenship or alien status requirements set
32 forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees,
33 subcontractors, and consultants performing work hereunder, all verification and other documentation of
34 employment eligibility status required by federal or state statutes and regulations including, but not
35 limited to, the Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently
36 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all
37 covered employees, subcontractors, and consultants for the period prescribed by the law.

XI. EQUIPMENT

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

13 B. CONTRACTOR shall obtain ADMINISTRATOR’s written approval prior to purchase of any
14 Equipment with funds paid pursuant to this Agreement. Upon delivery of Equipment, CONTRACTOR
15 shall forward to ADMINISTRATOR, copies of the purchase order, receipt, and other supporting
16 documentation, which includes delivery date, unit price, tax, shipping and serial numbers.
17 CONTRACTOR shall request an applicable asset tag for said Equipment and shall include each
18 purchased asset in an Equipment inventory.

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

23 D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part
24 with funds paid through this Agreement, including date of purchase, purchase price, serial number,
25 model and type of Equipment. Such inventory shall be available for review by ADMINISTRATOR,
26 and shall include the original purchase date and price, useful life, and balance of depreciated Equipment
27 cost, if any.

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

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

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

1 | this Agreement.

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

4 |
5 | **XII. FACILITIES, PAYMENTS AND SERVICES**

6 | CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance with
7 | this Agreement. COUNTY shall compensate, and authorize, when applicable, said services.
8 | CONTRACTOR shall operate continuously throughout the term of this Agreement with at least the
9 | minimum number and type of staff which meet applicable federal and state requirements, and which are
10 | necessary for the provision of the services hereunder.

11 |
12 | **XIII. INDEMNIFICATION AND INSURANCE**

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

23 | B. Prior to the provision of services under this Agreement, CONTRACTOR agrees to purchase all
24 | required insurance at CONTRACTOR's expense, including all endorsements required herein, necessary
25 | to satisfy COUNTY that the insurance provisions of this Agreement have been complied with.
26 | CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance (COI), and
27 | endorsements on deposit with COUNTY during the entire term of this Agreement. In addition, all
28 | subcontractors performing work on behalf of CONTRACTOR pursuant to this Agreement shall obtain
29 | insurance subject to the same terms and conditions as set forth herein for CONTRACTOR.

30 | C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of
31 | CONTRACTOR pursuant to this Agreement shall be covered under CONTRACTOR's insurance as an
32 | Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for
33 | CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less
34 | than the level of coverage required by COUNTY from CONTRACTOR under this Agreement. It is the
35 | obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor
36 | and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of
37 | insurance must be maintained by CONTRACTOR through the entirety of this Agreement for inspection

1 by COUNTY representative(s) at any reasonable time.

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

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

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

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

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

18 F. QUALIFIED INSURER

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

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

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

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned, and hired vehicles (4 passengers or less)	\$1,000,000 per occurrence

1	Passenger vehicles (7 passengers or less)	\$2,000,000 per occurrence
2		
3	Passenger vehicles (8 passengers or more)	\$5,000,000 per occurrence
4		
5	Workers' Compensation	Statutory
6		
7	Employers' Liability Insurance	\$1,000,000 per occurrence
8		
9	Network Security & Privacy Liability	\$1,000,000 per claims -made
10		
11	Professional Liability Insurance	\$1,000,000 per claims -made
12		\$1,000,000 aggregate
13		
14	Sexual Misconduct Liability	\$1,000,000 per occurrence

15 H. REQUIRED COVERAGE FORMS

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

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

20 I. REQUIRED ENDORSEMENTS

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

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

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

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

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

34 b. A primary and non-contributing endorsement evidencing that the Contractor's
35 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be
36 excess and non-contributing.

37 J. All insurance policies required by this Agreement shall waive all rights of subrogation against

1 the County of Orange, its elected and appointed officials, officers, agents and employees when acting
2 within the scope of their appointment or employment.

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

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

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

15 O. If CONTRACTOR's Professional Liability, Technology Errors & Omissions and/or Network
16 Security & Privacy Liability are "Claims -Made" policies, CONTRACTOR shall agree to maintain
17 coverage for two (2) years following the completion of the Agreement.

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

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

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

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

32 T. SUBMISSION OF INSURANCE DOCUMENTS

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

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

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

6 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
7 pursuant to any and all Agreements between COUNTY and CONTRACTOR until such time that the
8 required COI and endorsements that meet the insurance provisions stipulated in this Agreement are
9 submitted to ADMINISTRATOR.

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

14 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from
15 CONTRACTOR’s monthly invoice.

16 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
17 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
18 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.
19

20 **XIV. INSPECTIONS AND AUDITS**

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

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

35 **C. AUDIT RESPONSE**

36 1. Following an audit report, in the event of non-compliance with applicable laws and
37 regulations governing funds provided through this Agreement, COUNTY may terminate this Agreement

1 as provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement
 2 appropriate corrective action. A CAP shall be submitted to ADMINISTRATOR in writing within thirty
 3 (30) calendar days after receiving notice from ADMINISTRATOR.

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

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

15 **XV. LICENSES AND LAWS**

16 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
 17 the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates,
 18 accreditations, waivers, and exemptions necessary for the provision of the services hereunder and
 19 required by the laws, regulations and requirements of the United States, the State of California,
 20 COUNTY, and all other applicable governmental agencies.

21 **B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS**

22 1. CONTRACTOR certifies it is in full compliance with all applicable federal and State
 23 reporting requirements regarding its employees and with all lawfully served Wage and Earnings
 24 Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the
 25 term of the Agreement with the County of Orange. Failure to comply shall constitute a material breach
 26 of the Agreement and failure to cure such breach within sixty (60) calendar days of notice from the
 27 COUNTY shall constitute grounds for termination of the Agreement.

28 2. CONTRACTOR agrees to furnish to ADMINISTRATOR within thirty (30) calendar days
 29 of the award of this Agreement:

30 a. In the case of an individual CONTRACTOR, his/her name, date of birth, social security
 31 number, and residence address;

32 b. In the case of a CONTRACTOR doing business in a form other than as an individual,
 33 the name, date of birth, social security number, and residence address of each individual who owns an
 34 interest of ten percent (10%) or more in the contracting entity;

35 3. It is expressly understood that this data will be transmitted to governmental agencies
 36 charged with the establishment and enforcement of child support orders, or as permitted by federal
 37

1 and/or state statute.

2
3 **XVI. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

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

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

27
28 **XVII. MAXIMUM OBLIGATION**

29 A. The Aggregate Maximum Obligation of COUNTY for services provided in accordance with
30 this Agreement, and the separate Aggregate Maximum Obligations for each period under this
31 Agreement, are as specified in the Referenced Contract Provisions of this Agreement.

32 B. ADMINISTRATOR may amend the Aggregate Maximum Obligation by an amount not to
33 exceed ten percent (10%) of funding for this Agreement.

34
35 **XVIII. MINIMUM WAGE LAWS**

36 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and
37 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the

1 federal or California Minimum Wage to all its Covered Individuals (as defined within the “Compliance”
 2 paragraph of this Agreement) that directly or indirectly provide services pursuant to this Agreement, in
 3 any manner whatsoever. CONTRACTOR shall require and verify that all of its Covered Individuals
 4 providing services pursuant to this Agreement be paid no less than the greater of the federal or
 5 California Minimum Wage.

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

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

13 **XIX. NONDISCRIMINATION**

14 **A. EMPLOYMENT**

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

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

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

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

35 5. All solicitations or advertisements for employees placed by or on behalf of
 36 CONTRACTOR and/or subcontractor shall state that all qualified applicants will receive consideration
 37

1 for employment without regard to race, religious creed, color, national origin, ancestry, physical
 2 disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender
 3 identity, gender expression, age, sexual orientation, or military and veteran status. Such requirements
 4 shall be deemed fulfilled by use of the term EOE.

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

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

- 23 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 24 2. Providing any service or benefit to a Client which is different or is provided in a different
 25 manner or at a different time from that provided to other Clients.
- 26 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by
 27 others receiving any service and/or benefit.
- 28 4. Treating a Client differently from others in satisfying any admission requirement or
 29 condition, or eligibility requirement or condition, which individuals must meet in order to be provided
 30 any service and/or benefit.

- 31 5. Assignment of times or places for the provision of services.

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

- 36 1. Whenever possible, problems shall be resolved at the point of service. CONTRACTOR
 37 shall establish an internal problem resolution process for Clients not able to resolve such problems at the

1 point of service. Clients may initiate a grievance or complaint directly with CONTRACTOR either
2 orally or in writing.

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

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

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

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

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

24 **XX. NOTICES**

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

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

30 2. When faxed, transmission confirmed;

31 3. When sent by Email; or

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

34 B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of
35 this Agreement or as otherwise directed by ADMINISTRATOR and shall be effective when faxed,
36 transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United
37

1 Parcel Service, or any other expedited delivery service.

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

6 D. For purposes of this Agreement, any notice to be provided by COUNTY may be given by
7 ADMINISTRATOR.

8 9 **XXI. NOTIFICATION OF DEATH**

10 A. Upon becoming aware of the death of any person served pursuant to this Agreement,
11 CONTRACTOR shall immediately notify ADMINISTRATOR.

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

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

18 2. WRITTEN NOTIFICATION

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

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

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

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

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

33 34 **XXII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

5 6 **XXIII. PAYMENT CARD COMPLIANCE**

7 Should CONTRACTOR conduct credit/debit card transactions in conjunction with their business
 8 with COUNTY, on behalf of COUNTY, or as part of the business that they conduct, CONTRACTOR
 9 covenants and warrants that it is currently PA DSS and PCI DSS compliant and will remain compliant
 10 during the entire duration of this Agreement. CONTRACTOR agrees to immediately notify COUNTY
 11 in the event CONTRACTOR should ever become non-compliant, and will take all necessary steps to
 12 return to compliance and shall be compliant within ten (10) business days of the commencement of any
 13 such interruption. Upon demand by COUNTY, CONTRACTOR shall provide to COUNTY written
 14 certification of CONTRACTOR's PA DSS and/or PCI DSS compliance.

15 16 **XXIV. RECORDS MANAGEMENT AND MAINTENANCE**

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

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

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

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

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

34 B. CONTRACTOR shall implement and maintain administrative, technical and physical
 35 safeguards to ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of
 36 PHI in violation of the HIPAA, federal and state regulations. CONTRACTOR shall mitigate to the
 37 extent practicable, the known harmful effect of any use or disclosure of PHI made in violation of federal

1 or state regulations and/or COUNTY policies.

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

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

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

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

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

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

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

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

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

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

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

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

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

36 J. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and
37 security of PII and/or PHI. CONTRACTOR shall, upon discovery of a Breach of privacy and/or

1 security of PII and/or PHI by CONTRACTOR, notify federal and/or state authorities as required by law
2 or regulation, and copy ADMINISTRATOR on such notifications.

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

6 7 **XXV. RESEARCH AND PUBLICATION**

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

11 12 **XXVI. REVENUE**

13 A. CLIENT FEES – CONTRACTOR shall charge a fee to Clients to whom services are provided
14 pursuant to this Agreement, their estates and responsible relatives, in accordance with the fee system
15 designated by ADMINISTRATOR. This fee shall be based upon the person's ability to pay for services,
16 but it shall not exceed the actual cost of services provided. No person shall be denied services because
17 of an inability to pay.

18 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all
19 available third-party reimbursement for which persons served pursuant to this Agreement may be
20 eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR's usual and customary
21 charges.

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

28 29 **XXVII. SEVERABILITY**

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

35 36 **XXVIII. SPECIAL PROVISIONS**

37 A. CONTRACTOR shall not use the funds provided by means of this Agreement for the following

1 purposes:

- 2 1. Making cash payments to intended recipients of services through this Agreement.
- 3 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
4 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on
5 use of appropriated funds to influence certain federal contracting and financial transactions).
- 6 3. Fundraising.
- 7 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
8 CONTRACTOR's staff, volunteers, interns, consultants, subcontractors, and members of the Board of
9 Directors or governing body.
- 10 5. Reimbursement of CONTRACTOR's members of the Board of Directors or governing
11 body for expenses or services.
- 12 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,
13 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
14 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.
- 15 7. Paying an individual salary or compensation for services at a rate in excess of the current
16 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary
17 Schedule may be found at www.opm.gov.
- 18 8. Severance pay for separating employees.
- 19 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
20 codes and obtaining all necessary building permits for any associated construction.

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

- 23 1. Funding travel or training (excluding mileage or parking).
- 24 2. Making phone calls outside of the local area unless documented to be directly for the
25 purpose of Client care.
- 26 3. Payment for grant writing, consultants, certified public accounting, or legal services.
- 27 4. Purchase of artwork or other items that are for decorative purposes and do not directly
28 contribute to the quality of services to be provided pursuant to this Agreement.

29 30 **XXIX. STATUS OF CONTRACTOR**

31 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
32 wholly responsible for the manner in which it performs the services required of it by the terms of this
33 Agreement. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and
34 consultants employed by CONTRACTOR. This Agreement shall not be construed as creating the
35 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR
36 or any of CONTRACTOR's employees, agents, consultants, volunteers, interns, or subcontractors.
37 CONTRACTOR assumes exclusively the responsibility for the acts of its employees, agents,

1 consultants, volunteers, interns, or subcontractors as they relate to the services to be provided during the
 2 course and scope of their employment. CONTRACTOR, its agents, employees, consultants, volunteers,
 3 interns, or subcontractors, shall not be entitled to any rights or privileges of COUNTY's employees and
 4 shall not be considered in any manner to be COUNTY's employees.

6 **XXX. TERM**

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

14 B. Any administrative duty or obligation to be performed pursuant to this Agreement on a
 15 weekend or holiday may be performed on the next regular business day.

17 **XXXI. TERMINATION**

18 A. Either Party may terminate this Agreement, without cause, upon ninety (90) calendar days'
 19 written notice given the other Party.

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

26 C. Unless otherwise specified in this Agreement, COUNTY may terminate this Agreement upon
 27 five (5) calendar days' written notice if CONTRACTOR fails to perform any of the terms of this
 28 Agreement. At ADMINISTRATOR's sole discretion, CONTRACTOR may be allowed up to thirty
 29 (30) calendar days for corrective action.

30 D. COUNTY may terminate this Agreement immediately, upon written notice, on the occurrence
 31 of any of the following events:

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

1 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of
2 this Agreement.

3 6. The continued incapacity of any physician or licensed person to perform duties required
4 pursuant to this Agreement.

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

9 E. CONTINGENT FUNDING

10 1. Any obligation of COUNTY under this Agreement is contingent upon the following:

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

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

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

19 F. In the event this Agreement is suspended or terminated prior to the completion of the term as
20 specified in the Referenced Contract Provisions of this Agreement, ADMINISTRATOR may, at its
21 sole discretion, reduce the Maximum Obligation of this Agreement in an amount consistent with the
22 reduced term of the Agreement.

23 G. In the event this Agreement is terminated by either Party pursuant to Subparagraphs B., C., or
24 D. above, CONTRACTOR shall do the following:

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

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

29 3. Until the date of termination, continue to provide the same level of service required by this
30 Agreement.

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

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

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

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

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

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

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

15
16 **XXXII. THIRD PARTY BENEFICIARY**

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

20
21 **XXXIII. WAIVER OF DEFAULT OR BREACH**

22 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any
23 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this
24 Agreement shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any
25 default or any breach by CONTRACTOR shall not be considered a modification of the terms of this
26 Agreement.

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

3
4 «UC_NAME»

5
6 BY: _____ DATED: _____

7
8 TITLE: _____

9
10
11 BY: _____ DATED: _____

12
13 TITLE: _____

14
15
16
17 COUNTY OF ORANGE

18
19
20 BY: _____ DATED: _____

21 HEALTH CARE AGENCY

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

27
28
29 BY: _____ DATED: _____

30 DEPUTY

31
32
33
34 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
35 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer
36 or any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution
37 or by-laws whereby the board of directors has empowered said authorized individual to act on its behalf by his or her
signature alone is required by ADMINISTRATOR.

EXHIBIT A
 TO AGREEMENT FOR PROVISION OF
 AB 109 RESIDENTIAL TREATMENT SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 «UC_NAME»
 JULY 1, 2019 THROUGH ~~JUNE 30, 2022~~ JUNE 30, 2024

I. COMMON TERMS AND DEFINITIONS

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

1. ASAM Criteria is a comprehensive set of guidelines for placement, continued stay and transfer/discharge of Clients with addiction and Co-occurring conditions.

2. AB 109 means services for those Clients deemed eligible by Assembly Bill 109, Public Safety Realignment.

3. AB 109 Supervision means an offender released from prison to OCPD, or sentenced under AB 109 and is doing their incarceration in jail instead of prison.

4. Bed Day means one (1) calendar day during which CONTRACTOR provides residential treatment services as described in Exhibit A of the Agreement. A Bed Day will include the day of admission; but not the day of discharge. If admission and discharge occur on the same day, one (1) Bed Day will be charged.

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

6. CESI/CEST are self-administered survey instruments designed to assess Clients' motivation for change, engagement in treatment, social and peer support, and other psychosocial indicators of progress in recovery.

7. Client means a person who has been admitted for services.

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

9. DATAR is the DHCS system used to collect data on SUD treatment capacity and waiting lists.

10. Financial Assessment means a method of assessing Clients' income and allowable expense information in order to determine the appropriate program fees based on a sliding scale.

11. Graduation or Client Completion means the completion of the Residential Treatment Services program (recovery) whereby the Client has successfully completed all goals and objectives

1 documented in the Client's treatment plan within the maximum authorized length of stay authorized by
2 ADMINISTRATOR.

3 12. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in
4 which specific information about the Client is gathered including the ability to pay and standard
5 admission forms pursuant to this Agreement.

6 13. IRIS is a collection of applications and databases that serve the needs of programs within
7 HCA and includes functionality such as registration and scheduling, laboratory information system,
8 invoices and reporting capabilities, compliance with regulatory requirements, electronic medical records
9 and other relevant applications.

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

13 15. Medication means those medications that are needed to maintain Client's health, and
14 without which there could be medical or mental health consequences to the Client.

15 16. MAT means the use of Federal Drug Administration approved medications in combination
16 with behavioral therapies to provide a whole client approach to treating substance use disorders.

17 17. Residential Treatment means alcohol and other drug treatment services that are provided to
18 Clients at a twenty-four (24)-hour residential program. Services are provided in an alcohol and drug
19 free environment and support recovery from alcohol and/or other drug related problems. These services
20 are provided in a non-medical, residential setting that has been licensed and certified by DHCS.

21 18. Resocialization/Re-Entry means applying and continuing treatment activities designed to
22 assist Clients in working on personal issues, cultivate support systems, and seek and/or obtain
23 education/vocational and/or volunteer opportunities.

24 19. Screening Team means HCA behavioral health staff co-located at Probation. Access for
25 residential services must include a referral from the Screening Team.

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

29 21. Structured Therapeutic Activities means organized program activities that are designed to
30 meet treatment goals and objectives for increased social responsibility, self-motivation, and integration into
31 the larger community. Such activities would include participation in the social structure of the residential
32 program. It also includes the client's progression, with increasing levels of responsibility and independence.

33 22. SUD means a condition in which the use of one or more substances leads to a clinically
34 significant impairment or distress per the DSM-5

35 23. Token means the security device which allows an individual user to access IRIS.

36 24. Unit of Service means one (1) calendar day during which services are provided to a Client
37 pursuant to this Agreement. A day in which a Client is absent for a CONTRACTOR-sanctioned

1 overnight pass may also be included as a unit of service.

2 25. ART Team means the Health Care Agency Assessment for Residential Treatment team that
 3 conducts assessments and authorizes treatment for residential treatment services.

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

7 **II. GENERAL REQUIREMENTS**

8 A. MEETINGS – CONTRACTOR’s Executive Director or designee shall participate, when
 9 requested, in meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to
 10 this Agreement.

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

18 C. POSTINGS – CONTRACTOR shall post the following in a prominent place within the facility:

- 19 1. State Licensure and Certification;
- 20 2. Business License;
- 21 3. Conditional Use Permit (if applicable);
- 22 4. Fire clearance;
- 23 5. Client rights;
- 24 6. Grievance procedure;
- 25 7. Employee Code of Conduct;
- 26 8. Evacuation floor plan;
- 27 9. Equal Employment Opportunity notices;
- 28 10. Name, address, telephone number for fire department, crisis program, local law
 29 enforcement, and ambulance service;
- 30 11. List of resources within community which shall include medical, dental, mental health,
 31 public health, social services and where to apply for determination of eligibility for State, Federal or
 32 county entitlement programs; and

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

34 D. NO PROSELYTIZING POLICY – CONTRACTOR shall not conduct any proselytizing
 35 activities, regardless of funding sources, with respect to any person who has been referred to
 36 CONTRACTOR by COUNTY under the terms of this Agreement. Further, CONTRACTOR agrees that
 37 the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious

1 | creed or cult, denomination or sectarian institution, or religious belief.

2 | E. AUTHORITY – CONTRACTOR shall recognize the authority of OCPD as officers of the
3 | court, and shall extend cooperation to OCPD within the constraints of CONTRACTOR’s program of
4 | substance use disorder residential services.

5 | F. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy
6 | which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy
7 | shall specify that the facility is “smoke free” and that designated smoking areas are outside the visiting
8 | areas at the facility.

9 | G. CLIENT SIGN IN/OUT LOG AND SCHEDULE – CONTRACTOR shall maintain a resident
10 | sign in/out log for all residents, which shall include, but not be limited to, the following:

- 11 | 1. Client’s schedule for treatment, work, education or other activities;
- 12 | 2. Location and telephone number where the Client may be reached; and
- 13 | 3. Requirement for all Clients to notify the program of any change in his/her schedule.

14 | H. GOOD NEIGHBOR POLICY - ADMINISTRATOR has established a Good Neighbor Policy
15 | for the purpose of identifying community impacts and measures to mitigate those impacts. The Good
16 | Neighbor Policy is a set of principles and activities designed to provide a consistent means of
17 | communication between facilities that provide client services and their respective neighbors. The Good
18 | Neighbor Policy is applicable for Residential Programs when the CONTRACTOR provides service to
19 | County residents and the services have a potential impact including but not limited to community safety,
20 | cleanliness, and security in the surrounding neighborhood(s).

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

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

27 | 3. Non-compliance with this Paragraph and Exhibit D shall constitute a material breach of this
28 | Contract and constitute cause for termination of this Contract.

29 | I. VISITATION POLICY – CONTRACTOR shall establish a written Visitation Policy, which
30 | shall be reviewed and approved by ADMINISTRATOR, which shall include, but not be limited to, the
31 | following:

- 32 | 1. Sign in logs;
- 33 | 2. Visitation hours; and
- 34 | 3. Designated visiting areas at the Facility.

35 | J. TRANSGENDER POLICY – CONTRACTOR shall establish a written Transgender Policy,
36 | which shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not limited
37 | to, the following:

- 1 1. Admission;
- 2 2. Housing arrangement;
- 3 3. Bathroom privacy; and
- 4 4. Drug testing.

5 K. MEDICATION POLICY – CONTRACTOR shall establish a written Medication Policy, which
 6 shall be reviewed and approved by ADMINISTRATOR. The policy shall include but not be limited to
 7 the securing, handling, and administration of medication(s) prescribed to the Client. The policy shall
 8 address Medications that are prescribed for substance and mental health disorders and medications
 9 disallowed by CONTRACTOR. Clients shall be allowed to have Medications during their stay with the
 10 program, and/or to have the ability to get refill(s).

11 L. OPIOID OVERDOSE EMERGENCY TREATMENT – CONTRACTOR shall have available
 12 at each program site at minimum one Naloxone Nasal Spray for the treatment of known or suspected
 13 opioid overdose. At least one staff per shift shall be trained in administering the Naloxone Nasal Spray.
 14 Naloxone Nasal Spray is not a substitute for emergency medical care. CONTRACTOR shall always
 15 seek emergency medical assistance in the event of a suspected, potentially life-threatening opioid
 16 emergency.

17 M. TOKENS – ADMINISTRATOR will provide CONTRACTOR the necessary number of Tokens
 18 for appropriate individual staff to access IRIS at no cost to the CONTRACTOR.

19 1. CONTRACTOR recognizes that a Token is assigned to a specific individual staff member
 20 with a unique password. Tokens and passwords shall not be shared with anyone.

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

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

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

- 26 a. Token of each staff member who no longer supports this Agreement;
- 27 b. Token of each staff member who no longer requires access to IRIS;
- 28 c. Token of each staff member who leaves employment of CONTRACTOR; and
- 29 d. Tokens malfunctioning.

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

33 N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the General
 34 Requirements Paragraph of this Exhibit A to the Agreement.

35 //
 36 //
 37 //

III. PAYMENTS

1
2 A. BASIS FOR REIMBURSEMENT – COUNTY shall pay CONTRACTOR monthly, in arrears,
3 at the rate of \$78.00 per bed day without Co-occurring disorders and \$93.00 per bed day with Co-
4 occurring disorders provided, however, that the total of all such payments to CONTRACTOR and all
5 other COUNTY contract providers for all AB 109 Residential Services for substance users shall not
6 exceed COUNTY’s Aggregate Maximum Obligation, as set forth in the Referenced Contract Provisions
7 of the Agreement, and provided further, that CONTRACTOR’s costs are allowable pursuant to
8 applicable COUNTY, federal, and state regulations. Non-compliance will require the completion of
9 CAP by CONTRACTOR. If CAPs are not completed within timeframes as determined by
10 ADMINISTRATOR, payments may be reduced accordingly. Furthermore, if CONTRACTOR is
11 ineligible to provide services due to non-compliance with licensure and/or certification standards of the
12 State, County or OCPD, ADMINISTRATOR may elect to reduce COUNTY’s maximum obligation
13 proportionate to the length of time that CONTRACTOR is ineligible to provide services. All payments
14 are interim payments only, and subject to final settlement in accordance with the Cost Report Paragraph
15 of the Agreement.

16 B. PAYMENT METHOD – COUNTY shall pay CONTRACTOR monthly in arrears for the
17 services, less revenues that are actually received by CONTRACTOR provided, however, that the total of
18 such payments shall not exceed the COUNTY’s Maximum Obligation. CONTRACTOR’s invoice shall
19 be on a form approved or supplied by COUNTY and provide such information as is required by
20 ADMINISTRATOR. Invoices are due by the twentieth (20th) calendar day of the month. Invoices
21 received after the due date may not be paid within the same month. Payments to CONTRACTOR
22 should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly
23 completed invoice.

24 C. All invoices to COUNTY shall be supported, at CONTRACTOR’s facility, by source
25 documentation including, but not limited to, referral from AB 109 screener, ledgers, journals, time
26 sheets, invoices, bank statements, canceled checks, receipts, receiving records, and records of service
27 provided. ADMINISTRATOR may require CONTRACTOR to submit documentation in support of the
28 monthly billing.

29 D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply
30 with any provision of the Agreement.

31 E. ADMINISTRATOR may withhold or delay processing of CONTRACTOR’s final invoice until
32 CONTRACTOR submits a correctly completed Cost Report as defined in the Cost Report Paragraph.

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

35 G. In conjunction with the Payments Paragraph of this Exhibit A to the Agreement units of service
36 shall not be entered in the COUNTY IRIS system for services not rendered. If information has been
37 entered, corrections will be made within ten (10) calendar days from notification of

1 ADMINISTRATOR.

2 H. Revenue received by CONTRACTOR, pertaining to services rendered pursuant to the
3 Agreement, shall be deducted from CONTRACTOR's monthly billing to COUNTY.

4 I. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
5 Payments Paragraph of this Exhibit B to the Agreement.

6 7 **IV. RECORDS**

8 A. **CLIENT RECORDS** – CONTRACTOR shall maintain adequate records on each individual
9 Client in sufficient detail to permit an evaluation of services, which shall include, but not be limited to:

10 1. Pre-approved Treatment Referral Form from ADMINISTRATOR for residential treatment
11 services.

12 2. Treatment plans which shall be documented in the Client's record within ten (10) calendar
13 days from the date of admission.

14 3. An admission record which shall include documentation that Residential Treatment
15 Services for substance use disorders are appropriate for the Client. Such documentation shall
16 include a completed ASAM criteria indicating appropriate level of care for Client, and a comprehensive
17 psychosocial assessment related to alcohol and/or other drug use.

18 B. **FINANCIAL RECORDS** – The Client eligibility determination and fee charged to and
19 collected from Client, according to the COUNTY approved sliding scale fee schedule, together with a
20 record of all invoices rendered and revenues received from any source on behalf of Client treated
21 pursuant to this Agreement, must be reflected in CONTRACTOR's financial records.

22 C. **COUNTY SLIDING FEE SCALE** – CONTRACTOR shall utilize the sliding fee scale provided
23 by ADMINISTRATOR. CONTRACTOR must have a policy describing the collection of Client fees.
24 No Client shall be denied access to services due to an inability to pay; however, Clients are responsible
25 for paying their fees according to the provided fee scale once an ability to pay is secured. The Client's
26 failure to make a reasonable effort to pay the assessed fee is cause for termination of services.

27 D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
28 Records Paragraph of this Exhibit A to the Agreement.

29 30 **V. REPORTS**

31 A. **MONTHLY PROGRAMMATIC**

32 1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR,
33 including information required and on a form approved or provided by ADMINISTRATOR, in
34 conjunction with the invoice described in the Payments Paragraph of this Exhibit A to the Agreement.
35 These monthly programmatic reports should be submitted to ADMINISTRATOR no later than the tenth
36 (10th) calendar day of the month following the report month.

37 2. CONTRACTOR shall be responsible for including in the monthly programmatic report any

1 | problems in implementing the provisions of this Agreement, pertinent facts or interim findings, staff
2 | changes, status of license(s) and/or certification(s), changes in population served, and reasons for any
3 | changes. Additionally, a statement that the CONTRACTOR is or is not progressing satisfactorily in
4 | achieving all the terms of the Agreement shall be included.

5 | B. MONTHLY IRIS – CONTRACTOR shall input all Units of Service provided in COUNTY’s
6 | IRIS database for the preceding month no later than the fifth (5th) calendar day of the month following
7 | the report month.

8 | C. CalOMS – CONTRACTOR shall complete a CalOMS encounter and a CalOMS admission
9 | record in IRIS within seven (7) calendar days of Client admission. CONTRACTOR shall complete a
10 | CalOMS discharge record in IRIS within seven (7) calendar days of Client discharge. CONTRACTOR
11 | shall run a CalOMS error report and correct any errors within two (2) business days of submitting the
12 | CalOMS admission or discharge, and continue to recheck until error free. Per DHCS requirements,
13 | CalOMS data submission is required for all participants who are enrolled in the program, including
14 | those that are not funded under this agreement.

15 | D. MONTHLY DATAR – CONTRACTOR shall provide reports under the DATAR, and/or any
16 | other State reporting system in a manner prescribed by ADMINISTRATOR, no later than the fifth (5th)
17 | calendar day of the month following the report month.

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

22 | F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
23 | Reports Paragraph of this Exhibit A to the Agreement.

24 |
25 | **VI. SERVICES**

26 | A. FACILITY – CONTRACTOR shall operate licensed and certified substance use disorder
27 | residential programs in accordance with the standards established by COUNTY and the State within the
28 | specifications stated below, unless otherwise authorized by the ADMINISTRATOR. Facility must
29 | acquire ASAM designation from DHCS. Unless otherwise authorized in writing by
30 | ADMINISTRATOR, CONTRACTOR shall maintain regularly scheduled service hours, seven (7) days
31 | a week, twenty-four (24) hours per day throughout the year. Services shall be provided at the following
32 | location, or at any other location approved in advance, in writing, by ADMINISTRATOR:

33 |
34 | «RES_FAC1_STREET» «RES_FAC2_STREET»
35 | «RES_FAC1_CITY_ST_ZIP» «RES_FAC2_CITY_ST_ZIP»

36 | //
37 | //

1 B. PERSONS TO BE SERVED

2 1. CONTRACTOR shall serve persons, age eighteen (18) years or older with substance use
3 disorders who are on AB 109 supervision or at risk of becoming supervised/sentenced under AB 109.
4 Client must meet the ASAM criteria for admission for residential treatment.

5 2. CONTRACTOR shall only provide services, under the Agreement, to those Clients referred
6 by ADMINISTRATOR. At its sole discretion, ADMINISTRATOR shall make referrals as needed to
7 meet the requirements of the substance use disorder treatment program, and CONTRACTOR shall
8 accept all said referrals in accordance with its treatment capacity.

9 3. Co-occurring disorder referrals will be identified by ADMINISTRATOR based on
10 psychiatric evaluation conducted by ADMINISTRATOR or Community Psychiatrist.

11 C. ADMISSIONS

12 1. CONTRACTOR shall accept any person who is physically and mentally able to comply
13 with the program's rules and regulations. Said persons shall include persons with a concurrent diagnosis
14 of mental illness, i.e., those identified as having a Co-occurring diagnosis. Persons with Co-occurring
15 disorders who require prescribed Medication shall not be precluded from acceptance or admission solely
16 based on their licit use of prescribed Medications. This shall include clients receiving MAT.

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

20 3. CONTRACTOR shall have the right to refuse admission of a person only in accordance
21 with its written policy; provided however, CONTRACTOR complies with the Nondiscrimination
22 Paragraph of the Agreement

23 ~~4. CONTRACTOR shall notify ADMINISTRATOR's Residential Placement Coordinator,
24 AB 109 Screening Team and OCPD upon admission of the AB 109 Clients into program within twenty-
25 four (24) hours of admission.~~

26 4. Appropriateness for services shall be assessed through use of the ASAM criteria by the
27 ART team.

28 D. SERVICES

29 1. CONTRACTOR shall provide to Clients an alcohol and drug-free residential treatment
30 program which addresses individualized treatment needs and length of stay. Program completion shall
31 be based on achievement of specific goals and outcomes. Length of stay shall not exceed ninety (90)
32 calendar days without prior approval in writing by ADMINISTRATOR.

33 2. Co-occurring Disorders – CONTRACTOR shall provide rehabilitative and recovery
34 services to Clients with Co-occurring disorders and ensure that such services address the relationship
35 between the two diagnoses throughout treatment.

36 3. Each Client shall be restricted to the premises of the facilities listed within the Agreement
37 for a minimum of fourteen (14) calendar days of the program, and CONTRACTOR shall not encourage

1 Clients to seek employment opportunities during this time. Exceptions for restriction to the premises
 2 shall be allowed for medical, outside meetings, mental health/substance use appointments and/or
 3 emergencies. Uninsured Clients shall be provided assistance in securing Affordable Health Care
 4 benefits. CONTRACTOR shall discharge Clients who are away from the facility for more than three
 5 (3) calendar days, unless authorized by ADMINISTRATOR.

6 4. Residential Treatment program shall consist of the following:

7 ~~a. Screening Appropriateness for services shall be assessed through use of the ASAM~~
 8 ~~criteria. A copy of the ASAM criteria shall be kept in the file. CONTRACTOR shall not admit any~~
 9 ~~Client with outstanding warrants. Staff shall review OC Sheriff Department website for any warrants in~~
 10 ~~Orange County, prior to admission.~~

11 a. A copy of the ASAM criteria shall be kept in the file.

12 b. Program Orientation – During the first seventy-two (72) hours of a Client’s admission
 13 into the Program, CONTRACTOR shall provide an overview of the program. The Program Orientation
 14 shall include, but not be limited to:

- 15 1) Overview of Program structure and schedules;
- 16 2) Program rules and regulations;
- 17 3) Policies regarding Client fees;
- 18 4) Client rights;
- 19 5) Assignment of a counselor;
- 20 6) Staff Code of Conduct; and
- 21 7) Continuing Care services.

22 c. Assessment – Within seven (7) calendar days of admission, CONTRACTOR shall
 23 provide a standardized, comprehensive risk and needs assessment on each Client which assesses both
 24 alcohol/drug abuse history, previous treatment, physical and mental health history, criminal history and
 25 legal status, employment history, education, and social, economic, and family history. Assessment tools
 26 shall meet best practice standards and may include Addiction Severity Index, CalOMS or other
 27 assessment tools that are approved by ADMINISTRATOR and completed and signed by staff.

28 d. CESI/CEST – CONTRACTOR shall have all Clients complete the CESI at the time of
 29 intake. The CEST shall be completed at mid-point and at completion, with information incorporated in
 30 the formulation of the treatment plan.

31 1) CONTRACTOR shall ensure that surveys are completed timely and accurately by
 32 designated Clients. This includes, but is not limited to, ensuring surveys contain provider number,
 33 Client ID number, responses to all psychosocial questions, along with other important Client and
 34 CONTRACTOR information, and fields filled and/or marked appropriately.

35 2) CONTRACTOR shall photocopy the CESI and CEST surveys, place them in
 36 Client files, and submit the originals to ADMINISTRATOR once a month, by the tenth (10th) calendar
 37 day of each month.

1 3) CONTRACTOR shall adhere to all COUNTY CESI and CEST, reporting, and any
2 other guidelines, as stipulated by ADMINISTRATOR, as they may now exist or as they may be revised
3 and/or amended in the future, for the review, use and analysis of the CESI and CEST.

4 e. Treatment plan – CONTRACTOR shall develop an individualized treatment plan with
5 each Client within ten (10) calendar days of admission. The Client-centered treatment plan shall be
6 based upon the Client’s needs identified in the assessment process and shall include goals and objectives
7 with specific measurable tasks outlining what the Client is to complete. The Treatment plan shall
8 include the following:

- 9 1). Statement of problems experienced by the client to be addressed.
- 10 2) Statement of objectives to be reached that address each problem.
- 11 3) Statement of actions that will be taken by the program/ and or client to accomplish
12 the identified objectives;
- 13 4) Target dates for accomplishment of actions and objectives.

14 Clients’ treatment plan shall clearly outline the expectations, responsibilities and steps taken to
15 successfully earn Resocialization/Re-Entry privileges. Every fourteen (14) calendar days,
16 CONTRACTOR shall review with the Client, and document in the progress notes, the Client’s progress
17 on the treatment plan. CONTRACTOR shall update the treatment plan no later than ninety (90) calendar
18 days after signing the initial treatment plan, and when there is a change in problem identification or
19 focus of treatment.

20 f. Structured Therapeutic Activities – Residential Treatment Services shall consist of a
21 minimum of twenty (20) hours of structured therapeutic activity per week. Therapeutic activities shall
22 utilize best practices and evidence-based approaches, including but not limited to, Cognitive Behavioral
23 Therapy and Motivational Interviewing. A minimum of fourteen (14) hours of Structured Therapeutic
24 activity per week shall be comprised of the following:

25 1) Individual Counseling – CONTRACTOR shall provide individual counseling to
26 Clients.

27 2) Group Counseling – CONTRACTOR shall provide counseling and intervention
28 within a group setting to Clients. Group interventions and activities may include, but are not limited to
29 process groups, seminars and educational groups, house and community group meetings, and practical
30 life and social skills.

31 3) Self Help Meetings – CONTRACTOR shall provide access and exposure to on-site
32 and off-site self-help support meetings, non-spiritual and spiritual, such as Alcohol Anonymous,
33 Narcotics Anonymous, and Smart Recovery. At least two different self-help meetings shall be provided
34 on site. For example, if a Big Book (AA) study is offered, then a Basic Text (NA) study must also be
35 offered. If NA or AA meetings are primarily offered on-site, clients should also be given the
36 opportunity, if possible, to attend NA or AA meetings off-site on those days. CONTRACTOR shall
37 ensure that various self-help reading materials are provided on-site and easily accessible to Clients.

1 4) The remaining six (6) hours of Structured Therapeutic Activities may be comprised
2 of organized program activities that are designed to meet treatment goals and objectives for increased
3 social responsibility, self-motivation, and integration into the larger community including, but not
4 limited to, chores, house meetings, and structured recreational activities.

5 g. Resocialization/Re-Entry:

6 1) During Resocialization/Re-Entry, CONTRACTOR shall obtain documentation
7 from Clients regarding efforts to obtain employment.

8 2) As part of the Resocialization/Re-Entry process, CONTRACTOR staff shall
9 finalize exit plans with the Client.

10 3) If Client is not in the resocialization process by forty-five (45) calendar days after
11 the date of admission, CONTRACTOR shall document reason why not and specify objective(s) needed
12 to be accomplished to be involved in the resocialization process.

13 h. Case Management – CONTRACTOR shall provide Case Management services by
14 contacting outside agencies and making referrals for services outside the scope of comprehensive
15 substance abuse services as identified in the Client’s recovery. Such concomitant services include
16 academic education, vocational training, medical and dental treatment, pre and post counseling and
17 testing for infectious diseases, legal assistance, job-search assistance, financial assistance, childcare, and
18 self-help programs such as twelve (12) – step programs. Said linkages, referrals and follow-up are to be
19 documented in the Client file.

20 i. Successful Completion – CONTRACTOR shall consider all Clients to be graduated
21 upon completion of all their treatment plan goals.

22 j. Transition/Exit Planning – CONTRACTOR shall begin discharge planning
23 immediately after enrollment. CONTRACTOR shall develop a formal exit plan with the Client no later
24 than fourteen (14) calendar days prior to Client’s successful completion of the program. The exit plan
25 shall be completed and signed by CONTRACTOR staff and Client. The exit plan shall be documented
26 in the Client’s chart and shall:

27 1) Include a plan to assist the Client in maintaining a continued alcohol and drug free
28 lifestyle;

29 2) Address goals on the treatment plan; and

30 3) Include referrals to appropriate resources such as outpatient treatment, self-help
31 groups, alumni groups, recovery maintenance services, social services, vocational rehabilitation, job
32 training, and /or other services as needed.

33 k. Discharge Summary – CONTRACTOR shall develop written procedures regarding
34 Client discharge. Written criteria for the discharge summary shall be completed within seven (7)
35 calendar days of discharge and shall include:

36 1) Reason for discharge, including whether the discharge was voluntary or
37 involuntary and whether the client successfully completed the program;

- 2) Description of treatment episodes or recovery services;
- 3) Current alcohol and/or drug usage at discharge;
- 4) Vocational and educational achievements;
- 5) Legal status;
- 6) Linkages and referrals made; and
- 7) Client's comments.

1. Follow-ups – CONTRACTOR shall conduct follow-ups with Clients after discharge at intervals designated by ADMINISTRATOR. ADMINISTRATOR shall provide information/questions to CONTRACTOR for follow up. CONTRACTOR shall track data on client functioning which at minimum shall include current substance use

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

n. Support Services – CONTRACTOR shall provide housekeeping, which may be done by Clients; laundry access; and maintenance.

o. Care Coordination:

1) CONTRACTOR shall maintain contact with OCPD regarding treatment progress, barriers to progress, and exit planning.

2) CONTRACTOR shall construct a plan for continuing care which shall be fully documented in the Client's exit plan.

3) CONTRACTOR shall make every effort to notify the OCPD of any Client's behavior patterns which may lead to an involuntary discharge so that OCPD may attempt to influence the Client to improve treatment efforts. CONTRACTOR shall have final authority to discharge. In those instances requiring immediate action, CONTRACTOR is not bound to give advance notice to OCPD.

p. Collateral Services – CONTRACTOR shall provide as appropriate, individual and group sessions for Client's family members or significant others, excluding professionals such as employers or doctors, to address varied systems dynamics which could contribute to the Client's relapse, and potential or actual use. Collateral Service shall include the Client unless determined inappropriate by the Counselor.

q. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure that all persons admitted for residential treatment services have a health questionnaire completed using form DHCS 5103, or may develop their own form provided it contains, at a minimum, the information requested in the DHCS 5103 form:

1) The health questionnaire is a Client's self-assessment of his/her current health status and shall be completed by Client.

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

1 CONTRACTOR and Client.

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

3 2) CONTRACTOR shall, based on information provided by Client on the health
4 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
5 examinations as appropriate.

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

8 b) A copy of the referral and clearance shall be filed in the Client's file.

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

11 d) The programs shall have written procedures for obtaining medical or
12 psychiatric evaluation and emergency and non-emergency services.

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

15 f) CONTRACTOR shall provide TB services to the Clients by referral to the
16 COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar
17 days of admission. These TB services shall consist of the following:

18 (1) Counseling with respect to TB;

19 (2) Testing to determine whether the individual has been infected and to
20 determine the appropriate form of treatment;

21 (3) Provision for, or referral of, infected Clients for medical evaluation,
22 treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared
23 prior to commencing treatment.

24 r. Transportation Services:

25 1) Emergency Medical Transportation – COUNTY shall only pay for medical
26 ambulance or medical van transportation to and from designated residential substance use disorder
27 treatment programs or health facilities through the COUNTY's Medical Transportation Agreement
28 under the following conditions:

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

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

37 c) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation

1 Call Log to request transportation services from Ambulance Providers designated for transportation
2 within the city of the CONTRACTOR's facility for each said month as identified on the log.

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

6 e) CONTRACTOR shall be held liable and may be billed by the Ambulance
7 Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a
8 covered service under this section by the COUNTY.

9 2) Non-Emergency Transportation – CONTRACTOR shall transport Client, either in
10 CONTRACTOR's own, or COUNTY loaned, vehicle to locations that are considered necessary and/or
11 important to the Client's recovery plan including, but not limited to, Social Security Administration
12 offices for Supplemental Security Income benefits and for non-emergency medical or mental health
13 services not identified in Subparagraph r.1) above, that require treatment at a physician office, urgent
14 care, or emergency room when an ambulance provider is not necessary or required for transportation
15 based on the level of severity and/or services required by the Client.

16 E. ALCOHOL AND/OR DRUG SCREENING

17 1. CONTRACTOR shall have a written policy and procedure statement regarding drug
18 screening that includes random drug and/or alcohol screening at a minimum of two (2) times per month.
19 All urine specimen collections shall be observed by same sex staff. This policy shall be approved by
20 ADMINISTRATOR. A Client shall not be denied admittance to treatment for a positive alcohol and/or
21 drug screen at admission if they meet all other criteria for admission. CONTRACTOR shall:

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

24 b. Assure that all urine specimen collections shall be observed by same sex staff; and

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

26 2. Contractor shall utilize drug testing supplies provided by ADMINISTRATOR.
27 ADMINISTRATOR shall supply CONTRACTOR with the following drug testing laboratory
28 information:

29 a. A list of all approved COUNTY drug testing laboratories;

30 b. A list of all approved drug screening tests; and

31 c. The procedure for submitting tests to drug testing laboratories.

32 If CONTRACTOR decides that confirmation testing is required, CONTRACTOR shall send the drug
33 screening test to a COUNTY approved drug testing laboratory. Unless approved in advance by
34 ADMINISTRATOR, CONTRACTOR shall be financially responsible for any drug tests submitted to
35 drug testing laboratories other than those approved by COUNTY, or for any drug screening tests not
36 found on the list of approved drug screening tests.

37 3. In the event that any Client of CONTRACTOR receives a drug test result indicating any

1 substance abuse, CONTRACTOR shall formulate and implement a plan of corrective action which shall
 2 be documented in the Client record. CONTRACTOR shall notify OCPD as soon as possible but no later
 3 than one (1) business day, and notify ADMINISTRATOR within two (2) business days of receipt of
 4 such test results via incident report and the corrective action to be taken by the Resident or Client if the
 5 Client is allowed to remain in the program.

6 F. PERFORMANCE OUTCOMES

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

12 2. Performance Outcome Objectives:

13 a. Objective 1 – CONTRACTOR shall provide effective residential substance abuse
 14 assessment, treatment, and counseling to Clients with identified substance use disorder as measured by
 15 Retention and Completion Rates.

16 1) Retention Rates shall be calculated by using the number of Clients currently
 17 enrolled in or successfully completing the treatment program divided by the total number of Clients
 18 served during the evaluation period.

19 2) Completion Rates shall be calculated by using the number of Clients successfully
 20 completing the treatment program divided by the total number of Clients discharged during the
 21 evaluation period.

22 3) Upon successful completion of treatment, seventy-five percent (75%) of Clients
 23 will report at thirty (30) calendar days that their life is more manageable than it was when they entered
 24 treatment.

25 b. Objective 2 – CEST scores at midpoint and completion will be higher than national
 26 norms in perceived social support, peer support, counseling rapport, and treatment participation. CEST
 27 scores for treatment readiness and desire for help will exceed national norms and will be equal to or
 28 higher than CESI scores at intake.

29 ~~e. Objective 3 – CONTRACTOR shall provide effective residential substance treatment
 30 services to Clients with identified substance use disorder as measured by Client surveys.~~

31 ~~1) Eight five percent (85%) of Clients who complete satisfaction survey will agree or
 32 strongly agree that they are “overall satisfied with the services received”.~~

33 ~~2) Eight five percent (85%) of Clients surveyed will agree or strongly agree that they
 34 would recommend the program to someone they know.~~

35 G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
 36 Services paragraph of this Exhibit A to the Agreement.

37 //

VII. STAFFING

1
2 A. CONTRACTOR shall provide staffing levels and qualifications appropriate to meet the needs
3 of the Clients, including twenty-four (24) hour supervision with at least one (1) staff member on-site at
4 all times. Co-ed residential programs shall require twenty-four (24)-hour awake supervision.

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

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

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

13 E. Professional and Non-professional staff are required to have appropriate experience and any
14 necessary training at the time of hiring.

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

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

20 H. VOLUNTEERS/INTERNS – CONTRACTOR may augment the above paid staff with
21 volunteers or part-time student interns. Unless waived by ADMINISTRATOR, prior to providing
22 services pursuant to this Agreement, interns shall be Master's Candidates in Counseling or Social Work
23 or have a Bachelor's Degree in a related field or be participating in any state recognized counselor
24 certification program. CONTRACTOR shall provide a minimum of one (1) hour supervision for each
25 ten (10) hours of work by interns or consistent with school or licensing Board requirements.
26 CONTRACTOR shall provide supervision to volunteers as specified in the respective job descriptions
27 or work contracts. Volunteer or student intern services may not comprise more than twenty percent
28 (20%) of the services provided, unless approved in advance by ADMINISTRATOR.

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

1 J. STAFF/ VOLUNTEER/INTERN SCREENING – CONTRACTOR shall provide pre-
 2 employment “live scan” screening of any staff person providing services pursuant to this Agreement.
 3 All new staff, volunteers, and interns shall pass a one-time “live scan” finger printing background check
 4 prior to employment. All staff shall be subject to sanction screening as referenced in the Compliance
 5 paragraph on a bi-annual basis. All staff shall also be screened by Megan’s Law, OC Courts and OC
 6 Sheriff’s Department on an annual basis. The results of the fingerprint checks will be sent directly from
 7 the Department of Justice to CONTRACTOR. Results must remain in staff file.

8 1. All staff/volunteers/interns, prior to starting services, shall meet the following requirements:

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

11 b. No person shall have been convicted of an arson offense – Violation of PC sections
 12 451, 451.1, 451.5, 452, 45231, 453, 454, or 455;

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

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

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

19 ~~f. No person shall have prior employment history of improper conduct, including but not~~
 20 ~~limited to, forging or falsifying documents or drug tests, sexual assault or sexual harassment, or~~
 21 ~~inappropriate behavior with staff or residents at another treatment Facility.~~

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

25 K. STAFF TRAINING – CONTRACTOR shall develop a written plan for staff training. All Staff
 26 training shall be documented and maintained as part of the training plan.

27 1. CONTRACTOR shall ensure that within the first six (6) months of employment, all
 28 program staff, including administrator, volunteers and interns having direct contact with Clients shall
 29 complete training on:

30 a. infectious disease recognition;

31 b. crisis intervention; and

32 c. recognizing physical and psychiatric symptoms that require appropriate referrals to
 33 other agencies.

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

36 a. County Annual Provider Training;

37 b. County Annual Compliance Training;

- c. Training on topics related to alcohol and drug use; and
- d. Minimum one hour training in cultural competence.

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

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

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1 EXHIBIT B
 2 TO AGREEMENT FOR PROVISION OF
 3 AB 109 RESIDENTIAL TREATMENT SERVICES
 4 BETWEEN
 5 COUNTY OF ORANGE
 6 AND
 7 «UC_NAME»
 8 JULY 1, 2019 THROUGH ~~JUNE 30, 2022~~ JUNE 30, 2024
 9

10 **I. BUSINESS ASSOCIATE CONTRACT**

11 **A. GENERAL PROVISIONS AND RECITALS**

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

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

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

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

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

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

1 with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed
 2 pursuant to the Agreement.

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

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

9 D. SECURITY RULE

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

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

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

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

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

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

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

37 //

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

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

7 E. DATA SECURITY REQUIREMENTS

8 1. Personal Controls

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

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

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

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

34 2. Technical Security Controls

35 a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY
36 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
37 //

1 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which
2 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the
3 COUNTY.

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

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

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

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

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

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

37 //

1 Passwords must be changed if revealed or compromised. Passwords must be composed of characters
2 from at least three (3) of the following four (4) groups from the standard keyboard:

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

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

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

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

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

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

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

37 //

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

5 3. Audit Controls

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

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

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

19 4. Business Continuity/Disaster Recovery Control

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

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

32 5. Paper Document Controls

33 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
 34 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left
 35 unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means
 36 that information is not being observed by an employee authorized to access the information. Such PHI
 37 //

1 in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in
2 baggage on commercial airplanes.

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

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

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

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

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

24 F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

18 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in
19 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the
20 COUNTY.

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

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

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

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

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

5 **G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR**

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

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

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

15 1) The Disclosure is required by law; or

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

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

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

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

28 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
 29 required by law.

30 **H. PROHIBITED USES AND DISCLOSURES**

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

36 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
 37 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on

1 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
2 42 USC § 17935(d)(2).

3 I. OBLIGATIONS OF COUNTY

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

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

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

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

15 J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

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

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

35 3. The obligations of this Business Associate Contract shall survive the termination of the
36 Agreement.

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EXHIBIT C
 TO AGREEMENT FOR PROVISION OF
 AB 109 RESIDENTIAL TREATMENT SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 «UC_NAME»
 JULY 1, 2019 THROUGH ~~JUNE 30, 2022~~ JUNE 30, 2024

I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT

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

A. DEFINITIONS

1. "Breach" shall have the meaning given to such term under the IEA and CMPPA. It shall include a "PII loss" as that term is defined in the CMPPA.
2. "Breach of the security of the system" shall have the meaning given to such term under the CIPA, CCC § 1798.29(d).
3. "CMPPA Agreement" means the CMPPA Agreement between the SSA and CHHS.
4. "DHCS PI" shall mean Personal Information, as defined below, accessed in a database maintained by the COUNTY or DHCS, received by CONTRACTOR from the COUNTY or DHCS or acquired or created by CONTRACTOR in connection with performing the functions, activities and services specified in the Agreement 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

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

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

6 B. TERMS OF AGREEMENT

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

11 2. Responsibilities of CONTRACTOR

12 CONTRACTOR agrees:

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

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

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

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

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

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

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

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

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

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

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

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

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

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EXHIBIT D
TO AGREEMENT FOR PROVISION OF
AB 109 RESIDENTIAL TREATMENT SERVICES
BETWEEN
COUNTY OF ORANGE
AND
[CONTRACTOR]

Preface

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

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

Good Neighbor Policy

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

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

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

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

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

11 of services.

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