

CONTRACT FOR PROVISION OF
 DAY TREATMENT INTENSIVE SERVICES FOR ADULT MEDI-CAL BENEFICIARIES
 BETWEEN
 COUNTY OF ORANGE
 AND
 [CONTRACTOR NAME]
 OCTOBER 1, 2026 THROUGH JUNE 30, 2028

THIS CONTRACT entered into this 1st day of October 2026, (effective date), is by and between the COUNTY OF ORANGE, a political subdivision of State of California (COUNTY) and [CONTRACTOR NAME], a California [BUSINESS TYPE], (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be referred to herein as “Party” or collectively as “Parties”. This Contract shall be administered by the Director of the COUNTY’s Health Care Agency or an authorized designee (“ADMINISTRATOR”).

W I T N E S S E T H:

WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Day Treatment Intensive Services for Adult Medi-Cal Beneficiaries described herein to the residents of Orange County; and

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

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

//

//

//

//

//

//

//

//

//

//

//

//

//

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
Title Page.....	1
Table of Contents	2
Referenced Contract Provisions	4
I. Acronyms	5
II. Alteration of Terms	6
III. Amount Not to Exceed	6
IV. Assignment of Debts	7
V. Compliance	7
VI. Confidentiality	11
VII. Conflict of Interest	12
VIII. Cost Reconciliation Report	12
IX. Debarment and Suspension Certification	14
X. Delegation, Assignment and Subcontracts	15
XI. Dispute Resolution	17
XII. Employee Eligibility Verification	18
XIII. Facilities, Payments and Services	18
XIV. Indemnification and Insurance	18
XV. Inspections and Audits	22
XVI. Licenses and Laws	23
XVII. Literature, Advertisements, and Social Media	25
XVIII. Minimum Wage Laws	26
XIX. Nondiscrimination	26
XX. Notices	29
XXI. Notification of Death	29
XXII. Notification of Public Events and Meetings	30
XXIII. Patient's Rights	30
XXIV. Records Management and Maintenance	31
XXV. Research and Publication	32
XXVI. Revenue	32
XXVII. Severability	33
XXVIII. Special Provisions	33
XXIX. Status of Contractor	34
XXX. Term	35
XXXI. Termination	35

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
XXXII. Third Party Beneficiary	37
XXXIII. Waiver of Default or Breach.....	37
Signature Page	38

EXHIBIT A

I. Common Terms and Definitions	1
II. Budget	3
III. Payments	4
IV. Reports.....	6
V. Services	7
VI. Staffing	11

EXHIBIT B

I. Business Associate Contract.....	1
-------------------------------------	---

EXHIBIT C

I. Personal Information and Security Contract.....	1
--	---

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

REFERENCED CONTRACT PROVISIONS

Term: October 1, 2026 through June 30, 2028

Period One means the period from October 1, 2026 through June 30, 2027

Period Two means the period from July 1, 2027 through June 30, 2028

Amount Not to Exceed:

Period One Amount Not to Exceed: \$ 750,000

Period Two Amount Not to Exceed: \$ 1,000,000

TOTAL AMOUNT NOT TO EXCEED: \$ 1,750,000

Basis for Reimbursement: Fee for Service

Payment Method: Monthly in Arrears

CONTRACTOR UEI Number: [UEI NUMBER]

CONTRACTOR TAX ID Number: [TAX ID NUMBER]

Notices to COUNTY and CONTRACTOR:

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

CONTRACTOR: [CONTRACTOR NAME]
[ADDRESS LINE 1]
[ADDRESS LINE 2]
[CONTRACTOR CONTACT NAME, TITLE]
[EMAIL]

//

//

//

//

//

//

I. ACRONYMS

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

A. ARRA	American Recovery and Reinvestment Act of 2009
B. BHP	Behavioral Health Plan
C. BHS	Behavioral Health Services
D. BHSA	Behavioral Health Services Act
E. CCC	California Civil Code
F. CCR	California Code of Regulations
G. CEO	County Executive Office
H. CFR	Code of Federal Regulations
I. CHPP	COUNTY HIPAA Policies and Procedures
J. COI	Certificate of Insurance
K. CRS	Crisis Residential Services
L. CSW	Clinical Social Worker
M. DD	Dual Diagnosis
N. D/MC	Drug/Medi-Cal
O. DHCS	California Department of Health Care Services
P. DRS	Designated Record Set
Q. DSH	Direct Service Hour
R. ePHI	Electronic Protected Health Information
S. EPSDT	Early and Periodic Screening, Diagnosis, and Treatment
T. FSP	Full Service Partnership
U. GAAP	Generally Accepted Accounting Principles
V. HCA	County of Orange Health Care Agency
W. HHS	Federal Health and Human Services Agency
X. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public Law 104-191
Y. HSC	California Health and Safety Code
Z. IRIS	Integrated Records and Information System
AA. ISO	Insurance Services Office
AB. LCSW	Licensed Clinical Social Worker
AC. LPCC	Licensed Professional Clinical Counselor
AD. LPT	Licensed Psychiatric Technician
AE. LVN	Licensed Vocational Nurse
AF. LMFT	Licensed Marriage and Family Therapist
AG. MIHS	Medical and Institutional Health Services

1	AH. MSN	Medical Safety Net
2	AI. NOABD	Notice of Adverse Benefit Determination
3	AJ. NPI	National Provider Identifier
4	AK. NPP	Notice of Privacy Practices
5	AL. OIG	Federal Office of Inspector General
6	AM. OMB	Federal Office of Management and Budget
7	AN. OPM	Federal Office of Personnel Management
8	AO. PC	California Penal Code
9	AP. PHI	Protected Health Information
10	AQ. PII	Personally Identifiable Information
11	AR. PRA	California Public Records Act
12	AS. QIC	Quality Improvement Committee
13	AT. SIR	Self-Insured Retention
14	AU. SSA	Social Services Agency
15	AV. TAY	Transitional Age Youth
16	AW. TBS	Therapeutic Behavioral Services
17	AX. USC	United States Code
18	AY. WIC	State of California Welfare and Institutions Code
19	AZ. WOC	Wraparound Orange County

21 **II. ALTERATION OF TERMS**

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

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

30 **III. AMOUNT NOT TO EXCEED**

31 A. The Total Amount Not to Exceed of COUNTY for services provided in accordance with this
 32 Contract, and the separate Amount Not to Exceed for each period under this Contract, are as specified in
 33 the Referenced Contract Provisions of this Contract, except as allowed for in Subparagraph B. below.

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

36 //

37 //

IV. ASSIGNMENT OF DEBTS

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

V. COMPLIANCE

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

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

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

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

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

//

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

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

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

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

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

- a. is currently excluded, suspended, debarred or otherwise ineligible to participate in federal and state health care programs; or
- b. has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the federal and state health care programs after a period of exclusion, suspension, debarment, or ineligibility.

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

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

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

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

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

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

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

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

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

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

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 Provider
 5 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 Contract. This includes compliance with federal and state healthcare program
 8 regulations and procedures or instructions otherwise communicated by regulatory agencies; including the
 9 Centers for Medicare and Medicaid Services or their agents.

10 2. Such training will be made available to Covered Individuals within thirty (30) calendar days
 11 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 group
 17 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 and
 22 are consistent with federal, state and county laws and regulations. This includes compliance with federal
 23 and state health care program regulations and procedures or instructions otherwise communicated by
 24 regulatory agencies including the Centers for Medicare and Medicaid Services or their agents.

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

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

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

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

35 6. CONTRACTOR shall meet the HCA Quality Assessment and Performance Improvement
 36 Standards established by Quality Management Services (QMS) and participate in the quality improvement
 37 activities developed in the implementation of the DMC-ODS /// BHP Quality Management Program.

//

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

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

VI. CONFIDENTIALITY

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

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

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

3. In the event of a collaborative service agreement between Behavioral Health services providers, CONTRACTOR acknowledges and agrees that it is responsible for obtaining releases of information, from the collaborative agency, for Members receiving services through the collaborative agreement.

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

//

//

//

VII. CONFLICT OF INTEREST

CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation shall apply to CONTRACTOR's officers, directors, employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. CONTRACTOR's efforts shall include, but not be limited to, establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence COUNTY staff or elected officers in the performance of their duties. CONTRACTOR shall notify COUNTY, in writing, of any potential or actual conflicts of interest between CONTRACTOR and COUNTY that may arise prior to, or during the period of, Contract performance, including, but not limited to, whether any known county public officer's child is an officer or director, or has an ownership interest of ten (10) percent or more in, CONTRACTOR. While CONTRACTOR must provide this information without prompting from COUNTY any time there is a change regarding conflict of interest, CONTRACTOR must also provide an update to COUNTY upon request by COUNTY. County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. CONTRACTOR shall not, during the period of this Contract, employ any County employee for any purpose.

VIII. COST RECONCILIATION REPORT

A. CONTRACTOR shall submit Cost Reconciliation Report to COUNTY no later than sixty (60) calendar days following termination of this Contract.

1. As indicated in Exhibit A, Section III. Payments, Medi-Cal Reimbursement Rates, the Cost Reconciliation Report shall be for approved claims. Costs of Medi-Cal services shall not exceed the negotiated rate as specified in this Contract. CONTRACTOR shall prepare the Cost Reconciliation Report in accordance with all applicable federal, state and COUNTY requirements, and the Special Provisions Paragraph of this Contract.

2. If CONTRACTOR fails to submit an accurate and complete Cost Reconciliation 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 Reconciliation Report is not submitted. Imposition of the late penalty shall be at the sole discretion of ADMINISTRATOR. The late penalty shall be assessed separately on each outstanding Cost Reconciliation Report due COUNTY by CONTRACTOR.

b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR pursuant to any or all contracts between COUNTY and CONTRACTOR until such time that the accurate

1 and complete Cost Reconciliation Report is delivered to ADMINISTRATOR.

2 3. CONTRACTOR may request, in advance and in writing, an extension of the due date of the
3 Cost Reconciliation Report setting forth good cause for justification of the request. Approval of such
4 requests shall be at the sole discretion of ADMINISTRATOR and shall not be unreasonably denied.

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

10 B. The Cost Reconciliation Report shall be the final financial and statistical report submitted by
11 CONTRACTOR to COUNTY and shall serve as the basis for final settlement to CONTRACTOR. The
12 Cost Reconciliation Report shall be the final financial record for subsequent audits, if any.

13 C. Final settlement shall be based upon the approved claims, as detailed in Exhibit A, Section III.
14 Payments, less applicable revenues and any late penalty, not to exceed COUNTY's Total Amount Not to
15 Exceed as set forth in the Referenced Contract Provisions of this Contract. CONTRACTOR shall not claim
16 claims to COUNTY which are not reimbursable pursuant to applicable federal, state and COUNTY laws,
17 regulations and requirements. Any payment made by COUNTY to CONTRACTOR, which is
18 subsequently determined to have been for unreimbursable claims, shall be repaid by CONTRACTOR to
19 COUNTY in cash, or other authorized form of payment, within thirty (30) calendar days of submission of
20 the Cost Reconciliation Report or COUNTY may elect to reduce any amount owed CONTRACTOR by
21 an amount not to exceed the reimbursement due COUNTY.

22 D. If the Cost Reconciliation Report indicates the approved claims provided pursuant to this Contract,
23 less applicable revenues and late penalty, are lower than the aggregate of interim monthly payments to
24 CONTRACTOR, CONTRACTOR shall remit the difference to COUNTY. Such reimbursement shall be
25 made, in cash, or other authorized form of payment, with the submission of the Cost Reconciliation Report.
26 If such reimbursement is not made by CONTRACTOR within thirty (30) calendar days after submission
27 of the Cost Reconciliation Report, COUNTY may, in addition to any other remedies, reduce any amount
28 owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

29 E. If the Cost Reconciliation Report indicates the State-approved claims provided pursuant to this
30 Contract, less applicable revenues and late penalty, are higher than the aggregate of interim monthly
31 payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the difference, provided such
32 payment does not exceed the Total Amount Not to Exceed of COUNTY.

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

35 //

36 //

37 //

//

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

Signed _____

Name _____

Title _____

Date _____

IX. DEBARMENT AND SUSPENSION CERTIFICATION

A. CONTRACTOR certifies that it and its principals:

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

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

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

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

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

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

1 //

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

4 5 **X. DELEGATION, ASSIGNMENT AND SUBCONTRACTS**

6 A. No performance of this Contract or any portion thereof may be subcontracted or otherwise
7 delegated by CONTRACTOR, in whole or in part, without first obtaining the prior express written consent
8 of COUNTY. Any attempt by CONTRACTOR to subcontract or delegate any performance of this Contract
9 without the prior express written consent of COUNTY shall be invalid and shall constitute a material
10 breach of this Contract, and any attempted assignment or delegation in derogation of this paragraph shall
11 be void. In the event that CONTRACTOR is authorized by COUNTY to subcontract, this Contract shall
12 take precedence over the terms of the agreement between CONTRACTOR and subcontractor, and any
13 agreement between CONTRACTOR and a subcontractor shall incorporate by reference the terms of this
14 Contract. CONTRACTOR shall remain responsible for the performance of this Contract and
15 indemnification of COUNTY notwithstanding COUNTY's consent to CONTRACTOR's request for
16 approval of a subcontractor. Under no circumstances shall COUNTY be required to directly monitor the
17 performance of any subcontractor. All work performed by a subcontractor must be monitored by
18 CONTRACTOR and must meet the approval of the County of Orange pursuant to the terms of this Contract

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

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

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

36 4. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
37 CONTRACTOR shall provide written notification of CONTRACTOR's intent to assign the obligations

1 //

2 hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to
3 the effective date of the assignment.

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

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

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

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

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

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

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

27 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status with
28 respect to name changes that do not require an assignment of the Contract.

29 E. Notification of Litigation, Incidents, Claims or Suits: CONTRACTOR shall report to COUNTY,
30 in writing within twenty-four (24) hours of occurrence, the following:

31 1. Any instance in which CONTRACTOR becomes a party to any litigation against COUNTY,
32 or a party to litigation that may reasonably affect CONTRACTOR's performance under this Contract.
33 While CONTRACTOR is required to provide this information without prompting from COUNTY,
34 CONTRACTOR must also provide an update to COUNTY whenever requested by COUNTY.

35 2. Any accident or incident relating to services performed under this Contract that involves
36 injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR
37 and/or COUNTY.

1 //

2 3. Any third party claim or lawsuit filed against CONTRACTOR arising from or relating to
3 services performed by CONTRACTOR under this Contract.

4 4. Any injury to an employee of CONTRACTOR that occurs on COUNTY property.

5 5. Any loss, disappearance, destruction, misuse or theft of any kind whatsoever of COUNTY
6 property, monies or securities entrusted to CONTRACTOR under the term of this Contract.

7 6. Any Notice of Contract Breach, or equivalent, received from any entity for whom
8 CONTRACTOR is providing the same or similar services, under a written contract, regardless of service
9 location or jurisdiction.

10 F. CONTRACTOR must notify COUNTY in writing: (1) within thirty (30) calendar days of
11 CONTRACTOR being placed on a corrective action plan by COUNTY or any other government entity or
12 private organization; (2) within ninety (90) calendar days of a lien attaching to real property and/or personal
13 property related to the Contract or CONTRACTOR's performance under the Contract. While
14 CONTRACTOR must provide the required notice without prompting from COUNTY, CONTRACTOR
15 must provide an update of this information to COUNTY upon COUNTY's request.

16 **XI. DISPUTE RESOLUTION**

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

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

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

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

33 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and shall
34 be signed by a COUNTY Deputy Purchasing Agent or designee. If COUNTY does not render a decision
35 within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final
36 decision adverse to CONTRACTOR's contentions.
37

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

XII. EMPLOYEE ELIGIBILITY VERIFICATION

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

XIII. FACILITIES, PAYMENTS AND SERVICES

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

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

XIV. INDEMNIFICATION AND INSURANCE

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

performance provided by CONTRACTOR pursuant to this Contract. If judgment is entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall request a jury apportionment.

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

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

D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand dollars (\$50,000) shall specifically be approved by County's Risk Manager, or designee. The County reserves the right to require current audited financial reports from Contractor. If Contractor is self-insured, Contractor will indemnify the County for any and all claims resulting or arising from Contractor's services in accordance with the indemnity provision stated in this Contract.

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

F. QUALIFIED INSURER

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

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

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

Coverage

Minimum Limits

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
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims -made
Professional Liability Insurance	\$1,000,000 per claims -made \$1,000,000 aggregate
Sexual Misconduct Liability	\$1,000,000 per occurrence

H. REQUIRED COVERAGE FORMS

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

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

I. REQUIRED ENDORSEMENTS

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

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

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

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

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

b. A primary and non-contributing endorsement evidencing that CONTRACTOR's

insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

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

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

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

M. If CONTRACTOR's Professional Liability, and/or Network Security & Privacy Liability are "Claims -Made" policies, CONTRACTOR shall agree to the following

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

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

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

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

O. Insurance certificates should be forwarded to the department address specified in the Referenced Contract Provisions of this Contract.

P. If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7) calendar days of notification by COUNTY, it shall constitute a breach of CONTRACTOR's obligation hereunder and grounds for COUNTY to suspend or terminate this Contract.

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

R. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If CONTRACTOR does not deposit copies of acceptable Certificate of Insurance and endorsements with COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice,

1 this Contract may be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled
2 to all legal remedies.

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

6 **T. SUBMISSION OF INSURANCE DOCUMENTS**

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

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

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

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

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

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

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

30 **XV. INSPECTIONS AND AUDITS**

31 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
32 of the State of California, the Secretary of the United States Department of Health and Human Services,
33 the Comptroller General of the United States, or any other of their authorized representatives, shall to the
34 extent permissible under applicable law have access to any books, documents, and records, including but
35 not limited to, financial statements, general ledgers, relevant accounting systems, medical and Member
36 records, of CONTRACTOR that are directly pertinent to this Contract, for the purpose of responding to a
37

Member complaint or conducting an audit, review, evaluation, or examination, or making transcripts during the periods of retention set forth in the Records Management and Maintenance Paragraph of this Contract. Such persons may at all reasonable times inspect or otherwise evaluate the services provided pursuant to this Contract, and the premises in which they are provided.

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

C. AUDIT RESPONSE

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

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

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

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

XVI. LICENSES AND LAWS

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

applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and in writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be cause for termination of this Contract.

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

1. ARRA of 2009.
2. Trafficking Victims Protection Act of 2000.
3. WIC, Division 5, Community Mental Health Services.
4. WIC, Division 6, Admissions and Judicial Commitments.
5. WIC, Division 7, Mental Institutions.
6. HSC, §§1250 et seq., Health Facilities.
7. PC, §§11164-11174.3, Child Abuse and Neglect Reporting Act.
8. CCR, Title 9, Rehabilitative and Developmental Services.
9. CCR, Title 17, Public Health.
10. CCR, Title 22, Social Security.
11. CFR, Title 42, Public Health.
12. CFR, Title 45, Public Welfare.
13. USC Title 42. Public Health and Welfare.
14. Federal Social Security Act, Title XVIII and Title XIX Medicare and Medicaid.
15. 42 USC §12101 et seq., Americans with Disabilities Act of 1990.
16. 42 USC §1857, et seq., Clean Air Act.
17. 33 USC 84, §308 and §§1251 et seq., the Federal Water Pollution Control Act.
18. 31 USC 7501.70, Federal Single Audit Act of 1984.
19. Policies and procedures set forth in Behavioral Health Services Act.
20. Policies and procedures set forth in DHCS Letters.
21. HIPAA privacy rule, as it may exist now, or be hereafter amended, and if applicable.
22. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
23. 42 CFR, Section 438, Managed Care Regulations.
24. Title 22, CCR, §51009, Confidentiality of Records.
25. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
26. D/MC Certification Standards for Substance Abuse Clinics, July 2004.
27. D/MC Billing Manual (March 23, 2010).
28. Federal Medicare Cost reimbursement principles and cost reporting standards.
29. State of California-Health and Human Services Agency, Department of Health Care Services,

1 MHSD, Medi-Cal Billing Manual, October 2013.

2 30. Orange County Medi-Cal Mental Health Managed Care Plan.

3 31. 42 CFR, Section 438, Managed Care Regulations

4 32. Short-Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management.

5 33. Short-Doyle/Medi-Cal Modifications/Revisions for the Rehabilitation Option and Targeted
6 Case Management Manual, including DMH Letter 94-14, dated July 7, 1994, DMH Letter No. 95-04, dated
7 July 27, 1995, DMH Letter 96-03, dated August 13, 1996.

8 34. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
9 Contracting and Financial Transactions.

10 C. CONTRACTOR shall at all times be capable and authorized by the State of California to provide
11 treatment and bill for services provided to Medi-Cal eligible Members while working under the terms of
12 this Contract.

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

15 E. CONTRACTOR shall have hours of operation during which services are provided to Medi-Cal
16 members that are no less than the hours of operation during which the provider offers services to non-
17 Medi-Cal members. If the provider only serves Medi-Cal Members, CONTRACTOR shall require that
18 hours of operation are comparable to the hours the provider makes available for Medi-Cal services that are
19 not covered by CONTRACTOR, or another Behavioral Health Plan.

20 21 **XVII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

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

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

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

1 funding statement information on social media when required by ADMINISTRATOR.

2 D. CONTRACTOR shall not issue any news releases or make or have any contact with the media in
3 connection with either the award of this Contract or any subsequent amendment of, or effort under this
4 Contract. CONTRACTOR must first obtain review and approval of said news media contact from
5 COUNTY through the County DPA. Any requests for interviews or information received by the media
6 should be referred directly to COUNTY. Contractors are not authorized to serve as a media spokespersons
7 for County projects without first obtaining permission from COUNTY.

8 E. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by
9 COUNTY, unless ADMINISTRATOR consents thereto in writing.

10 11 **XVIII. MINIMUM WAGE LAWS**

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

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

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

25 26 **XIX. NONDISCRIMINATION**

27 **A. EMPLOYMENT**

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

1 //

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

//

1 //

XX. NOTICES

2
3 A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements
4 authorized or required by this Contract shall be effective:

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

8 2. When faxed, transmission confirmed;

9 3. When sent by Email; or

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

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

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

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

XXI. NOTIFICATION OF DEATH

22
23
24 A. Upon becoming aware of the death of any person served pursuant to this Contract,
25 CONTRACTOR shall immediately notify ADMINISTRATOR.

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

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

2. WRITTEN NOTIFICATION

32 a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send via
33 encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming aware
34 of the death due to non-terminal illness of any person served pursuant to this Contract.
35

36 b. TERMINAL ILLNESS – CONTRACTOR shall notify ADMINISTRATOR by written
37 report hand delivered, faxed, sent via encrypted email, within forty-eight (48) hours of becoming aware of

1 the death due to terminal illness of any person served pursuant to this Contract.

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

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

8 9 **XXII. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

17 18 **XXIII. BENEFICIARIES RIGHTS**

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

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

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

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

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

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

//

XXIV. RECORDS MANAGEMENT AND MAINTENANCE

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

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

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

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

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

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

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

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

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

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

1 G. CONTRACTOR shall notify ADMINISTRATOR of any PRA requests related to, or arising out
2 of, this Contract, within forty-eight (48) hours.

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

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

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

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

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

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

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

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

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

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

26 **XXV. RESEARCH AND PUBLICATION**

27 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out of,
28 or developed, as a result of this Contract for the purpose of personal or professional research, or for
29 publication.
30

31 **XXVI. REVENUE**

32 A. MEMBER FEES – CONTRACTOR shall charge, unless waived by ADMINISTRATOR, a fee to
33 Members to whom billable services, other than those amounts reimbursed by Medicare, Medi-Cal or other
34 third party health plans, are provided pursuant to this Contract, their estates and responsible relatives,
35 according to their ability to pay as determined by the State Department of Health Care Services' "Uniform
36 Method of Determining Ability to Pay" procedure or by any other payment procedure as approved in
37

advance, and in writing by ADMINISTRATOR; and in accordance with Title 9 of the CCR. Such fee shall not exceed the actual cost of services provided. No Member shall be denied services because of an inability to pay.

B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all available third-party reimbursement. This includes, but is not limited to, submitting claims within each payer’s timely filing requirements, securing a signed Assignment of Benefits (AOB) when required, and adhering to all other applicable billing guidelines. CONTRACTOR shall take appropriate steps to prevent avoidable denials resulting from billing errors or omissions. Charges to insurance carriers shall be based on CONTRACTOR’s usual and customary rates.

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

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

XXVII. SEVERABILITY

If a court of competent jurisdiction declares any provision of this Contract or application thereof to any person or circumstances to be invalid or if any provision of this Contract contravenes any federal, state or county statute, ordinance, or regulation, the remaining provisions of this Contract or the application //

thereof shall remain valid, and the remaining provisions of this Contract shall remain in full force and effect, and to that extent the provisions of this Contract are severable.

XXVIII. SPECIAL PROVISIONS

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

1. Making cash payments to intended recipients of services through this Contract.
2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use of appropriated funds to influence certain federal contracting and financial transactions).
3. Fundraising.
4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR’s staff, volunteers, interns, consultants, subcontractors, and members of the Board of Directors or governing body.
5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing body

1 for expenses or services.

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

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

8 8. Severance pay for separating employees.

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

11 10. Supplanting current funding for existing services.

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

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

15 2. Making phone calls outside of the local area unless documented to be directly for the purpose
16 of Member care.

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

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

20 5. Purchasing or improving land, including constructing or permanently improving any building
21 or facility, except for tenant improvements.

22 6. Providing inpatient hospital services or purchasing major medical equipment.

23 7. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds
24 (matching).

25 8. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
26 CONTRACTOR's Members.

27 28 **XXIX. STATUS OF CONTRACTOR**

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

subcontractors, shall not be entitled to any rights or privileges of COUNTY's employees and shall not be considered in any manner to be COUNTY's employees.

XXX. TERM

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

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

XXXI. TERMINATION

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

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

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

C. CONTINGENT FUNDING

1. Any obligation of COUNTY under this Contract is contingent upon the following:
 - a. The continued availability of federal, state and county funds for reimbursement of COUNTY's expenditures, and
 - b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s) approved by the Board of Supervisors.
2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend, terminate or renegotiate this Contract effective immediately upon written notice. If COUNTY elects to renegotiate this Contract due to reduced or terminated funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.
- D. In the event this Contract is suspended or terminated prior to the completion of the term as specified in the Referenced Contract Provisions of this Contract, ADMINISTRATOR may, at its sole discretion, reduce the Amount Not to Exceed of this Contract to be consistent with the reduced term of the Contract.
- E. In the event this Contract is terminated CONTRACTOR shall do the following:
 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which is consistent with recognized standards of quality care and prudent business practice.
 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract performance during the remaining contract term.
 3. Until the date of termination, continue to provide the same level of service required by this Contract.
 4. If Members are to be transferred to another facility for services, furnish ADMINISTRATOR, upon request, all Member information and records deemed necessary by ADMINISTRATOR to effect an orderly transfer.
 5. Assist ADMINISTRATOR in effecting the transfer of Members in a manner consistent with Member's best interests.
 6. If records are to be transferred to COUNTY, pack and label such records in accordance with directions provided by ADMINISTRATOR.
 7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and supplies purchased with funds provided by COUNTY.
 8. To the extent services are terminated, cancel outstanding commitments covering the procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding commitments which relate to personal services. With respect to these canceled commitments, CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims arising out of such cancellation of commitment which shall be subject to written approval of ADMINISTRATOR.
 9. Provide written notice of termination of services to each Member being served under this Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of

1 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendar day
2 period.

3 F. COUNTY may terminate this Contract, without cause, upon thirty (30) calendar days' written
4 notice. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be
5 exclusive, and are in addition to any other rights and remedies provided by law or under this Contract.
6

7 **XXXII. THIRD PARTY BENEFICIARY**

8 Neither Party hereto intends that this Contract shall create rights hereunder in third parties including,
9 but not limited to, any subcontractors or any Members provided services pursuant to this Contract.
10

11 **XXXIII. WAIVER OF DEFAULT OR BREACH**

12 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any
13 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this
14 Contract shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any default
15 or any breach by CONTRACTOR shall not be considered a modification of the terms of this Contract.
16

17 //

18 //

19 //

20 //

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //

29 //

30 //

31 //

32 //

33 //

34 //

35 //

36 //

37 //

1 //

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

4
5 [CONTRACTOR]

6
7 BY: _____ DATED: _____

8
9
10 TITLE: _____

11
12
13
14
15 COUNTY OF ORANGE

16
17
18 BY: _____ DATED: _____

19 HEALTH CARE AGENCY

20
21
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
35
36 If CONTRACTOR is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
37 any Assistant Treasurer. If the Contract is signed by one (1) authorized individual only, a copy of the corporate resolution or

1 by-laws whereby the Board of Directors has empowered said authorized individual to act on its behalf by his or her signature
2 alone is required by ADMINISTRATOR.
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

EXHIBIT A
TO CONTRACT FOR PROVISION OF
DAY TREATMENT INTENSIVE SERVICES FOR ADULT MEDICAL BENEFICIARIES
BETWEEN
COUNTY OF ORANGE
AND
[CONTRACTOR NAME]
OCTOBER 1, 2026 THROUGH JUNE 30, 2028

I. COMMON TERMS AND DEFINITIONS

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

1. Assessment means a service activity designed to evaluate the current status of a Member's mental, emotional, or behavioral health. Assessment includes but is not limited to one or more of the following: mental status determination, analysis of the Member's clinical history; analysis of relevant cultural issues and history; diagnosis; and the use of testing procedures.

2. Behavioral Health Plan (formerly Mental Health Plan) means an entity that enters into a contract with the Department of Health Care Services to provide directly or arrange and pay for specialty mental health services to members in a county. A BHP may be a county, counties acting jointly or another governmental or non-governmental entity.

3. BHP Rehabilitation means a service activity which includes, but is not limited to assistance in improving, maintaining, or restoring a Member or group of Members functional skills, daily living skills, social and leisure skills, grooming and personal hygiene skills, meal preparation skills and support resources.

4. Collateral means a service activity to a significant support person in a Member's life for the purpose of meeting the needs of the Member in terms of achieving the goals of the Member's Member plan. Collateral may include but is not limited to consultation and training of the significant support person(s) to assist in better utilization of specialty mental health services by the Member, consultation and training of the significant support person(s) to assist in better understanding of mental illness, and family counseling with the significant support person(s). The Member may or may not be present for this service activity.

5. Crisis Intervention means a service, lasting less than 24 hours, to or on behalf of a Member for a condition that requires more timely response than a regularly scheduled visit. Service activities include but are not limited to one or more of the following: assessment, collateral and therapy. Crisis intervention is distinguished from crisis stabilization by being delivered by providers who do not meet the crisis stabilization contact, site, and staffing requirements.

//

6. Cultural Competence means a set of congruent practice skills, behaviors, attitudes and policies in a system, agency, or among those persons providing services that enables the system, agency, or those persons providing services to work effectively in cross cultural situations.

7. Day Treatment Intensive (DTI) Services means a structured, multi-disciplinary program of therapy which provides services to a distinct group of individuals. Day treatment intensive is intended to provide an alternative to hospitalization, avoid placement in a more restrictive setting, or maintain/assist the individual Member in living within a community setting.

8. Federal Financial Participation (FFP) means the federal matching funds available for services provided to Medi-Cal members under the Medi-Cal program.

9. Grievance means an expression of dissatisfaction about any matter other than adverse benefit determination. Grievances may include, but are not limited to, the quality of care or services provided, and aspects of interpersonal relationships such as rudeness of a provider or employee, or failure to respect the beneficiary's rights regardless of whether remedial action is requested. Grievance includes a beneficiary's right to dispute an extension of time proposed by the Contractor to make an authorization decision. (42 C.F.R. § 438.400).

10. Licensed Mental Health Professional means licensed physicians, licensed psychologists, licensed clinical social workers, licensed marriage and family therapists, licensed professional clinical counselor, registered nurses, licensed vocational nurses, and licensed psychiatric technicians.

11. Member means any person certified as eligible under the Medi-Cal Program according to Title 22, Section 51000.2.

12. Member Plan means a plan for the provision of specialty mental health services to an individual Member who meets the medical necessity criteria in Sections 1830.205 or 1830.210.

13. Medication Support Services means those services that include prescribing, administering, dispensing and monitoring of psychiatric medications or biologicals that are necessary to alleviate the symptoms of mental illness.

14. Mental Health Services means individual or group therapies and interventions that are designed to provide reduction of mental disability and restoration, improvement or maintenance of functioning consistent with the goals of learning, development, independent living and enhanced self-sufficiency and that are not provided as a component of adult residential services, crisis residential treatment services, crisis intervention, crisis stabilization, day rehabilitation, or day treatment intensive. Service activities may include but are not limited to assessment, plan development, therapy, rehabilitation and collateral.

15. Notice of Adverse Benefit Determination (NOABD) means a written notice from the BHP to a Member when a BHP takes an action as defined in Section 1810.200(a), (c) or (d) or when a BHP or its providers take an action as defined in Section 1810.200(b).

16. Plan Development means a service activity that consists of development of Member plans, approval of Member plans, and/or monitoring of a Member's progress.

17. Prior Authorization means the issuance of a BHP payment authorization to a provider before the requested service has been provided.

18. Specialty Mental Health Services (SMHS) means services provided to Medi-Cal members in accordance with Cal. Code. Regs., tit. 9, Ch. 11, sect.5.

19. Targeted Case Management means services that assist a Member to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services.

20. Therapy means a service activity that is a therapeutic intervention that focuses primarily on symptom reduction as a means to improve functional impairments. Therapy may be delivered to an individual or group of members and may include family therapy at which the Member is present.

21. Therapeutic Milieu means providing the foundation for the provision of DTI, includes a therapeutic program that is structured by well-defined service components with specific activities being performed by identified staff; Takes place for the continuous scheduled hours of operation for the program; Creates a supportive and nurturing interpersonal environment that teaches, models, and reinforces constructive interaction; Supports peer/staff feedback to clients on strategies for symptom reduction, increasing adaptive behaviors, and reducing subjective distress; Empowers clients through involvement in the overall program and the opportunity for risk taking in a supportive environment; Supports behavior management interventions that focus on teaching self-management skills that clients may use to control their own lives, to deal effectively with present and future problems, and to function well with minimal or no additional therapeutic intervention.

22. Waivered/Registered Professional means an individual who has a waiver of psychologist licensure issued by the Department or has registered with the corresponding state licensing authority for psychologists, marriage and family therapists or clinical social workers to obtain supervised clinical hours for psychologist, marriage and family therapist or clinical social worker licensure.

II. BUDGET

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

	<u>PERIOD</u>	<u>PERIOD</u>	<u>TOTAL</u>
	<u>ONE</u>	<u>TWO</u>	
REVENUE			
FFP Medi-Cal	<u>\$XXX,XXX</u>	<u>\$XXX,XXX</u>	\$XXX,XXX
TOTAL REVENUE	<u>\$XXX,XXX</u>	<u>\$XXX,XXX</u>	\$XXX,XXX

B. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete financial records of its cost and operating expenses. Such records will reflect the actual cost of the type

of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will be made in accordance with GAAP.

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

III. PAYMENTS

A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for services provided pursuant to the Contract, COUNTY shall pay CONTRACTOR at the following rates of reimbursement; provided, however, the total of all payments to CONTRACTOR under this Contract shall not exceed COUNTY's Total Amount Not to Exceed as set forth in the Referenced Contract Provisions of the Contract; and provided further, that CONTRACTOR's costs are allowable pursuant to applicable COUNTY, federal, and state regulations. Furthermore, if CONTRACTOR is ineligible to provide services due to non-compliance with licensure and/or certification standards of the state or COUNTY, ADMINISTRATOR may elect to reduce COUNTY's Total Amount Not to Exceed proportionate to the length of time that CONTRACTOR is ineligible to provide services. CONTRACTOR shall ensure compliance with all Medi-Cal billing and documentation requirements when entering Claims into COUNTY IRIS system. ADMINISTRATOR may reduce, withhold or delay any payment associated with non-compliant billing practices or non-compliant licensure and/or certification. If Corrective Action Plans (CAP) are not completed within timeframes as determined by ADMINISTRATOR, payments may be reduced accordingly.

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

2. CONTRACTOR shall submit appropriate Medi-Cal billing invoices to ADMINISTRATOR on a monthly basis. The monthly invoice(s) shall match what CONTRACTOR has entered into IRIS as billable services and have been adjudicated for payment (i.e., converted to claims that are not denied or rejected) at the time of invoice submission. Supplemental invoice(s) can be submitted if CONTRACTOR has billable services not yet entered into IRIS at time of original invoice submission. It is CONTRACTOR's responsibility to ensure the monthly Medi-Cal billing invoice reflects all billable services that CONTRACTOR entered into COUNTY IRIS system and were adjudicated for payment (i.e., converted to claims that are not denied or rejected). If, at any time, CONTRACTOR's IRIS billable services adjudicated for payment (i.e., converted to claims that are not denied or rejected) do not match the monthly invoice of Medi-Cal billable services ADMINISTRATOR, will review with CONTRACTOR, and may hold the Medi-Cal billing invoice for processing until a corrected invoice is received with matching billable services adjudicated for payment (i.e., converted to claims that are not denied or rejected).

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

Service	Rate
Day Treatment Intensive Full Day Rate	\$XXX
Day Treatment Intensive Half Day Rate	\$XXX

B. PAYMENT METHOD

1. Reimbursement Rates: COUNTY shall pay CONTRACTOR monthly in arrears, however, the total of all payments under this Contract shall not exceed COUNTY's Total Amount Not to Exceed. CONTRACTOR's invoices shall be on a form approved by ADMINISTRATOR and shall provide such information as is required by ADMINISTRATOR. Invoices are due by the twentieth (20th) calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice form. For each Period, invoices received after the due date may not be paid in accordance with this Subparagraph III.B.

a. Monthly payments are interim payments only, and subject to Final Settlement in accordance with Paragraph VII. Cost Reconciliation and Subparagraph III.B.1.b. of this Exhibit A below.

b. At least Quarterly, ADMINISTRATOR will review the BHS 837 P/835 files.

1) If total count of claims paid by the state indicates that fewer claims were paid than were adjudicated for payment (i.e., not denied or rejected), or claims were paid lower than the billed amount, COUNTY shall reduce the monthly invoice amount for the month immediately following ADMINISTRATOR's completion of the quarterly review.

c. In conjunction with Subparagraph III. A. above, CONTRACTOR shall not enter billable services into COUNTY IRIS system for services not rendered. If such information is entered, CONTRACTOR shall make corrections within ten (10) calendar days from notification by ADMINISTRATOR. Additionally, to assist in the protection of data integrity, CONTRACTOR shall create a procedure to ensure separation of duties between the individual performing direct services (LPHA, clinicians, counselors, etc.), and the clerical staff who enter information into the IRIS system. Clerical staff shall enter data into IRIS using the chart information provided by the direct service staff.

2. Invoices are due by the twentieth (20th) calendar day of each month, and payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice form. For each Period, invoices received after the due date may not be paid in accordance with this Subparagraph III.B.

a. In support of the monthly invoice, CONTRACTOR shall submit an Expenditure and Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Contract.

ADMINISTRATOR shall use HCA claims and service reports to determine payment to CONTRACTOR and reference the Expenditure and Revenue Report as needed.

b. Monthly payments are interim payments only, and subject to Final Settlement in accordance with the Expenditure and Revenue Report and HCA claims and service reports.

//

C. All invoices to COUNTY shall be supported, at CONTRACTOR's facility or designated facility, by source data/and or documentation, if requested, to reconcile with HCA claims and service reports.

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

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

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

G. Billable services that are adjudicated for payment (i.e., converted to claims that are not denied or rejected) and meet the incentive requirements will be paid at an additional percentage of the reimbursement rates. See Exhibit D for Incentives.

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

IV. REPORTS

A. CONTRACTOR shall maintain records and make statistical reports available as required by ADMINISTRATOR and the DHCS on forms provided by either agency.

B. FISCAL

1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report all billable services entered into IRIS at the time of invoice submission for services described in the Services Paragraph of this Exhibit A to the Contract. Any changes, modifications, or deviations to any approved budget line item must be approved in advance and in writing by ADMINISTRATOR and annotated on the monthly Expenditure and Revenue Report or said cost deviations may be subject to disallowance. Such reports shall be received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month being reported.

C. ADDITIONAL REPORTS – Upon ADMINISTRATOR's request, CONTRACTOR shall make such additional reports available as required by ADMINISTRATOR concerning CONTRACTOR's activities as they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information requested and allow up to thirty (30) calendar days for CONTRACTOR to respond.

D. CONTRACTOR must request in writing any extensions to the due date of the monthly required

report. If an extension is approved by ADMINISTRATOR, the total extension will not exceed more than five (5) calendar days.

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

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

V. SERVICES

A. FACILITY – CONTRACTOR shall provide Day Treatment Intensive (DTI) services at the following location in accordance with the standards established by COUNTY and the State and within the specifications stated below, unless otherwise authorized by ADMINISTRATOR. CONTRACTOR shall provide DTI Services within a facility that meets all State of California licensing requirements set by the Department of Health Care Services (DHCS). The facility must receive Medi-Cal certification and follow all site certification rules under California Code of Regulations, Title 9 for Specialty Mental Health Services (SMHS). Unless otherwise authorized in writing by ADMINISTRATOR, CONTRACTOR shall maintain regularly scheduled service hours each day CONTRACTOR is open for business throughout the year.

[ADDRESS LINE 1]

[ADDRESS LINE 2]

B. MEMBERS SERVED – CONTRACTOR shall admit and serve all Members age 18 or older who have received prior authorization from ADMINISTRATOR for DTI services from the BHP.

C. SERVICES PROVIDED

1. CONTRACTOR's services shall be provided within a structured therapeutic milieu by a multi-disciplinary treatment team. These services are intended to provide an alternative to hospitalization, avoid placement in a more restrictive setting, or assist the member in living within a community setting.

2. Location of Services. Services must be in person, and telehealth is permitted if clinically appropriate, but must not be the primary mode of service delivery.

3. CONTRACTOR shall provide one or more of the following DTI components for service to be billable: assessment, treatment planning, therapy, and psychosocial rehabilitation. This may include contact with significant support persons or other collaterals if the purpose of their participation is to focus on the treatment of the member, in accordance with State Plan Amendment (California State Plan Amendment (SPA) 22-0023).

4. CONTRACTOR shall provide the following services components and shall be available during the course of the therapeutic milieu for at least a weekly average of three hours per day for full-day programs and an average of two hours per day for half-day programs: Skill building groups and adjunctive therapies; Psychotherapy provided by licensed, registered, or waived staff practicing within their scope of practice.

5. CONTRACTOR shall establish protocol for responding to clients experiencing a mental health crisis. The protocol must assure the availability of appropriately trained and qualified staff.

6. CONTRACTOR shall have a written, detailed weekly schedule that is available to clients and, as appropriate, their families, caregivers, or significant support persons, that identifies when and where the service will be provided and by whom. The weekly schedule will specify the program staff, their qualifications, and the scope of their responsibilities.

7. CONTRACTOR shall ensure that DTI services include at least one contact per month with a family member, caregiver, or other significant support person identified by an adult member. This contact can be face-to-face or through an alternative method (e.g., e-mail, telephone, etc.). Adult members may decline this service component. The contacts should focus on the support person's role in aiding the member's community reintegration. CONTRACTOR shall ensure that this contact takes place outside of operating hours and outside the therapeutic program for DTI.

D. CLAIMING FOR DTI SERVICES AND SERVICE LOCKOUTS

1. CONTRACTOR shall provide DTI services for at least three hours before it is eligible for reimbursement. One unit of service is equal to 1 hour of service. Short-Doyle/Medi-Cal (SD/MC) will deny service lines for day treatment intensive services with less than 3 units of service.

2. CONTRACTOR shall be reimbursed a half day for DTI services billed each day in which a Member receives face-to-face services in a program with DTI services available four hours or less per day. Services must be available a minimum of three hours each day the program is open, in accordance with Cal. Code Regs., tit. 9, sec. 1840.318.

a. Although CONTRACTOR must provide Member face-to-face services on any full-day or half-day claimed, all service activities during that day are not required to be face-to-face with the Member.

b. The requirement for continuous hours of operation does not exclude short breaks between activities. A lunch or dinner may also be appropriate depending on the program's schedule. CONTRACTOR shall not count these breaks toward the total hours of the day program when determining the minimum hours of service.

c. CONTRACTOR shall be reimbursed only if the Member attends at least 50 percent of the scheduled hours for that day. If absences become frequent, the CONTRACTOR shall reassess the Member's need for the DTI program and shall determine what appropriate action is needed. CONTRACTOR shall collaborate with COUNTY regarding any measures to be taken.

d. CONTRACTOR shall comply with all documentation requirements articulated in DHCS BHIN 22-019 for DTI services claimed under this Contract.

e. CONTRACTOR shall not claim for DTI services when crisis residential treatment services, psychiatric inpatient hospital services, psychiatric health facility services, or psychiatric nursing facility services are reimbursed, except for the day of admission to those services.

E. CONSUMER INFORMING MATERIALS

1. CONTRACTOR shall make available a copy of the "County Guide to Medi-Cal Mental Health Services" and "OC Mental Health Plan Provider Directory" to each Member/guardian/conservator at the time of admission.

2. CONTRACTOR shall ensure that the Member signs a form acknowledging receipt of both handbooks, and this form shall become part of the Member's medical record. If the Member refuses to sign or receive the handbooks, a staff member shall document that the handbooks were provided and/or made available.

3. CONTRACTOR shall provide the Member/guardian/conservator the DHCS notification materials entitled, "EPSDT", and "TBS" to each full-scope Medi-Cal Member under twenty-one (21) years of age admitted for DTI services.

4. CONTRACTOR shall document in the Member's medical record that these materials were provided. If the Member refuses to sign or receive the handbooks, a staff member shall document that the handbooks were provided and/or made available.

5. CONTRACTOR shall provide, the NPP for COUNTY, as the BHP, to any individual who receives services under the Contract.

F. QUALITY IMPROVEMENT – CONTRACTOR shall cooperate with ADMINISTRATOR in meeting quality improvement and utilization review requirements. Quality improvement and utilization reviews shall include, but not be limited to, performance outcome studies and Member satisfaction surveys. CONTRACTOR shall follow managed care procedures related to treatment authorization, including cooperating with ADMINISTRATOR to conduct Member, chart reviews and audits.

G. PERFORMANCE OUTCOMES – CONTRACTOR shall meet the following performance objectives:

1. Timely Access Standards:

a. To ensure Members are provided timely access to services, programs shall have a system in place, approved by COUNTY, for tracking and measuring timeliness of care in accordance with Department of Health Care Services (DHCS) requirements. Programs shall meet or exceed current standards established by DHCS for timeliness of follow-up services after a psychiatric hospitalization. The current standard is that at least 80 percent of referrals from a psychiatric hospital will have at least one billable service provided by the program within seven calendar days from hospital discharge.

b. Programs shall ensure that 100 percent of follow-up services will be provided within 10 days of the last rendered/kept appointment, or appropriate documentation is provided each time that

1 standard is not met.

2 c. Programs shall implement quality improvement and/or process changes if the standards
3 for timeliness to follow-up services after a psychiatric hospitalization and/or after the last rendered service
4 are not met. Improvement is currently defined as an increase of five percentage points.

5 2. Behavioral Health Accountability Set Measures – Programs:

6 a. Shall monitor performance according to relevant and current measures from the DHCS
7 Behavioral Health Accountability Set (BHAS). This potentially includes, but is not limited to, post-
8 hospitalization and emergency department follow-up visits within 30 days and medication management/
9 adherence as defined per Healthcare Effectiveness Data and Information Set (HEDIS™) standards.

10 b. As established by DHCS for county BHPs, meet or exceed the Minimum Performance
11 Level (MPL) for relevant BHAS measures, calculated according to HEDIS™ standards.

12 c. Participate in and implement quality improvement and/or process changes for any BHAS
13 rate that falls below the MPL. Improvement is currently defined by DHCS as an increase of 5 percentage
14 points.

15 d. BHAS follow-up measures differ from Timely Access Standards in that BHAS follow-
16 up visits are limited to billable clinical or medication visits/encounter types included in the relevant BHAS
17 code sets. Timely Access following a psychiatric hospitalization is defined more broadly as any billable
18 behavioral health service.

19 3. Effectiveness of Crisis Intervention: Programs will provide effective crisis intervention , as
20 measured by maintaining a hospitalization rate of 25 percent or less during the 60 days following discharge
21 from services.

22 4. Performance objectives (e.g., discharge rates, linkage to care, etc.) may be added or modified
23 as State requirements are updated.

24 5. Programs that serve individuals aged 18 to 21 are required to complete the current version of
25 the State-mandated Child and Adolescent Needs and Strengths (CANS) scale. This scale shall be
26 completed at both the commencement and conclusion of treatment. The current iteration of the State-
27 mandated Pediatric Symptom Checklist-35 (PSC-35) is required to be completed by parents or caregivers
28 at both the commencement and conclusion of treatment for individuals under the age of 19. Programs are
29 responsible for overseeing the administration schedule for children and adolescents enrolled in services
30 and, where applicable, ensuring the PSC-35 is administered at the appropriate intervals.

31 H. CULTURAL COMPETENCE

32 1. CONTRACTOR shall provide services pursuant to the Contract in a manner that is culturally
33 and linguistically appropriate for the population(s) served.

34 2. CONTRACTOR shall maintain documentation of such efforts which may include, but not be
35 limited to: records of participation in COUNTY sponsored or other applicable training; recruitment and
36 hiring P&Ps; copies of literature in multiple languages and formats, as appropriate; and descriptions of
37 measures taken to enhance accessibility for, and sensitivity to, persons who are physically challenged.

3. CONTRACTOR shall provide DTI services that are non-discriminatory and tailored to meet the individual needs of the multi-cultural Members served under the Contract.

4. CONTRACTOR shall demonstrate program access, linguistically appropriate and timely mental health service delivery, staff training, and organizational P&Ps related to the treatment of culturally diverse populations.

5. CONTRACTOR shall ensure that high quality accessible mental health care includes:

a. Clinical care and therapeutic interventions which are linguistically and culturally appropriate; including, at a minimum, admission, discharge, and medication consent forms available in all County threshold languages;

b. Medically appropriate interventions which acknowledge specific cultural influences;

c. Provision and utilization of qualified interpreters within twenty-four (24) hours of identified need;

d. Screening and certification of interpreters;

e. Member related information translated into the various languages of the diverse populations served.

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

VI. STAFFING

A. CONTRACTOR's clinical staffing ratios shall be consistent with Cal. Code Regs., Title. 9, section 1840.350 and 1840.352 for DTI. Clinical staff shall hold appropriate licenses, certification, or credentials for their respective roles, in accordance with CCR, Title 9, Sections 622 through 630, and be eligible to provide services under the Medi-Cal SMHS program

1. At a minimum there must be an average ratio of at least one staff member from the list below providing Day Treatment Intensive services to eight members or other clients in attendance during the period the program is open, or one person from two of the groups below providing Day Treatment Intensive services to twelve members or other clients in attendance during the period the program is open:

a. Physicians

b. Psychologists or related waived/registered professionals

c. Licensed Clinical Social workers or related waived/registered professionals

d. Marriage and Family Therapists or related waived/registered professionals

e. Registered Nurses

f. Licensed Vocational Nurses

g. Psychiatric Technicians

h. Occupational Therapists

i. Mental Health Rehabilitation Specialists

2. CONTRACTOR shall ensure that at least one staff member whose scope of practice includes

1 psychotherapy is included. While there is no specific administrative or clerical staffing pattern mandated,
2 the CONTRACTOR is obligated to provide adequate personnel to support the services rendered in
3 accordance with the Contract.

4 3. Staff members delivering Day Treatment Intensive services who do not attend the entire
5 session, whether full-day or half-day, may be employed as needed by the program; however, they shall
6 only be included in the aforementioned ratio calculation on a pro rata basis, corresponding to the
7 proportion of time they participated in the session.

8 B. Program staff may be required to spend time on day treatment intensive activities outside the
9 hours of operation and therapeutic program (e.g., time for travel, documentation, and caregiver contacts).

10 C. CONTRACTOR shall require that at least one staff person be present and available for each group
11 in the therapeutic milieu for all scheduled hours of operation.

12 D. CONTRACTOR shall maintain documentation which allows COUNTY and DHCS to audit the
13 program if it uses DTI staff who are also staff with other responsibilities (e.g. staff in group homes, in a
14 school, or other mental health treatment program). CONTRACTOR shall make available to
15 ADMINISTRATOR, documentation of the scope of responsibilities for each clinical staff and the specific
16 times in which DTI activities are being performed exclusive of other activities.

17 E. CONTRACTOR shall ensure day treatment intensive documentation meets the documentation
18 requirements in BHIN 22-019.

19 F. CONTRACTOR shall ensure that a bilingual professional or qualified interpreter is fluent in
20 English and in the primary language spoken by the Member, and when appropriate, the Member's parents
21 or primary caretakers. The bilingual professional or qualified interpreter must have the ability to
22 accurately speak, read and interpret the Member's primary language, and when appropriate, that of the
23 Member's parents or primary caretakers. CONTRACTOR shall ensure that, when needed, a qualified
24 interpreter is available who can accurately provide sign language services. The bilingual professional or
25 qualified interpreter must have the ability to translate mental health terminology necessary to convey
26 information such as symptoms or instructions to the Member. CONTRACTOR shall ensure that the
27 bilingual person and/or the qualified interpreter, completes appropriate courses that cover terms and
28 concepts associated with mental illness, psychotropic medications, and cultural beliefs and practices
29 which may influence the Member's mental health condition, if they have not been trained in the provision
30 of mental health services.

31 G. CONTRACTOR shall ensure that all staff is trained and is knowledgeable in treatment issues
32 reflecting the diversity of the Medi-Cal population. CONTRACTOR shall develop and maintain in-
33 service staff training programs which will train staff to respect and respond with sensitivity to the language
34 and cultural experiences of the Members. CONTRACTOR staff shall participate in cultural competency
35 and/or awareness training on an annual basis. Training shall be designed to help staff understand cultural
36 diversity and may include but not be limited to such topics as: mental health care that is unique to the
37 Member including awareness; sensitivity to the Member's cultural and spiritual beliefs, and the role of

1 the family in diverse cultures and ethnic groups. Additionally, training components shall include:

2 1. Background information for identifying and treating mental illnesses and related health
3 conditions not commonly found in the dominant Member population;

4 2. Use of non-psychiatrically trained interpreters in taking Member histories and assisting with
5 communication relating to mental health treatment; and

6 3. Strategies for using the belief patterns and family support systems of Members to promote
7 adherence to the course of treatment and assuming responsibility for preventive mental health behaviors.

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

10 //

11 //

12 //

13 //

14 //

15 //

16 //

17 //

18 //

19 //

20 //

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //

29 //

30 //

31 //

32 //

33 //

34 //

35 //

36 //

37 //

EXHIBIT B
TO CONTRACT FOR PROVISION OF
DAY TREATMENT INTENSIVE SERVICES FOR ADULT MEDICAL BENEFICIARIES
BETWEEN
COUNTY OF ORANGE
AND
[CONTRACTOR NAME]
OCTOBER 1, 2026 THROUGH JUNE 30, 2028

I. BUSINESS ASSOCIATE CONTRACT

A. GENERAL PROVISIONS AND RECITALS

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

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

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

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

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

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

//

1 Privacy and the Security rules, as they may exist now or be hereafter amended, with respect to PHI and
2 electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Contract.

3 B. DEFINITIONS

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

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

10 a. Breach excludes:

11 1) Any unintentional acquisition, access, or use of PHI by a workforce member or
12 person acting under the authority of CONTRACTOR or COUNTY, if such acquisition, access, or use
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 that
20 an unauthorized person to whom the disclosure was made would not reasonably have been able to retain
21 such information.

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

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

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

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

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

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

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

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

37 //

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

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

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

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

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

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

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

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

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

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

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

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

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

C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE:

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

//

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

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

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

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

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

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

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

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

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

//

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

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

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

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

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

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

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

37 //

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

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

7 D. SECURITY RULE

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

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

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

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

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

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

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

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

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

E. DATA SECURITY REQUIREMENTS

1. Personal Controls

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

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

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

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

2. Technical Security Controls

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

//

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

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

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

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

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

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

36 1) Upper case letters (A-Z)

37 2) Lower case letters (a-z)

3) Arabic numerals (0-9)

4) Non-alphanumeric characters (punctuation symbols)

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

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

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

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

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

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

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

//

1 3. Audit Controls

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

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

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

15 4. Business Continuity/Disaster Recovery Control

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

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

28 5. Paper Document Controls

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

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

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

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

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

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

F. BREACH DISCOVERY AND NOTIFICATION

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

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

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

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

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

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

b. Any other information that COUNTY is required to include in the notification to Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or

//

promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period set forth in 45 CFR § 164.410 (b) has elapsed, including:

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

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

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

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

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

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

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

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

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

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

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

//

1 G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

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

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

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

11 1) The Disclosure is required by law; or

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

16 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to
17 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of
18 CONTRACTOR.

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

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

23 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
24 required by law.

25 H. PROHIBITED USES AND DISCLOSURES

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

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

35 I. OBLIGATIONS OF COUNTY

36 //

37 //

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

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

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

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

J. BUSINESS ASSOCIATE TERMINATION

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

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

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

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

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

b. CONTRACTOR shall retain no copies of the PHI.

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

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

//

//

//

//

//

EXHIBIT C
TO CONTRACT FOR PROVISION OF
DAY TREATMENT INTENSIVE SERVICES FOR ADULT MEDICAL BENEFICIARIES
BETWEEN
COUNTY OF ORANGE
AND
[CONTRACTOR NAME]
OCTOBER 1, 2026 THROUGH JUNE 30, 2028

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, Civil Code § 1798.29(d).

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

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

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

6. "Notice-triggering Personal Information" shall mean the personal information identified in California Civil Code § 1798.29(e) whose unauthorized access may trigger notification requirements under California Civil Code § 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 California Civil Code § 1798.3(a).

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

and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.

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

B. TERMS OF CONTRACT

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

2. Responsibilities of CONTRACTOR

CONTRACTOR agrees:

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

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

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

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

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

3) If the data obtained by CONTRACTOR from COUNTY includes PII, CONTRACTOR shall also comply with the substantive privacy and security requirements in the CMPPA

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

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

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

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

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

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

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

36 //

37 //