

**CONTRACT FOR SERVICES
PLACER COUNTY DEPARTMENT OF HEALTH & HUMAN SERVICES**

DESCRIPTION: Adult Residential Facility / Board and Care Home
CONTRACT NO. **HHS000454**
BEGINS: July 1, 2022
ENDS: June 30, 2023
ADMINISTERING AGENCY: Health and Human Services, Adult System of Care

This is an Agreement made and operative as of the 1st day of July, 2022, between the COUNTY OF PLACER, through its Health and Human Services Department, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and **Advocates for Mentally Ill Housing, Inc.**, a nonprofit corporation, hereinafter referred to as "CONTRACTOR."

WHEREAS, COUNTY wishes to contract with a qualified Adult Residential Facility (ARF) provider, and

WHEREAS, the COUNTY issued a Request for Proposals (RFP) #20038 in December 18, 2019 to select a contractor to own and operate an Adult Residential Facility (ARF) in Placer County California, and awarded a contract for services through the Placer County Board of Supervisors to CONTRACTOR on June 23, 2020 in response to the CONTRACTOR'S submitted proposal, and

WHEREAS, CONTRACTOR is an experienced Adult Residential Facility (ARF) provider, and has agreed to provide services to assist in this venture as outlined below and

WHEREAS, other partners will begin sending clients for services so clarification is being included to ensure Placer County is charged appropriately, and

WHEREAS, it is understood and agreed by and between the parties of this Agreement that they wish to enter into this Agreement in order to provide a full and complete statement of their respective responsibilities in connection

NOW, THEREFORE, in consideration of the mutual covenants and agreements of this Agreement, the parties hereby agree as follows:

1. **SERVICES:** CONTRACTOR agrees to provide COUNTY with 24-hour non-medical care to adults who are unable to provide for their own basic needs due to a mental disability, as set forth in Exhibit A, titled Scope of Services, attached hereto and incorporated herein by this reference.
2. **AMENDMENTS:** This Agreement constitutes the entire Agreement between the parties. Any amendments or changes to this Agreement, including attachments, shall be agreed to in writing, specifying the change(s) and the effective date(s) and shall be executed by duly authorized representatives of both parties. However, in no event shall such amendments create additional liability to COUNTY or provide additional payment to CONTRACTOR except as expressly set forth in this or the amended Agreement.
3. **PAYMENT:** COUNTY will pay to CONTRACTOR as full payment for all services rendered pursuant to this Agreement in the amount set forth in Exhibit B, titled Payment Provisions, attached hereto. The payment specified in Exhibit B shall be the only payment made to CONTRACTOR for services rendered pursuant to this Agreement. The total amount of this contract and payments made under this Agreement shall not exceed **TWO HUNDRED SIXTY-SEVEN THOUSAND THREE HUNDRED EIGHTY DOLLARS (\$267,380)**. This payment amount shall be inclusive of all CONTRACTOR costs, including, but not limited to travel, transportation, lodging, meals, supplies, and incidental expenses except as otherwise might be specifically set forth in this Agreement. CONTRACTOR shall charge for travel according to the Federal General Services Administration (GSA) guidelines.

4. **OMB 2 CFR Part 200:** Except for agreements that are straight hourly rate or fee for services contracts not built on a submitted Budget, all components of payment billed to COUNTY will be calculated in accordance with the Office of Management and Budget (OMB) 2 CFR Part 200.
5. **INVOICES:**
- 5.1. CONTRACTOR shall provide invoices to the COUNTY on a monthly basis, within 30 calendar days of the close of each calendar month with the exception of June billing. For all contracts, invoices for services provided during the month of June shall be received by COUNTY by 5:00 p.m. on July 15th. Exhibit B, titled Payment Provisions shall indicate if this contract is reimbursed with funds from the CEC/Cash Claim. COUNTY will review, approve, and pay all valid invoices within 30 calendar days of receipt. In the event of multiple invoices being submitted to the COUNTY at one time or insufficient documents supporting an invoice, payment by the COUNTY may be delayed beyond the 30-day timeline.
- 5.2. Invoices for payment shall be on the Sample Invoice provided by COUNTY or on CONTRACTOR's letterhead and shall include the contract number, the CONTRACTOR name and remittance address, a unique invoice number, and a list of expenses with dollar amounts in accordance with Exhibit B. When submitting invoices electronically when there is a business need to include PII or PHI, emails should be encrypted. Invoices for payment shall be submitted to the following address or via email to the address below:
- Placer County HHS Fiscal
Attn: Accounts Payables
3091 County Center Drive, Suite 290
Auburn, CA 95603
Email: HHSPayables@placer.ca.gov
- 5.3. Payment Delay. Notwithstanding any other terms of this Agreement, no payments will be made to CONTRACTOR until COUNTY is satisfied that work of such value has been rendered pursuant to this Agreement. However, COUNTY will not unreasonably withhold payment and, if a dispute exists, the withheld payment shall be proportional only to the item in dispute.
6. **EXHIBITS:** Exhibits expressly listed on the signature page of this Agreement are hereby incorporated herein by this reference and collectively, along with this base document, form the Agreement. In the event of any conflict or inconsistency between provisions contained in the base agreement or exhibits such conflict or inconsistency shall be resolved by giving precedence according to the following priorities: Exhibit A, Exhibit B, base agreement, then followed by any remaining exhibits. Responsibilities and obligations mandated by federal or state regulations or otherwise at law shall be liberally construed to meet legal requirements.
7. **FACILITIES, EQUIPMENT AND OTHER MATERIALS:** Except as otherwise specifically provided in this Agreement, CONTRACTOR shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for performing services pursuant to this Agreement. At COUNTY's discretion, COUNTY may make equipment or facilities available to CONTRACTOR for CONTRACTOR's use in furtherance of this Agreement only where a COUNTY Facility or Equipment exhibit is attached to this Agreement identifying the equipment or facilities to be used by CONTRACTOR's personnel. If COUNTY funds equipment as part of this contract, COUNTY will retain Equipment.
8. **ACCOUNTING REQUIREMENTS:** CONTRACTOR shall comply with all applicable COUNTY, State, and Federal accounting laws, rules and regulations. CONTRACTOR shall establish and maintain accounting systems and financial records that accurately account for and reflect all Federal funds received, including all matching funds from the State, COUNTY and any other local or private organizations. CONTRACTOR's records shall reflect the expenditure and accounting of said funds in accordance with all applicable State laws and procedures for expending and

accounting for all funds and receivables, as well as meet the financial management standards in 45 CFR Part 92 and in the Office of Management and Budget 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

9. **RIGHT TO MONITOR AND AUDIT:** COUNTY, State and Federal Governments shall have the right to monitor all work performed under this Agreement to assure that all-applicable State and Federal regulations are met. COUNTY, State and Federal Governments shall have the right to audit all work, records and procedures related to this Agreement to determine the extent to which the program is achieving its purposes and performance goals. COUNTY will have the right to review financial and programmatic reports and will notify CONTRACTOR of any potential Federal and/or State exception(s) discovered during such examination. COUNTY will follow-up and require that the CONTRACTOR takes timely and appropriate action on all deficiencies. Failure by the CONTRACTOR to take timely and appropriate action on all deficiencies shall constitute a material breach of this Agreement.
10. **LIMITATION OF COUNTY LIABILITY FOR DISALLOWANCES:**
 - 10.1. Notwithstanding any other provision of the Agreement, COUNTY will be held harmless by CONTRACTOR from any Federal or State audit disallowance and interest resulting from payments made to CONTRACTOR pursuant to this Agreement, less the amounts already submitted to the State for the disallowed claim.
 - 10.2. To the extent that a Federal or State audit disallowance and interest results from a claim or claims for which CONTRACTOR has received reimbursement for services provided, COUNTY will recoup within 30 days from CONTRACTOR through offsets to pending and future claims or by direct billing, amounts equal to the amount of the disallowance plus interest in that fiscal year, less the amounts already remitted to the State for the disallowed claim. All subsequent claims submitted to COUNTY applicable to any previously disallowed claim may be held in abeyance, with no payment made, until the Federal or State disallowance issue is resolved.
 - 10.3. CONTRACTOR shall reply in a timely manner, to any request for information or to audit exceptions by COUNTY, State and Federal audit agencies that directly relate to the services to be performed under this Agreement.
 - 10.4. CONTRACTOR will cooperate with COUNTY in any challenge of a disallowance by a Federal or State agency.
11. **CONTRACT TERM:** This Agreement shall remain in full force and effect from July 1, 2022 through June 30, 2023. Contract provisions that contain report deadlines or record obligations which occur after contract termination survive as enforceable continuing obligations.
12. **CONTINGENCY OF FUNDING:**
 - 12.1. Funding or portions of funding for this Agreement may be directly contingent upon state or federal budget approval; receipt of funds from, and/or obligation of funds by, the State of California or the United States Government to COUNTY; and inclusion of sufficient funding for the services hereunder in the budget approved by COUNTY'S Board of Supervisors for each fiscal year covered by this Agreement. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, COUNTY may immediately terminate or modify this CONTRACT without penalty. Except in COUNTY's sole discretion, which discretion may be limited at law, CONTRACTOR agrees and understands that in no event will any of COUNTY'S obligations under this Agreement be funded from any other COUNTY funding source.
 - 12.2. Any adjustments in funding shall be made through a written contract amendment, and shall include any changes required to the Scope of Services in response to modifications in funding. The amount of such adjustment shall not exceed any augmentation or reduction in

funding to COUNTY by the County of Placer Board of Supervisors, State and/or the United States government. Amendments issued in response to adjustments in funding shall be considered fully executed when approved by the CONTRACTOR and COUNTY.

CONTRACTOR understands that any such amendments to this Agreement may not reflect the entire amount of any augmentation or reduction in funding provided to COUNTY for the subject services.

13. **TERMINATION:**

13.1. COUNTY will have the right to terminate this Agreement at any time without cause by giving thirty (30) calendar days' notice, in writing, of such termination to CONTRACTOR. If the COUNTY gives notice of termination for cause, CONTRACTOR shall immediately cease rendering service upon receipt of such written notice. Such notice shall be personally served or given by United States Mail.

13.2. In the event COUNTY terminates this Agreement, CONTRACTOR shall be paid for all work performed and all reasonable allowable expenses incurred to date of termination. Should there be a dispute regarding the work performed by CONTRACTOR under this Agreement, COUNTY will pay CONTRACTOR the reasonable value of services rendered by CONTRACTOR to the date of termination pursuant to this Agreement not to exceed the amount documented by CONTRACTOR and approved by COUNTY as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the Agreement specified in the Payment section herein, and further provided, however, COUNTY will not in any manner be liable for lost profits which might have been made by CONTRACTOR had CONTRACTOR completed the services required by this Agreement. CONTRACTOR shall furnish to COUNTY such financial and other information, which in the judgment of the COUNTY, is necessary to determine the reasonable value of the services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy which COUNTY may have in law or equity.

13.3. CONTRACTOR may terminate its services under this Agreement upon sixty (60) calendar days' advance written notice to the COUNTY.

14. **STANDARD OF PERFORMANCE:** CONTRACTOR shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONTRACTOR is engaged in the geographical area in which CONTRACTOR practices its profession. All products or services of whatsoever nature which CONTRACTOR delivers to COUNTY pursuant to this Agreement shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in CONTRACTOR'S profession. CONTRACTOR shall assign only competent personnel to perform services pursuant to this Agreement. In the event that COUNTY, in its sole discretion, desires the removal of any person or persons assigned by CONTRACTOR to perform services pursuant to this Agreement, CONTRACTOR shall remove any such person immediately upon receiving notice from COUNTY.

15. **LICENSES, PERMITS, ETC.:** CONTRACTOR represents and warrants to COUNTY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONTRACTOR and/or its employees to practice its/their profession. CONTRACTOR represents and warrants to COUNTY that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for CONTRACTOR and/or its employees to practice its/their profession at the time the services are performed.

16. **RECORDS:**

- 16.1. This provision is intended to provide the minimum obligations with respect to records. If provisions contained elsewhere in this Agreement, or at law, provide greater obligations with respect to records or information, those obligations control. For purposes of this provision "records" is defined to mean any and all writings, as further defined in California Evidence Code section 250, whether maintained in paper or electronic form, prepared by or received by CONTRACTOR, in relation to this Agreement.
- 16.2. CONTRACTOR shall maintain, at all times, complete detailed records with regard to work performed under this Agreement in a form acceptable to COUNTY. CONTRACTOR agrees to provide documentation or reports, compile data, or make its internal practices and records available to COUNTY or personnel of authorized state or federal agencies, for purpose of determining compliance with this Agreement or other applicable legal obligations. COUNTY shall have the right to inspect or obtain copies of such records during usual business hours upon reasonable notice.
- 16.3. Upon completion or termination of this Agreement, if requested by COUNTY, CONTRACTOR shall deliver originals or copies of all records to COUNTY. COUNTY will have full ownership and control of all such records. If COUNTY does not request all records from CONTRACTOR, then CONTRACTOR shall maintain them for a minimum of four (4) years after completion or termination of the Agreement. If for some reason CONTRACTOR is unable to continue its maintenance obligations, CONTRACTOR shall give notice to COUNTY in sufficient time for COUNTY to take steps to ensure proper continued maintenance of records.
- 16.4. If Agreement is state or federally funded, CONTRACTOR shall be subject to the examination and audit of the California State Auditor for a period of three years after final payment under contract (California Government Code, Section 8546.7). Should COUNTY or any outside governmental entity require or request a post-contract audit, record review, report, or similar activity that would require CONTRACTOR to expend staff time and/or resources to comply, CONTRACTOR shall be responsible for all such costs incurred as a result of this activity.
17. **BACKGROUND CHECK:** CONTRACTOR accepts responsibility for determining and approving the character and fitness of its employees (including volunteers, agents or representatives). Completion of a satisfactory Live Scan will also be needed if legally required. CONTRACTOR further agrees to hold COUNTY harmless from any liability for injuries or damages (as outlined in the hold harmless clause contained herein) resulting from a breach of this provision or CONTRACTOR'S actions in this regard.
18. **INDEPENDENT CONTRACTOR:** In the performance of this Agreement, CONTRACTOR, its agents and employees are, at all times, acting and performing as independent contractors of the COUNTY, and this Agreement creates no relationship of employer and employee as between COUNTY and CONTRACTOR. CONTRACTOR agrees neither it nor its agents and employees have any rights, entitlement or claim against COUNTY for any type of employment benefits or workers' compensation or other programs afforded to COUNTY employees. CONTRACTOR shall be responsible for all applicable State and Federal income and, payroll taxes and agrees to provide any workers' compensation coverage required by applicable State laws for its agents and employees for all work performed under this Agreement.
19. **INSURANCE and INDEMNIFICATION REQUIREMENTS:** See Exhibit C, attached hereto, for insurance requirements for this Agreement. The COUNTY'S insurance requirements are a material provision to this Agreement.
20. **CONFIDENTIALITY of RECORDS and INFORMATION:**
- 20.1. CONTRACTOR agrees to maintain confidentiality of information and records as required by applicable Federal, State and local laws, regulations and rules. CONTRACTOR shall not use or disclose confidential information other than as permitted or required by this Agreement and

will notify COUNTY of any discovered instances of breaches of confidentiality. CONTRACTOR shall ensure that any subcontractors' agents receiving confidential information related to this Agreement agree to the same restrictions and conditions that apply to CONTRACTOR with respect to such information. CONTRACTOR agrees to hold COUNTY harmless from any breach of confidentiality, as set forth in the hold harmless provisions contained herein.

20.1.1. HIPAA/ Protected Health Information. If CONTRACTOR is a covered entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or the HIPAA Business Associate Agreement (BAA) Addendum is included as part of this Agreement, it is obliged to comply with applicable requirements of law and subsequent amendments relating to any protected health information, as well as any task or activity CONTRACTOR performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements. If this Agreement has been determined to constitute a business associate relationship under HIPAA and the HIPAA regulations, CONTRACTOR is the Business Associate of COUNTY and agrees to the HIPAA Business Associate Agreement (BAA) Addendum exhibit attached to this Agreement.

20.1.2. 42 C.F.R. Part 2/ Drug and Alcohol Abuse Records. If CONTRACTOR is a covered program under the Confidentiality of Alcohol and Drug Abuse Patient Records Act, 42 C.F.R. Part 2 or signs the Qualified Service Organization Agreement (QSOA), it is obliged to comply with applicable requirements of law and subsequent amendments relating to any protected health information and patient identifying information, as well as any task or activity CONTRACTOR performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements. If this Agreement has been determined to constitute a qualified service organization relationship under 42 C.F.R. Part 2 and the 42 C.F.R. Part 2 regulations, CONTRACTOR is the Qualified Service Organization of COUNTY and agrees to enter into the Qualified Service Organization Agreement (QSOA) Addendum contained as an exhibit to this Agreement.

21. **CONFLICT OF INTEREST:** CONTRACTOR certifies that it has no current business or financial relationship with any COUNTY employee or official, or other COUNTY contract provider that could create a conflict with this Agreement and will not enter into any such business or financial relationships during the period of this Agreement. CONTRACTOR attests that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any legally prohibited personal financial interest or benefit which either directly or indirectly arises out of this Agreement. CONTRACTOR shall establish safeguards to prohibit employees or officers from using their positions for a purpose which could result in legally prohibited private gain, or gives the appearance of being motivated for legally prohibited private gain for themselves or others, particularly those with whom they have family, business, or other ties. CONTRACTOR certifies that no official or employee of the COUNTY, nor any business entity in which an official of the COUNTY has an interest, has been employed or retained to solicit or aid in the procuring of this Agreement. In addition, CONTRACTOR agrees that no such person will be employed in the performance of this Agreement without immediately notifying the COUNTY.

22. **CONTRACT ADMINISTRATOR:**

22.1. ADMINISTRATOR will provide consultation and technical assistance in monitoring the terms of this Agreement

22.2. ADMINISTRATOR is responsible for monitoring the performance of the CONTRACTOR in meeting the terms of this Agreement, for reviewing the quality of CONTRACTOR services,

notifying CONTRACTOR of performance deficiencies, and pursuing corrective action to assure compliance with contract requirements.

22.3. ADMINISTRATOR may be revised from time to time, at the discretion of the COUNTY. Any change in ADMINISTRATOR will be provided to CONTRACTOR by written notice. At contract commencement, the ADMINISTRATOR will be:

Curtis Budge, Program Manager
Placer County Adult System of Care
101 Cirby Hills Dr.
Roseville, CA 95678
916.787.8976

23. **NOTICES:** All notices required or authorized by this Agreement shall be in writing and shall be deemed to have been served if delivered personally or deposited in the United States Mail, postage prepaid and properly addressed as follows:

If to COUNTY: Robert L. Oldham, Director
Placer County Dept. of Health and Human Services
3091 County Center Drive, Suite 290
Auburn, CA 95603

If to CONTRACTOR: Jennifer Price, Chief Executive Officer
Advocates for mentally Ill Housing, Inc.
P.O. Box 5216
Auburn, CA 95604

Changes in contact person or address information shall be made by notice, in writing, to the other party.

24. **NONDISCRIMINATION:** During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws, rules, regulations and ordinances, including the provisions of the Americans with Disabilities Act of 1990, and Fair Employment and Housing Act, and will not unlawfully discriminate against employees, applicants or clients because of race, sex, sexual orientation, color, ancestry, religion or religious creed, national origin or ethnic group identification, mental disability, physical disability, medical condition (including cancer, HIV and AIDS), age (over 40), marital status, or use of Family and Medical Care Leave and/or Pregnancy Disability Leave in regard to any position for which the employee or applicant is qualified.
25. **ASSIGNMENT:** CONTRACTOR shall not assign or sub-contract, in whole or part, any of its rights, duties, services or obligations arising under this Agreement without written consent of COUNTY. The terms of this Agreement shall also apply to any subcontractor(s) of CONTRACTOR.
26. **NON-EXCLUSIVITY:** Nothing herein is intended nor shall be construed as creating any exclusive arrangement with CONTRACTOR. This Agreement shall not restrict COUNTY from acquiring similar, equal or like goods and/or services from other entities or sources. CONTRACTOR shall only provide those services as requested by COUNTY and COUNTY may cancel any service request.
27. **TIME OF PERFORMANCE:** CONTRACTOR agrees to complete all work and services in a timely fashion.
28. **ENTIRETY OF AGREEMENT:** This Agreement contains the entire agreement of COUNTY and CONTRACTOR with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party which is not contained in this Agreement shall be binding or valid.
29. **GOVERNING LAW AND VENUE:** The parties enter into this Agreement in the County of Placer, California and agree to comply with all applicable laws and regulations therein. The laws of the

State of California shall govern its interpretation and effect. For litigation purposes, the parties agree that the proper venue for any dispute related to the Agreement shall be the Placer County Superior Court or the United States District Court, Eastern District of California.

30. **CONTRACTOR NOT AGENT:** Except as COUNTY may specify in writing CONTRACTOR shall have no authority, express or implied, to act on behalf of COUNTY in any capacity whatsoever as an agent. CONTRACTOR shall have no authority, express or implied pursuant to this Agreement to bind COUNTY to any obligation whatsoever.
31. **SIGNATURES:** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument. The Parties agree that an electronic copy of a signed contract, or an electronically signed contract, shall have the same force and legal effect as a contract executed with an original ink signature. The term "electronic copy of a signed contract" refers to a transmission by facsimile, electronic mail, or other electronic means of a copy of an original signed contract in a portable document format. The term "electronically signed contract" means a contract that is executed by applying an electronic signature using technology approved by the Parties.

//Signatures on following page

DRAFT

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement as of the day first above stated:

ADVOCATES FOR MENTALLY ILL HOUSING
("CONTRACTOR")*

COUNTY OF PLACER ("COUNTY")

Signature

Print Name

Chair of the Board, President, or
 Vice President

Date: _____

Robert L. Oldham, Director,
Department of Health & Human Services

Date: _____

Signature

Print Name

Secretary, Asst. Secretary,
 Chief Financial Officer, or Asst. Treasurer

Date: _____

Approved as to Form
Office of Placer County Counsel

Date: _____

EXHIBITS:

- Exhibit A – Scope of Services
- Exhibit B – Payment Provisions
- Exhibit C – Insurance and Indemnification Requirements
- Exhibit D – HIPAA Business Associate Agreement-Addendum
- Exhibit E – Reporting Exhibit
- Exhibit F – Information Security Requirements
- Exhibit G – Mental Health Contracts - Special Terms and Conditions

*Agreement must have two signatures, one in each of the two categories of corporate offices indicated above. Check the box indicating the corporate office of the signing party. The same person may sign the contract twice if that person holds an office in each of the two categories. (California Corporations Code § 313) One signature will suffice, if the corporation's board of directors has passed a resolution that gives one person authority to sign. A copy of the most recent resolution must be sent with the signed contract, even if it is the same as the previous year.

SCOPE OF SERVICES

1. **SCOPE OF SERVICES:** The services provided by the CONTRACTOR will be consistent with the requirements of an Adult Residential Facility (ARF) as defined by the California Department of Social Services, Community Care Licensing Division (CCLD), in accordance with the proposal received in response to Placer County Request for Proposals No. 9651, and in compliance with applicable laws and regulations in State of California Health & Safety Code, and California Code of Regulations (CCR) Title 22. Such services include, but are not limited to:
 - 1.1. Meals preparation and the availability of snacks
 - 1.2. Assistance in meeting the residents' medical and dental needs
 - 1.3. Regularly planned social activities
 - 1.4. Opportunities for residents to attend and participate in community activities including: worship, self-help organizations, and community events
 - 1.5. Transportation to medical and social activities when program activities do not conflict. Assistance in coordinating transportation to medical and social activities when program activities conflict
 - 1.6. Observation of the resident for changes in physical, mental, emotional, and social functioning
 - 1.7. Support in developing skills to independently perform daily living activities including basic laundry service, dressing, eating, and bathing when needed
 - 1.8. The opportunity for residents to participate in a resident's council
 - 1.9. Assistance in developing independent living skills including money management, cooking, cleaning
 - 1.10. Assistance in developing medication management skills
 - 1.11. Assistance in developing effective communication skills for self-advocacy
 - 1.12. Assistance in developing skills to manage symptoms and when to access resources for additional care, i.e. medical/psychiatric appointment, crisis residential, hospitalization
 - 1.13. Coordinating with providers
 - 1.14. CONTRACTOR will be responsible for identifying and purchasing property/properties, including the selection of any independent real estate agent. CONTRACTOR will consult with COUNTY on property selection.
 - 1.15. CONTRACTOR will require as a condition of sale that the property meets inspection requirements, including compliance with County and Fire codes.
 - 1.16. The property/properties must be located in Placer County, not including the Tahoe Region.
 - 1.17. CONTRACTOR will add COUNTY as an additional insured on the owner's property insurance which will be done at the close of escrow, and for renewals of owner's property insurance.
 - 1.18. CONTRACTOR shall be responsible for securing proper permits for the property(ies) and CONTRACTOR shall be responsible for any claims and costs associate with improper permitting. This responsibility includes financial responsibility.
 - 1.19. For each property purchased, CONTRACTOR shall execute a 55-year Deed Restriction agreed to by CONTRACTOR and the COUNTY during or immediately after closing to allow for recording of the document. The preferred method is for CONTRACTOR to include the deed restriction as "Exhibit A" to the Grant Deed and provide it to the Title Company for it to be executed during the closing process. CONTRACTOR shall provide a Notary to obtain signature from Placer County's Director of Health and Human Services, County Executive Officer, or other authorized representative, and shall then sign and

execute it as part of the close of escrow. Once the Grant Deed has been finalized and recorded, CONTRACTOR will submit a certified copy to COUNTY.

In addition, the CONTRACTOR shall assure the 10-15 ARF provides 24-hour non-medical care to adults ages 18-59 who are unable to provide for their own basic needs due to a mental disability. The CONTRACTOR shall provide basic services, as defined in CCLD Article 6, for Supplemental Security Income/State Supplementary Payment (SSI/SSP) recipients who are residents at the basic rate with no additional charge to the resident. In addition to services previously defined, CONTRACTOR shall ensure proper oversight, supervision, care and coordination of services to its residents including two staff on-site during the hours of 7am-11pm and adherence to the Agreement through the following means:

- 1.1 Oversight and direction of the ARF by a certified Administrator who meets all the requirements of CCLD.
- 1.2 Sufficient staff to ensure adequate provision of care and supervision of residents
- 1.3 Admission agreements and procedures to ensure the CONTRACTOR'S ability to meet the residents' needs as defined in CCR Title 22, Division 6, Chapter 6, Section 85068, including:
 - 1.3.1 Screening/assessment and admission of ASOC referred participants
 - 1.3.2 Interviews of the prospective resident and his/her authorized representative
 - 1.3.3 Development of an individualized Needs and Service Plan for each resident prior to admission
 - 1.3.4 Obtaining a medical assessment, performed as specified in CCR Title 22, Section 80069
 - 1.3.5 Providing timely modifications to the Service Plan to ensure accuracy and document significant changes in resident's functioning
 - 1.3.6 If admission is agreed upon, CONTRACTOR shall obtain the signature of the resident or his/her representative on the admission agreement
- 1.4 CONTRACTOR shall maintain accurate and current resident records per CCR Title 22, Division 6, Chapter 6, Section 85070, and California Health and Safety Code (HSC) Section 1530.
- 1.5 CONTRACTOR shall assure that each resident is accorded his/her personal rights as identified in CCR Title 22, Division 6, Chapter 6, Sections 80072 and 85702, and HSC Section 1530.
- 1.6 CONTRACTOR shall develop and implement a plan which ensures that assistance is provided to the resident in meeting his/her medical and mental needs as described in CCR Title 22, Division 6, Chapter 6, Sections 80075 and 85075.
- 1.7 CONTRACTOR shall implement and carry out supervised recreational activities a minimum of three (3) times per week, including supervision of resident activities in the community, documenting each resident's participation.
- 1.8 CONTRACTOR shall encourage the residents' participation in designated Adult System of Care programs.
- 1.9 CONTRACTOR shall accept only Placer County residents referred by ASOC mental health staff and County contracted Full Service Partnership (FSP) provider
- 1.10 CONTRACTOR shall participate in on-going collaboration and shared case planning with ASOC staff providing mental health services to the residents.

- 1.11 CONTRACTOR shall participate in monthly meetings known as Community Integration Team (CIT) meetings with the Adult System of Care.
 - 1.12 CONTRACTOR shall employ staff to provide services delineated in Items 1.1– 1.8, as well as those required by CCLD for the license and operation of an Adult Residential Facility.
 - 1.13 CONTRACTOR staff responsible for the provision of services to COUNTY clients shall participate in trainings that are required and are offered to them by CCLD.
 - 1.14 CONTRACTOR shall provide any Adverse Incident documentation to COUNTY
2. **PERFORMANCE REVIEW:** The CONTRACTOR'S performance will be reviewed monthly by COUNTY and CONTRACTOR with emphasis on the following factors:
- 2.1 Staffing in the Adult Residential Facility
 - 2.2 Degree of progress in assisting residents to achieve specified outcomes.
 - 2.3 Level of success in providing an environment that supports the safety and well-being of residents.
 - 2.4 CONTRACTOR will participate in monthly CQI meetings with ASOC leadership to review monthly findings and trends. CQI report will be provided each month.

REGULATORY COMPLIANCE: CONTRACTOR agrees to comply as appropriate with all applicable laws and regulations including, but not limited to: California Health and Safety Code, Title 9; Title 22 of the California Code of Regulations; the Lanterman-Petris-Short Programs' Community Services System Manual, Chapter 10; and Welfare and Institutions Code, **Division 5.**

PAYMENT PROVISIONS

This payment provision is subject to modification with written approval of the County Contract Administrator and the Revenue and Budget Program Manager, not to exceed the total payment indicated in Section 3 of the main Agreement, and limited to moving identified funding amounts between lines from the Budget Summary below.

This is a combination agreement to serve ASOC referred clients only that will be billed on both cost reimbursement and daily rate reimbursement:

1. COUNTY will pay CONTRACTOR for ASOC referred clients only for daily rate services related to program operation rendered at the rates set forth below:
 - CONTRACTOR shall bill COUNTY a patch rate of \$48.84 per person per day for each resident day utilized herein not to exceed the total contract amount of (\$267,380). Placement of any client who is unable to pay the SSI augmented rate must be authorized in advance by COUNTY. For clients so authorized, CONTRACTOR shall bill COUNTY the SSI augmented rate in effect at the time of service for basic services, as defined in CCLD Article 6, in addition to the daily patch rate.
 - CONTRACTOR shall not be entitled to payment for direct client services unless and until the CONTRACTOR issues a monthly billing statement to COUNTY, within 30 days of the close of each calendar month, with the exception of the June billing. Invoices for services provided during the month of June shall be received by COUNTY by 5pm July 15. Invoices for the SSI augmented rate for basic services shall be submitted separately from invoices for the daily patch rate. Each invoice shall include the following information:
 - Names of residents participating;
 - Number of resident days utilized by each participating resident
2. CONTRACTOR will invoice COUNTY monthly for ASOC referred clients only and will be reimbursed based on its actual cost, in accordance with the Budget below, and subject to other limitations and specifics contained in this Agreement and at law.

Start-up costs (excluding property purchase) to be invoiced and advanced may include: mattresses, bed frames, dressers, wardrobe closets, window coverings, and other household items. Additional start-up costs in Household Furnishing/Supplies may include items such as storage pods, common area furnishings, and supplies. All Start-up costs will be incurred and billed within the first 120 days after Contractor takes possession of the property. Start-up funding will be advanced once Contractor takes possession of the property. Start-up costs must be incurred, paid, and reconciled with detailed receipts/backup against the advance within the first 120 days after close of escrow. If amount advanced exceeds actual costs incurred, Contractor must reimburse County within those same 120 days, or at County's discretion, amount overpaid can be deducted from monthly payments against this agreement until obligation is repaid.

Budget Summary

July 1, 2022 – June 30, 2023

DESCRIPTION	FY 2022-23
Program Staff	
House Monitor (\$20 hr) - 6.18 FTE	\$300,000.00
Program Manager (\$27 hr) - .5 FTE	\$34,450.00
House Liaison (room and board) - .5 FTE	\$0.00
Program Operating Cost	
Operations/Office Supplies	\$1,500.00
Telecommunications	\$1,500.00
Transportation (insurance, fuel, mileage)	\$12,000.00
Legal (accountant, evictions, fees)	\$2,500.00
Supplies	\$2,500.00
Groceries	\$50,000.00
Social Integration	\$10,500.00
Property Operating Cost	
Utilities (Water, Electric, Garbage, Sewer, Fire Alarm, internet)	\$7,500.00
Insurance (Property, Liability, D&O)	\$6,500.00
Property Taxes (assessments)	\$500.00
Repairs & Maintenance	\$6,000.00
Administration Cost	
10%: includes management, operations, and administrative support, accounting, and overall indirect program support	\$43,545.00
SUBTOTAL:	\$478,995.00
Revenue Sources and \$ amount (indicate cash or in kind)-This amount offsets cost above and decreases county's contributions	
Program Fees with 5% vacancy included (cash or in kind)	(\$211,615.00)
TOTAL COST:	\$267,380.00
Patch Rate: \$48.84	

PLACER COUNTY INSURANCE AND INDEMNITY REQUIREMENTS

CONTRACTOR shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A-:VII evidencing all coverages, limits, and endorsements listed below:

1. **HOLD HARMLESS AND INDEMNIFICATION AGREEMENT**

The CONTRACTOR hereby agrees to protect, defend, indemnify, and hold PLACER COUNTY free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by PLACER COUNTY arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the COUNTY) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. CONTRACTOR agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the CONTRACTOR. CONTRACTOR also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against CONTRACTOR or the COUNTY or to enlarge in any way the CONTRACTOR'S liability but is intended solely to provide for indemnification of PLACER COUNTY from liability for damages or injuries to third persons or property arising from CONTRACTOR'S performance pursuant to this contract or agreement.

As used above, the term PLACER COUNTY means Placer County or its officers, agents, employees, and volunteers.

2. **INSURANCE:**

CONTRACTOR shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A-:VII showing.

3. **WORKER'S COMPENSATION AND EMPLOYERS LIABILITY INSURANCE:**

Worker's Compensation Insurance shall be provided as required by any applicable law or regulation. Employer's liability insurance shall be provided in amounts not less than one million dollars (\$1,000,000) each accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit for bodily injury by disease, and one million dollars (\$1,000,000) each employee for bodily injury by disease.

If there is an exposure of injury to CONTRACTOR'S employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Each Worker's Compensation policy shall be endorsed with the following specific language:

Cancellation Notice - "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer".

Waiver of Subrogation - The workers' compensation policy shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against the County, its officers, directors, officials, employees, agents or volunteers, which might arise by reason of payment under such policy in connection with performance under this agreement by the CONTRACTOR.

CONTRACTOR shall require all SUBCONTRACTORS to maintain adequate Workers' Compensation insurance. Certificates of Workers' Compensation shall be filed forthwith with the County upon demand.

4. GENERAL LIABILITY INSURANCE:

A. Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of CONTRACTOR, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

(1) Contractual liability insuring the obligations assumed by CONTRACTOR in this Agreement.

B. One of the following forms is required:

- (1) Comprehensive General Liability;
- (2) Commercial General Liability (Occurrence); or
- (3) Commercial General Liability (Claims Made).

C. If CONTRACTOR carries a Comprehensive General Liability policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury, property damage, and Personal Injury Liability of:

- One million dollars (\$1,000,000) each occurrence
- Two million dollars (\$2,000,000) aggregate

D. If CONTRACTOR carries a Commercial General Liability (Occurrence) policy:

- (1) The limits of liability shall not be less than:
 - One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
 - One million dollars (\$1,000,000) for Products-Completed Operations
 - Two million dollars (\$2,000,000) General Aggregate
- (2) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits shall be two million dollars (\$2,000,000).

E. Special Claims Made Policy Form Provisions:

CONTRACTOR shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of COUNTY, which consent, if given, shall be subject to the following conditions:

- (1) The limits of liability shall not be less than:
 - One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
 - One million dollars (\$1,000,000) aggregate for Products Completed Operations
 - Two million dollars (\$2,000,000) General Aggregate
- (2) The insurance coverage provided by CONTRACTOR shall contain language providing coverage up to one (1) year following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

Conformity of Coverages - If more than one policy is used to meet the required coverages, such as a separate umbrella policy, such policies shall be consistent with all other applicable policies used to meet these minimum requirements. For example, all policies shall be Occurrence Liability policies or all shall be Claims Made Liability policies, if approved by the County as noted above. In no cases shall the types of policies be different.

5. ENDORSEMENTS:

Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:

- A. "The County of Placer, its officers, agents, employees, and volunteers are to be covered as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
- B. "The insurance provided by the Contractor, including any excess liability or umbrella form coverage, is primary coverage to the County of Placer with respect to any insurance or self-insurance programs maintained by the County of Placer and no insurance held or owned by the County of Placer shall be called upon to contribute to a loss."
- C. "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer."

6. AUTOMOBILE LIABILITY INSURANCE:

Automobile Liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence.

Covered vehicles shall include owned, non-owned, and hired automobiles/trucks.

7. PROFESSIONAL LIABILITY INSURANCE (ERRORS & OMISSIONS):

Professional Liability Insurance for Errors and Omissions coverage in the amount of not less than (\$1,000,000).

If CONTRACTOR sub-contracts in support of CONTRACTOR'S work provided for in the agreement,

Professional Liability Insurance for Errors shall be provided by the sub-contractor in an amount not less than one million dollars (\$1,000,000) in aggregate.

The insurance coverage provided by the CONTRACTOR shall contain language providing coverage up to one (1) year following completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

8. ADDITIONAL REQUIREMENTS:

Premium Payments - The insurance companies shall have no recourse against the COUNTY and funding agencies, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by a mutual insurance company.

Policy Deductibles - The CONTRACTOR shall be responsible for all deductibles in all of the CONTRACTOR'S insurance policies. The maximum amount of allowable deductible for insurance coverage required herein shall be \$25,000.

CONTRACTOR'S Obligations - CONTRACTOR'S indemnity and other obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this agreement.

Verification of Coverage - CONTRACTOR shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR'S obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Material Breach - Failure of the CONTRACTOR to maintain the insurance required by this agreement, or to comply with any of the requirements of this section, shall constitute a material breach of the entire agreement.

HIPAA BUSINESS ASSOCIATE AGREEMENT-ADDENDUM

Whereas "COUNTY/Covered Entity" ("CE") wishes to disclose certain information to "CONTRACTOR/Business Associate" ("BA") pursuant to the terms of the Contract, some of which may constitute Protected Health Information ("PHI") (defined below), and

Whereas CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Contract in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services ("the HIPAA Regulations") and other applicable laws, and

Whereas BA shall comply with the Business Associate Provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act (Section 13001 of Public Law 111-5, the HITECH Act regulations located in 45 CFR 160 & 164), including but not limited to Title 42, United States Code, Section 1320d et seq. and its implementing regulations (including but not limited to Title 45, Code of Federal Regulations (CFR), Parts 160, 162, and 164), and

Whereas BA shall comply with the State of California regulations regarding the reporting of unauthorized releases of protected health information (PHI). The regulations are found in: Health and Safety Code Sections 1280.15, and Section 1280.18; and Civil Code Section 56.05, and

Whereas as part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(a) and (e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and contained in this Addendum, and

Whereas CE will make available and/or be transferring to BA certain information, in conjunction with goods and services to be provided by BA as outlined in the Contract, that is confidential and must be afforded special treatment and protection, and

Whereas BA will have access to and/or receive from CE certain information that can be used or disclosed only in accordance with this Business Associate Agreement-Addendum and the HHS privacy regulations, and

Whereas BA does hereby assure CE that BA will appropriately safeguard protected health information made available to BA, in implementation of such assurance and without otherwise limiting the obligations of BA as set forth in the Contract.

In consideration of the mutual promises below and the exchange of information pursuant to this Addendum, **COUNTY/Covered Entity and CONTRACTOR/Business Associate agree as follows:**

14. **DEFINITIONS**

The following terms shall have the meaning ascribed to them in this section. Other terms shall have the meaning ascribed to them in the context in which they first appear.

- 1.1 **CONTRACT** - shall refer to the separate agreement between CE and BA of which this agreement is an Addendum and Exhibit to.
- 1.2 **BREACH** - shall have the meaning given to such term under HITECH Act and HIPAA Regulations [42 U.S.C. Section 17921 and 45 C.F.R. Section 164.402].
- 1.3 **BREACH NOTIFICATION RULE** - shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and D.

- 1.4 BUSINESS ASSOCIATE - shall have the meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including, but not limited to, 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103.
- 1.5 COVERED ENTITY - shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. Section 160.103.
- 1.6 COUNTY - shall mean the entity providing/making available the information.
- 1.7 DATA AGGREGATION - shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- 1.8 DESIGNATED RECORD SET - shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- 1.9 ELECTRONIC PROTECTED HEALTH INFORMATION - means Protected Health Information that is maintained in or transmitted by electronic media.
- 1.10 ELECTRONIC HEALTH RECORD - shall have the meaning given to such term in the HITECH Act, including, but not limited to 42 U.S.C. Section 17921.
- 1.11 HEALTH CARE OPERATIONS - shall have the meaning given to such term under the Privacy Rule, including but not limited to, 45 C.F.R. Section 164.501.
- 1.12 INDIVIDUAL - shall mean any person/client/patient who is the subject of the information, is a third-party beneficiary to this Business Associate Agreement - Addendum, and has the same meaning as the term "individual" as defined by 45 CFR 164.501.
- 1.13 INFORMATION - shall mean any "health information" provided to and/or made available by COUNTY to CONTRACTOR, and has the same meaning as the term "health information" as defined by 45 CFR 160.102.
- 1.14 PARTIES - shall mean COUNTY/Covered Entity and CONTRACTOR/Business Associate.
- 1.15 PRIVACY RULE - shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.
- 1.16 PROTECTED HEALTH INFORMATION or PHI - means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501. Protected Health Information includes Electronic Protected Health Information [45 C.F.R. Sections 160.103, 164.501].
- 1.17 PROTECTED INFORMATION - shall mean PHI provided by CE to BA or created, maintained, received or transmitted by BA on CE's behalf.
- 1.18 SECRETARY - shall mean the Secretary of the Department of Health and Human Services ("HHS") and any other officer or employee of HHS to whom the authority involved has been delegated.
- 1.19 SECURITY INCIDENT - shall have the meaning given to such term under the Security Rule, including, but not limited to, 45 C.F.R. Section 164.304.
- 1.20 SECURITY RULE - shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.
- 1.21 UNSECURED PHI - shall have the meaning given to such term under the HITECH ACT and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h) and 45 C.F.R. Section 164.402.

2. TERM

The term of this agreement shall expire when all of the information provided by CE to BA is destroyed or returned to CE pursuant to the remaining Contract provisions. BA agrees to return or destroy all information received or created by BA on behalf of CE and agrees not to retain any copies of information after termination of the Contract. If BA elects to destroy some or all of the information retained, it shall certify to CE that the information has been destroyed. This provision survives termination of the Contract.

3. OBLIGATIONS OF CONTRACTOR/BUSINESS ASSOCIATE

The HIPAA Business Associate Agreement (BAA) is required for all contracts in which an individual's protected health information is included in the contract between CE (a covered entity for HIPAA purposes) and a private individual or private business entity (Business Associate for HIPAA purposes). The purpose of the HIPAA Business Agreement is to ensure that the BA, during the performance of its contractual obligations with CE, protects the health information of individuals in accordance with State and Federal regulations.

- 3.1 **Permitted Uses.** BA shall use Protected Information only for the purpose of performing BA's obligations under the Contract and as permitted or required under the Contract and Addendum, or as required by law. Further, BA shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by CE. However, BA may use Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE [45 C.F.R. Sections 164.504(e)(2) and 164.504(e)(4)(i)].
- 3.2 **Permitted Disclosures.** BA shall disclose Protected Information only for the purpose of performing BA's obligations under the Contract and as permitted or required under the Contract and Addendum, or as required by law. BA shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so disclosed by CE. However, BA may disclose Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv), for Data Aggregation purposes relating to the Health Care Operations of CE. If BA discloses Protected Information to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such Protected Information will be held confidential as provided pursuant to this Addendum and used or disclosed only as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify BA of any breaches, suspected breaches, security incidents, or unauthorized uses or disclosures of the Protected Information in accordance with the Notification of Possible Breach requirements set forth in this Addendum (subparagraph 3.12), to the extent it has obtained knowledge of such occurrences [42 U.S.C. Section 17932; 45 C.F.R. Section 164.504(e)].
- 3.3. **Prohibited Uses and Disclosures.** BA shall not use or disclose PHI other than as permitted or required by the Contract and Addendum, or as required by law. BA shall not use or disclose Protected Information for fundraising or marketing purposes. BA shall not disclose Protected Information to a health plan for payment or health care operation purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates [42 U.S.C. Section 17935(a) and 45 C.F.R. Section 164.522(a)(vi)]. BA shall not directly or indirectly receive remuneration in exchange for Protected Information, except with the prior written consent of CE and as permitted by the HITECH Act, 42 U.S.C. Section 17935(d)(2), and the HIPAA regulations, 45 C.F.R. Section 164.502(a)(5)(ii); however, this prohibition shall not affect payment by CE to BA for services provided pursuant to the Contract.
- 3.4 **Appropriate Safeguards.** BA shall implement appropriate safeguards to prevent the use or disclosure of Protected Information other than as permitted by the Contract or Addendum, including, but not limited to, administrative, physical and technical safeguards in accordance with

the Security Rule, including, but not limited to, 45 C.F.R. Sections 164.308, 164.310, and 164.312. [45 C.F.R. Section 164.504(e)(2)(ii)(B); 45 C.F.R. Section 164.308(b)]. BA shall comply with the policies and procedures and documentation requirements of the Security rule, including, but not limited to, 45 C.F.R. Section 164.316 [42 U.S.C. Section 17931].

- 3.5 **Business Associate's Subcontractors and Agents.** BA shall ensure that any agents and subcontractors that create, receive, maintain or transmit Protected Information on behalf of BA, agree in writing to the same restrictions and conditions that apply to BA with respect to such Protected Information and implement the safeguards required by paragraph 3.4 above with respect to Electronic PHI [45 C.F.R. Section 164.504(e)(2)(ii)(D); 45 C.F.R. Section 164.308(b)] BA shall implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation [45 C.F.R. Sections 164.530(f) and 164.530(e)(1)].
- 3.6 **Access to Protected Information.** If BA maintains a designated record set on behalf of CE, BA shall make Protected Information maintained by BA or its agents or subcontractors in Designated Record Sets available to CE for inspection and copying within five (5) days of a request by CE to enable CE to fulfill its obligations under state law [Health and Safety Code Section 123110] and the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2)(ii)(E)]. If BA maintains Protected Information in electronic format, BA shall provide such information in electronic format as necessary to enable CE to fulfill its obligations under the HITECH Act and HIPAA Regulations, including, but not limited to, 42 U.S.C. Section 17935(e) and 45 C.F.R. Section 164.524.
- 3.7 **Amendment of PHI.** If BA maintains a designated record set on behalf of CE, within ten (10) days of a request by CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, BA and its agents and subcontractors shall make such Protected Information available to CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If an individual requests an amendment of Protected Information directly from BA or its agents or subcontractors, BA must notify CE in writing within five (5) days of the request and of any approval or denial of amendment of Protected Information maintained by BA or its agents or subcontractors [45 C.F.R. Section 164.504(e)(2)(ii)(F)].
- 3.8 **Accounting Disclosures.** Promptly upon any disclosure of Protected Information for which CE is required to account to an individual, BA and its agents and subcontractors shall make available to CE the information required to provide an accounting of disclosures which would allow CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935(c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents and subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that BA maintains an Electronic Health Record. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. If a patient submits a request for an accounting directly to BA or its agents or subcontractors, BA shall within five (5) days of the request forward it to CE in writing.
- 3.9 **Governmental Access to Records.** BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining BA's compliance with HIPAA [45 C.F.R. Section 164.504(A)(2)(ii)(I)]. BA shall provide CE a copy

of any Protected Information and other documents and records that BA provides to the Secretary concurrently with providing such Protected Information to the Secretary.

- 3.10 **Minimum Necessary.** BA, its agents and subcontractors shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure. [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)] BA understands and agrees that the definition of “minimum necessary” is in flux and shall keep itself informed of guidance issued by the Secretary with respect to what constitutes “minimum necessary.”
- 3.11 **Data Ownership.** BA acknowledges that BA has no ownership rights with respect to the Protected Information.
- 3.12 **Notification of Possible Breach.** BA shall notify CE within twenty-four (24) hours of any suspected or actual breach of Protected Information; any use or disclosure of Protected Information not permitted by the Contract or Addendum; any security incident (i.e., any attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in and information system) related to Protected Information, and any actual or suspected use or disclosure of data in violation of any applicable federal or state laws by BA or its agents or subcontractors. The notification shall include, to the extent possible, the identification of each individual whose unsecured Protected Information has been, or is reasonably believed by the BA to have been, accessed, acquired, used, or disclosed, as well as any other available information that CE is required to include in notification to the individual, the media, the Secretary, and any other entity under the Breach Notification Rule and any other applicable state or federal laws, including, but not limited to, 45 C.F.R. Section 164.404 through 45 C.F.R. Section 164.408, at the time of the notification required by this paragraph or promptly thereafter as information becomes available. BA shall take (i) prompt corrective action to cure any deficiencies and (ii) any action pertaining to unauthorized uses or disclosures required by applicable federal and state laws [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(c); 45 C.F.R. Section 164.308(b)].
- 3.13 **Breach Pattern or Practice by Business Associate’s Subcontractors and Agents.** Pursuant to 42 U.S.C. Section 17934(b) and 45 C.F.R. Section 164.504(e)(1)(ii), if the BA knows of a pattern of activity or practice of a subcontractor or agent that constitutes a material breach or violation of the subcontractor or agent’s obligations under the Contract or Addendum or other arrangement, the BA must take reasonable steps to cure the breach or end the violation. If steps are unsuccessful, the BA must terminate the Contract or other arrangement if feasible. BA shall provide written notice to CE of any pattern of activity or practice of a subcontractor or agent that BA believes constitutes a material breach or violation of the subcontractor or agent’s obligations under the Contract or Addendum or other arrangement within five (5) days of discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.
- 3.14 **Audits, Inspection and Enforcement.** Within ten (10) days of a request by CE, BA and its agents and subcontractors shall allow CE or its agents or subcontractors to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this Addendum for the purpose of determining whether BA has complied with this Addendum or maintains adequate security safeguards; provided, however, that (i) BA and CE shall mutually agree in advance upon the scope, timing, and location of such an inspection, (ii) CE shall protect the confidentiality of all confidential and proprietary information of BA to which CE has access during the course of such inspection; and (iii) CE shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by BA. The fact that CE inspects, or fails to inspect, or has the right to inspect, BA’s facilities, systems, books, records, agreements, policies, and procedures does not relieve BA of its responsibility to comply with this Addendum, nor does CE’s (i) failure to detect or (ii) detection, but failure to notify BA or require BA’s remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of CE’s enforcement rights under the Contract or Addendum. BA shall notify CE within five (5) days of learning that BA has become the subject of

an audit, compliance review, or complaint investigation by the Office of Civil Rights or other state or federal government entity.

4. HIPAA COMPLIANCE PLAN REQUIREMENT

In order to ensure that the BA complies with Federal and State regulations regarding protected health information, the BA shall submit a "HIPAA Compliance Plan" to the CE describing:

- 4.1 The training of staff and any subcontractors regarding HIPAA and State regulations.
- 4.2 A process for tracking the training of staff and subcontractors.
- 4.3 A process for staff and subcontractors to report any breaches of protected health information. This shall include employee disciplinary procedures for employees who violate HIPAA guidelines, and whistle blower protection for staff reporting breaches.
- 4.4 A description of how the BA plans to secure and safeguard electronically stored health information. This shall include at a minimum, descriptions of passwords, encryption, and any other technology designed to prevent unauthorized access to protected health information.
- 4.5 A process for reviewing security measures and identifying areas of potential risk for a breach, a plan for mitigating identified risks, and assurance that such risk evaluation shall be conducted annually.

5. DATA AGGREGATION SERVICES

BA is also permitted to use or disclose information to provide data aggregation services as that term is defined by 45 CFR 164.501, relating to the health care operations of CE.

6. TERMINATION

A breach by BA of any provision of this Addendum, as determined by CE shall constitute a material breach of the Contract and shall provide grounds for immediate termination of the Contract, any provision in the Contract to the contrary notwithstanding. [45 C.F.R. Section 164.504(e)(2)(iii)]. CE may terminate the Contract, effective immediately, if (i) BA is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has joined. Upon termination of the Contract for any reason, BA shall, at the option of CE, return or destroy all Protected Information that BA and its agents and subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as determined by CE, BA shall continue to extend the protections and satisfy the obligations of this Addendum to such information, and limit further use and disclosure of such PHI to those persons that make the return or destruction of the information infeasible [45 C.F.R. Section 164.504(e)(ii)(2)(J)]. If CE elects destruction of the PHI, BA shall certify in writing to CE that such PHI has been destroyed in accordance with the Secretary's guidance regarding proper destruction of PHI.

7. ADDITIONAL BREACH GROUNDS

Any non-compliance by BA with the provisions of this Business Associate Agreement Addendum or the HHS privacy regulations will automatically be considered grounds for breach if BA knew or reasonably should have known of such non-compliance and failed to immediately take reasonable steps to cure the non-compliance.

8. INJUNCTIVE RELIEF

Notwithstanding any rights or remedies provided for in the Contract, CE retains all rights to seek injunctive relief to prevent or stop unauthorized use or disclosure of information by BA or any agent, subcontractor or third party recipient of information from BA.

9. AMENDMENTS

The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Contract or Addendum may be required to provide for procedures to

ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable state or federal laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of the amendment to this Addendum embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable laws. CE may terminate the Contract upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Contract or Addendum when requested by CE pursuant to this section or (ii) BA does not enter into an amendment to the Contract or Addendum providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

10. DISCLAIMER

CE makes no warranty or representation that compliance by BA with this Addendum, HIPAA, the HITECH Act, or the HIPAA Regulations will be adequate or satisfactory for BA's own purposes. BA is solely responsible for all decisions made by BA regarding the safeguarding of PHI.

11. LITIGATION OR ADMINISTRATIVE PROCEEDINGS

BA shall notify CE within forty-eight (48) hours of any litigation or administrative proceedings commenced against BA or its agents or subcontractors. In addition, BA shall make itself, and any subcontractors, employees and agents assisting BA in the performance of its obligations under the Contract or Addendum, available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its supervisors, directors, officers, managers or employees based upon a claimed violation of HIPAA, the HITECH Act, the HIPAA regulations, or other state or federal laws relating to security and privacy, except where the BA or its subcontractors, employees or agents are a named adverse parties.

12. NO THIRD PARTY BENEFICIARIES

Nothing express or implied in the Contract or Addendum is intended to confer, nor shall anything herein confer, upon any person other than CE, BA and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

13. EFFECT ON CONTRACT

Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Contract shall remain in force and effect.

14. INTERPRETATION

The provisions of this Addendum shall prevail over any provisions in the Contract that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the Contract shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy. The parties agree that any ambiguity in this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy.

15. SOFTWARE SECURITY

If applicable, BA warrants that software security features will be compatible with the CE's HIPAA compliance requirements.

This HIPAA Business Associate Agreement-Addendum shall supersede any prior HIPAA Business Associate Agreements between CE and BA.

Reporting Exhibit

CONTRACTOR agrees to provide COUNTY with reports that may be required by County, State or Federal agencies for compliance with this Agreement including and not limited to:

1. CONTRACTOR shall submit quarterly status reports and a final annual report to COUNTY which reflect progress made in implementing the services and achieving any outcomes set forth in the Scope of Services exhibit, and to assure CONTRACTOR'S compliance with contract terms. Said annual report shall be submitted by August 31 for the preceding fiscal year.
2. CONTRACTOR shall make annual client outcome information available to COUNTY within 60 days of fiscal year end. Outcome data will be based upon the full array of services provided and how those services advanced the functional improvement of the client. Functional improvement will be measured by the disposition of the client at discharge.

DRAFT

Information Security Requirements**1. Data Location**

- 1.1. The CONTRACTOR shall not store or transfer non-public COUNTY data outside of the United States. This includes backup data and Disaster Recovery locations. The CONTRACTOR will permit its personnel and contractors to access COUNTY data remotely only as required to provide technical support. (Remote access to data from outside the continental United States is prohibited unless approved in advance and in writing by the County.)
- 1.2. The CONTRACTOR must notify the COUNTY in advance and in writing of any location changes to CONTRACTOR's data center(s) that will process or store County data.

2. Data Encryption

- 2.1. For all COUNTY data, The CONTRACTOR shall encrypt all non-public **data in transit** regardless of the transit mechanism.
- 2.2. For all COUNTY data, if the CONTRACTOR stores sensitive personally identifiable or otherwise confidential information, this data shall be **encrypted at rest**. Examples are social security number, date of birth, driver's license number, financial data, federal/state tax information, and hashed passwords.
- 2.3. For all COUNTY data, the CONTRACTOR's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology Security Requirements as outlined at <http://nvlpubs.nist.gov/nistpubs/Legacy/SP/nistspecialpublication800-111.pdf>

3. Sub-Contractor Disclosure

- 3.1. The CONTRACTOR shall ensure its subcontractors, vendors, agents, and suppliers acting on behalf or, or through CONTRACTOR comply with all COUNTY Information Security Requirements.

4. Business Continuity

- 4.1. CONTRACTOR shall provide and maintain a business continuity and disaster recovery plan that achieves the County's Recovery Time Objective (RTO) and Recovery Point Objective (RPO), as set forth in the SOW and/or SLA, and specifically incorporated herein.
 - 4.1.1. Recovery Time Objective is the duration of time within which a service, business process or application must be restored after an outage to avoid unacceptable consequences associated with a break in continuity of business
 - 4.1.2. Recovery Point Objective is the maximum acceptable amount of data loss after an unplanned outage expressed as an amount of time. Example: If RPO is 4 hours, only a maximum of 4 hours worth of data can be lost. Backups should be maintained at intervals of every 4 hours.

5. Breach Notification

- 5.1. CONTRACTOR shall notify the COUNTY's contract administrator concerning any breach of COUNTY data or any data incident involving CONTRACTOR's data in which the security of COUNTY data systems may be compromised within 24 hours of the breach or incident.

Mental Health Contracts - Special Terms and Conditions

1. **MENTAL HEALTH REQUIREMENTS:** CONTRACTOR shall comply with all applicable provisions of the COUNTY MHP contract, available from COUNTY upon request. All services, documentation, and reporting shall be provided in conformity with the requirements of all pertinent laws, regulations, and COUNTY requirements including, but not limited to, payment authorizations, utilization review, beneficiary brochure and provider lists, service planning, cooperation with the State Mental Health Plan's Quality Improvement (QI) Program, and cost reporting are located at: <https://www.placer.ca.gov/DocumentCenter/View/2455/Department-of-Health-Care-Services-Mental-Health-Provider-17-94602-PDF>
2. **MENTAL HEALTH COST REPORT:** Pursuant to Section 14705 (c) of the California Welfare and Institutions Code, COUNTY must provide cost reporting to the State in relation to this contract. CONTRACTOR agrees to provide COUNTY with an annual cost report in accordance with the California Department of Health Care Services (DHCS) requirements no later than October 31st for the preceding fiscal/contractual year. CONTRACTOR agrees that failure to provide said report prior to November 1st may result in a penalty of **\$100 per calendar day** until the cost report is received by COUNTY. At the COUNTY'S discretion payment of said penalties may be scheduled for direct submission to the COUNTY or as an offset of a future bill for services under this Agreement or a subsequent agreement for like services.

It is agreed between COUNTY and CONTRACTOR that the rate stated above is intended to represent the CONTRACTOR'S actual cost as presented in the required year-end cost report. Should the year-end cost report reflect a rate that is less than that stated herein, CONTRACTOR agrees to reimburse COUNTY for all amounts paid in excess of the year-end cost report rate. Reimbursement shall be remitted to COUNTY not later than December 31st for the preceding fiscal/contractual year.
3. **SERVICES TO BE PERFORMED:** See Exhibit A, Attachments 1 through 14 for a detailed description of the services to be performed in accordance with the DHCS agreement with Placer County. Including having hours of operation during which services are provided to Medi-Cal beneficiaries that are no less than the hours of operation during which CONTRACTOR offers services to non-Medi-Cal beneficiaries. If CONTRACTOR only serves Medi-Cal beneficiaries, hours of operation shall be comparable to the hours that the COUNTY makes available for Medi-Cal services that are not covered by CONTRACTOR or another Mental Health Plan. The full agreement is located at: <https://www.placer.ca.gov/DocumentCenter/View/2455/Department-of-Health-Care-Services-Mental-Health-Provider-17-94602-PDF>
4. **ELECTRONIC AND INFORMATION TECHNOLOGY ACCESSIBILITY REQUIREMENTS UNDER THE REHABILITATION ACT OF 1973 AND THE AMERICANS WITH DISABILITIES ACT OF 1990:** CONTRACTOR agrees to ensure that deliverables developed and produced pursuant to this Agreement shall comply with the accessibility requirements of Sections 7405 and 11135 of the California Government Code, 508 of the Rehabilitation Act and the Americans with Disabilities Act of 1973 as amended (29 U.S.C. § 794 (d)), regulations implementing Part 1194 of Title 36 of the Code of Federal Regulations (C.F.R.), and the portions of the Americans with Disabilities Act of 1990 related to electronic and IT accessibility requirements and implementing regulations (42 U.S.C. § 12101 et seq.). In 1998, Congress amended the Rehabilitation Act of 1973 to require Federal agencies to make their electronic and information technology (EIT) accessible to people with disabilities. California Government Code sections 7405 and 11135 codifies section 508 of the Act requiring accessibility of electronic and information technology.
5. **CULTURAL COMPETENCE:**
 - 5.1. The CONTRACTOR shall participate in the State's efforts to promote the delivery of services in a culturally competent manner to all beneficiaries, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual

orientation or gender identity. (42 C.F.R. § 438.206(c)(2))

- 5.2. The CONTRACTOR shall comply with the provisions of the CONTRACTOR'S Cultural Competence Plan submitted and approved by the Department. The CONTRACTOR shall update the Cultural Competence Plan and submit these updates to the Department for review and approval annually. (Cal. Code Regs., tit. 9, § 1810.410, subds. (c)-(d))
- 5.3. The CONTRACTOR shall ensure that all employees who provide direct services attend a minimum of one Cultural Competence training per fiscal year. CONTRACTOR will provide County Contract Administrator with evidence of completion of training.
- 5.4. If CONTRACTOR has an individual requesting culturally specific services, they must inform the COUNTY immediately upon request by the individual.
- 5.5. CONTRACTOR shall Implement and adhere to the National Standards for Culturally and Linguistic Appropriate Services (CLAS) in Health and Health Care. CONTRACTOR shall provide language access to clients in the client's preferred language through bi-lingual staff and/or through alternative mechanisms such as a language line. CONTRACTOR shall adhere to the COUNTY'S Quality Management for guidelines in submitting CLAS Standards.
- 5.6. The CONTRACTOR shall make oral interpretation and the use of auxiliary aids such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available free of charge to each beneficiary. This applies to all non-English languages and not just those identified as threshold or prevalent. The CONTRACTOR shall notify beneficiaries, prospective beneficiaries, and members of the public that these services are available free of charge, for any language and written information is available in prevalent languages and how to access those services in accordance with 42 C.F.R. § 438.10(d)(2)-(5), and Welf. & Inst. Code 14727(a)(1)-(2), and Cal. Code Regs., tit. 9, § 1810.410.
- 5.7. The CONTRACTOR shall provide all written materials for potential enrollees and enrollees in an easily understood language and format. Provide all written materials for potential enrollees and enrollees in a font size no smaller than 12 point. The CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbooks, appeal and grievance notices, denial and termination notices, or any other notice of action, and mental health education materials used by the CONTRACTOR, available in alternative formats including in the prevalent non-English languages of the County, at no cost (42 C.F.R. 438.10(d)).
- 5.8. The CONTRACTOR shall notify beneficiaries, prospective beneficiaries, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. 438.10(d)). Welf. & Inst. Code 14727(a)(1) Cal. Code Regs., tit. 9, § 1810.410.
- 5.9. The CONTRACTOR shall ensure its written materials, including those critical to obtaining services:
 - 5.9.1. Are available in alternative formats, upon request of the potential enrollee or enrollee at no cost.
 - 5.9.2. Include taglines in the prevalent non-English languages in the state, explaining the availability of written translation or oral interpretation to understand the information provided (42 C.F.R. § 438.10(d)(2)-(3); Welf. & Inst. Code, § 14727(b), (c)(1)-(2)).
 - 5.9.3. Include taglines in the prevalent non-English languages in the state, explaining the availability of the toll-free and Teletypewriter Telephone/Text Telephone (TTY/TDY) telephone number of the CONTRACTOR'S member/customer service unit (42 C.F.R. § 438.10(d)(2)-(3); Welf. & Inst. Code, § 14727(b), (c)(1)-(2))

6. **NON DISCRIMINATION**

- 6.1. Consistent with the requirements of applicable federal law, such as 42 Code of Federal Regulations, part 438.3(d)(3) and (4), and state law, CONTRACTOR shall not engage in any unlawful discriminatory practices in the admission of beneficiaries, assignments of accommodations, treatment, evaluation, employment of personnel, or in any other respect any ground protected under federal or state law, including sex, race, color, gender, gender identity,

religion, marital status, national origin, ethnic group identification, ancestry, age, sexual orientation, medical condition, genetic information, or mental or physical handicap or disability. (42 U.S.C. § 18116; 42 C.F.R. § 438.3(d)(3-4); 45 C.F.R. § 92.2 ; Gov. Code § 11135(a); Welf. & Inst. Code § 14727(a)(3))

6.2. CONTRACTOR shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended (codified at 29 U.S.C. § 794), prohibition of exclusion, denial of benefits, and discrimination against qualified individuals with a disability in any federally assisted programs or activities, and shall comply with the implementing regulations in Parts 84 and 85 of Title 45 of the C.F.R., as applicable.

6.3. The CONTRACTOR shall post, in conspicuous physical locations where the CONTRACTOR interacts with the public and on the internet website published and maintained by the CONTRACTOR, in a manner that allows beneficiaries, prospective beneficiaries, and members of the public to easily locate the information (1) a Department-approved nondiscrimination notice and (2) language taglines in a visible font size, no smaller than 12 point, in English, in the top 15 non-English languages in the State, and any other languages, as determined by the Department, explaining the availability of free language assistance services, including written translation and oral interpretation, and information on how to request auxiliary aids and services, including materials in alternative formats. The nondiscrimination notice and taglines shall include the toll-free and TTY/TDY telephone number of the Contractor's member/customer service unit for obtaining these services and shall be posted. (42 C.F.R. § 438.10(d)(2)-(3), (6); Welf. & Inst. Code, § 14727(b), (c)(1)-(2))

7. **REGARDING IHCP/INDIAN ENROLLEES:** The CONTRACTOR shall ensure that any Indian enrolled in the Mental Health Plan, and eligible to receive services from an Indian health care provider (IHCP) participating as a network provider, is permitted to choose that IHCP as their provider, as long as that provider has capacity to provide the services (42 C.F.R. § 438.14(b)(3)). The CONTRACTOR shall ensure Indian beneficiaries are permitted to obtain covered services from out-of-network IHCPs from whom the beneficiary is otherwise eligible to receive such services. The CONTRACTOR must permit an out-of-network IHCP to refer an Indian enrollee to a network provider.

IHCPs, whether participating or not, shall be paid for covered services provided to Indian beneficiaries, who are eligible to receive services at a negotiated rate between the MHP and IHCP or, in the absence of a negotiated rate, at a rate not less than the level and amount of payment the managed care entity would make for the services to a participating provider that is not an IHCP.

8. **SMOKE-FREE WORKPLACE CERTIFICATION:** Applicable to federally funded agreements/grants and subcontracts/subawards, that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments. (Exhibit D(F) Section 21)

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.

By signing this Agreement, CONTRACTOR certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.

CONTRACTOR further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

9. PROHIBITED AFFILIATION:

9.1. The CONTRACTOR shall not knowingly have any prohibited type of relationship with the following:

9.1.1. An individual or entity that is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549. (42 C.F.R. § 438.610(a)(1))

9.1.2. An individual or entity who is an affiliate, as defined in the Federal Acquisition Regulation at 48 CFR 2.101, of a person described in this section. (42 C.F.R. § 438.610(a)(2))

9.2. The CONTRACTOR shall not have a prohibited type of relationship by employing or contracting with providers or other individuals and entities excluded from participation in federal health care programs (as defined in section 1128B(f) of the Social Security Act) under either Section 1128 (42 U.S.C. 1320a-7), 1128A (42 U.S.C. 1320a-7a), 1156 (42 U.S.C. 1320c-5), or 1842(j)(2) (42 U.S.C. § 1395u(j)(2)) of the Social Security Act. (42 C.F.R. §§ 438.214(d)(1), 438.610(b))

9.3. The CONTRACTOR shall not have types of relationships prohibited by this section with an excluded, debarred, or suspended individual, provider, or entity as follows:

9.3.1. A director, officer, agent, managing employee, or partner of the CONTRACTOR. (42 U.S.C. § 1320a-7(b)(8)(A)(ii); 42 C.F.R. § 438.610(c)(1))

9.3.2. A subcontractor of the CONTRACTOR, as governed by 42 C.F.R. § 438.230. (42 C.F.R. § 438.610(c)(2))

9.3.3. A person with beneficial ownership of 5 percent or more of the CONTRACTOR'S equity. (42 C.F.R. § 438.610(c)(3))

9.3.4. An individual convicted of crimes described in section 1128(b)(8)(B) of the Act. (42 C.F.R. § 438.808(b)(2))

9.3.5. A network provider or person with an employment, consulting, or other arrangement with the CONTRACTOR for the provision of items and services that are significant and material to the CONTRACTOR'S obligations under this Contract. (42 C.F.R. § 438.610(c)(4))

9.3.6. The CONTRACTOR shall not employ or contract with, directly or indirectly, such individuals or entities for the furnishing of health care, utilization review, medical social work, administrative services, management, or provision of medical services (or the establishment of policies or provision of operational support for such services). (42 C.F.R. § 438.808(b)(3))

9.4. The CONTRACTOR shall provide to the Department written disclosure of any prohibited affiliation identified by the CONTRACTOR or its subcontractors. (42 C.F.R. §438.608(c)(1))

10. DISCLOSURES

10.1. Disclosure of 5% or more of ownership interest: CONTRACTOR shall submit the disclosures below to the COUNTY regarding CONTRACTOR (disclosing entities') ownership and control. Disclosures shall be submitted upon application, before entering into or renewing a contract, within 35 days after any change in the CONTRACTOR ownership, annually and upon request during the re-validation of enrollment process under 42 Code of Federal Regulations part 455.104.

10.1.1. Disclosures to be provided:

10.1.1.1. The name and address of any person (individual or corporation) with an ownership or control interest in the network provider. The address for corporate entities shall include, as applicable, a primary business address, every business location, and a P.O. Box address;

- 10.1.1.2. Date of birth and Social Security Number (in the case of an individual);
 - 10.1.1.3. Other tax identification number (in the case of a corporation with an ownership or control interest in the managed care entity or in any subcontractor in which the managed care entity has a 5 percent or more interest);
 - 10.1.1.4. Whether the person (individual or corporation) with an ownership or control interest in the CONTRACTOR'S network provider is related to another person with ownership or control interest in the same or any other network provider of the CONTRACTOR as a spouse, parent, child, or sibling; or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the managed care entity has a 5 percent or more interest is related to another person with ownership or control interest in the managed care entity as a spouse, parent, child, or sibling;
 - 10.1.1.5. The name of any other disclosing entity in which the CONTRACTOR or subcontracting network provider has an ownership or control interest; and
 - 10.1.1.6. The name, address, date of birth, and Social Security Number of any managing employee of the managed care entity.
- 10.2. Disclosures related to business transactions: CONTRACTOR must submit disclosures and updated disclosures to the COUNTY including information regarding certain business transactions within 35 days, upon request, including the ownership of any subcontractor with whom the COUNTY has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and any significant business transactions between CONTRACTOR and any wholly owned supplier, or between the COUNTY and any subcontractor, during the 5-year period ending on the date of the request.
- 10.3. Disclosures Related to Persons Convicted of Crimes: CONTRACTOR shall submit the disclosures regarding CONTRACTOR'S owners, persons with controlling interest, agents, and managing employees' criminal convictions. Disclosures shall be supplied before entering into the contract and at any time upon the Department's request. Disclosures to be submitted include the identity of any person who is a managing employee of the CONTRACTOR who has been convicted of a crime related to federal health care programs. (42 C.F.R. § 455.106(a)(1), (2)), and the identity of any person who is an agent of the CONTRACTOR who has been convicted of a crime related to federal health care programs. (42 C.F.R. § 455.106(a)(1), (2)) For this purpose, the word "agent" has the meaning described in 42 Code of Federal Regulations part 455.101

11. CONFLICT OF INTEREST:

- 11.1. The CONTRACTOR shall comply with the conflict of interest safeguards described in 42 Code of Federal Regulations part 438.58 and the prohibitions described in section 1902(a)(4)(C) of the Act. (42 C.F.R. § 438.3(f)(2).)
- 11.2. CONTRACTOR'S officers and employees shall not have a financial interest in this Contract or a subcontract of this Contract made by them in their official capacity, or by anybody or board of which they are members unless the interest is remote. (Gov. Code §§ 1090, 1091; 42 C.F.R. § 438.3(f)(2))
- 11.3. No public officials at any level of local government shall make, participate in making, or attempt to use their official positions to influence a decision made within the scope of this Contract in which they know or have reason to know that they have a financial interest. (Gov. Code §§ 87100, 87103; Cal. Code Regs, tit. 2, § 18704; 42 C.F.R. §§ 438.3(f)(2))
- 11.3.1. If a public official determines not to act on a matter due to a conflict of interest within the scope of this Contract, the CONTRACTOR shall notify the COUNTY by oral or written disclosure. (Cal. Code Regs, tit. 2, § 18707; 42 C.F.R. § 438.3(f)(2))
 - 11.3.2. Public officials, as defined in Government Code section 87200, shall follow the applicable requirements for disclosure of a conflict of interest or potential conflict of interest, once it is identified, and recuse themselves from discussing or otherwise acting

upon the matter. (Gov. Code § 87105, Cal. Code Regs, tit. 2, § 18707(a); 42 C.F.R. § 438.3(f)(2))

11.4. CONTRACTOR shall not utilize in the performance of this Contract any State officer or employee in the State civil service or other appointed State official unless the employment, activity, or enterprise is required as a condition of the officer's or employee's regular State employment. (Pub. Con. Code § 10410; 42 C.F.R. § 438.3(f)(2))

11.4.1. CONTRACTOR shall submit documentation to COUNTY of employees (current and former State employees) who may present a conflict of interest.

12. **OFFICIALS NOT TO BENEFIT:** No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom. This provision shall not be construed to extend to this Agreement if made with a corporation for its general benefits (Exhibit D(f) Section 25).

13. **LOBBYING AND DISCLOSURE CERTIFICATION:** Applicable to federally funded agreements in excess of \$100,000 per Section 1352 of Title 31, U.S.C. (Exhibit D(F) Section 35)

Certification and Disclosure Requirements:

13.1. Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of Title 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.

13.2. Each recipient shall file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'Disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that contract, or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.

13.3. Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:

13.3.1. A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;

13.3.2. A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or

13.3.3. A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.

13.4. Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant shall file a certification, and a disclosure form, if required, to the next tier above.

All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by CONTRACTOR. CONTRACTOR shall forward all disclosure forms to COUNTY.

Prohibition

Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

14. CERTIFICATION OF PROGRAM INTEGRITY:

- 14.1. CONTRACTOR shall comply with all State and Federal statutory and regulatory requirements for certification of claims including Title 42, Code of Federal Regulations (CFR) Part 438.
- 14.2. CONTRACTOR shall ensure that each Medi-Cal beneficiary for whom the CONTRACTOR is submitting a claim for reimbursement will assure the following:
 - 14.2.1. An assessment of the Medi-Cal beneficiary was conducted in compliance with the requirements established in the Mental Health Plan (MHP) contract between Placer County and the DHCS, a copy of which will be provided to CONTRACTOR by COUNTY under separate cover.
 - 14.2.2. The Medi-Cal beneficiary was eligible to receive Medi-Cal services at the time the services were provided to the beneficiary. CONTRACTOR shall ensure that all services are authorized in accordance with COUNTY and State MHP guidelines.
 - 14.2.3. The services included in the claim were actually provided to the beneficiary.
 - 14.2.4. Medical necessity was established for the beneficiary as defined in statute for the service or services provided, for the timeframe in which the services were provided.
 - 14.2.5. A client plan was developed and maintained for the beneficiary that met all client plan requirements established in the MHP contract between COUNTY and the DHCS.
 - 14.2.6. The MHP may impose appropriate utilization controls by requiring all assessments to be completed by the MHP clinical staff or by permitting them to be completed by the provider. If the MHP delegates the facilitation of the assessment to a provider, provider would not need to obtain prior authorization from MHP but must ensure all required elements are contained in the assessment.
 - 14.2.7. For each beneficiary with day rehabilitation, day treatment intensive, or Early Periodic Screening, Diagnostic and Treatment (EPSDT) supplemental specialty mental health services included in the claim, all requirements for MHP payment authorization in the MHP contract for day rehabilitation, day treatment intensive, Short Term Residential Treatment Program, (STRTP) and EPSDT supplemental specialty mental health services were met, and any reviews for such service or services were conducted prior to the initial authorization and any re-authorization periods as established in the MHP contract between COUNTY and the DHCS (Reference DHCS MHSUDS IN 19-026).
 - 14.2.8. For each beneficiary with Intensive Home-Based Services (IHBS), Therapeutic Behavioral Services (TBS) and Therapeutic Foster Care (TFC) services included in the claim, all requirements for MHP payment authorization were met, and any reviews for such service(s) were conducted prior to the initial authorization and any re-authorization periods as outlined in COUNTY policy and in line with DHCS regulation; reference DHCS MHSUDS IN 19-026.
 - 14.2.9. CONTRACTOR shall maintain Medi-Cal certification. COUNTY shall certify or use another mental health plan's certification documents to certify, the CONTRACTOR in accordance with California Code of Regulations., title 9, section 1810.435, and the requirements specified prior to the date on which the provider begins to deliver services under the contract, and once every three years after that date. The on-site review required by California Code of Regulations., title 9, section 1810.435(d), as a part of the certification process, shall be made of any site owned, leased, or operated by the provider and used to deliver covered services to beneficiaries, except that on-site review is not required for public school or satellite sites. If operating an inpatient or residential service program, CONTRACTOR must maintain necessary licensing and certification or mental health program approval.

NOTE: Authority: Sections 14043.75 14680, and 14712 Welfare and Institutions Code.

- 14.3. CONTRACTOR certifies that it shall comply with all State and Federal requirements regarding false claims and whistleblower protection, including but not limited to California Government Code Sections 8547 et seq. and 12653, and shall not prevent an employee from disclosing information, or retaliate against an employee in any manner because of acts by or on behalf of the employee in disclosing information in furtherance of a false claims action.

- 14.4. In addition, CONTRACTOR certifies that the following processes are in place:
- 14.4.1. Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable Federal and State standards.
 - 14.4.2. The designation of a compliance officer and a compliance committee that are accountable to senior management.
 - 14.4.3. Effective training and education for the compliance officer and the organization's employees.
 - 14.4.4. Enforcement of standards through well-publicized disciplinary guidelines.
 - 14.4.5. Provisions for internal monitoring and auditing.
 - 14.4.6. Provision for prompt response to detected offenses, and for development of corrective action initiatives relating to the provision of mental health services.
- 14.5. Pursuant to 42 C.F.R. 438.602(b), the CONTRACTOR shall screen and periodically revalidate all network providers in accordance with the requirements of 42 C.F.R part 455, subparts B and E.
- 14.6. Consistent with the requirements of 42 C.F.R. §455.436, and 42 C.F.R. §438.602(d) the CONTRACTOR must confirm the identify and determine the exclusion status of all providers (employees and network providers) and any subcontractor, as well as any person with an ownership or control interest, or who is an agent of managing employee of the of the Mental Health Plan through routine checks of Federal and State databases. This includes the Social Security Administration's Death Master File, the National Plan and Provider Enumeration System (NPDES), the Office of Inspector General's List of Excluded Individuals/Entities (LEIE), the System for Award Management (SAM), the National Practitioner database, as well as the DHCS's Medi Cal Suspended and Ineligible Provider List (S & I List). Check the Office of Inspector General's LEIE and EPLS no less frequently than monthly.
- 14.6.1. Applicable to all agreements funded in part or whole with federal funds (D(F) section 20).
- 14.7. By signing this Agreement, CONTRACTOR agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- 14.7.1. By signing this Agreement, CONTRACTOR certifies to the best of its knowledge and belief, that it and its principals:
 - 14.7.2. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - 14.7.3. Have not within a three-year period preceding this application/proposal/agreement 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;
 - 14.7.4. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and
 - 14.7.5. Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - 14.7.6. 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.
 - 14.7.7. Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
 - 14.7.8. If CONTRACTOR is unable to certify to any of the statements in this certification, CONTRACTOR shall submit an explanation to COUNTY.

14.7.9. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.

14.7.10. If CONTRACTOR knowingly violates this certification, in addition to other remedies available to the Federal Government, COUNTY may terminate this Agreement for cause or default.

14.8. If the CONTRACTOR finds a party that is excluded, it must immediately notify the COUNTY and the COUNTY will take action consistent with 42 C.F.R. §438.610(c). Neither the COUNTY nor CONTRACTOR shall certify or pay any provider with Medi-Cal funds, and any such inappropriate payments or overpayments may be subject to recovery and/or be the basis for other sanctions by the appropriate authority.

Individuals listed in these databases as ineligible to participate in Medicaid or Medicare may not provide services to the COUNTY or COUNTY clients.

14.9. CONTRACTOR shall ensure that all licensed, registered, and/or certified staff members remain in good standing with their governing board. CONTRACTOR shall notify the MHP Contract Monitor immediately should any change of status occur or governing board sanctions be imposed.

14.9.1. CONTRACTOR shall adhere to the MHP Credentialing Guidelines, and demonstrative quarterly verifications of licensure, registration, certification governing board standing and compile into a quarterly report and sent to the COUNTY Contract Administrator.

14.9.2. CONTRACTOR must immediately notify COUNTY if an employee is identified as no longer being in good standing with their governing board and must ensure that the individuals does not provide services until the issue has been rectified and verified as being rectified with the relevant governing board.

14.10. CONTRACTOR shall ensure that the exclusion and licensure verifications are completed as part of the employee pre-hire process and on a regular basis as stipulated in the MHP Credentialing guidelines.

14.11. CONTRACTOR shall ensure that all eligible MHP staff are enrolled with the state as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 Code of Federal Regulations part 455, subparts B and E. (42 C.F.R. § 438.608(b))

15. AUDIT, RECORD RETENTION, DISALLOWANCES & RECOVERY OF OVERPAYMENTS (Exhibit D(F)): Applicable to agreements in excess of \$10,000 and applicable to any Subcontractors if used by CONTRACTOR.

15.1. CONTRACTOR shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.

15.2. CONTRACTOR'S facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.

15.3. CONTRACTOR agrees that COUNTY, DHCS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Controller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. CONTRACTOR agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the CONTRACTOR agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, CCR Title 2, Section 1896.77)."

15.4. CONTRACTOR shall preserve and make available his/her records (1) for a period of ten years from the date of final payment under this Agreement, and (2) for such longer period, if any, as

is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.

- 15.4.1. If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement. CONTRACTOR agrees to permit DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers, and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records (D(F) section 5).
- 15.4.2. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- 15.4.3. CONTRACTOR shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.
- 15.4.4. CONTRACTOR may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, CONTRACTOR must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.
- 15.5. Pursuant to Welf. & Inst. Code § 14707, in the case of federal audit exceptions, the DHCS will follow federal audit appeal processes unless the DHCS, in consultation with the California Mental Health Director's Association, determines that those appeals are not cost beneficial.
 - 15.5.1. COUNTY may involve the CONTRACTOR in developing responses to any draft federal audit reports that directly impact the MHP.
- 15.6. Pursuant to Welf. & Inst. Code § 14718(b)(2), the DHCS may offset the amount of any federal disallowance, audit exception, or overpayment against subsequent claims from the COUNTY. The COUNTY may offset amounts from the CONTRACTOR.
- 15.7. Pursuant to the Welf. & Inst. Code § 14170, MHP cost reports submitted to DHCS are subject to audit in the manner and form prescribed by the DHCS. The year-end cost report shall include both COUNTY'S costs and the costs of its CONTRACTOR and subcontractors, if any. COUNTY and its subcontractors shall be subject to audits and/or reviews, including client record reviews, by DHCS. In accordance with the Welf. & Inst. Code § 14170, any audit of CONTRACTOR'S cost report shall occur within three years of the date of receipt by the DHCS of the final cost report with signed certification by the Mental Health Director and one of the following: (1) the CONTRACTOR'S Chief Financial Officer (or equivalent), (2) an individual who has delegated authority to sign for, and reports directly to the CONTRACTOR'S Chief Financial Officer, or (3) the COUNTY Auditor Controller, or equivalent. Both signatures are required before the cost report shall be considered final. For purposes of this section, the cost report shall be considered audited once DHCS or the MHP has informed the CONTRACTOR of its intent to disallow costs on the cost report, or once the DHCS has informed the CONTRACTOR of its intent to close the audit without disallowances.
- 15.8. If the adjustments result in the COUNTY owing FFP to the CONTRACTOR, the COUNTY shall submit a claim to the federal government for the related FFP within 30 days contingent upon sufficient budget authority.
- 15.9. CONTRACTOR shall be financially responsible for any disallowances identified during audits and program reviews.
- 15.10. CONTRACTOR shall report to COUNTY within 30 calendar days when it has identified payments in excess of amounts specified for reimbursement. CONTRACTOR will return any overpayment to COUNTY within 60 calendar days of after the date of which the overpayment

was identified. COUNTY may withhold payment when it is determined there is a credible allegation of fraud (42 C.F.R. §§ 438.608(a)(8) and 455.23)

16. FINES, SANCTIONS, PENALTIES, PAYMENT WITHHOLDINGS:

- 16.1. Any violations of the terms of this contract, and applicable federal and state law and regulations, and the requirements specified in California's Medicaid State Plan, the 1915(b) Specialty Mental Health Services (SMHS) Waiver, and DHCS' contract with the MHP, in accordance with Welfare & Institutions Code § 14197.7, 14712, § 14713, subd. (a), and Cal. Code Regs., tit. 9, §§ 1810.380 and 1810.385 may result in sanctions being imposed on to COUNTY for DHCS audit findings pertaining to non-compliance by CONTRACTOR. Additionally, any inappropriate payments or overpayments may be subject to recover and/or be the basis for sanctions by COUNTY§438.700-730.
- 16.2. Any failures on the part of the CONTRACTOR that result in fines, sanctions, penalties, or payment withholdings to the COUNTY from DHCS will be the responsibility of the CONTRACTOR. DHCS may impose financial sanctions ranging from \$500 to \$5,000 per violation, plus \$25 per day in late fees per item.
- 16.3. Additionally, any noncompliance with the requirements of nondiscrimination in services shall constitute grounds to withhold payments under this Agreement or terminate all, or any type, of funding provided hereunder.

17. GRIEVANCE AND APPEALS:

- 17.1. CONTRACTOR shall follow all federal regulations for processing grievances and appeals. Clarification and guidance can be located in Information Notice 18-010E on the DHCS website at: https://www.dhcs.ca.gov/formsandpubs/Pages/2018_BH_Information_Notices.aspx
- 17.2. The CONTRACTOR shall provide information to all beneficiaries, prospective beneficiaries, and members of the public on how to file a Discrimination Grievance with:
 - 17.2.1. The COUNTY and the Department if there is a concern of discrimination based on sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, or sexual orientation. (Welf. & Inst. Code § 14727(a)(4))
 - 17.2.2. The United States Department of Health and Human Services Office for Civil Rights if there is a concern of discrimination based on race, color, national origin, sex, age, or disability. (Welf. & Inst. Code § 14727(a)(5))

18. FINANCIAL REQUIREMENT:

The CONTRACTOR shall not impose financial requirements or cumulative financial requirements, as defined in 42 C.F.R. 438.900, for any beneficiary receiving specialty mental health services.

19. **ICD-10 CODE:** The CONTRACTOR shall use the ICD-10 diagnosis code(s) to submit a claim for specialty mental health services to receive reimbursement of Federal Financial Participation (FFP) in accordance with the covered diagnoses for reimbursement of outpatient and inpatient Medi-Cal specialty mental health services listed in Behavioral Health Information Notice (BHIN) 20-043.

20. CONFIDENTIALITY OF INFORMATION (Exhibit D(F) Section 14):

- 20.1. CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to CONTRACTOR, as a result of services performed under this Agreement, except for statistical information not identifying any such person.
- 20.2. CONTRACTOR shall not use such identifying information for any purpose other than carrying out CONTRACTOR'S obligations under this Agreement.
- 20.3. CONTRACTOR shall promptly transmit to the COUNTY all requests for disclosure of such identifying information not emanating from the client or person.
- 20.4. CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than COUNTY

without prior written authorization from COUNTY, except if disclosure is required by State or Federal law.

- 20.5. 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 finger or voice print or a photograph.
- 20.6. As deemed applicable by COUNTY, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

21. MANAGEMENT INFORMATION SYSTEMS:

- 21.1. The CONTRACTOR shall maintain a process that collects, analyzes, integrates, and reports data. (42 C.F.R. § 438.242(a); Cal. Code Regs., tit. 9, § 1810.376) This process shall provide information on areas including, but not limited to, utilization, claims, grievances, and appeals. (42 C.F.R. § 438.242(a))
- 21.2. CONTRACTOR shall provide this information to the COUNTY within the specified timelines of the MHP Contract and Federal regulations.
- 21.3. The CONTRACTOR shall maintain a process that allows for electronic data sharing of health information in compliance with federal interoperability regulations (CMS-9115-F; ONC CURES Act Final Rule). CONTRACTOR shall make available all data elements listed on the United States Core Data for Interoperability (USCDI) data elements, to authorized requesting parties, including the COUNTY, within regulatory timeframes and formats.
- 21.4. CONTRACTOR shall not engage in any practices, that except as required by law or covered by an exception, is likely to interfere with access, exchange or use of electronic health information, when requested by Beneficiaries or appropriate third parties.

22. QUALITY ASSURANCE AND COMPLIANCE:

- 22.1. The CONTRACTOR shall implement an ongoing comprehensive Quality Assessment and Performance Improvement (QAPI) Program (formerly known as Quality Improvement) for the services it furnishes to beneficiaries. (42 C.F.R. § 438.330 (a))
 - 22.1.1. The CONTRACTOR'S QAPI covering a description of mechanisms the CONTRACTOR has implemented to assess the accessibility of services within its service delivery area. This shall include goals for responsiveness for timeliness for scheduling of routine appointments, timeliness of services for urgent conditions, and access to after-hours care; and
 - 22.1.2. Evidence of compliance with the requirements for cultural competence and linguistic competence.
 - 22.1.3. The CONTRACTOR'S QAPI Program shall improve CONTRACTOR'S established outcomes through structural and operational processes and activities that are consistent with current standards of practice.
 - 22.1.4. The CONTRACTOR'S QAPI Program will include all the elements of the Placer County Behavioral Health Provider QA Reporting requirements located at: <https://www.placer.ca.gov/7453/Network-Providers>
 - 22.1.5. CONTRACTOR shall adhere to COUNTY requirement of submitting an Annual QAPI and Quarterly updates.
 - 22.1.6. The COUNTY'S Mental Health Provider Plan Requirements that stipulate what to include in the QAPI for providers can be located at: <https://www.placer.ca.gov/7453/Network-Providers>
 - 22.1.7. When submitting QAPI reports, CONTRACTOR shall also submit a Provider Attestation. The Provider Attestation can be located at: <https://www.placer.ca.gov/7453/Network-Providers>
- 22.2. CONTRACTOR shall maintain a provider directory and update as required. Provider directory must include all required elements as outlined in state and federal regulation 42 C.F.R. §

438.10(e)(2)(vi), all changes shall be submitted within 30 days to Quality Assurance Department.

22.3. CONTRACTOR shall adhere to all network adequacy and timely access standards.

22.4. CONTRACTOR shall have active involvement and participation in the planning, design and execution of the MHP QAPI Program. Participation shall include collection and submission of performance measurement data required by the DHCS, which may include performance measures specified by CMS.

22.4.1. MHP QAPI Program elements include but are not limited to:

22.4.1.1. Timely access to services, including:

- a) The length of time from initial request to first offered appointment:
- b) The length of time from initial request to first kept appointment:
- c) The length of time from initial request to first offered psychiatry appointment:
- d) The length of time from service request for urgent appointment to actual encounter:
- e) Psychiatrist and Clinician No-show rates

22.4.1.2. Beneficiary and system outcomes

22.4.1.3. Utilization management

22.4.1.4. Utilization review

22.4.1.5. Provider appeals

22.4.1.6. Credentialing and monitoring

22.4.1.7. Resolution of beneficiary grievances

22.4.1.8. Detection of both underutilization and overutilization of services

22.4.1.9. Beneficiary and family satisfaction surveys

22.4.1.10. Evaluation of grievances, appeals and state fair hearings

22.4.1.11. Monitoring the safety and effectiveness of medication practices (this shall be under the supervision of a licensed prescriber)

22.4.1.12. Identification and resolution of clinical issues affecting beneficiaries' system wide outcome

22.4.1.13. Identification and implementation of mechanisms to monitor appropriate and timely intervention of occurrences that raise quality of care concerns

22.5. CONTRACTOR shall take appropriate follow-up action when such an occurrence is identified. The results of the intervention shall be evaluated by the CONTRACTOR at least annually.

22.6. CONTRACTOR shall take steps to assure that decisions for utilization management, beneficiary education, coverage of services, and any other areas to which shall be consistent with the Specialty Mental Health Services Practice Guidelines (42 C.F.R. § 438.236(d)).

23. State and Federal Law Governing this Contract:

23.1. CONTRACTOR agrees to comply with all applicable federal and state law, including but not limited to the statutes and regulations incorporated by reference below in this Section 23, and applicable sections of the state plan and waiver in its provision of services as the Mental Health Plan. CONTRACTOR agrees to comply with any changes to these statutes and regulations that may occur during the contract period and any new applicable statutes or regulations. These obligations shall apply without the need for a contract amendment(s). To the extent there is a conflict between federal or state law or regulation and a provision in this contract, CONTRACTOR shall comply with the federal or state law or regulation and the conflicting Contract provision shall no longer be in effect.

23.2. CONTRACTOR agrees to comply with all existing policy letters issued by DHCS. All policy letters issued by DHCS subsequent to the effective date of this contract shall provide clarification of CONTRACTOR'S obligations pursuant to this contract and may include instructions to the CONTRACTOR regarding implementation of mandated obligations pursuant to State or Federal statutes or regulations, or pursuant to judicial interpretation.

23.3. Federal law:

- 23.3.1. Title 42 United States Code, to the extent that these requirements are applicable;
- 23.3.2. 42 C.F.R. to the extent that these requirements are applicable;
- 23.3.3. 42 C.F.R. Part 438, Medicaid Managed Care, limited to those provisions that apply to Prepaid Inpatient Health Plans (PIHPs), except for the provisions listed in paragraph D and E, below.
- 23.3.4. 42 C.F.R. § 455 to the extent that these requirements are applicable
- 23.3.5. 45 C.F.R. § 92.1 et. seq. to the extent that these requirements are applicable
- 23.3.6. Title VI of the Civil Rights Act of 1964
- 23.3.7. Title IX of the Education Amendments of 1972
- 23.3.8. Age Discrimination Act of 1975
- 23.3.9. Rehabilitation Act of 1973
- 23.3.10. Americans with Disabilities Act
- 23.3.11. Section 1557 of the Patient Protection and Affordable Care Act
- 23.3.12. Deficit Reduction Act of 2005;
- 23.3.13. Balanced Budget Act of 1997.
- 23.3.14. The CONTRACTOR shall comply with the provisions of the Copeland Anti-Kickback Act, which requires that all contracts and subcontracts in excess of \$2000 for construction or repair awarded by the CONTRACTOR and its subcontractors shall include a provision for compliance with the Copeland Anti-Kickback Act.
- 23.3.15. The CONTRACTOR shall comply with the provisions of the Davis-Bacon Act, as amended, which provides that, when required by Federal Medicaid program legislation, all construction contracts awarded by the CONTRACTOR and its subcontractors of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act as supplemented by Department of Labor regulations.
- 23.3.16. The CONTRACTOR shall comply with the provisions of the Contract Work Hours and Safety Standards Act, as applicable, which requires that all subcontracts awarded by the CONTRACTOR in excess of \$2,000 for construction and in excess of \$2,500 for other subcontracts that involve the employment of mechanics or laborers shall include a provision for compliance with the Contract Work Hours and Safety Standards Act.
- 23.3.17. Any applicable federal and state laws that pertain to beneficiary rights.
- 23.3.18. Should any part of the scope of work under this contract relate to a State program receiving Federal Financial Participation (FFP) that is no longer authorized by law (e.g., which has been vacated by a court of law, or for which CMS has withdrawn federal authority, or which is the subject of a legislative repeal), CONTRACTOR must do no work on that part after the effective date of the loss of such program authority. DHCS must adjust payments to remove costs that are specific to any State program or activity receiving FFP that is no longer authorized by law. If CONTRACTOR works on a State program or activity receiving FFP that is no longer authorized by law after the date the legal authority for the work ends, CONTRACTOR will not be paid for that work. If DHCS has paid CONTRACTOR in advance to work on a no-longer-authorized State program or activity receiving FFP and under the terms of this contract the work was to be performed after the date the legal authority ended, the payment for that work should be returned to DHCS. However, if CONTRACTOR worked on a State program or activity receiving FFP prior to the date legal authority ended for that State program or activity, and DHCS included the cost of performing that work in its payments to CONTRACTOR, CONTRACTOR may keep the payment for that work even if the payment was made after the date the State program or activity receiving FFP lost legal authority.
- 23.4. The following sections of 42 Code of Federal Regulations, part 438 are inapplicable to this Contract:
 - 23.4.1. §438.3(b) Standard Contract Provisions – Entities eligible for comprehensive risk contracts
 - 23.4.2. §438.3(c) Standard Contract Provisions - Payment

- 23.4.3. §438.3(g) Standard Contract Provisions - Provider preventable conditions
- 23.4.4. §438.3(o) Standard Contract Provisions - LTSS contract requirements
- 23.4.5. §438.3(p) Standard Contract Provisions – Special rules for HIOs
- 23.4.6. §438.3(s) Standard Contract Provisions – Requirements for MCOs, PIHPs, or PAHPs that provide covered outpatient drugs
- 23.4.7. §438.4 Actuarial Soundness
- 23.4.8. §438.5 Rate Development Standards
- 23.4.9. §438.6 Special Contract Provisions Related to Payment
- 23.4.10. §438.7 Rate Certification Submission
- 23.4.11. §438.8 Medical Loss Ratio Standards
- 23.4.12. §438.9 Provisions that Apply to Non-emergency Medical Transportation
- 23.4.13. §438.50 State Plan Requirements
- 23.4.14. §438.52 Choice of MCOs, PIHPs, PAHPs, PCCMs, and PCCM entities
- 23.4.15. §438.56 Disenrollment: requirements and limitations
- 23.4.16. §438.70 Stakeholder engagement when LTSS is delivered through a managed care program
- 23.4.17. 438.74 State Oversight of the Minimum MLR Requirements
- 23.4.18. §438.104 Marketing
- 23.4.19. §438.106 Liability for Payment
- 23.4.20. §438.108 Cost Sharing
- 23.4.21. §438.110 Member advisory committee
- 23.4.22. §438.114 Emergency and Post-Stabilization
- 23.4.23. §438.362 Exemption from External Quality Review
- 23.4.24. §438.700-730 Basis for Imposition of Sanctions
- 23.4.25. §438.802 Basic Requirements
- 23.4.26. §438.810 Expenditures for Enrollment Broker Services
- 23.4.27. §438.816 Expenditures for the beneficiary support system for enrollees using LTSS
- 23.5. Specific provisions of 42 Code of Federal Regulations, part 438 relating to the following subjects are inapplicable to this Contract:
 - 23.5.1. Long Terms Services and Supports
 - 23.5.2. Managed Long Terms Services and Supports
 - 23.5.3. Actuarially Sound Capitation Rates
 - 23.5.4. Medical Loss Ratio
 - 23.5.5. Religious or Moral Objections to Delivering Services
 - 23.5.6. Family Planning Services
 - 23.5.7. Drug Formularies and Covered Outpatient Drugs
- 23.6. Pursuant to Welfare & Institutions Code section 14704, a regulation or order concerning Medi-Cal specialty mental health services adopted by the State Department of Mental Health pursuant to Division 5 (commencing with Section 5000), as in effect preceding the effective date of this section, shall remain in effect and shall be fully enforceable, unless and until the readoption, amendment, or repeal of the regulation or order by DHCS, or until it expires by its own terms.
- 23.7. State Law:
 - 23.7.1. Division 5, Welfare & Institutions Code, to the extent that these requirements are applicable to the services and functions set forth in this contract
 - 23.7.2. Welf. & Inst. Code §§ 14680-14685.1
 - 23.7.3. Welf. & Inst. Code §§ 14700-14726
 - 23.7.4. Chapter 7, Part 3, Division 9, Welf. & Inst. Code, to the extent that these requirements are applicable to the services and functions set forth in this contract
 - 23.7.5. Cal. Code Regs., tit. 9, § 1810.100 et. seq. – Medi-Cal Specialty Mental Health Services
 - 23.7.6. Cal. Code Regs., tit 9 § 1810.430 – Psychiatric Inpatient Hospital Service Availability
 - 23.7.7. Cal. Code Regs., tit. 22, §§ 50951 and 50953

23.7.8. Cal. Code Regs., tit. 22, §§ 51014.1 and 51014.2

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