

# ORIGINAL

## AGREEMENT FOR SERVICES #071-S1811

### Specialty Mental Health Services for Minors

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**THIS AGREEMENT** is made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as “County”) and Victor Treatment Centers, Inc., a California non-profit public benefit corporation qualified as a tax exempt organization under Title 26 Code of Federal Regulations, Section 1.501(c)(3), commonly referred to as Section 501(c)(3) of the Internal Revenue Code of 1986, and whose principal place of business is 1360 East Lassen Avenue, Chico, CA 95973, and whose Agent for Service of Process is Douglas Scott, 1360 E. Lassen Avenue, Chico, CA 95973 (hereinafter referred to as “Contractor”);

### RECITALS

**WHEREAS**, County Health and Human Services Agency places eligible children/youth in a residential setting via the California Department of Social Services (CDSS) Form SOC 154; and

**WHEREAS**, County places eligible children/youth in Contractor’s residential facility via the CDSS SOC 154; and

**WHEREAS**, County has determined that it is necessary to obtain a Contractor to provide specialty mental health services (hereinafter referred to as “Client(s)”) on an “as requested” basis for children/youth in Contractor’s residential setting who are referred by the County of El Dorado Health and Human Services Agency (HHSA); and

**WHEREAS**, Contractor has represented to County that it is specially trained, experienced, expert, and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

**WHEREAS**, it is the intent of the parties hereto that such services be in conformity with all applicable Federal, State (all references to “State” in this Agreement shall mean the State of California unless otherwise specified), and local laws; and

**WHEREAS**, County has determined that the provision of these services by Contractor is in the public’s best interest, and that these services are more economically and feasibly performed by

outside independent Contractors. The County has determined that these are authorized by the County of El Dorado Charter, Section 210(b)(6) and/or Government Code Section 31000.

**NOW, THEREFORE,** County and Contractor mutually agree as follows:

**ARTICLE I**

**Scope of Services:** Contractor acknowledges that this Agreement is funded in whole or in part with funds from the State of California and the Federal Government.

**A. DEFINITIONS:**

Assessment	Includes a clinical analysis of the history and status of a Client’s mental, emotional, or behavioral disorder, and diagnosis. Can also include an appraisal of the Client’s community functioning in several areas, which may include living situation, daily activities, social support systems, and health status. Relevant cultural issues are to be addressed in all assessment activities.
Beneficiary	Any person who is certified as eligible under the Medi-Cal Program (Authority: Title 9, California Code of Regulations [CCR] Section 1810.205 and Title 22 CCR Section 51000.2) as currently interpreted or as amended during the term of this Agreement.
Case Management	<p>Activities provided to assist Clients to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other needed community services for Clients. These activities may include:</p> <ul style="list-style-type: none"> <li>• Consultation – interagency and intra-agency consultation or collaboration involving people in professional relationships with the Client (e.g., Child Welfare Services Worker, Probation Officer, teacher, behavioral health staff, and pediatrician). Supervision is not billable to case management consultation.</li> <li>• Linkage – locating and securing services and resources in the community needed by the client. Examples of linkage could include assisting Clients to obtain funding such as Social Security Income, Medi-Cal, etc., assistance with medical/dental care, education, vocational training, parenting classes, etc.</li> <li>• Access – assisting a Client to access mental health services through activities such as telephoning Dial-A-Ride on behalf of a Client unable to arrange transportation on their own due to mental illness and impairment in functioning, or providing interpretation and identification of cultural factors on behalf of Client during medication evaluation appointment. (Note: Interpretation services alone are not a billable service.)</li> </ul>

	<ul style="list-style-type: none"> <li>Placement – Locating and securing appropriate living environment for the Client (can include pre-placement visits, placement, and placement follow-up). Case management placement can also be billed while a Client is in an acute psychiatric hospital, when the Client is within thirty (30) days of discharge, but only if the living environment at discharge from hospital is in question or has yet to be determined.</li> </ul>
Collateral	A service activity involving a significant support person in a Client’s life with the intent of improving or maintaining the mental health status of the Client. The Client may or may not be present for this activity. A “support person” is someone in a non-professional relationship with the Client.
Crisis Intervention	An emergency response service enabling the Client to cope with a crisis, while maintaining his/her status as a functioning member of the community to the greatest possible extent. A crisis is an unplanned event that results in the Client’s need for immediate service intervention in order to avoid the need for a higher level of care. Crisis Intervention services are limited to stabilization of the presenting emergency. The emergency may or may not conclude with acute hospitalization.
DHCS	California Department of Health Care Services
DMH	California Department of Mental Health (transitioned to DHCS in 2012)
EPSDT	Early and Periodic Screening, Diagnosis and Treatment of eligible Medi-Cal beneficiaries as funded, administered, and regulated by the Federal and State governments, with specific reference to Short-Doyle Medi-Cal services provided to any beneficiary under the age of twenty-one (21) with non-restricted Medi-Cal eligibility.
Family Therapy or Rehabilitation	A therapeutic or rehabilitative activity with a Client and their family. “Family” is defined by the Client, and may include biological, adopted, foster, and extended family members. “Family” may be understood in a non-traditional manner (e.g., residents in a Board and Care facility). See "Rehabilitation" below.
Group Therapy or Rehabilitation	<p>Therapy - A therapeutic intervention delivered to a group of Clients that focuses primarily on symptom reduction as a means to decrease functional impairments. Therapy can only be delivered and billed for by a clinician for whom therapy is within their scope of practice.</p> <p>Rehabilitation – A service delivered to a group of Clients, which may include assistance in improving, maintaining, or restoring functional skills. These include, but are not limited to, daily living skills, social and leisure skills, grooming and</p>

	personal hygiene skills, meal preparation skills, and/or building a support system. See "Rehabilitation" below.
Individual Therapy or Rehabilitation	<p>Therapy – A therapeutic intervention that focuses primarily on symptom reduction as a means to decrease functional impairments. Therapy can only be delivered and billed for by a clinician for whom therapy is within their scope of practice.</p> <p>Rehabilitation – A service that may include assistance in improving, maintaining, or restoring a Client’s functional skills. These include, but are not limited to, daily living skills, social and leisure skills, grooming and personal hygiene skills, meal preparation skills, and/or building a support system. See "Rehabilitation" below.</p>
Medical Necessity	The principal criteria by which the Mental Health Plan decides authorization and/or reauthorization for covered services. Medical Necessity must exist in order to determine when mental health treatment is eligible for reimbursement under Plan benefits as defined by the State Department of Mental Health or State Department of Health Care Services.
Medication Support Services	Service activities that include prescribing, administering, dispensing, and monitoring of psychiatric medications or biologicals (medical preparations made from living organisms such as serum, vaccine, antitoxin, etc.), which are necessary to alleviate the symptoms of mental illness. Activities may also include assessment/evaluation, medication injections, collateral, and case management as these activities relate to Medication Support Services. These services can only be provided and billed for by medical doctors, family nurse practitioners, physician assistants, nurses, and psychiatric technicians, as allowed within the scope of practice for each licensed position.
MHP	Mental Health Plan
Outpatient Services	<p>Defined by the state of California Health and Human Services Agency Mental Health Billing Manual under Mode of Service 15 or “MS 15.” Outpatient services include:</p> <ul style="list-style-type: none"> <li>• Assessment</li> <li>• Case management</li> <li>• Collateral</li> <li>• Crisis Intervention</li> <li>• Group Therapy</li> <li>• Individual Therapy, and</li> <li>• Medication Support Services</li> </ul>
Plan Development	A service activity that consists of working with the Client and others in their support system to develop the Client Plan. May also include the process of getting the Client Plan approved and services authorized, e.g., presenting a case to the authority in charge of authorizing services. Attendance at Individualized

	Education Program (IEP) may be billed to Plan Development if the progress note documents the staff person's participation in the IEP regarding planning mental health services that will better allow the student to achieve academically.
QIU	The County Quality Improvement Unit
Rehabilitation	A service that may include assistance in improving, maintaining, or restoring a Client's functional skills. These include daily living skills, social and leisure skills, grooming and personal hygiene skills, meal preparation skills, and/or building a support system.
SMHS	Specialty Mental Health Services
Therapeutic Behavioral Services (TBS)	Short-term one-to-one assistance to children or youth under the age of twenty-one (21) who have behaviors that put them at risk of losing their placement, and/or if it has been determined that it is highly likely that without TBS the minor may need a higher level of care. TBS can be provided in a variety of settings including at home, in a group home, in the community, and during evening and weekend hours as needed. The minor must have a current Client Plan and be receiving other SMHS concurrent with TBS. TBS services require a separate authorization from the authorization of other SMHS.

**B. CONTRACTOR RESPONSIBILITIES:**

1. Contractor shall comply with all State and County requirements and timeframes for successful transition to a Short-Term Residential Therapeutic Programs (STRTP), including obtaining mental health program approval.
2. Contractor agrees to furnish the personnel and equipment necessary to provide therapeutic treatment for clients on an "as requested" basis for the HHSA. All services provided by Contractor shall have prior written authorization by the HHSA Director or Director's designee. The authorization shall become a part of the Client's clinical record.
3. Contractor shall provide specialty mental health services to clients as defined in Title 9, CCR, Rehabilitative and Developmental Services, Section 1810.247 as currently interpreted or as amended during the term of this Agreement.
4. Contractor shall provide quality care in a manner consistent with efficient, cost effective delivery of covered services.
5. Contractor shall provide covered services to Clients in the same manner in which it provides said services to all other individuals receiving services from Contractor subject to any limitations contained in Clients' treatment plans.
6. While County Clients may be placed by the County in Contractor's facility, Contractor recognizes that County is under no obligation to place any Client in Contractor's facility and/or to authorize mental health services.
7. Contractor agrees to provide documentation or reports to County when requested, to assure Contractor's compliance with the terms of this Agreement.
8. Meetings - Contractor will participate in periodic meetings with Behavioral Health Division (BHD) at the request of either party for the purpose of reviewing the

implementation of the program under this Agreement and at all times will cooperate in making data and information on the implementation of this Agreement available to BHD.

9. Interpretation Services - To the extent that it may be needed, free language interpretation services will be made available for Clients. It is expected that Contractor shall at all times have the internal capacity to provide the services called for in this Agreement with personnel that have the requisite cultural/linguistic competence required to achieve the purposes of this Agreement.
10. Reports and Data - Contractor shall collect and provide program implementation, financial, and related data and information on the activities conducted hereunder as may be requested by County. It is understood and agreed that Contractor's timely submission of program implementation, financial, and related data, and County's access to said data is an essential element of this Agreement.

### **C. SERVICE REQUIREMENTS:**

1. Outpatient Services: Contractor shall provide a full range of quality mental health outpatient services, as described in herein, to the child/youth and families/care providers individually, and in various combinations, as indicated by clinical need and reflected in the Treatment Plan.
  - a. Services shall be provided in accordance with the County Mental Health Plan.
    - i. Mental health services shall be provided to the individual child or youth, and may include family or significant support persons.
    - ii. Services shall be provided anywhere in the community including home, school, office, or other sites. Place of service shall enhance delivery and access to service. Contractor hours shall be flexible to include weekends and evenings to accommodate the family/care provider.
    - iii. The length, type, and duration of mental health services shall be defined in the Treatment Plan. Length of service will be based on clinical need as determined by the case-assigned Clinician/Therapist/Service Coordinator in collaboration with the child/youth/family, but will not exceed the time authorized by BHD on the Treatment Plan.
    - iv. The Client shall be defined as the child/youth that is authorized to receive mental health services from the Contractor. In cases where there is more than one (1) child/youth in the same family receiving mental health services, each child/youth is to be considered a separate Client.
    - v. Contractor shall provide referrals and/or facilitate linkage to community social services for needs such as housing, food, clothing, and transportation.
2. Therapeutic Behavioral Services (TBS):
  - a. Contractor shall provide TBS in accordance with the DMH/DHCS guidelines, and as outlined in the Mental Health Plan<sup>1</sup>
  - b. Contractor shall develop the TBS Client plan in order to provide an array of individualized, one-to-one services that target behaviors or symptoms that jeopardize existing placements, or are barriers to transitioning to a lower level of residential placement.

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<sup>1</sup> <http://www.edcgov.us/HHSForContractors/>

- c. Contractor shall ensure that services are available at times and locations that are convenient for parents/care providers and acceptable to the child/youth. Contractor shall provide services at any community location not otherwise prohibited by regulations. These may include homes, foster homes, group homes, after school programs, and other community settings.
  - d. Contractor shall develop a Transition Plan at the inception of TBS.
    - i. The Transition Plan shall outline the decrease and/or discontinuance of TBS when they are no longer needed, or appear to have reached a plateau in effectiveness.
    - ii. When applicable, Contractor shall include a plan for transition to adult services when the child/youth turns twenty-one (21) years old, and is no longer eligible for TBS.
  - e. Contractor shall incorporate all goals and objectives on the IEP related to the child/youth's mental health needs into the child/youth's TBS Client plan when appropriate.
  - f. Contractor shall provide the number of service hours to the child/youth as indicated on the TBS Client plan. Billable service hours shall not exceed twenty- four (24) hours on any given day and the number of service hours authorized by the BHD.
  - g. Contractor shall comply with all TBS policies and procedures developed by BHD incorporated by reference as if fully set forth herein.
  - h. Contractor shall comply with all letters related to TBS readily available on the DHCS website, incorporated by reference as if fully set forth herein.
3. Intake – Eligibility Determination:
- a. Each beneficiary receiving services shall meet the criteria for EPSDT SMHS continuously for the duration of provision of services. Eligibility for EPSDT SMHS is established by completion of an assessment with the beneficiary and their family. The assessment must establish Medical Necessity as previously defined.
  - b. Eligibility for Mental Health Treatment requires at least one item be present from each of “Diagnostic Criteria,” “Impairment Criteria,” and “Intervention Related Criteria” as defined below.
    - i. Diagnostic Criteria: Eligibility requires at least one (1) of the following Diagnostic and Statistical Manual of Mental Disorders (DSM-IV) “Included Diagnoses,” which will be the focus of the intervention being provided.

<b>Included Diagnoses:</b>	
Adjustment Disorders	Medication-Induced Movement Disorders
Attention Deficit and Disruptive Behavior Disorders	Mood Disorders
Dissociative Disorders	Other Disorders of Infancy, Childhood, or Adolescence
Eating Disorders	Paraphilia
Elimination Disorders	Personality Disorders, excluding Antisocial Personality Disorder
Factitious Disorders	Pervasive Developmental Disorder, except Autistic Disorder, which is “Excluded.”
Feeding and Eating Disorders of	Schizophrenia and Other Psychotic

<b>Included Diagnoses:</b>	
Infancy or Early Childhood	Disorders
General Identity Disorders	Impulse-Control Disorders Not Otherwise Specified

<b>Excluded Diagnoses:</b>	
Antisocial Personality Disorder	Mental Retardation
Autistic Disorders (Other Pervasive Developmental Disorders are “Included”)	Motor Skills Disorder
Mental Disorders due to a General Medical Condition	Other conditions that may be a focus of clinical attention, except “Medication Induced Movement Disorders” which are “Included”
Delirium, Dementia, and Amnesic and Other Cognitive Disorders	Sexual Dysfunctions
Learning Disorders	Sleep Disorders
Communication Disorders	Substance-Related Disorders
Tic Disorders	

Presence of an “Excluded Diagnosis” does not preclude eligibility for service for an “Included Diagnosis.”

- ii. Impairment Criteria: Must have at least one of the following three (3) items as a result of the mental disorder(s) identified in the section titled, “Diagnostic Criteria:”
  - a) A significant impairment in an important area of life functioning, or
  - b) A probability of significant deterioration in an important area of life functioning, or
  - c) Children also qualify if there is a probability the child will not progress developmentally as individually appropriate. (Children covered under EPSDT qualify if they have a mental disorder that can be corrected or ameliorated, current State Department of Health Care Services EPSDT regulations also apply.)
- iii. Intervention Related Criteria: Must have all three items shown below:
  - a) The focus of proposed interventions is to address the condition, identified in the section titled, “Impairment Criteria” above; and
  - b) It is expected the beneficiary will benefit from the proposed intervention by significantly diminishing the impairment, or preventing significant deterioration in an important area of life functioning, and/or for children, it is probably the child will progress developmentally as individually appropriate (or if covered by EPSDT can be corrected or ameliorated); and
  - c) The condition would not be responsive to physical healthcare based on treatment.
- iv. EPSDT beneficiaries with an included diagnosis and a substance related disorder may receive SMHS directed at the substance use component. The intervention must be consistent with, and necessary to the attainment of, the specialty mental health treatment goals.



- c. Contractor shall not accept a referral for a child/youth if s/he cannot be offered an appointment to be seen within ten (10) business days.
  - d. Contractor shall screen one hundred percent (100%) of referred children/youth for Medi-Cal eligibility upon initial assessment and monthly for all children/youth receiving services in the case of group homes, and with each additional service in the case of outpatient services. The eligibility screening shall include verifying the County of El Dorado as the responsible County, and confirming for valid full scope aid codes.
  - e. If the child/youth becomes ineligible for Medi-Cal, Contractor shall take the necessary steps to ensure the timely re-instatement of Medi-Cal eligibility.
  - f. If services defined in California Government Code, Title I, Division 7, Chapter 26.5 are authorized by County, Contractor shall provide such services in accordance with Code Sections 7572.5, 7576, 7582, and 7586, as currently interpreted or as amended during the term of this Agreement.
  - g. Contractor shall attend IEP Team Meetings if requested by County.
4. Miscellaneous Requirements:
- a. Contractor shall provide comprehensive SMHS, as defined in Title 9, CCR, Division 1, Chapter 11, as currently interpreted or as amended during the term of this Agreement, to children and youth who are referred by County and who meet the criteria established in, and in accordance with, the MHP.
  - b. Contractor shall obtain written pre-authorization for all mental health services from the BHD. Services rendered by Contractor without pre-authorization shall not be reimbursed.
  - c. Contractor shall adhere to guidelines in accordance with Policy and Procedures issued by the BHD QIU.
  - d. Contractor shall collaborate with all parties involved with the child and family including but not limited to parents, schools, doctors, social services, Alta Regional, alcohol and drug service providers, and Probation. Contractor shall provide referral and linkages as appropriate.
  - e. Contractor shall involve child/parents/caregivers/guardians in all treatment planning and decision-making regarding the child's services as documented in the child/youth's Treatment Plan.
  - f. Contractor shall provide clinical supervision to all treatment staff in accordance with the State Board of Behavioral Sciences and State Board of Psychology.
  - g. Contractor shall attend County-sponsored provider meetings and other work groups as requested.
  - h. Contractor shall provide Clients with a copy of the El Dorado County Mental Health Plan Grievance and Appeal brochures and "Guide to Medi-Cal Mental Health Services." If requested, Contractor shall assist Clients/families in the Grievance or Appeal process outlined in the above referenced documents. All Grievances and Appeals shall be forwarded via facsimile to the Contract Administrator within one (1) business day of receipt.
  - i. Contractor shall complete all performance outcomes requirements in accordance with the DMH/DHCS and the BHD.
  - j. Contractor shall adhere to the guidelines in accordance with policies and procedures issued by BHD QIU including but not limited to:

- i. Contractor shall complete all chart documentation as defined by County, State and federal requirements.
- ii. Contractor shall participate in all County required Utilization Reviews.
- iii. Contractor shall conduct his or her own internal Utilization Review.
- iv. Contractor shall comply with audit requests by the County.
- k. Contractor is prohibited from using any unconventional mental health treatments on children. Such unconventional treatments include, but are not limited to, any treatments that violate the children’s personal rights as provided in Title 22, CCR, Division 6, Chapter 1, Section 80072(3). Use of any such treatments by Contractor or any therapist providing services for Contractor shall constitute a material breach of this Agreement and may be cause for termination of this Agreement.

**D. MEDICATION SUPPORT SERVICES:** Services shall include prescribing, administering, dispensing, and monitoring of psychiatric medications or biologicals that are necessary to alleviate the symptoms of mental illness. These services can only be provided, and billed for, by medical doctors, family nurse practitioners, physician assistants, nurses, and psychiatric technicians, as allowed within the scope of practice for each licensed position. Sessions/activities as noted below are inclusive of time required for documentation:

<b>Activities:</b>	<b>Session shall be less than or equal to:</b>
Assessment / Evaluation - Initial	90 minutes
Assessment / Evaluation – Follow Up	45 minutes
Case Management	15 minutes
Medication Refill	10 minutes

**E. EVALUATION OF CONTRACTOR’S PERFORMANCE:** The County may, at its discretion, at any time, evaluate the Contractor’s performance under this Agreement. County shall maintain a copy of any written evaluation in the County contract file. The County’s determination as to satisfactory work shall be final, absent fraud or mistake.

**ARTICLE II**

**Term:** This Agreement shall become effective when fully executed by all parties hereto and shall cover the period of September 1, 2017 through August 31, 2020, unless terminated earlier pursuant to the provisions contained herein this Agreement under the Article(s) titled “Default, Termination, and Cancellation” or “Fiscal Considerations.”

**ARTICLE III**

**Compensation for Services:**

A. Rates: Rates for the services shall be as set forth below. Any change to the rates shall be modified by mutual consent and accepted by HHSA in writing, in accordance with the Article titled, “Changes to Agreement” herein. In no event shall rates exceed actual cost of services provided. The billing rates shall be effective upon execution of this Agreement.

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Service	Rate
Case Management	\$2.02 per minute
Mental Health Services, includes services listed in Title 9, Section 1810.227 and may include but are not limited to assessment, plan development, therapy (group, family, individual), rehabilitation, and collateral	\$2.61 per minute
Intensive Home-based Services	\$2.61 per minute
Intensive Care Coordination	\$2.02 per minute
Medication Support Services	\$4.82 per minute
Crisis Intervention Services	\$3.88 per minute

B. Invoices: It is a requirement of this Agreement that Contractor shall submit an original invoice, which shall act as a declaration that its contents have been reviewed and approved by Contractor. Photocopied or faxed invoices are not acceptable. Invoices with “white-out” types of corrections will not be accepted. Contractor shall ensure that only billing information is included on the invoice. Information related to Client(s) diagnosis, prognosis or treatment is not permitted on the invoice.

Each invoice shall contain all of the following data:

1. Contractor name, address, and phone number.
2. Service date(s).
3. Client name(s).
4. Type of service(s) provided.
5. Agreement rate for each service provided.
  - a) All fee(s) charged to County shall be in accordance with the rates as set forth in this Agreement.
6. Total amount billed to the County of El Dorado under the subject invoice.

Contractor is required to submit monthly invoices with a copy of the Authorization, no later than fifteen (15) days following the end of a “service month,” except in those instances where Contractor obtains written approval from County Health and Human Services Agency Director or Director’s designee granting an extension of the time to complete billing for services or expenses. For billing purposes, a “service month” shall be defined as a calendar month during which Contractor provides Client services in accordance with “Scope of Services.” Failure to submit invoices and Authorizations by the 15<sup>th</sup> of the month following the end of a service month shall result in payment(s) being withheld until the appropriate documents are received by staff. Receipt by HHS of invoices and associated paperwork submitted by Contractor for payment shall not be deemed evidence of allowable costs under this Agreement. Upon request by County, Contractor may be required to submit additional or new information, which may delay reimbursement.

Invoices shall be sent as follows, or as otherwise directed in writing by County:

<b>Mail invoices to:</b>	<b>Mail remittance to:</b>
County of El Dorado/HHSA ATTN: Health Services Finance Unit 3057 Briw Road, Suite B Placerville, CA 95667	Victor Treatment Center, Inc. ATTN: Accounts Receivable 1360 E. Lassen Avenue Chico, CA 95973

or to such other location as County directs.

In the event that Contractor fails to deliver the documents pursuant to this Agreement, County at its sole option may delay the monthly payment for the period of time of the delay, cease all payments until such time as the deliverables are received, or proceed as set forth herein below in the Article titled, "Default, Termination, and Cancellation".

For all satisfactory services provided herein, County agrees to pay Contractor monthly in arrears and within forty-five (45) days following County's receipt and approval of all valid invoice(s) identifying services rendered.

#### **ARTICLE IV**

**Maximum Obligation:** The maximum contractual obligation under this Agreement shall not exceed \$150,000.00 for all of the stated services during the term of the Agreement.

#### **ARTICLE V**

##### **Cost Report:**

- A. The Cost Report shall be the final financial record of services rendered under this Agreement, for subsequent audits, if any. Such reported costs and allocations shall be supported by source documentation maintained by Contractor and available at any time to Contract Administrator upon reasonable notice. The Cost Settlement terms and other related clauses of this Agreement shall survive the term of the Agreement. If Cost Reporting, Cost Settlement and Audits are performed after the termination date of the Agreement. Contractor shall reimburse County for the portion of the funding in this Agreement that is not reimbursed by state and/or federal governments.
- B. Contractor shall prepare the Cost Report in accordance with the State Department of Health Care Services Cost and Financial Reporting System Local Program Financial Support Instruction Manual, incorporated by reference as if fully set forth herein. Contractor shall return the completed Cost Report to County within thirty (30) days from issuance of Cost Report materials including but not limited to instructions, templates and units of service reports by County, unless a written request for an extension is approved by the Behavioral Health Division Deputy Director or designee. County shall review Contractor's Cost Report and communicate with Contractor in order to verify units from the provided Avatar report and confirm that the various updates are included in the Cost Report. Contractor shall work with County responsively and cooperatively to finalize the Cost Report.
- C. It is agreed between County and Contractor that the provisional rates stated in this Agreement are intended to approximate the Contractor's actual costs. Should the actual rate

as determined in the Cost Report for the Fiscal Period be less than the provisional rate, Contractor agrees to reimburse County for all amounts paid in excess of the actual rate. Reimbursement shall be remitted to County no later than December 31 following the Fiscal Period. Based upon written approval by the HHSA Director, this reimbursement may be made via monthly installment payments for up to six (6) months. Costs will be settled to the lesser of actual and allowable costs, published charges and contracted rates and not exceeding the maximum amount of this Agreement.

D. If Contractor fails to submit an accurate and complete Cost Report by such due date, County shall not make any further payments to Contractor under subsequent Agreement, or at the County's option, other current or subsequent Agreements with County, until Contractor submits an accurate and complete Cost Report.

E. Cost Settlement:

1. Contractor will reimburse County, as indicated in the County/State Final Cost Settlement. Reimbursement shall be processed thirty (30) days after the State issues its report, or accomplished by a credit on funds due to Contractor on a subsequent agreement. County shall notify Contractor of the issuance of State's report. The County may also apply this cost recovery mechanism in order to be reimbursed for funds owed to the County from prior expired contracts between the parties.
2. In the Final Cost Settlement process the unit rate established in the preliminary cost settlement shall be the basis for reimbursement to County, unless the State authorizes a change to the total units.

## **ARTICLE VI**

**Taxes:** Contractor certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Contractor to County. Contractor agrees that it shall not default on any obligations to County during the term of this Agreement.

## **ARTICLE VII**

**Changes to Agreement:** This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

## **ARTICLE VIII**

**Contractor to County:** It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

## **ARTICLE IX**

**Assignment and Delegation:** Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

## **ARTICLE X**

**Independent Contractor/Liability:** Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subContractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful, and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

## **ARTICLE XI**

**Fiscal Considerations:** The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products, or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

## **ARTICLE XII**

**Audit by California State Auditor:** Contractor acknowledges that if total compensation under this agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code Section 8546.7. In order to facilitate these potential examinations and audits, Contractor shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the contract, all books, records and documentation necessary to demonstrate performance under the Agreement.

## **ARTICLE XIII**

### **Default, Termination, and Cancellation:**

A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice, and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

- B. **Bankruptcy:** This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. **Ceasing Performance:** County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. **Termination or Cancellation without Cause:** County may terminate this Agreement in whole or in part upon seven (7) calendar days written notice by County without cause. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise.

**ARTICLE XIV**

**Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

COUNTY OF EL DORADO  
Health and Human Services Agency  
3057 Briw Road  
Placerville, CA 95667  
ATTN: Contracts Unit

or to such other location as the County directs.

with a carbon copy to

COUNTY OF EL DORADO  
Chief Administrative Office  
Procurement and Contracts Division  
330 Fair Lane  
Placerville, CA 95667  
ATTN: Purchasing Agent

Notices to Contractor shall be addressed as follows:

VICTOR TREATMENT CENTERS, INC.  
1360 East Lassen Avenue  
Chico, CA 95973  
ATTN: Executive Director, or successor

or to such other location as the Contractor directs.

**ARTICLE XV**

**Change of Address:** In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing pursuant to the provisions contained in this Agreement under the Article titled "Notice to Parties". Said notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

**ARTICLE XVI**

**Indemnity:** The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorney's fees and costs incurred, brought for, or on account of, injuries to or



death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subContractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

## **ARTICLE XVII**

**Insurance:** Contractor shall provide proof of a policy of insurance satisfactory to the County of El Dorado Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000.00 aggregate limit.
- C. Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional or professional consultant, and is performing professional services under this Agreement, professional liability is required with a limit of liability of not less than \$1,000,000.00 per occurrence.
- E. Contractor shall furnish a certificate of insurance satisfactory to the County of El Dorado Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. Contractor shall give County at least 30 days notice before the insurance is set to expire or before contractor cancels or replaces and/or amends Contractor's coverage. In the event that Contractor's insurance is proposed to be cancelled by the insurer, Contractor agrees to notify County with in five (5) working days of receiving notice or proposed cancellation. Failure to maintain insurance as identified above shall be considered a material breach, and County may, in addition to any other remedies it may have, terminate this Agreement upon occurrence of such event. New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- H. The certificate of insurance must include the following provisions stating that the County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be in excess of the

Contractor's insurance and shall not contribute with it.

- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees, or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with Risk Management, as essential for protection of the County.

#### **ARTICLE XVIII**

**Interest of Public Official:** No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

#### **ARTICLE XIX**

**Interest of Contractor:** Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

#### **ARTICLE XX**

**Conflict of Interest:** The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees. Contractor attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this contract and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents

that it is unaware of any financial or economic interest of any public officer or employee of Contractor relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this Agreement by giving written notice as detailed in the Article in the Agreement titled, "Default, Termination and Cancellation".

#### **ARTICLE XXI**

**California Residency (Form 590):** If Contractor is a California resident, Contractors must file a State of California Form 590, certifying its California residency or, in the case of a corporation, certifying that it has a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

#### **ARTICLE XXII**

**Nonresident Withholding:** If Contractor is not a California resident, Contractor shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding \$1,500.00. Contractor shall indemnify and hold the County harmless for any action taken by the California Franchise Tax Board.

#### **ARTICLE XXIII**

**Taxpayer Identification Number (Form W-9):** All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

#### **ARTICLE XXIV**

**County Business License:** It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070.

#### **ARTICLE XXV**

**Licenses:** Contractor hereby represents and warrants that Contractor and any of its subcontractors employed under this Agreement has all the applicable licenses, permits, and certifications that are legally required for Contractor and its subcontractors to practice its profession or provide the services or work contemplated under this Agreement in the State of California. Contractor and its subcontractors shall obtain or maintain said applicable licenses, permits, or certificates in good standing throughout the term of this Agreement.

**ARTICLE XXVI**

**Administrator:** The County Officer or employee with responsibility for administering this Agreement is Jamie Samboceti, Deputy Director, or successor.

**ARTICLE XXVII**

**Authorized Signatures:** The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

**ARTICLE XXVIII**

**Partial Invalidity:** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

**ARTICLE XXIX**

**Venue:** Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

**ARTICLE XXX**

**No Third Party Beneficiaries:** Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this agreement.

**ARTICLE XXXI**

**Additional Terms and Conditions – Specialty Mental Health Services for Children/Youth:**

**A. Mental Health Plan and Performance Agreement Special Terms and Conditions:**

All services provided pursuant to this Agreement 012-S1811, shall be in accordance with the terms and conditions of Agreements between the County of El Dorado and the California Department of Health Care Services, currently 456-F1311 (hereinafter referred to as the MHP Agreement) and 024-M1610 (hereinafter referred to as the Performance Agreement), or as may be replaced or amended hereinafter. The MHP Agreement and Performance Agreement are incorporated by reference herein. Contractor agrees to be responsible to ensure all services are consistent and in accordance with said Agreement(s) in effect at the time services are provided, available at <http://www.edcgov.us/HHSAForContractors/>.

County of El Dorado Agreement 456-F1311 (Department of Health Care Services 12-89361), May 1, 2013 – June 30, 2018

County of El Dorado Agreement 094-M1710 (Department of Health Care Services 16-93310) July 1, 2016 – June 30, 2017

Contractor certifies that the terms and conditions of the MHP Agreement and Performance Agreement have been reviewed and services provided by Contractor shall be consistent and in accordance with said Agreements in effect, or as may be amended or replaced, at the time services are provided.

- B. Admission Policies:** Contractor's admission policies (if applicable) shall be in writing and available to the public and shall include a provision that patients are accepted for care without discrimination as described in this Agreement.
- C. Audits:** From time to time, the County or state may inspect the facilities, systems, books, and records of the Contractor to monitor compliance with this Agreement. The Contractor shall promptly remedy any violation of any provision of this Agreement and shall certify the same to the County or state in writing. The fact that the County or state inspects, or fails to inspect, or has the right to inspect, the Contractor's facilities, systems and procedures does not relieve the Contractor of its responsibilities to comply with this Agreement. The County or state's failure to detect or detection, but failure to notify the Contractor or require the Contractor's remediation of any unsatisfactory practice, does not constitute acceptance of such practices or a waiver of the state's enforcement rights under this Agreement.

The Contractor shall maintain and make available to auditors, at all levels, accounting and program records including supporting source documentation and cooperate with all auditors. County or State staff shall be permitted to work side-by-side with Contractor's staff to the extent and under the conditions as directed by the County Contract Administrator. In this connection, County or State staff shall be given access to all data, working papers, etc., which Contractor seeks to utilize. Further, the Contractor shall allow the County, DHCS, the Comptroller General of the United States, or other State or Federal agencies, or their duly authorized representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this contract, and to inspect, evaluate, and audit any and all books, records, and facilities maintained by the Contractor and subcontractors, pertaining to such services at any time during normal business hours. Books and records include, but are not limited to, all physical records originated or prepared pursuant to the performance under this Agreement including working papers, reports, financial records and books of account, beneficiary records, prescription files, subcontracts, and any other documentation pertaining to covered services and other related services for beneficiaries. Upon request, at any time during the period of this contract, the Contractor shall furnish any such record, or copy thereof, to County or State. Authorized agencies shall maintain the confidentiality of such books and records in accordance with applicable laws and regulations.

The Contractor, auditors performing monitoring, or audits of the Contractor or its subcontracting service providers shall immediately report to the County or state any incidents of fraud, abuse or other criminal activity in relation to this Agreement, federal, state, and County laws, rules, regulations, and ordinances.

**D. Certifications / Assurances:**

1. In the event any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have full force and effect and shall not be affected hereby.

2. Contractor acknowledges that this Agreement meets the requirements for the distribution of Mental Health Act Services funding in a Performance Contract as required in Chapter 2 of the Welfare & Institutions Code beginning with Section 5650 and agrees to comply with the provisions in Section 5650 through 5667.

**E. Compliance with All Federal, State and Local Laws and Regulations:** Contractor shall comply with all federal, state and local laws including, but not limited to, the Americans with Disabilities Act (ADA) of 1990 (42USC12101 et. seq.) and California Government Code Sections 11135-11139.5, and all regulations, requirements, and directives pertinent to its operations. Contractor shall abide by manuals, directives and other guidance issued by the State of California. All appropriate manuals and updates shall be available for review or reference by Contractor from County's Health and Human Services Agency.

Contractor shall further comply with all applicable laws relating to wages and hours of employment and occupational safety and to fire, safety, and health and sanitation regulations. Such laws shall include, but not be limited to, the Copeland "Anti-Kickback" Act, the Davis-Bacon Act, the Contract Work Hours and Safety Standards Act, the Clean Air Act and amendments, the Clean Water Act and amendments, and the Federal Water Pollution Control Act.

Contractor further warrants that it has all necessary licenses, permits, notices, approvals, certificates, waivers and exemptions necessary for the provision of services hereunder and required by the laws and regulations of the United States, the State of California, the County of El Dorado and all other appropriate governmental agencies and shall maintain these throughout the term of the Agreement.

**F. Confidentiality and Information Security Provisions:** Contractor shall comply with applicable federal, state, and local laws and regulations, including but not limited to the Code of Federal Regulations Title 45, parts 160-164, regarding the confidentiality and security of Personally Identifiable Information (PII).

Personally Identifiable Information means any information that identifies, relates to, describes, or is capable of being associated with, a particular individual, including but not limited to, his or her name, signature, social security number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, or any other financial information.

1. Permitted Uses and Disclosures of PII by Contractor.

- a. Permitted Uses and Disclosures. Contractor shall develop and maintain an information privacy and security program that includes the implementation of administrative, technical, and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities. The information privacy and security programs must reasonably and appropriately protect the confidentiality, integrity, and availability of the PII that it creates, receives, maintains, or transmits; and prevent the use or disclosure of PII other than as provided for in this Agreement. Except as otherwise provided in this Agreement, Contractor, may use or disclose PII to perform functions, activities or services

- identified in this Agreement provided that such use or disclosure would not violate federal or state laws or regulations.
- b. Specific Uses and Disclosures provisions. Except as otherwise indicated in the Agreement, Contractor shall:
    - i) Use and disclose only PII for the proper management and administration of Contractor or to carry out the legal responsibilities of Contractor, provided that such use and disclosures are permitted by law; and
    - ii) Take all reasonable steps to destroy, or arrange for the destruction of a client's records within its custody or control containing personal information that is no longer to be retained by Contractor by (1) shredding, (2) erasing, or (3) otherwise modifying the personal information in those records to make it unreadable or undecipherable through any means.
2. Responsibilities of Contractor.
- a) Contractor agrees to safeguards:
    - i) To prevent use or disclosure of PII other than as provided for by this Agreement. Contractor shall provide County with information concerning such safeguards as County may reasonably request from time to time; and
    - ii) Employee Training and Discipline: Contractor shall train its employees and use reasonable measures to ensure compliance with the requirements of this Agreement by employees who assist in the performance of functions or activities under this Agreement and use or disclose individually identifiable health information.
    - iii) Contractor shall restrict logical and physical access to confidential, personal (e.g., PII) or sensitive data to authorized users only; and
    - iv) Contractor shall implement a system to identify appropriate authenticated and authorized persons. If passwords are used in user authentication (e.g., username/password combination), Contractor shall implement strong password controls on all compatible computing systems that are consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-86 and SANS Institute Password Protection Policy.
  - b) Contractor shall implement the following security controls on each server, workstation, or portable (e.g. laptop computer) computing device that processes or stores confidential, personal, or sensitive data:
    - i) Network based firewall or personal firewall; and
    - ii) Continuously updated anti-virus software; and
    - iii) Patch-management process including installation of all operating system/software vendor security patches.
  - c) Mitigation of Harmful Effects. Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PII by Contractor or its subcontractors.
  - d) Agents and Subcontractors of Contractor. The same restrictions and conditions that apply through this Agreement to Contractor, shall also apply to Contractor's subcontractors and agents.
  - e) Notification of Electronic Breach or Improper Disclosure. During the term of this Agreement, Contractor shall notify County immediately upon discovery of any breach of PII or data, where the information or data are reasonably believed to have

been acquired by an unauthorized person. Immediate notification shall be made to County Privacy Officer, within two (2) business days of discovery, at (530) 621-5852. Contractor shall take prompt corrective action to cure any deficiencies and any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. Contractor shall investigate such breach and provide a written report of the investigation to County Privacy Officer, postmarked within thirty (30) working days of the discovery of the breach.

**G. Confidentiality Requirements:** Acknowledging the Contractor's continuing obligation to follow existing legal mandates regarding protection and/or release of information maintained by the County, the following Confidentiality Requirements apply:

1. General Requirements: The Contractor shall not disclose data or documents or disseminate the contents of the final or any preliminary report without express permission of the Contract Administrator.

Permission to disclose information or documents on one occasion or at public hearings held by the County or state Departments of Mental Health relating to the same shall not authorize the Contractor to further disclose such information or documents on any other occasions.

The Contractor shall not comment publicly to the press or any other media regarding the data or documents generated, collected, or produced in connection with this Agreement, or the County or state Departments of Mental Health staff, the Contractor's own personnel involved in the performance of this Agreement, at a public hearing, or in response to the questions from a legislative committee.

If requested by the County or state, the Contractor shall require each of its employees or officers who will be involved in the performance of this Agreement to agree to the above terms in a form to be approved by the state and shall supply the state with evidence thereof.

Each subcontract shall contain the foregoing provisions related to the confidentiality of data and nondisclosure of the same.

After any data or documents submitted has become a part of the public records of the County or state, the Contractor may, if it wishes to do so at its own expense and upon approval by the County Contract Administrator, publish or utilize the said data or documents but all such published items shall include the following legend:

*LEGAL NOTICE: This report was prepared as an account of work sponsored by the County of El Dorado and State Department of Health Care Services, but does not necessarily represent the views of the County or Department or any of its employees except to the extent, if any, that it has formally been approved by the Department. For information regarding any such action, communicate directly with the County and State of California at:*



<b>COUNTY</b>	<b>STATE DEPARTMENT OF HEALTH CARE SERVICES</b>
Health and Human Services Agency 3057 Briw Road, Suite A Placerville, CA 95667	P.O. Box 997413 Sacramento, CA 94252-2050

*Neither said County nor State Department of Health Care Services / State of California, nor any officer or employee thereof, or the Contractor or any of its subcontractors makes any warranty, express or implied, or assumes any legal liability whatsoever for the contents of this document, nor does any party represent that use of the data contained herein would not infringe upon privately owned rights without obtaining permission or authorization from any party who has any rights in connection with the data.*

“Data” as used in this Agreement means recorded information, regardless of form or characteristics, of a scientific or technical nature. It may, for example, document research, experimental, developmental or engineering work, or be usable or be used to define a design or process, or support a premise or conclusion asserted in any deliverable document called for by this Agreement. The data may be graphic or pictorial delineations in media, such as drawings or photographs, charts, tables, mathematical modes, collections or extrapolations of data or information, etc. It may be in machine form, as punched cards, magnetic tape, computer printouts, or may be retained in computer memory.

“Proprietary data” is such data as the Contractor has identified in a satisfactory manner as being under Contractor’s control prior to commencement of performance of this Agreement and which has been reasonably demonstrated as being of a proprietary force and effect at the time this Agreement is commenced.

“Generated data” is that data, which a Contractor has collected, collated, recorded, deduced, read out, or postulated for utilization in the performance of this Agreement. Any electronic data processing program, model, or software system developed or substantially modified by the Contractor in the performance of this Agreement at Contractor’s expense, together with complete documentation thereof, shall be treated in the same manner as generated data. “Generated data” shall be the property of the state unless and only to the extent that it is specifically provided otherwise herein.

“Deliverable data” is that data which under terms of this Agreement is required to be delivered to the County or state. Such data shall be the property of the County and state.

The title to the Contractor’s proprietary data shall remain in the Contractor’s possession throughout the term of this Agreement and thereafter. As to generated data which is reserved to the County by express terms of this Agreement and as to any preexisting or proprietary data which has been utilized to support any premise, postulate or conclusion referred to or expressed in any deliverable hereunder, the Contractor shall preserve the same in a form which may be introduced in evidence in a court of competent jurisdiction

at the Contractor's own expense for a period of not less than five (5) years after receipt by the County and state of the final report or termination of this Agreement and any and all amendments hereto, or for three (3) years after the conclusion or resolution of any and all audits or litigation relevant to this Agreement, whichever is later.

Prior to the expiration of such time and before changing the form of or destroying any such data, the Contractor shall notify the County and state of any such contemplated action; and the County or state may within thirty (30) days after said notification determine whether it desires said data to be further preserved and, if the state so elects, the expense of further preserving said data shall be paid for by the state. The Contractor agrees that the County and state shall have unrestricted reasonable access to the same during said three (3) year period and throughout the time during which said data is preserved in accordance with this Agreement, and the Contractor agrees to use best efforts to furnish competent witnesses or to identify such competent witnesses to testify in any court of law regarding said data.

Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and each party shall notify the other of any changes in that designation. As of this date, the County's Information Security/Privacy Officer is as follows:

<b>COUNTY</b> Information Security/Privacy Officer County of El Dorado 330 Fair Lane Placerville, CA 95667
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2. Confidentiality Requirements relating to the Health Insurance Portability and Accountability Act: The Contractor shall comply with applicable laws and regulations, including but not limited to Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code, Section 431.300 et seq. of Title 42, Code of Federal Regulations, and the Health Insurance Portability and Accountability Act (HIPAA), including but not limited to Section 1320 d et seq. of Title 42, United States Code and its implementing regulations (including but not limited to Title 45, CFR, Parts 160, 162 and 164) regarding the confidentiality and security of individually identifiable health information (IIHI).

**H. Debarment and Suspension Certification:** By signing this agreement, the Contractor agrees to comply with applicable federal suspension and debarment regulations and Contractor further certifies to the best of its knowledge and belief that it and its principals or affiliates or any sub-contractor utilized under the agreement:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
2. Have not within a three year period preceding this 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 of destruction of records, making false statements, or receiving stolen property;

3. 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 the above Paragraph B;
4. Have not within a three (3)-year period preceding this Agreement had one or more public transactions (federal, state or local) terminated for cause or default;
5. Shall not knowingly enter in to any lower tier or subrecipient covered transaction with any person(s) who are proposed for debarment under federal regulations or are debarred, suspended, declared ineligible or voluntarily excluded from participation in such transactions, unless authorized by the state; and
6. Shall include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier or subrecipient covered transactions.

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

If the Contractor knowingly violates this certification, in addition to other remedies available to the federal and state Governments, County may immediately terminate this Agreement for cause or default.

- I. Disabled Veteran Business Enterprises (DVBE):** Unless specifically waived by the County, Contractor shall comply with the Disabled Veteran Business Enterprises participation goal in accordance with the provisions of Public Contract Code Section 10115 et seq.
- J. Drug-Free Workplace:** Contractor agrees to maintain a drug-free workplace and remain in compliance with the Federal Drug-Free Workplace Act of 1988 (41 U.S.C. Chapter 10) and the California Drug-Free Workplace Act of 2000 (Government Code Section 8350 et seq.) and any subsequent amendments to either Act thereto. A “drug free workplace” means the site(s) for the performance of work done by Contractor at which Contractor and employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of any controlled substance. A list of controlled substances can be found in Schedules I through V of Section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in Regulation 21 Code of Federal Regulations (CFR) 1308.11 – 1308.15.
- K. Exclusion Databases:** Contractor and all subcontractors are required to verify new and current employees are not listed in the following exclusionary databases:

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Name	Webpage	Frequency of Verification
Office of Inspector General List of Excluded Individuals/Entities (LEIE)	<a href="http://oig.hhs.gov/exclusions/exclusions_list.asp">http://oig.hhs.gov/exclusions/exclusions_list.asp</a>	No less frequently than monthly
DHCS Medi-Cal List of Suspended or Ineligible Providers	<a href="https://files.medi-cal.ca.gov/pubsdoco/SandILanding.asp">https://files.medi-cal.ca.gov/pubsdoco/SandILanding.asp</a>	Regularly
Social Security Administration's Death Master File	<a href="https://www.ssdmf.com/FolderID/1/SessionID/%7B61D077FA-600E-429C-BE93-15EA71630E2E%7D/PageVars/Library/InfoManage/Guide.htm">https://www.ssdmf.com/FolderID/1/SessionID/%7B61D077FA-600E-429C-BE93-15EA71630E2E%7D/PageVars/Library/InfoManage/Guide.htm</a>	Regularly
National Plan and Provider Enumeration System (NPPES)	<a href="https://nppes.cms.hhs.gov/NPPESRegistry/NPIRegistrySearch.do?subAction=reset&amp;searchType=ind">https://nppes.cms.hhs.gov/NPPESRegistry/NPIRegistrySearch.do?subAction=reset&amp;searchType=ind</a>	Regularly
Excluded Parties List System (EPLS)	<a href="https://www.sam.gov/portal/SAM/">https://www.sam.gov/portal/SAM/</a>	No less frequently than monthly

**L. Federal Equal Opportunity Requirements:** Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age, or status as a disabled veteran of the Vietnam era. Such action shall include, but not be limited to the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and career development opportunities and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government Federal Rehabilitation Act of 1972 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance act of 1974 (38 U.S.C. 4212). Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin, physical or mental handicap, disability, age, or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.

Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, physical or mental handicap, disability, age, or status as a disabled veteran of the Vietnam era.

Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Federal Government or State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR Part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.

Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' as supplemented by regulation at 41 CFR Part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1972, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of Contractor's noncompliance with the requirements herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with the procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR Part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

Subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment, must comply with the provisions contained in this Agreement.

**M. Fingerprinting:** If required by state law or County ordinance, pursuant to California Penal Code Section 11105.3(a), "Notwithstanding any other law, a human resource agency or an employer may request from the Department of Justice records of all convictions or any arrest pending adjudication involving the offenses specified in subdivision (1) of Section 15660 of the Welfare and Institutions Code of a person who applies for a license, employment, or volunteer position, in which he or she would have supervisory or disciplinary power over a

minor or any person under his or her care.” Therefore, Contractor warrants that its employees, subcontractors, assignees, volunteers and any other persons who, while providing services under this Agreement, have or may have supervisory or disciplinary power over any person or minor under his or her care, have been fingerprinted in order to determine whether they have a criminal history that would compromise the safety of persons or minors with whom they have contact in the course of provision of services under this Agreement. Contractor further warrants that said employees, subcontractors, assignees, volunteers and other persons have been cleared by Contractor to perform the services described in this Agreement. All fingerprinting services shall be at Contractor’s sole expense. More specifically, Contractor agrees that:

1. Each applicant for paid or volunteer employment by Contractor who shall or may have a supervisory or disciplinary power over a minor or any person under his or her care shall be fingerprinted in order to determine whether they have a criminal history, which would compromise the safety of such minor, or person(s) under his or her care. All fingerprinting shall be at Contractor’s sole expense.
  2. The fingerprinting process as set forth above shall be completed and the results of the process shall be obtained before any of the Contractor’s employees, subcontractors, assignees or volunteers are assigned or permitted to work with any minor or person referred to Contractor by County. Alternatively, the Contractor may set a hire date prior to obtaining fingerprinting results contingent on the applicant certifying that: (1) his or her employment application truthfully and completely discloses whether he or she has ever been convicted of a felony or misdemeanor or been on parole or probation and (2) that the applicant understands that a background check shall be conducted and that he or she shall be immediately dismissed from employment if he or she has failed to provide information regarding convictions, has provided incomplete information regarding convictions, has omitted information regarding convictions or if the fingerprinting results reveal any conviction incompatible with employment with Contractor.
  3. Contractor shall maintain, and make immediately available to County upon request, a written fingerprint certification for each employee, volunteer or applicant for paid or volunteer employment for whom fingerprinting is required as detailed above. Such certification shall state that the individual has been fingerprinted, shall provide the date of said fingerprinting, and shall state whether the process has disclosed any criminal history of the individual, which may compromise the safety of minors or other persons with whom that individual has contact. Fingerprint information received from Department of Justice by Contractor shall be retained or disposed of pursuant to current Department of Justice directives.
  4. Background Checks: A background screening of all employees who may access PHI or PI, a background screening of that employee must be conducted. The screening should be commensurate with the risk and magnitude of harm the employee could cause, with more thorough screening being done for those employees who are authorized to bypass significant technical and operational security controls. The Contractor shall retain each employee’s background check documentation for a period of three (3) years.
- N. Health and Safety:** Contractor shall maintain a safe facility. Contractor shall store and dispense medication in compliance with all applicable state, federal, and county laws and regulations.

- O. HIPAA Compliance:** By signing this Agreement, Contractor agrees to comply with the exhibit marked "Business Associate Agreement," attached hereto and incorporated by reference herein.
- P. Litigation:** The County, promptly after receiving notice thereof, shall notify the Contractor in writing of the commencement of any claim, suit, or action against the County or State of California or its officers or employees for which the Contractor must provide indemnification under this Agreement. The failure of the County to give such notice, information, authorization, or assistance shall not relieve the Contractor of its indemnification obligations. The Contractor shall immediately notify the County of any claim or action against it which affects, or may affect, this Agreement, the terms and conditions hereunder, or the County or State of California, and shall take such action with respect to said claim or action which is consistent with the terms of this Agreement and the interest of the County and state.
- Q. Mandated Reporter Requirements:** California law requires that certain persons are mandated to report suspected child abuse, suspected dependent adult abuse, and suspected domestic violence. Contractor acknowledges and agrees to comply with the following state-required mandated reporter regulations as they apply to the services being rendered by Contractor: California Penal Code Sections 11160-11163, which covers suspected domestic violence; California Penal Code, Article 2.5 (commencing with Section 11164) of Chapter 2 of Title I of Part 4, also known as the Child Abuse and Neglect Reporting Act; and Welfare and Institutions Code Section 15630, which covers suspected dependent adult abuse.

Failure to comply with these reporting requirements may lead to a fine of up to \$1,000 and/or up to six months in jail. A person who makes a report in accordance with these mandates shall not incur civil or criminal liability as a result of any report required or authorized by the above regulations.

**R. Miscellaneous Provisions:**

1. **Disclaimer:** The state makes no warranty or representation that compliance by the Contractor with this Agreement, HIPAA or the HIPAA regulations shall be adequate or satisfactory for the Contractor's own purposes or that any information in the Contractor's possession or control, or transmitted or received by the Contractor is, or will be, secure from unauthorized use or disclosure. The Contractor is solely responsible for all decisions made by the Contractor regarding the safeguarding of IIHI.
2. **Assistance in Litigation or Administrative Proceedings:** The Contractor shall make itself, and use its best efforts to make any subcontractors, employees or agents assisting the Contractor in the performance of its obligation under this Agreement, available to the County or state at no cost to the County or state to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the state, its directors, officers or employees for claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy based upon actions or inactions of the Contractor and/or its subcontractor, employee, or agent, except where the Contractor or its subcontractor, employee or agent is named adverse party.
3. **No Third-Party Beneficiaries:** Nothing expressed or implied in the terms and conditions of this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the County or the state, or the Contractor and their respective successors or assignees, any rights remedies, obligations or liabilities whatsoever.
4. **Interpretation:** The terms and conditions in this Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HIPAA regulations and

applicable state or local laws. The parties agree that any ambiguity in the terms and conditions of this Agreement shall be resolved in favor of a meaning that complies and is consistent with applicable laws.

5. **Regulatory References:** A reference in the terms and conditions of this Agreement to a section in the HIPAA regulations means the section as in effect or as amended.
  6. **Survival:** The respective rights and obligations of the Contractor under herein this Agreement shall survive the termination or expiration of this Agreement.
  7. **No covenant, condition, duty, obligation, or undertaking continued or made a part of this Agreement shall be waived except by written agreement of the parties hereto, and forbearance or indulgence in any other form or manner by either party in regard whatsoever will not constitute a waiver of the covenant, condition, duty, obligation, or undertaking to be kept, performed or discharged by the party to which the same may apply. Until performance or satisfaction of all covenants, conditions, duties, obligations, and undertakings is complete, the other party shall have the right to invoke any remedy available under this contract, or under law, notwithstanding such forbearance or indulgence.**
  8. **No Waiver of Obligations:** No change, waiver, or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.
  9. **Signatures:** This Agreement is of no force and effect until signed by both of the parties hereto. The Contractor shall not commence performance prior to the beginning of this Agreement or upon final approval.
- S. Monitoring for Compliance:** County shall monitor the Contractor's operations for compliance with the provisions of this Agreement as well as applicable Federal and State laws and regulations. When monitoring activities identify areas of non-compliance, County shall issue reports to the Contractor detailing findings, recommendations, and corrective action. Failure to comply with required corrective action could lead to civil penalties, as appropriate, pursuant to California Code Regulations., Title 9, Sections 1810.380 and 1810.385.
- T. Non-Discrimination:** Assurance of compliance with the County of El Dorado Health and Human Services Agency non-discrimination in state and federally assisted programs requirements as follows:

Contractor hereby agrees that they shall comply with Title VI and VII of the Civil Rights Act of 1964 as amended; Section 504 of the Rehabilitation Act of 1973 as amended; the Age Discrimination Act of 1975 as amended; the Food Stamp Act of 1977, as amended, and in particular Section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code Sections 11135-11139.5, as amended; California Government Code Section 122900 et seq., and 12940 (c), (h) (1), (i), and (j); California Government Code Section 4450; Title 22, California Code of Regulations Section 98000 – 98413; California Code of Regulations Section 72850.0 et seq., and the applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, Title 24 of the California Code of Regulations, Section 3105A(e); the Dymally-Alatorre Bilingual Services Act (California



Government Code Section 7290-7299.8); Section 1808 of the Removal of Barriers to Interethnic Adoption Act of 1996; and other applicable federal and state laws, as well as their implementing regulations [including 45 Code of Federal Regulations (CFR) Parts 80, 84 and 91, 7 CFR Part 15, and 28 CFR Part 42], by ensuring that employment practices and the administration of public assistance and social services programs are non-discriminatory, to the effect that no person shall, because of ethnic group identification, age, sex, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed, or political belief, be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state financial assistance; and hereby give assurance that it shall immediately take any measures necessary to effectuate this Agreement.

This assurance is binding on Contractor directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

County policy is intended to be consistent with the provisions of all applicable state and federal laws.

- U. Patients Rights/Grievances:** Contractor shall give to all patients written notice of their rights pursuant to and in compliance with California Welfare and Institutions Code Section 5325 et seq.; California Code of Regulations Title 9, Section 860 et seq.; Title XIX of the Social Security Act; and Title 42, Code of Federal Regulations. In addition, in all facilities providing the services described herein, Contractor shall have prominently posted in the predominant language of the community a list of the patient's rights.

As a condition of reimbursement, Contractor shall provide the same level of treatment to beneficiaries served under this Agreement as provided to all other patients served.

Contractor shall not discriminate against any beneficiary of services provided under this Agreement in any manner.

Contractor agrees to provide a system through which recipients of service shall have the opportunity to express and have considered their views, grievances, and complaints regarding the delivery of services, including affording recipients notice of adverse determination and a hearing thereon to the extent required by law.

- V. Release of Information:** Contractor shall ensure that County Health and Human Services Agency is included as a receiving party on all Release of Information forms used in the performance of services under this Agreement.
- W. Review, Inspection and Record Retention:** Contractor and subcontractor(s) agree to make all of its books and records pertaining to the goods and services furnished under the terms of the contract (or subcontract) available for inspection, examination, or copying by authorized County, state or federal agencies, or their duly authorized representatives, at all reasonable times at Contractor's place of business or at such other mutually agreeable location in California, in a form maintained in accordance with the general standards applicable to such book or record keeping. Upon expiration or termination of this Agreement all client records shall be kept for a minimum of seven (7) years from the date of discharge and in the case of minors, for at least one (1) year after the minor client's eighteenth (18<sup>th</sup>) birthday, but in no case less than seven (7) years from the date of discharge. Service and financial records shall

be retained by Contractor, for a term of at least five (5) years from the close of the County's fiscal year in which the contract was in effect, or any longer period as may be required by federal or state law including, but not limited to any record retention laws pertaining to minors, psychiatric health facilities, psychology clinics, psychologists and/or other licensed professionals. If at the end of the applicable retention period, there is litigation or an audit or other investigation involving those books or records, Contractor shall retain the books or records until the resolution of such litigation, audit, or investigation.

The County, DHCS, the Bureau of State Audits, the Auditor General, or designees shall have access to and right to examine, monitor, copy, and audit all records, documents, supporting documentation, conditions, and activities related to the performance under this contract and programs funded by this Agreement. For purposes of this section "access to" means that the Contractor shall at all times maintain a complete set of records and documents related to programs funded by this Agreement and shall make these records available to the state or County, or their respective designee in a central location.

- X. Special Terms and Conditions:** By signing this Agreement, Contractor acknowledges that, as a sub-recipient of federal and state funding, Contractor is obligated to adhere to all terms and conditions in effect at the time services are provided, as defined in the Agreement between County and California Department of Health Care Services.
- Y. Standards of Conduct:** The following standards apply to Contractor and, in the event County agrees in writing to Contractor subcontracting services under this Agreement, pursuant to the Article titled "Assignment and Delegation," Contractor shall ensure the following standards are included in any subcontract hereto:
1. Every reasonable course of action shall be taken to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This Agreement shall be administered in an impartial manner, free from efforts to gain person, financial or political gain.
  2. Any executive or employee of the Contractor shall not solicit or accept money or any other consideration from a third person for the performance of an act reimbursed in whole or part by the County or the state. Supplies, materials, equipment, or services purchased with Agreement funds shall be used solely for purposes allowed under this Agreement. No member of the Contractor's Board will cast a vote on the provision of services by that member (or any organization which that member represents) or vote on any matter which would provide direct financial benefit to that member (or immediate family of the member) or any business or organization which the member directly represents.
  3. The County, by written notice to the Contractor, may terminate the right of the Contractor to proceed under this Agreement if it is found, after notice and hearing by the County or state, that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the County or state with a view toward securing a contract or securing favorable treatment with respect to the awarding, amending, or performing of such Agreement, provided that the existence of the fact upon which the County or state makes such findings that shall be an issue may be reviewed in any competent court.
  4. In the event this Agreement is terminated as provided in the paragraph above, the County or state shall be entitled:

- a. To pursue the same remedies against the Contractor as it could pursue in the event of the breach of the Agreement by the Contractor, and
  - b. As a predetermined amount of liquidated damages in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount which shall be not less than three (3) times the cost incurred by the County or state in providing any such gratuities to any such officer or employee.
5. The rights and remedies of the Contractor provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement. The Contractor warrants by execution of this Agreement that no person or selling agency has been employed or retained to solicit or secure this Agreement upon a contract or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of the Contractor, for the purpose of securing business. For breach or violation of this warranty, the state shall have the right to annul this Agreement without liability, paying only for the values of the work actually returned or, in its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.
  6. Contractor, and any subcontractors and/or consultants retained by the Contractor with funds provided under this Agreement must comply with the provisions of California Government Code Section 19990, et seq.
- Z. Subcontracting:** In addition to the Article titled, "Assignment and Delegation," the Contractor certifies that:
1. Any work or services specified in this Agreement which will be performed by other than the Contractor shall be evidenced by a written Agreement specifying the terms and conditions of such performance.
  2. The Contractor shall maintain and adhere to an appropriate system, consistent with federal, state and local law, for the award and monitoring of contracts that contain acceptable standards for insuring accountability.
  3. The system for awarding contracts will contain safeguards to ensure that the Contractor does not contract with any entity whose officers have been convicted of fraud or misappropriation of funds.
  4. Subcontractors shall comply with the Confidentiality requirements set forth in the Article titled "Confidentiality Requirements" of this Agreement.
- AA. Termination for Cause:** Upon the County or state's knowledge of a material breach of this Agreement by the Contractor, the County or state shall:
1. Provide an opportunity for the Contractor to cure the breach or end the violation and terminate this Agreement if the Contractor does not cure the breach or end the violation within the time specified by the County or state; or
  2. Immediately terminate this Agreement if the Contractor has breached a material term of this Agreement and cure is not possible; or
  3. If neither cure nor termination is feasible, the state Information Security Officer shall report the violation to the Secretary of the U.S. Department of Health and Human Services.
  4. **Judicial or Administrative Proceedings:** The County or state may terminate this Agreement, effective immediately, if (i) the Contractor is found liable in a civil matter or guilty in a criminal matter proceeding for a violation of the HIPAA Privacy or Security Rule or (ii) a finding or stipulation that the Contractor has violated a privacy or security

standard or requirement of HIPAA, or other security or privacy laws is made in an administrative or civil proceeding in which the Contractor is a party.

5. **Effect of Termination:** Upon termination or expiration of this Agreement for any reason, the Contractor shall return or destroy all IIHI received from the state that the Contractor still maintains in any form, and shall retain no copies of such IIHI or, if return or destruction is not feasible, it shall continue to extend the protections of this Agreement to such information, and limit further use of such IIHI to those purposes that make the return or destruction of such IIHI infeasible. This provision shall apply to IIHI that is in the possession of subcontractors or agents of the Contractor.

**BB. Transfer of Records:** In the event that Contractor ceases operation, all physical and electronic files that are subject to audit shall be transferred to County for proper storage of physical records and electronic data. Contractor shall notify County of impending closure as soon as such closure has been determined, and provide County with a complete list of records in its possession pertaining to County Clients and operational costs under this Agreement. County shall promptly advise Contractor which records are to be transferred to the custody of County. Contractor shall properly destroy records not transferred to custody of County, and Contractor shall provide documentation of proper destruction of all such records to County.

**CC. Utilization Review:** Contractor shall establish and maintain systems to review the quality and appropriateness of services in accordance with Federal and State statutes and regulations, and guidelines operative during the term of this Agreement.

## **ARTICLE XXXII**

**Entire Agreement:** This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

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**Requesting Contract Administrator Concurrence:**

By:   
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Jamie Samboceti  
Deputy Director  
Health and Human Services Agency

Dated: 5/24/17

**Requesting Department Head Concurrence:**

By:   
\_\_\_\_\_  
Patricia Charles-Heathers, Ph.D.  
Director  
Health and Human Services Agency

Dated: 5/25/17

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-- COUNTY OF EL DORADO --

Dated: 7-18-17

By:   
Shiva Frentzen, Chair  
Board of Supervisors  
"County"


ATTEST:  
James S. Mitrisin  
Clerk of the Board of Supervisors

By:   
Deputy Clerk


Dated: 7-18-17

-- CONTRACTOR --

VICTOR TREATMENT CENTERS, INC.  
A CALIFORNIA CORPORATION

By:   
Simona Cataldo  
COO  
"Contractor"

Dated: 5/31/17

By:   
Monte Cameron  
CFO  
"Contractor"

Dated: 5/31/17

HL

## **Exhibit A**

### **HIPAA Business Associate Agreement**

This Business Associate Agreement is made part of the base contract (“Underlying Agreement”) to which it is attached, as of the date of commencement of the term of the Underlying Agreement (the “Effective Date”).

#### **RECITALS**

**WHEREAS**, County and Contractor (hereinafter referred to as Business Associate (“BA”) entered into the Underlying Agreement pursuant to which BA provides services to County, and in conjunction with the provision of such services, certain Protected Health Information (“PHI”) and Electronic Protected Health Information (“EPHI”) may be disclosed to BA for the purposes of carrying out its obligations under the Underlying Agreement; and

**WHEREAS**, the County and BA intend to protect the privacy and provide for the security of PHI and EPHI disclosed to BA pursuant to the Agreement in compliance with the Health Insurance Portability and Accountability Act, Pub. L. No. 104-191 of 1996 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (the “HITECH” Act), and regulation promulgated thereunder by the U.S. Department of Health and Human Services (the “HIPAA Regulations”) and other applicable laws as may be amended from time to time; and

**WHEREAS**, County is a Covered Entity, as defined in the Privacy Rule and Security Rule, including but not limited to 45 CFR Section 160.103 ; and

**WHEREAS**, BA, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule, the Security Rule, and the HITECH Act, including but not limited to 42 USC Section 17938 and 45 CFR Section 160.103; and

**WHEREAS**, “Individual” shall have the same meaning as the term “individual” in 45 CFR § 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.202(g);

**WHEREAS**, “Breach” shall have the meaning given to such term under the HITECH Act under 42 USC Section 17921; and

**WHEREAS**, “Unsecured PHI” shall have the meaning to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to 42 USC Section 17932(h).

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Definitions. Unless otherwise provided in this Business Associate Agreement, capitalized terms shall have the same meanings as set forth in the Privacy Rule, as may be amended from time to time.

2. Scope of Use and Disclosure by BA of County Disclosed PHI
- A. BA shall not disclose PHI except for the purposes of performing BA's obligations under the Underlying Agreement. Further, BA shall not use PHI in any manner that would constitute a violation of the minimum necessary policies and procedures of the County, Privacy Rule, Security Rule, or the HITECH Act.
  - B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Business Associate Agreement or required by law, BA may:
    - (1) Use the PHI in its possession for its proper management and administration and to fulfill any legal obligations.
    - (2) disclose the PHI in its possession to a third party for the purpose of BA's proper management and administration or to fulfill any legal responsibilities of BA, or as required by law
    - (3) Disclose PHI as necessary for BA's operations only if:
      - (a) Prior to making a disclosure to a third party, BA will obtain written assurances from such third party including:
        - (i) To hold such PHI in confidence and use or further disclose it only for the purpose of which BA disclosed it to the third party, or as required by law; and,
        - (ii) The third party will immediately notify BA of any breaches of confidentiality of PHI to extent it has obtained knowledge of such breach.
    - (4) Aggregate the PHI and/or aggregate the PHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
    - (5) Not disclose PHI disclosed to BA by County not authorized by the Underlying Agreement or this Business Associate Agreement without patient authorization or de-identification of the PHI as authorized in writing by County.
    - (6) De-identify any and all PHI of County received by BA under this Business Associate Agreement provided that the de-identification conforms to the requirements of the Privacy Rule, 45 CFR and does not preclude timely payment and/or claims processing and receipt.
  - C. BA agrees that it will neither use nor disclose PHI it receives from County, or from another business associate of County, except as permitted or required by this Business Associate Agreement, or as required by law, or as otherwise permitted by law.
3. Obligations of BA. In connection with its use of PHI disclosed by County to BA, BA agrees to:
- A. Implement appropriate administrative, technical, and physical safeguards as are necessary to prevent use or disclosure of PHI other than as permitted by the Agreement that reasonably and appropriately protects the confidentiality, integrity, and availability of the PHI in accordance with 45 CFR 164.308,164.310,164.312, and 164.504(e)(2). BA shall comply with the policies, procedures, and documentation requirements of the HIPAA Security Rule.



- B. Report to County within 24 hours of any suspected or actual breach of security, intrusion, or unauthorized use or disclosure of PHI of which BA becomes aware and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations. BA shall take prompt corrective action to cure any such deficiencies and any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.
  - C. Report to County in writing of any access, use, or disclosure of PHI not permitted by the Underlying Agreement and this Business Associate Agreement, and any Breach of Unsecured PHI of which it becomes aware without unreasonable delay and in no case later than five (5) days. To the extent the Breach is solely a result of BA's failure to implement reasonable and appropriate safeguards as required by law, and not due in whole or part to the acts or omissions of the County, BA may be required to reimburse the County for notifications required under 45 CFR 164.404 and CFR 164.406.
  - D. BA shall not use or disclose PHI for fundraising or marketing purposes. BA shall not disclose PHI to a health plan for payment or health care operations 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. BA shall not directly or indirectly receive remuneration in exchange of PHI, except with the prior written consent of the County and as permitted by the HITECH Act, 42 USC Section 17935(d)(2); however, this prohibition shall not affect payment by County to BA for services provided pursuant to the Agreement.
4. PHI Access, Amendment, and Disclosure Accounting. BA agrees to:
- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County. If BA maintains an Electronic Health Record, BA shall provide such information in electronic format to enable County to fulfill its obligations under the HITECH Act, including, but not limited to, 42 USC Section 17935(e).
  - B. Within ten (10) days of receipt of a request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in BA's possession constitutes a Designated Record Set.
  - C. To assist the County in meeting its disclosure accounting under HIPAA:
    - (1) BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents or subcontractors for at least six (6) years prior to the request. However, accounting of disclosure from 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 and is subject to this requirement. At the minimum, the information collected shall include: (i) the date of disclosure; (ii) the name of the entity or person who received PHI and, if known, the address of the entity or person; (iii) a brief description of PHI 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.

(2) Within in 30 days of notice by the County, BA agrees to provide to County information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.

D. Make available to the County, or to the Secretary of Health and Human Services (the "Secretary"), BA's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining BA's compliance with the Privacy Rule, subject to any applicable legal restrictions. BA shall provide County a copy of any PHI that BA provides to the Secretary concurrently with providing such information to the Secretary.

5. Obligations of County.

A. County agrees that it will promptly notify BA in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect BA's ability to perform its obligations under the Underlying Agreement, or this Business Associate Agreement.

B. County agrees that it will promptly notify BA in writing of any changes in, or revocation of, permission by any Individual to use or disclose PHI, if such changes or revocation may affect BA's ability to perform its obligations under the Underlying Agreement, or this Business Associate Agreement.

C. County agrees that it will promptly notify BA in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect BA's use of disclosure of PHI.

D. County shall not request BA to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County, except as may be expressly permitted by the Privacy Rule.

E. County will obtain any authorizations necessary for the use or disclosure of PHI, so that BA can perform its obligations under this Business Associate Agreement and/or the Underlying Agreement.

6. Term and Termination.

A. Term. This Business Associate Agreement shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, as provided therein when all PHI provided by the County to BA, or created or received by BA on behalf of the County, is destroyed or returned to the County, or, or if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

B. Termination for Cause. Upon the County's knowledge of a material breach by the BA, the County shall either:

(1) Provide an opportunity for the BA to cure the breach or end the violation and terminate this Agreement if the BA does not cure the breach or end the violation within the time specified by the County.

(2) Immediately terminate this Agreement if the BA has breached a material term of this Agreement and cure is not possible; or

(3) If neither termination nor cures are feasible, the County shall report the violation to the Secretary.

- C. Effect of Termination.
- (1) Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, the BA shall, at the option of County, return or destroy all PHI that BA or its agents or subcontractors still maintain in any form, and shall retain no copies of such PHI.
  - (2) In the event that the County determines that returning or destroying the PHI is infeasible, BA shall provide to the County notification of the conditions that make return or destruction infeasible, and BA shall extend the protections of this Agreement to such PHI to those purposes that make the return or destruction infeasible, for so long as the BA maintains such PHI. If County elects destruction of the PHI, BA shall certify in writing to County that such PHI has been destroyed.

7. Indemnity

- A. BA shall indemnify and hold harmless all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (collectively "County") from any liability whatsoever, based or asserted upon any services of BA, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to BA's performance under this Business Associate Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever to the extent arising from the performance of BA, its officers, agents, employees, subcontractors, agents or representatives under this Business Associate Agreement. BA shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards against the County in any claim or action based upon such alleged acts or omissions.
- B. With respect to any action or claim subject to indemnification herein by BA, BA shall, at its sole cost, have the right to use counsel of its choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes BA's indemnification of County as set forth herein. BA's obligation to defend, indemnify and hold harmless County shall be subject to County having given BA written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at BA's expense, for the defense or settlement thereof. BA's obligation hereunder shall be satisfied when BA has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.
- C. The specified insurance limits required in the Underlying Agreement of this Business Associate Agreement shall in no way limit or circumscribe BA's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Business Associate Agreement.

- D. In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code Section 2782. Such interpretation shall not relieve the BA from indemnifying the County to the fullest extent allowed by law.
- E. In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Business Associate Agreement, this indemnification shall only apply to the subject issues included within this Business Associate Agreement.
- 8. Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for County to comply with the Privacy Rule, 45 CFR, and HIPAA generally.
- 9. Survival. The respective rights and obligations of this Business Associate Agreement shall survive the termination or expiration of this Business Associate Agreement.
- 10. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy Rule means the section as in effect or as amended.
- 11. Conflicts. Any ambiguity in this Business Associate Agreement and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule, 45 CFR, and HIPAA generally.