

- 4.2.9.3 *Board of Director's Minutes:* CONTRACTOR shall provide ADMINISTRATOR the minutes of all CONTRACTOR'S monthly Board of Director's meetings to include monthly Treasurer's report.
- 4.2.9.4 *Notification of Injury or Death:* CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of becoming aware of any occurrence of a serious nature which may expose COUNTY to liability. Such occurrences shall include, but not be limited to: accidents, injuries, death, acts of negligence, and loss of or damage to any COUNTY property in possession of CONTRACTOR.

SECTION 5. PERFORMANCE REQUIREMENTS

Article 5.1 Code of Conduct

CONTRACTOR shall establish a written Code of Conduct for employees, volunteers, interns and the Board of Directors which shall include but not be limited to, standards related to the use of drugs and/or alcohol; staff relationships with clients; prohibition of sexual conduct with clients; and conflict of interest. Prior to providing any services pursuant to this Agreement, all employees, volunteers and interns shall agree, in writing, to maintain the standards set forth in the Code of Conduct. A copy of the Code of Conduct shall be provided to each client and shall be posted in writing in a prominent place in CONTRACTOR'S facility(ies).

Article 5.2 Cultural Competence

CONTRACTOR shall, to the extent feasible, provide services pursuant to this Agreement in a culturally competent manner by recruiting, hiring and maintaining trained, experienced staff who are able to deliver services with sensitivity toward and respect for clients from diverse backgrounds. CONTRACTOR staff shall complete a minimum of one (1) cultural-sensitivity training per year.

Article 5.3 Confidentiality

CONTRACTOR shall conform to and monitor compliance with all State and federal statutes and regulations regarding confidentiality, including the confidentiality of information requirements of Part 2, Title 42, Code of Federal Regulations; Welfare and Institutions Code, Section 14100.2; Section 11977, Division 10.5 of the Health and Safety Code; and Title 22, California Code of Regulations, Section 51009.

CONTRACTOR shall ensure that no list of persons receiving services under this Agreement is published, disclosed, or used for any purpose except for the direct administration of this program or other uses authorized by law that are not in conflict with requirements for confidentiality contained in Title 42, Code of Federal Regulations, Part 2; Welfare and Institutions Code, Section 14100.2; Health and Safety Code, Section 11977; and Title 22, California Code of Regulations, Section 51009.

Prior to providing any services pursuant to this Agreement, all employees, subcontractors, and volunteer staff or interns of CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the confidentiality of any and all information and records which may be obtained in the course of providing such services.

Article 5.4 Employee Qualifications

Contractor shall only employ individuals as substance abuse counselors who meet all applicable State requirements pertaining to certification and/or licensure, and who are qualified and competent to perform the tasks assigned to them. Contractor shall regularly evaluate the performance of all its treatment staff and implement immediate corrective action if any

performance problems are identified. The County may request in writing that the Contractor investigate incidents of suspected poor performance by Contractor treatment staff, and the Contractor shall do so within the timeframes and under the terms contained in the County's written request.

Article 5.5 HIPAA

Under this Agreement, CONTRACTOR will provide services to COUNTY, and in conjunction with the provision of such services, certain Protected Health Information ("PHI") may be made available to CONTRACTOR for the purposes of carrying out its obligations. CONTRACTOR agrees to comply with all the terms and conditions of Exhibit A, HIPAA Business Associate Agreement, attached hereto and made by reference a part hereof, regarding the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations promulgated thereunder.

Article 5.6 Continuous Operation

CONTRACTOR shall operate continuously throughout the term of this Agreement with at least the minimum number and type of staff required to meet applicable State, Federal and County requirements, and which are necessary for the provision of services hereunder.

To ensure that services are available continuously throughout the term of this Agreement, CONTRACTOR shall plan for even expenditure of funds provided by this Agreement throughout the term of the Agreement. That is, one twelfth of the total amount included in each funding type (except Drug Medi-Cal, which is an entitlement) shall be budgeted for service delivery each month. To the maximum extent possible, CONTRACTOR shall deliver services each month that are commensurate with one twelfth of the total dollar amount available to pay for those services.

COUNTY reserves the right to defer payment of any amount included on a monthly invoice that exceeds one twelfth of the total amount available within the funding type being charged. Further, in the event CONTRACTOR expends the entire amount obligated by this Agreement in any funding type before the end of the term of the Agreement, and the COUNTY has not previously deferred payment, the COUNTY offers no assurance that any additional amounts will be made available.

Article 5.7 Inspections and Audits

Because the compensation paid to CONTRACTOR pursuant to this Agreement is comprised of both federal and State funds, CONTRACTOR shall comply with the following requirements:

- 5.7.1 ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative of the State of California, the Secretary of the United States Department of Health and Human Services, the Comptroller General of the United States, or any of their authorized representatives, shall have access to any books, documents, and records, including but not limited to, medical and client records, of CONTRACTOR which such

persons deem pertinent to this Agreement, for the purpose of conducting an audit, evaluation, or examination, or making transcripts during the periods of retention set forth in Article 5.7 to this Agreement. Such persons may at all reasonable times, inspect or otherwise evaluate the services provided pursuant to this Agreement, and the premises in which they are provided or administered.

- 5.7.2 CONTRACTOR shall actively participate and cooperate with any persons specified in 5.6.1 above in any evaluation or monitoring of services provided pursuant to this Agreement, and shall provide the above-mentioned persons adequate office space to conduct such evaluation or monitoring.
- 5.7.3 CONTRACTOR shall obtain an annual financial statement audit in accordance with Government Auditing Standards. If CONTRACTOR'S total federal expenditures, excluding Federal Medi-Cal/Medicaid, are \$300,000 or more, CONTRACTOR must obtain an audit in accordance with OMB Circular A-133.
- 5.7.4 CONTRACTOR shall maintain client records, books, documents, records and other evidence, accounting procedures and practices sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses, all of which will be deemed to constitute "records" for purposes of this section. Such records shall clearly reflect the cost and scope of the services provided to each client.
- 5.7.5 CONTRACTOR'S facility, office (or such parts thereof as may be engaged in the performance of this Agreement) and its records shall be subject at all reasonable times to inspection and audit reproduction by COUNTY.
- 5.7.6 Within fourteen (14) days after final audit is approved by Agency's Board of Directors, CONTRACTOR shall forward to ADMINISTRATOR a copy of any audit report. Such audit shall include, but not be limited to, management, financial, programmatic or any other type of audit of CONTRACTOR'S operations, whether or not the cost of such operation or audit is reimbursed in whole or in part through this Agreement.
- 5.7.7 Following any audit report, in the event of non-compliance with applicable laws and regulations governing funds provided through this Agreement or serious deficiencies in CONTRACTOR'S internal control structure, COUNTY may terminate this Agreement as provided for in Article 6.7, or direct CONTRACTOR to immediately implement appropriate corrective action. A plan of corrective action shall be submitted to ADMINISTRATOR in writing within fifteen (15) days after receiving notice from COUNTY.
- 5.7.8 CONTRACTOR will have two (2) months to implement a corrective action plan and to submit to COUNTY a written report of corrective action taken. Failure to implement said corrective action plan shall be cause for termination of this Agreement.

- 5.7.9 COUNTY shall respond to all audits of CONTRACTOR with a reconciliation to COUNTY records. If COUNTY concurs with State findings, final payment of CONTRACTOR'S assessed disallowances shall be subject to provisions of Article 3.9 of this Agreement. If COUNTY owes CONTRACTOR, reimbursement shall be subject to provisions of Article 3.9 of this Agreement.
- 5.7.10 All CONTRACTOR'S funding records related to this Agreement shall be subject to audit by COUNTY at any time during the term of this Agreement, and for a period that extends through any required records retention period, should it be requested by COUNTY'S Auditor/Controller. In the event that CONTRACTOR has more than one funding agreement with COUNTY, CONTRACTOR shall maintain an individual schedule of expenses for each COUNTY agreement, such that can be reconciled to an audit of any individual agreement. If CONTRACTOR receives in excess of \$500,000 in total funding from COUNTY in any one fiscal year, CONTRACTOR must have an independent/individual audit of each COUNTY agreement.

Article 5.8 Record Retention

Financial and client records shall be retained by CONTRACTOR for five (5) years from the date of submission of the Cost Report that pertains to this Agreement. Records which relate to litigation or settlement of claims arising out of the performance of this Agreement, or cost and expenses of this Agreement to which exception has been taken by COUNTY or State or federal governments, shall be retained by CONTRACTOR until disposition of such appeals, litigation, claims or exceptions is completed.

Article 5.9 Report and Other Document Submission Timeframes

CONTRACTOR shall comply with the following timeframes for submitting reports and other documents required under the terms of this Agreement:

- 5.9.1 *State Data Submission* (as defined in 4.2.9.1): Monthly reports shall be postmarked no later than the seventh (7th) day of each calendar month for receipt by the State Department of Alcohol and Drug Programs no later than the tenth (10th) day of each calendar month.
- 5.9.2 *County Data Submission* (as defined in 4.2.9.2): License and/or certification changes, changes in modalities and/or populations served, documents related to client services, administrative activities, or other program operation functions shall be submitted within five (5) working days from the date of the event or request from the COUNTY.
- 5.9.3 *Board of Director's Minutes* (as defined in 4.2.9.3): Submit within thirty (30) calendar days from the date of completion.
- 5.9.4 *Notification of Injury or Death* (as defined in 4.2.9.4): Submit within twenty-four (24) hours of the event or date the event becomes known.

- 5.9.5 *Cost Report* (as defined in Article 3.9): Submit on or before September 15th of the year in which this Agreement is terminated.
- 5.9.6 *Interim Quarterly Cost Report* (as defined in 3.5.5): Submit with invoices for October, January, and April. As per 3.5.2, invoices are due by the tenth (10th) of the month following the month covered by the invoice.
- 5.9.7 *Financial Statement* (as defined in Article 3.10): Provide ADMINISTRATOR two (2) copies of the agency's annual financial statement audit within fourteen (14) days after final audit is approved by Agency's Board of Directors.
- 5.9.8 *Sliding Fee Scale and Client Financial Assessment Form* (as defined in 4.2.3.1 and 4.2.3.2): Provide to ADMINISTRATOR no later than July 15 of the year in which this Agreement commences.
- 5.9.9 *Waiting Lists* (as defined in 4.2.2.1): If wait time exceeds 30 days for any client, report in writing to ADMINISTRATOR no later than the 15th day of each month.

Article 5.10 Use of Funds

5.10.1 Pursuant to Part 92 of the Federal Grants Management Handbook, Subpart L(a)(2), Substance Abuse and Prevention Block Grant (SAPT) restrictions on expenditures, CONTRACTOR shall not use SAPT funds provided by this Agreement for the following purposes:

- 5.10.1.1 Purchasing or improving land, including constructing or permanently improving any building or facility, except for tenant improvements.
- 5.10.1.2 Providing inpatient hospital services or purchasing major medical equipment.
- 5.10.1.3 Satisfying any expenditure of non-Federal funds as a condition for the receipt of Federal funds (matching).
- 5.10.1.4 Making cash payments to intended recipients of services through this Agreement.
- 5.10.1.5 Contracting or subcontracting with any entity other than an individual or nonprofit entity.
- 5.10.1.6 Lobbying any governmental agency or official. CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to Title 31, Section 319, U.S.C.
- 5.10.1.7 Paying an individual salary or compensation for services at a rate exceeding \$120,000 per year.

5.10.1.8 Supplanting current funding for existing services.

5.10.1.9 Fund-raising.

5.10.2 Unless otherwise specified in writing by ADMINISTRATOR, CONTRACTOR shall not use the funds provided by this Agreement for the following purposes:

5.10.2.1 Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR'S staff, members of Board of Directors, or clients.

5.10.2.2 Making personal loans to CONTRACTOR'S staff or members of the Board of Directors, or making salary advances or giving bonuses to CONTRACTOR'S staff.

5.10.2.3 Reimbursement of CONTRACTOR'S Board of Directors members for expenses or services.

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

Article 5.11 Religious Activity

No State or federal funds shall be used by the CONTRACTOR to provide direct, immediate, or substantial support to any religious activity.

Article 5.12 Smoking Prohibitions

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

Article 5.13 Drug-Free Workplace

CONTRACTOR shall comply with the requirements of the Drug-Free Work Place Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free work place by taking the following actions:

- 5.13.1 Publish a statement notifying all employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's work place and specifying the actions that will be taken against employees for violations of the prohibitions as required by the Government Code, Section 8355(a).
- 5.13.2 Establish a drug-free awareness program as required by the Government Code, Section 8355(b) to inform all employees about the following:
 - 5.13.2.1 The dangers of drug abuse in the work place;
 - 5.13.2.2 The person's or organization's policy of maintaining a drug-free work place;
 - 5.13.2.3 Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 5.13.2.4 The penalties that may be imposed upon employees for drug abuse violations.
- 5.13.3 Provide, as required by the Government Code, Section 8355(c), that every employee engaged in the performance of the contract:
 - 5.13.3.1 Be given a copy of the CONTRACTOR'S drug-free policy statement; and
 - 5.13.3.2 As a condition of employment, agree to abide by the terms of the statement.
- 5.13.4 Failure to comply with requirements for a drug-free work place may result in suspension of payments under the Agreement or termination of the Agreement or both.

Article 5.14 Debarment and Suspension Certification

By signing this agreement, Contractor hereby certifies under penalty of perjury under the laws of the State of California that Contractor will comply with regulations implementing Executive Order 12549 Debarment and Suspension, 29 C.F.R. Part 98. Section 98.510. This section provides that Contractor, to the best of its knowledge and belief, and its principals:

- 5.14.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- 5.14.2 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, or destruction of records, making false statements, or receiving stolen property;

- 5.14.3 Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, State or local) with commission of any of the offenses enumerated in paragraph 2 of this certification; and
- 5.14.4 Have not within a three year period preceding this agreement had one or more public transactions (federal, State or local) terminated for cause of default.
- 5.14.5 Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Agreement.

SECTION 6. CONTRACT TERMS AND CONDITIONS

Article 6.1 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 the services to be provided, in whole or in part, to any other person or entity without prior written consent of the COUNTY.

Article 6.2 California Forum and Law

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. CONTRACTOR waives any removal rights it might have under Code of Civil Procedure Section 394.

Article 6.3 Conflict of Interest

- 6.3.1 Contractor Responsibility: CONTRACTOR covenants that it presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other subcontract 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.
- 6.3.2 County Responsibility: 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 6.4 Contract Modifications

This Agreement, together with Exhibit A attached hereto and incorporated herein by reference, fully expresses all understandings of COUNTY and CONTRACTOR with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties for these purposes. No addition to, or alteration of, the terms of this Agreement, whether written or verbal, shall be valid unless made in writing and formally approved and executed by both parties.

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.

COUNTY shall retain the right to amend this agreement at any time to reallocate unexpended funds of any type, including Drug Medi-Cal, to support treatment activities under other agreements.

COUNTY shall amend this agreement to provide sufficient State General Fund Drug Medi-Cal to match allowable federal Medicaid reimbursements for any increase in Drug Medi-Cal services provided to beneficiaries by CONTRACTOR.

Article 6.5 California Residency (Form 590)

All independent Contractors providing services to the COUNTY must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have 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 the term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00

Article 6.6 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 6.7 Default, Termination, or Cancellation

6.7.1 *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 in 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 by 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.

6.7.2 *Bankruptcy:* This Agreement, at the option of the COUNTY, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of CONTRACTOR.

- 6.7.3 *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 program service or activity, or meet any requirement, term, or condition of this Agreement.
- 6.7.4 *Termination or Cancellation without Cause*: COUNTY may terminate this Agreement in whole or in part for any reason, by giving thirty (30) calendar days written notice to CONTRACTOR. If such 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 the COUNTY may agree to in writing as necessary for contract resolution. In no event, however, shall COUNTY be obliged to pay more than the Total Maximum Obligation of the Agreement. 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. 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.
- 6.7.5 COUNTY may terminate this Agreement immediately, upon written notice, on the occurrence of any of the following events:
- 6.7.5.1. The loss by CONTRACTOR of legal capacity.
 - 6.7.5.2. Cessation of services.
 - 6.7.5.3. The delegation or assignment of CONTRACTOR'S services operation or administration to another entity without written approval by ADMINISTRATOR.
 - 6.7.5.4. The continued incapacity of CONTRACTOR to perform duties required pursuant to this Agreement.
 - 6.7.5.5. Unethical conduct or malpractice by any person providing or supervising services pursuant to this Agreement or by any person administering program or providing programmatic fiscal management; provided, however, COUNTY may waive this option if CONTRACTOR removes such person from employment or from serving persons treated or assisted pursuant to this Agreement.
 - 6.7.5.6. Failure to implement a corrective action plan in accordance with 5.6.7 and 5.6.8 of this Agreement.
 - 6.7.5.7. The inability of CONTRACTOR to maintain all necessary licenses in accordance with Article 6.13 of this Agreement.
 - 6.7.5.8. Non-compliance with Article 6.16 and/or Article 6.17 of this Agreement.

6.7.6 After receiving a Notice of Termination CONTRACTOR shall do the following:

- 6.7.6.1. Comply with termination instructions provided by ADMINISTRATOR in a manner which is consistent with recognized standards of quality care and prudent business practice.
- 6.7.6.2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract performance during the remaining Agreement term.
- 6.7.6.3. If clients are to be transferred to another facility for services, furnish ADMINISTRATOR, upon request, all client information and records deemed necessary by ADMINISTRATOR to effect an orderly transfer.
- 6.7.6.4. Assist ADMINISTRATOR in effecting the transfer of clients in a manner consistent with their best interests.
- 6.7.6.5. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any Equipment and supplies purchased fully and explicitly for the purposes of this with funds provided by COUNTY.
- 6.7.6.6. If records are to be transferred to COUNTY, pack and label such records in accordance with directions provided by ADMINISTRATOR.
- 6.7.6.7. To the extent services are terminated, cancel outstanding commitments covering the procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding commitments which relate to personnel services. With respect to these canceled commitments, CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims arising out of such cancellation of commitment which shall be subject to written approval of ADMINISTRATOR.

6.7.7 The rights and remedies of COUNTY provided in this Article shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

Article 6.8 Failure to Meet Performance Requirements

Should CONTRACTOR fail to meet any of the performance requirements listed in Section 5, at its sole discretion the COUNTY may withhold or delay payments as provided for in Article 3.6 and/or terminate the Agreement as provided for in Article 6.7.

Article 6.9 Indemnity

To the fullest extent of the law, 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 attorneys 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 provided 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 6.10 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 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 6.11 Insurance

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

- 6.11.1.1 Full Worker's Compensation and Employers' Liability Insurance covering all employees of CONTRACTOR as required by law in the State of California.
- 6.11.1.2 Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.
- 6.11.1.3 Automobile Liability Insurance of not less than \$500,000 is required in the event motor vehicles are used by the CONTRACTOR in the performance of the Agreement.
- 6.11.1.4 Professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000 per occurrence.

6.11.2 CONTRACTOR shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.

- 6.11.3 The insurance will be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- 6.11.4 CONTRACTOR agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, CONTRACTOR agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of the Risk Management Division 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.
- 6.11.5 The certificate of insurance must include provisions that state the following:
- 6.11.5.1 The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to COUNTY, and;
 - 6.11.5.2 The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies except worker's compensation and professional liability insurance policies.
- 6.11.6 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.
- 6.11.7 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.
- 6.11.8 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.
- 6.11.9 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.
- 6.11.10 CONTRACTOR'S obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.

- 6.11.11 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.
- 6.11.12 Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with the Risk Management Division, as essential for protection of the COUNTY.

Article 6.12 Laws and Rules

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

- 6.12.1 California State Department of Alcohol and Drug Programs Certification Standards (July 1999).
- 6.12.2 California State Department of Alcohol and Drug Programs Perinatal Services Network Guidelines (1997).
- 6.12.3 California Health and Safety Code, Divisions 10.5 and 10.6, and Section 11758.12(d).
- 6.12.4 California Code of Regulations, Title 22.
- 6.12.5 California Code of Regulations, Title 9, Division 4.
- 6.12.6 Code of Federal Regulations (CFR), Title 21, Title 41, Title 42, Title 45.
- 6.12.7 California State Department of Health and Human Services Health Care Financial Administration Manual 15.
- 6.12.8 California Welfare and Institutions Code, Section 14100.2.
- 6.12.9 Part 92 of the Federal Grants Management Handbook, Subpart L(a)(2).
- 6.12.10 Title 31, Section 319, U.S.C.
- 6.12.11 OMB Circular A-133.
- 6.12.12 Public Law 103-227, also known as the Pro-Children Act of 1994.
- 6.12.13 Public Law 106-310, which addresses nondiscrimination and institutional safeguards for religious providers, and which is implemented through Title 42, CFR, Part 54.

6.12.14 Drug-Free Work Place Act of 1990 (Government Code Section 8350 et seq.).

Article 6.13 Licenses

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

Article 6.14 Literature

Any new literature, including educational and promotional materials, distributed by CONTRACTOR for purposes directly related to this Agreement shall indicate that CONTRACTOR'S services are supported by County, State and/or federal funds, as appropriate.

Article 6.15 Unlawful Use Messages

CONTRACTOR agrees that information produced through these funds, and which pertains to drug and alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug- or alcohol-related program shall include any message on the responsible use, if the use is unlawful (Health and Safety Code Section 11999). By signing this agreement, the CONTRACTOR agrees to enforce these requirements.

Article 6.16 Nondiscrimination In Employment

6.16.1 CONTRACTOR certifies compliance with California Government Code, Section 12990 and California Code of Regulations, Title II, Division 4, Chapter 5, in matters related to the development, implementation and maintenance of a nondiscrimination program. The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age (over 40), sex or sexual orientation. CONTRACTOR shall ensure that employees and applicants for employment are not subject to discrimination in matters which include but are not limited to: hiring, evaluation, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, career development opportunities, and selection for training, including apprenticeship.

6.16.2 CONTRACTOR agrees to post, in conspicuous places, notices to all employees and applicants for employment setting forth the provisions of the Equal Opportunity Act [42 USC 2000(e)] in conformance with Federal Executive Order No. 11246. CONTRACTOR

agrees to comply with the provisions of the Rehabilitation Act of 1973 (29 USC 794).

- 6.16.3 CONTRACTOR shall give written Notice of its obligations under this clause to labor organizations with which it has a collective bargaining or other agreements.
- 6.16.4 In the event of non-compliance with this Article, or as otherwise provided by State and federal law, this Agreement may be canceled, terminated or suspended in whole or in part and CONTRACTOR may be declared ineligible for further contracts involving State or federal funds.

Article 6.17 Nondiscrimination In Services, Benefits and Facilities

- 6.17.1 CONTRACTOR certifies under the laws of the State of California that the it shall not unlawfully discriminate in the provision of services because of race, color, creed, national origin, ancestry, sex, age, sexual preference, HIV status, or physical or mental disability. CONTRACTOR shall make its program accessible to persons with disabilities. CONTRACTOR shall operate in accordance with State and federal law and in accordance with Title VI of the Civil Rights Act of 1964 [42 USC 2000(d)]; Age Discrimination Act of 1975 (42 USC 6101); Rehabilitation Act of 1973 (29 USC 794); Education Amendments of 1972 (20 USC 1681); Americans with Disabilities Act of 1990 (42 USC 12132); Title 45, Code of Federal Regulations, Part 84; provisions of the Fair Employment and Housing Act (Government Code Section 129000 et seq.); and regulations promulgated thereunder (Title 2, CCR, Section 7285.0 et seq.); Title 2, Division 2, Article 9.5 of the California Government Code, commencing with Section 11135; and Title 9, Division 4, Chapter 6 of the California Code of Regulations, commencing with Section 10800.
- 6.17.2 For the purpose of this Agreement, discrimination on the basis of race, color, creed, national origin, ancestry, sex, age, sexual preference, HIV status, or physical or mental disability includes, but is not limited to, the following: denying a participant any service or access to service, or providing a benefit to a participant which is different, or is provided in a different manner or at a different time from that provided to other participants under this Agreement; subjecting a participant to segregation or separate treatment in any matter related to the receipt of any service; restricting a participant in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and/or treating a participant differently from others in determining whether the participant satisfied any admission, enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or benefit.
- 6.17.3 Non-discrimination policies shall be in writing and available for public inspection on CONTRACTOR'S premises.
- 6.17.4 Complaint Process: CONTRACTOR shall furnish all clients with written notice of their right to file complaints alleging discrimination in the delivery of services. This notice shall inform clients that:

- 6.17.4.1 Complaints may be filed with the County Administrator or the U.S. Department of Health and Human Services, Office of Civil Rights.
- 6.17.4.2 In those cases where the client's complaint is filed initially with the Office of Civil Rights (Office), the Office may proceed to investigate the complaint, or the Office may request that the County Administrator conduct the investigation.
- 6.17.4.3 Within the time limits procedurally imposed, the complainant shall be notified in writing as to the findings regarding the alleged discrimination and, if not satisfied with the decision, may file an appeal with the Office.
- 6.17.5 Accessibility: If the CONTRACTOR employs more than 15 staff members, it must:
 - 6.17.5.1 Maintain an internal complaint resolution procedure that includes due process standards and provides for the prompt and equitable resolution of complaints alleging any action or omission that transgresses federal or state accessibility laws or regulations.
 - 6.17.5.2 Designate at least one employee as the person responsible for: 1) implementing an internal accessibility program to ensure persons with disabilities have access to the CONTRACTOR'S facility; and 2) receiving and resolving complaints that allege violation of federal or state accessibility laws or regulations.
- 6.17.6 Retaliation: Neither CONTRACTOR, nor its employees or agents shall intimidate, coerce or take adverse action against any person for the purpose of interfering with rights secured by federal or State laws, or because such person has filed a complaint, certified, assisted or otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to enforce rights secured by federal or State law.

Article 6.18 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 6.19 Taxpayer Identification / Form W9

All individuals/sole proprietors, corporations, partnerships, associations, organizations or public entities providing services to the COUNTY shall provide a fully executed Department of the Treasury Internal Revenue Service Form W-9, "Request for Taxpayer Identification Number and Certification".

Article 6.20 Third Party Benefits

Neither party hereto intends that this Agreement shall create rights hereunder in third parties including but not limited to any subcontractors or any clients provided services hereunder.

Article 6.21 Waiver of Default or Breach

Waiver of any default by CONTRACTOR shall not be considered a waiver of any subsequent default. Waiver of any breach by CONTRACTOR of any provision of this Agreement shall not be considered a waiver of any subsequent breach. Waiver of any default or any breach by CONTRACTOR shall not be considered a modification of the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below, the latest of which shall be deemed to be the effective date of this Agreement.

COUNTY OF EL DORADO

By: Helen K. Baumann
Helen K. Baumann, Chair
El Dorado County Board of Supervisors

Date: 6/26/07

ATTEST:
Cindy Keck, Clerk

By: Marcie MacFarland Date: 6/26/07
Deputy Clerk

PROGRESS HOUSE, INC.

By: Tom Avey
Tom Avey, Executive Director
Progress House, Inc.
A California 501(c)(3) corporation

Date: 06/04/07

By: n/A
_____, CFO
XXX Corp.

Date: _____

EXHIBIT A

HIPAA Business Associate Agreement

This HIPAA 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 entered into the Underlying Agreement pursuant to which Contractor 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 made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 ("HIPAA"), more specifically the regulations found at Title 45, CFR, Parts 160 - 164 (the "Privacy and Security Rule"), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI pursuant to the Underlying Agreement; and

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and

WHEREAS, Contractor, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule; 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); and

WHEREAS, the parties agree that any disclosure or use of PHI or EPHI be in compliance with the Privacy and Security Rule or other applicable law;

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 Contractor of County Disclosed PHI
 - A. Contractor shall be permitted to use PHI disclosed to it by the County:
 - (1) on behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule if done by the County, or the minimum necessary policies and procedures of the County
 - (2) as necessary to perform any and all of its obligations under the Underlying Agreement.
 - 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, Contractor 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 Contractor's proper management and administration or to fulfill any legal responsibilities of Contractor. Contractor may disclose PHI as necessary for Contractor's operations only if:
 - (a) The disclosure is Required by Law; or
 - (b) Contractor obtains written assurances from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - (i) hold such PHI in confidence and use or further disclose it only for the purpose of which Contractor disclosed it to the third party, or as Required by Law; and,
 - (ii) the third party will notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) 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.
 - (4) not disclose PHI disclosed to Contractor 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.
 - (5) de-identify any and all PHI of County received by Contractor 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. Contractor 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 Contractor. In connection with its use of PHI disclosed by County to Contractor, Contractor agrees to:
- A. Use or disclose PHI only as permitted or required by this Business Associate Agreement or as Required by Law.

- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Business Associate Agreement.
- C. To the extent practicable, mitigate any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of this Business Associate Agreement.
- D. Report to County any use or disclosure of PHI not provided for by this Business Associate Agreement of which Contractor becomes aware.
- E. Require sub-contractors or agents to whom Contractor provides PHI to agree to the same restrictions and conditions that apply to Contractor pursuant to this Business Associate Agreement.
- F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI created or received for or from the County.
- G. Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of the County and to follow generally accepted system security principles as required in final rule 45 CFR Parts 160-164.
- H. Contractor will report any security incident of which it becomes aware to the County. Security incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations. This does not include trivial incidents that occur on a daily basis, such as scans or "pings".
- I. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.
- J. May use PHI to report violations of law to appropriate Federal and State Authorities, consistent with § 164.502(j) (1).

4. PHI Access, Amendment and Disclosure Accounting. Contractor 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.
- B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
- C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) Contractor agrees to document such disclosures of PHI and information related to such disclosures as would be

- required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
- (2) Contractor agrees to provide to County or an Individual, within sixty (60) days, 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.
 - (3) Contractor shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the Contractor need have no information for disclosures occurring before April 14, 2003).
- D. Make available to the County, or to the Secretary of Health and Human Services, Contractor's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining Contractor's compliance with the Privacy Rule, subject to any applicable legal restrictions.
 - E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by Contractor.
 - F. Within sixty (60) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in Contractor's possession constitutes a Designated Record Set.
 - G. Not make any disclosure of PHI that County would be prohibited from making.
5. Obligations of County.
- A. County agrees that it will make its best efforts to promptly notify Contractor in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Business Associate Agreement.
 - B. County agrees that it will make its best efforts to promptly notify Contractor 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 Contractor's ability to perform its obligations under the Underlying Agreement, or this Business Associate Agreement.
 - C. County agrees that it will make its best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use of disclosure of PHI.
 - D. County shall not request Contractor 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 Contractor 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 Contractor, or created or received by Contractor 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 Contractor, the County shall either:
 - (1) Provide Notice and a 10-day 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.
 - (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 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 Contractor shall return or destroy all PHI received from the County, created or received by the Contractor on behalf of the County. This provision shall apply to PHI that is in the possession of subcontractors or agents of the Contractor. Contractor shall retain no copies of the PHI.
 - (2) In the event that the Contractor determines that returning or destroying the PHI is infeasible, Contractor shall provide to the County notification of the conditions that make return or destruction infeasible. Upon {negotiated terms} that return or destruction of PHI is infeasible, Contractor shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as the Contractor maintains such PHI.

7. HIPAA Business Associate Indemnity

Contractor 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 from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to 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 arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Business Associate Agreement. Contractor 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 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 in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their 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 Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor 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 Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Business Associate Agreement shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Business Associate Agreement.

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 2782. Such interpretation shall not relieve the Contractor from indemnifying the County to the fullest extent allowed by law.

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.