



Los Angeles County
DEPARTMENT OF MENTAL HEALTH

June 06, 2018

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO EXECUTE 133 LEGAL ENTITY CONTRACTS
FOR THE PROVISION OF MENTAL HEALTH SERVICES
AND
A PSYCHIATRIC URGENT CARE CENTER CONTRACT WITH EXODUS RECOVERY, INC.
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to execute Legal Entity Contracts with 133 Contractors whose terms are set to expire on June 30, 2018 for the provision of mental health services; and approval to execute a Psychiatric Urgent Care Center Contract with Exodus Recovery, Inc.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute Department of Mental Health (DMH) Legal Entity (LE) Contracts, substantially similar to Attachment I, with 124 LE Contractors, as listed in Attachment II, for the provision of mental health services. The term of these LE Contracts will be effective July 1, 2018, through June 30, 2019, with two automatic one-year extension periods. The Maximum Contract Amounts (MCA) for Fiscal Years (FYs) 2018-19, 2019-20 and 2020-21 for each of the 124 LE Contracts are listed in Attachment II. The aggregate annualized amount for the 124 LE Contracts is \$1.3 billion, fully funded by various federal, State, and local revenues.

2. Approve and authorize the Director, or his designee, to prepare, sign, and execute DMH LE Contracts, substantially similar to Attachment I, with nine Institutions for Mental Disease (IMD)

providers, as listed in Attachment II, for the provision of mental health services. The term of these IMD Contracts will be effective July 1, 2018, through June 30, 2019, with two automatic one-year extension periods. IMD contracts do not have an MCA; they are paid a daily rate. The projected aggregate amount for the nine IMD contracts is \$56.8 million, fully funded by 2011 Realignment–Mental Health (MH) and 2011 Realignment– AB109.

3. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to the Contracts in Recommendations 1 and 2 to revise the boilerplate language; revise the annual MCAs; provide or add additional/related services to ensure continuity of care, or delete services; modify or replace an existing Service Exhibit and/or Statement of Work; modify the Privacy/Network Security (Cyber) Liability Insurance requirement on a case-by-case basis; and/or, reflect federal, State, and County regulatory and/or policy changes provided that: 1) the County's total payment to each LE Contractor will not exceed an increase of more than 25 percent of the MCA; 2) provided sufficient funds are available and 4) subject to the prior review and approval as to form by County Counsel, and Chief Executive Office Risk Management Division, as appropriate, with written notice to the Board and Chief Executive Officer.

4. Delegate authority to the Director, or his designee, to prepare, sign, and execute a Psychiatric Urgent Care Center (UCC) contract with Exodus Recovery, Inc. (Exodus Recovery), for the continued provision of psychiatric UCC services at four locations, substantially similar to Attachment III. For Fiscal Year (FY) 2018-19, the total estimated cost for this contract is \$28.8 million, fully funded by State Mental Health Services Act (MHSA) revenue, 2011 Realignment-AB 109, 2011 Realignment – Early Periodic Screening Diagnosis and Treatment (EPSDT), State Aid-Mental Health, Federal Financial Participation (FFP) Medi-Cal revenue, and an Intrafund Transfer from Department of Children and Family Services (DCFS). The term of the UCC contract with Exodus will be effective July 1, 2018 through June 30, 2023 with two one-year optional extension periods. The UCC contracts have no MCA and include financial provisions for cost-based reimbursement.

5. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to the Exodus UCC Contract in Recommendation 4 necessary to sustain the program throughout the term specified, including but not limited to: provide administrative non-material changes; provide or add additional/related services; modify or replace an existing Service Exhibit and/or Statements of Work; and/or, reflect federal, State, and County regulatory and/or policy changes, subject to the prior review and approved as to form by County Counsel, with notice to the Board and CEO.

6. Delegate authority to the Director, or his designee, to terminate any Contract, described in Recommendations 1, 2 and 4 in accordance with the Contract's termination provisions, including Termination for Convenience. The Director will notify the Board and Chief Executive Officer, in writing, of such termination action.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of Recommendation 1 will allow DMH to execute new LE contracts with 124 LE Contractors, whose existing contracts are due to expire on June 30, 2018. Recommendation 1 provides for a broad range of mental health and crisis stabilization services to severely and persistently mentally ill adults, Seriously Emotionally Disturbed (SED) children, adolescents, and their families. These mental health services include, but are not limited to, diagnosis, evaluation, treatment, day care, respite care, living arrangements, community skill training, referrals,

consultation, and community services, crisis intervention/stabilization, medication support, and case management.

These contracts will also allow DMH to incorporate the following:

- Wraparound case rate.
- California Work Opportunity and Responsibility to Kids (CalWORKs). DMH will continue funding the existing LE Contracts while DMH is carrying out the Request for Proposals process for CalWORKs as required by the State regulation. DMH is in the evaluation stage of the proposals.
- Short Term Residential Therapeutic Program (STRTP) services.
- The expansion of Full Service Partnership (FSP) and Recovery, Resilience & Reintegration (RRR) programs

Board approval of Recommendation 2 will allow DMH to execute new LE contracts with nine IMD providers, whose existing contracts are due to expire on June 30, 2018. The nine IMD contracts are necessary for DMH to meet the increasing demand for locked long-term residential care for individuals with serious mental illnesses discharged from County, State, and private inpatient hospital psychiatric units, County jails, or State prisons; and who are not clinically ready to live independently or in supportive residential facilities.

Board approval of Recommendations 3 and 5 will enhance DMH's ability to expeditiously respond to contracted service needs through its network of LE, IMD, and UCC providers.

Although Exodus Recovery will receive a new LE Contract, Board approval of Recommendation 4 will allow DMH to execute a separate Psychiatric UCC Contract with Exodus Recovery for three of its existing UCC sites. Exodus Recovery currently operates the West Side, East Side, and Harbor-UCLA UCCs under its Exodus Recovery, LE Contract No. MH121263. Additionally, Exodus Foundation Inc., a non-profit corporation, intends to assign its rights to the Martin Luther King, Jr. (MLK) UCC Contract to Exodus Recovery in order to continue to operate this facility as a UCC. DMH has investigated the request and will use its delegated authority to allow such assignment to occur and allow Exodus Recovery to operate four UCCs. The Exodus Foundation, Inc. LE Contract No., MH121193 will expire on June 30, 2018, and will not be renewed. In summary, DMH will remove the UCC services and any associated funding from the Exodus Recovery LE Contract and execute a new UCC Contract with Exodus Recovery for all four UCC sites.

Board approval of Recommendation 6 will enable DMH to terminate the Contracts in accordance with the Contract's termination provisions, including termination for convenience, in a timely manner, as necessary.

Implementation of Strategic Plan Goals

The recommended actions are consistent with County's Strategic Plan Goal I, Make Investments That Transform Lives, specifically Strategy I.2 – Enhance Our Delivery of Comprehensive Interventions.

FISCAL IMPACT/FINANCING

The FY 2018-19 annual MCA for each LE Contracts is shown in Attachment II and totals \$1.3 billion. The FY 2018-19 MCAs are fully funded by various federal, State, and local revenues.

The FY 2018-19 projected aggregate funding for the nine IMD contracts shown in Attachment II is

\$56.8 million and is fully funded by 2011 Realignment–Mental Health (MH) and 2011 Realignment–AB109. IMD Contracts do not have an MCA; they are paid a daily rate.

For FY 2018-19, the annual aggregate funding for the Exodus UCC contract is estimated at \$28.8 million fully funded by State MHSA revenue, 2011 Realignment-AB109, 2011 Realignment-EPSDT, State Aid-Mental Health, FFP Medi-Cal revenue and an Intrafund Transfer from DCFS.

Funding for future years will be requested through DMH's annual budget request process. There is no net County cost impact associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The 124 LE, nine IMD, and Exodus Recovery UCC contracts are necessary for the provision of uninterrupted mental health services to severely and persistently mentally ill adults and SED children and adolescents and their families.

A number of contractors are finding it difficult to obtain the Privacy/Network Security (Cyber) Liability in the County required amount of \$10,000,000. DMH in collaboration with CEO Risk Management developed options that will not overly burden the contractors but yet benefit the County. This will allow DMH to modify the Cyber Liability Insurance requirement on case-by-case basis.

On November 17, 2017, your Board passed a resolution allowing DCFS to transition the Wraparound program and contract administration to DMH. Contractors receiving this funding are indicated on Attachment II. With this action DMH will accept the transfer of the Wraparound case rate and corresponding contract administration of said program from DCFS to DMH, effective July 1, 2018. Upon execution of these contracts DCFS will terminate their contracts with these providers.

On May 1, 2018, your Board approved the exclusion of STRTP funding from the 25% delegated authority for FY 2018-19. The contractors receiving STRTP funding are indicated on Attachment II.

On July 29, 2008 the Board of Supervisors delegated authority to the Department of Mental Health to amend contracts for assignments resulting from acquisitions, mergers, or other changes in ownership. DMH will exercise this delegated authority to allow the assignment of MLK UCC Contract from Exodus Foundation, Inc. to Exodus Recovery.

Attachments I and III are the revised contract formats which have been updated to the standardized County approved format for consistency and include a number of new and revised provisions, including the addition of the Privacy/Network Security (Cyber) Liability insurance provision, Interim Settlement language as approved by your Board on January 30, 2018, and other State and federal regulations.

The attached contract (Attachment I and Attachment III) formats have been approved as to form by County Counsel.

Attachment II lists the 124 LE and the nine IMD contracts including agency name, headquarters location, supervisorial districts of service provider sites, and the MCAs where applicable.

In accordance with your Board Policy Manual Section 5.120, Authority to Approve Increases to Board-Approved Contract Amounts requirements, DMH notified your Board on May 21, 2018 (Attachment IV), identifying and justifying the need for requesting a percentage increase exceeding

ten percent.

CONTRACTING PROCESS

All of the 124 LE Contractors and nine IMD Contractors have existing contracts with DMH which are due to expire on June 30, 2018.

It is DMH's intent to solicit the IMD services to make the contracting process for IMD beds more competitive and allow DMH the flexibility to contract with a larger pool of providers for these much needed services.

As mandated by your Board, the performance of all contractors is evaluated by DMH on an annual basis to ensure the contractors' compliance with all contract terms and performance standards.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the recommended actions will enhance mental health services for children and families throughout Los Angeles County.

Respectfully submitted,



JONATHAN E. SHERIN, M.D., Ph.D.

Director

JES:GP:SK:rlr

Enclosures

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Chairperson, Mental Health Commission



**CONTRACT BY AND BETWEEN
COUNTY OF LOS ANGELES
AND**

(CONTRACTOR)

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACT

Contract Number

Legal Entity Number

Vendor Number

Contractor Headquarters' Supervisorial District _____

Mental Health Service Area(s) _____ **OR Countywide** _____

Contractor Headquarters Address

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Exhibits:

- 1.1 Exhibit A - Financial Exhibit (Financial Provisions)
 - 1.1.1 Exhibit A-1 - Contractor Claims Certification for Title XIX Short-Doyle Medi-Cal and Title XXI Medicaid Children's Health Insurance Programs Reimbursements
- 1.2 Exhibit B - Financial Summary(ies)
- 1.3 Exhibit C - Statement(s) of Work/ Service Exhibit(s) List
- 1.4 Exhibit D - Contractor's EEO Certification
- 1.5 Exhibit E - County's Administration
- 1.6 Exhibit F - Contractor's Administration
- 1.7 Exhibits G-I, G-2, G-3 - Acknowledgment of Confidentiality Agreement(s)
- 1.8 Exhibit H - Jury Service Ordinance
- 1.9 Exhibit I - Safely Surrendered Baby Law
- 1.10 Exhibit J - Definitions
- 1.11 Exhibit K - Attestation Regarding Federally Funded Programs
- 1.12 Exhibit L - Required Supplemental Documents
- 1.13 Exhibit M - Performance Standards and Outcome Measures Exhibit
- 1.14 Exhibit N - Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- 1.15 Exhibit O - Charitable Contributions Certification
- 1.16 Exhibit P - Ownership/Controlling Interest Disclosure
- 1.17 Exhibit Q - Protection of Electronic County PI, PHI, and MH
- 1.18 Exhibit R - Contractor's Compliance with Encryption Requirements
- 1.19 Exhibit S - Agreement for Acceptable Use and Confidentiality of County Information Technology Resources
- 1.20 Exhibit T - Information Security and Privacy Requirements
- 1.21 Exhibit U - Confidentiality Oath
- 1.22 Exhibit V - List of Other Government Contracts

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACT

This CONTRACT is made and entered into this ____ day of _____, 2018 by and between the County of Los Angeles, hereinafter referred to as County and _____, hereinafter referred to as "Contractor". Contractor is located at _____.

RECITALS

WHEREAS, the County may contract with private businesses for Mental Health Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Mental Health Services; and

WHEREAS, County desires to provide to those persons in Los Angeles County who qualify therefore certain mental health services contemplated and authorized by the Bronzan-McCorquodale Act, California Welfare and Institutions Code (WIC) Section 5600 et seq.; and

WHEREAS, County desires through the County's Request for Statement of Qualification (RFSQ) process to provide to those persons in Los Angeles County who qualify therefore certain mental health services contemplated and authorized by the Mental Health Service Act (MHSA) adopted by the California electorate on November 2, 2004; and

WHEREAS, Contractor is equipped, staffed, and prepared to provide these services as described in this Contract; and

WHEREAS, County believes it is in the best interest of the people of the County of Los Angeles to provide these services by contract; and

WHEREAS, these services shall be provided by Contractor in accordance with all applicable federal, State and local laws, required licenses, ordinances, rules, regulations, manuals, guidelines, and directives, which may include, but are not necessarily limited to, the following: Bronzan-McCorquodale Act, WIC Section 5600 et seq., including, but not limited to, Sections 5600.2, 5600.3, 5600.4, 5600.9, 5602, 5608, 5651, 5670, 5670.5, 5671, 5671.5, 5672, 5705, 5709, 5710, 5751.2, and 5900 et seq.; Medi-Cal Act, WIC Section 14000 et seq., including, but not limited to, Section 14705.5, 14705.7, 14706, 14710, and 14132.44; WIC Section 15600 et seq., including Section 15630; WIC Section 17601 et seq.; California Work Opportunity and Responsibility to Kids Act, WIC Section 11200 et seq.; California Government Code Sections 26227 and 53703; Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.; Part B of Title XIX of the Public Health Service Act, 42 United States Code Section 300x et seq.; Title XXI of

the Social Security Act; California Penal Code Section 11164 et seq.; Title 9 and Title 22, including, but not limited to, Sections 51516, 70001, 71001, 72001 et seq., and 72443 et seq. of the California Code of Regulations (CCR); 45 Code of Federal Regulations (CFR) Parts 160 and 164 and WIC Section 5328 et seq.; 42 CFR Paragraph 455.104, California Department of Health Care Services (DHCS) Mental Health Plan Contract; Los Angeles County Department of Mental Health (DMH) Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services; State's Cost and Financial Reporting System Instruction Manual; Federal Office of Management and Budget (OMB) Uniform Guidance, Subpart E: Cost Principles and Subpart F: Single Audit Requirement; County of Los Angeles Auditor-Controller Contract Accounting and Administration Handbook; policies and procedures developed by County; State's Medicaid Plan; and policies and procedures which have been documented in the form of Policy Letters issued by DHCS; and

WHEREAS, this Contract is authorized by WIC Section 5600 et seq., California Government Code Sections 23004, 26227 and 53703, and otherwise.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1 APPLICABLE DOCUMENTS

- 1.1 Entire Contract: The body of this Contract, all exhibits, Financial Exhibit A (Financial Provisions), Financial Summary(ies), Fiscal Years 2018-19, 2019-20 and 2020-21, and Statement(s) of Work (SOW)/Service Exhibit(s) (SE) Service Delivery Site Exhibits attached hereto and incorporated herein by reference, and Contractor's Negotiation Package for this Contract, as approved in writing by the Director, including any addenda thereto as approved in writing by the Director, which are hereby incorporated herein by reference but not attached, shall constitute the complete and exclusive statement of understanding between the parties which supersedes all previous agreements/contracts, written or oral, and all other communications between the parties relating to the subject matter of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Contract, and then to the Exhibits according to the following priority:

- 1.1 Exhibit A - Financial Exhibit (Financial Provisions)

- 1.1.1 Exhibit A-1 - Contractor Claims Certification for Title XIX Short-Doyle Medi-Cal and Title XXI Medicaid Children's Health Insurance Programs Reimbursements
- 1.2 Exhibit B - Financial Summary(ies)
- 1.3 Exhibit C - Statement(s) of Work/ Service Exhibit(s) List

Contractor's Negotiation Package (Subprogram Schedule) incorporated by this reference and to be sent to all Legal Entity contractors by DMH upon determination of LE contractor.

This Contract constitutes the complete and exclusive statement of understanding between the parties, and supersedes all previous contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Paragraph 8.1 (Amendments) or Paragraph 8.34 (Notices) and signed by both parties.

2 DEFINITIONS/HEADINGS

- 2.1 Definitions/Headings: The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Exhibit J – Definitions - lists words and their definitions as used herein.

3 WORK

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this contract, the same shall be deemed to be a gratuitous effort on the part of the contractor, and the contractor shall have no claim whatsoever against the County.
- 3.3 **Description of Services/Activities**
 - 3.3.1 Contractor shall provide those mental health services identified on the Financial Summary and Service Exhibit(s) of this Contract and as described in the Contractor's Negotiation Package for this Contract, as approved in writing by the Director. The quality of services provided by Contractor shall be the same regardless of the patient's/client's ability to pay or source of payment.

- 3.3.2 Contractor shall be responsible for delivering services to new patients/clients to the extent that funding is provided by County. Where Contractor determines that services to new patients/clients can no longer be delivered, Contractor shall provide 30 calendar days prior notice to County. Contractor shall also thereafter make referrals of new patients/clients to County or other appropriate agencies.
- 3.3.3 Contractor shall not be required to provide the notice in the preceding paragraph when County reduces funding to Contractor, either at the beginning of or during the fiscal year. In addition, when County eliminates the funding for a particular program provided by Contractor, Contractor shall not be responsible for continuing services for those patients/clients linked to that funding but shall make referrals of those patients/clients to County or other appropriate agencies.
- 3.3.4 Contractor may provide activities claimable as Title XIX Medi-Cal Administrative Activities pursuant to WIC Section 14132.44. The administrative activities which may be claimable as Title XIX Medi-Cal Administrative Activities are shown on the Financial Summary and are described in the policies and procedures provided by the California Department of Mental Health (CDMH) and/or the California Department of Health Services (CDHS).
- 3.3.5 Contractor may provide mental health services claimable as Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services.
- 3.3.6 Contractors shall not be eligible to provide mental health services claimable under the Mental Health Services Act (MHSA) unless Contractor has been found to be eligible to provide mental health services as follows: (1) Contractor has submitted to the County a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ) for the provision of such services; Contractor has met the minimum qualifications listed in the RFSQ and has been selected for recommendation for placement on a MHSA Master Contract eligibility list; and

Contractor has demonstrated experience and training in its specialized field and has been selected to provide MHSA services pursuant to a solicitation process approved by County, or (2) Contractor intends to transform a portion of its services to MHSA services, Contractor has submitted a mid-year change to the Negotiation Package outlining the planned transformation and County has approved Contractor to provide MHSA services through the transformation process. Placement on the Master Contract eligibility list does not guarantee that Contractor will be selected to provide mental health services claimable as MHSA services. In order to provide mental health services claimable as MHSA services, a provider must have been selected to provide MHSA services pursuant to a solicitation process approved by County, or be approved by County to provide MHSA service through the transformation process.

3.4 Maintenance Standards for Service Delivery Sites

3.4.1 Contractor shall ensure that all locations where services are provided under this Contract are operated at all times in accordance with all County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies) shall include a review of compliance with this Paragraph 3.4.

3.5 Nondiscrimination in Services

3.5.1 Contractor shall not discriminate in the provision of services hereunder because of race, religion, national origin, ancestry, gender, age, marital status, sexual orientation and/or physical or mental handicap or medical conditions (except to the extent clinically appropriate), in accordance with requirements of federal and State law. For the purpose of this Paragraph 3.5, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service or benefit to any person

which is different or is provided in a different manner or at a different time from that provided to others; subjecting any person to segregation or separate treatment in any matter related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment, eligibility, membership, or any other requirement or condition which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative steps to ensure that those persons who qualify for services under this Contract are provided services without regard to ability to pay or source of payment, race, religion, national origin, ancestry, gender, age, marital status, sexual orientation and/or physical or mental handicap, or medical conditions.

3.5.2 Contractor shall establish and maintain written complaint procedures under which any person applying for or receiving any services under this Contract may seek resolution from Contractor of a complaint with respect to any alleged discrimination in the rendering of services by Contractor's personnel. Such procedures shall also include a provision whereby any such person, who is dissatisfied with Contractor's resolution of the matter, shall be referred by Contractor to Director for the purpose of presenting his complaint of the alleged discrimination. Such complaint procedures shall also indicate that if such person is not satisfied with County's resolution or decision with respect to the complaint of alleged discrimination, such person may appeal the matter to the State, if appropriate.

3.5.3 If direct services (e.g., 24-hour services, day services, targeted case management, mental health services, medication support, and crisis intervention) are provided hereunder, Contractor shall have admission policies which are in accordance with CCR Title 9, Sections 526 and 527, and which shall be in writing and available to the public. Contractor shall not employ discriminatory practices in the admission of any person, assignment of accommodations, or otherwise. Any time any person applies for services under

this Contract, such person shall be advised by Contractor of the complaint procedures described in the above paragraph. A copy of such complaint procedures shall be posted by Contractor in each of Contractor's facilities where services are provided under this Contract in a conspicuous place, available and open to the public.

3.6 Patients'/Clients' Rights

3.6.1 Contractor shall comply with all applicable patients'/clients' rights provisions, including, but not limited to, WIC Section 5325 et seq., CCR Title 9, Section 850 et seq., and CCR Title 22. Further, Contractor shall comply with all patients'/clients' rights policies provided by County. County Patients' Rights Advocates shall be given access by Contractor to all patients/clients, patients'/clients' records, and Contractor's personnel in order to monitor Contractor's compliance with all applicable statutes, regulations, manuals and policies.

3.7 Reporting of Patient/Client Abuse and Related Personnel Requirements

3.7.1 Elders and Dependent Adults Abuse: Contractor, and all persons employed or subcontracted by Contractor, shall comply with WIC Section 15600 et seq. and shall report all known or suspected instances of physical abuse of elders and dependent adults under the care of Contractor either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by WIC Sections 15630, and permitted by Sections 15631 and 15632. Contractor and all persons employed or subcontracted by Contractor shall make the report on such abuse, and shall submit all required information, in accordance with WIC Sections 15630, 15633 and 15633.5.

3.7.2 Minor Children Abuse: Contractor and all persons employed or subcontracted by Contractor, shall comply with California Penal Code Section 11164 et seq. and shall report all known or suspected instances of child abuse to an appropriate child protective agency, as mandated by California Penal Code Sections 11164, 11165.9, and 11166. Contractor and all persons employed or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required information, in accordance with California Penal Code Sections 11166 and 11167.

3.7.3 Contractor Staff:

- 3.7.3.1 Contractor shall ensure that any person who enters into employment as a care custodian of elders, dependent adults or minor children, or who enters into employment as a health or other practitioner, prior to commencing employment, and as a prerequisite to that employment, shall sign, on a form provided by Contractor in accordance with the above code sections, a statement to the effect that such person has knowledge of, and will comply with, these code sections.
- 3.7.3.2 Contractor shall ensure that clerical and other non-treatment staff who are not legally required to report suspected cases of abuse, consult with mandated reporters upon suspecting any abuse.
- 3.7.3.3 For the safety and welfare of elders, dependent adults, and minor children, Contractor shall, to the maximum extent permitted by law, ascertain arrest and conviction records for all current and prospective employees and shall not employ or continue to employ any person convicted of any crime involving any harm to elders, dependent adults, or minor children.
- 3.7.3.4 Contractor shall not employ or continue to employ any person whom Contractor knows, or reasonably suspects, has committed any acts which are inimical to the health, morals, welfare, or safety of elders, dependent adults or minor children, or which otherwise make it inappropriate for such person to be employed by Contractor.

3.8 Staffing

- 3.8.1 Throughout the term of this Contract, Contractor shall staff its operations so that staffing approximates the type and number indicated in Contractor's Negotiation Package for this Contract and as required by WIC and CCR.
 - 3.8.1.1 Staff providing services under this Contract shall be qualified and shall possess all appropriate licenses in accordance with WIC Section 5751.2 and all other applicable requirements of the

California Business and Professions Code, WIC, CCR, Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services, CDMH Policy Letters, DHCS Policy Letters, and shall only function within the scope of practice as dictated by licensing boards/bodies.

- 3.8.1.2 If, at any time during the term of this Contract, the Contractor has a sufficient number of vacant staff positions that would impair its ability to perform any services under the Contract, Contractor shall promptly notify Director of such vacancies.
- 3.8.1.3 At all times during the term of this Contract, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of all persons by name, title, professional degree, language capability(ies), and experience, who are providing any services under this Contract.

3.9 Staff Training and Supervision

- 3.9.1 Contractor shall institute and maintain an in-service training program of treatment review and case conferences in which all its professional, para-professional, intern, student, and clinical volunteer personnel shall participate.
- 3.9.2 Contractor shall institute and maintain appropriate supervision of all persons providing services under this Contract with particular emphasis on the supervision of para-professionals, interns, students, and clinical volunteers in accordance with Departmental clinical supervision policy.
- 3.9.3 Contractor shall be responsible for the provision of mandatory training for all staff at the time of initial employment and on an ongoing basis as required by federal and State law, including but not limited to Health Insurance Portability and Accountability Act (HIPAA) and Sexual Harassment, and for the training of all appropriate staff on the Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management

Services, and other State and County policies and procedures as well as on any other matters that County may reasonably require.

- 3.9.4 Contractor shall document and make available upon request by the federal, State and/or County the type and number of hours of training provided to Contractor's officers, employees, agents, and subcontractors.

3.10 Program Supervision, Monitoring and Review

- 3.10.1 Pursuant to WIC Section 5608 and CCR Title 9, Section 521, all services hereunder shall be provided by Contractor under the general supervision of Director. Director shall have the right to monitor and specify the kind, quality, appropriateness, timeliness, and amount of services, and the criteria for determining the persons to be served.

- 3.10.2 Upon receipt of any contract monitoring report pertaining to services/activities under this Contract, Contractor shall respond in writing to person(s) identified and within the time specified in the contract monitoring report. Contractor shall, in its written response, either acknowledge the reported deficiencies or present additional evidence to dispute the findings. In addition, Contractor must submit a plan for immediate correction of all deficiencies.

- 3.10.3 In the event of a State audit of this Contract, if State auditors disagree with County's official written instructions to Contractor in its performance of this Contract, and if such audit results in a State disallowance of any of Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as determined by State.

- 3.10.4 To ensure compliance with this Contract and for any other reasonable purpose relating to performance of this Contract, and subject to the provisions of State and federal law, authorized County, State, and/or federal representatives and designees shall have the right to enter Contractor's premises (including all other places where duties under this Contract are being performed), with or without notice, to: inspect, monitor and/or audit Contractor's facilities, programs and procedures, or to otherwise evaluate the work performed or being performed; review and copy any records and supporting documentation pertaining to the performance of this Contract; and elicit information regarding the

performance of this Contract or any related work. The representatives and designees of such agencies may examine, audit and copy such records at the site at which they are located. Contractor shall provide access to facilities and shall cooperate and assist County, State, and/or federal representatives and designees in the performance of their duties. Unless otherwise agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or federal representatives and designees within three (3) business days.

3.11 Reports

3.11.1 Contractor shall make reports as required by Director, State, or the federal government regarding Contractor's activities and operations as they relate to Contractor's performance of this Contract. In no event may County require such reports unless it has provided Contractor with at least 30 calendar days' prior written notification. County shall provide Contractor with a written explanation of the procedures for reporting the required information.

3.11.2 Income Tax Withholding: Upon Director's request, Contractor shall provide County with certain documents relating to Contractor's income tax returns and employee income tax withholding. These documents shall include, but are not limited to:

- (1) A copy of Contractor's federal and State quarterly income tax withholding returns (i.e., Federal Form 941 and/or State Form DE-3 or their equivalents).
- (2) A copy of a receipt for, or other proof of payment of, each employee's federal and State income tax withholding, whether such payments are made on a monthly or quarterly basis.

3.11.3 County Claims Processing Information System:

- (1) Notwithstanding any other provision of this Contract, only units of service submitted by Contractor into the County's claims processing information system shall be counted as delivered units of service.
- (2) Notwithstanding any other provision of this Contract, the only units of service which shall be considered valid and

reimbursable at Annual Cost Report Reconciliation and Settlement, Cost Report Audit Settlement, or at any other time otherwise shall be those units of service that are submitted by Contractor into the County's claims processing information system by the County's year-end cutoff date in accordance with the terms of this Contract and its exhibits thereto, including but not limited to Exhibit A (Financial Provisions), and which are not voided, replaced and/or denied for any reason, except due to the fault of the County. Notwithstanding any other provision of this Contract, claims entered into the County's claim processing information system shall be attributed to a specific Funded Program and Subprogram based upon the plan identified by Contractor when submitting the claim into the County's claims processing information system.

- (3) Contractor shall train its staff in the operation, procedures, policies, and all related use, of the County's claims processing information system as required by County. County shall train Contractor's designated trainer in the operation, procedures, policies, and all related use of the County's information system.

4 TERM OF CONTRACT

4.1 TERM:

4.1.1 Initial Period: The Initial Period of this Contract shall commence on July 1, 2018 and shall continue in full force and effect through June 30, 2019.

4.1.2 Automatic Renewal Period(s): After the Initial Period, this Agreement shall be automatically renewed two additional periods without further action by the parties hereto unless either party desires to terminate this Contract in accordance with provision 8.42 (Termination for Convenience).

- (1) First Automatic Renewal Period: If this Contract is automatically renewed, the First Automatic Renewal Period shall commence on July 1, 2019 and shall continue in full force and effect through June 30, 2020.
- (2) Second Automatic Renewal Period: If this Contract is automatically renewed, the Second Automatic Renewal Period shall commence on July 1, 2020, and shall continue in full force and effect through June 30, 2021.

4.1.3 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise an Contract term extension option.

4.1.4 The Contractor shall notify the Department of Mental Health when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the Department of Mental Health at the address herein provided in Exhibit E - County's Administration.

5 FINANCIAL PROVISIONS

5.1 Reimbursement: In consideration of services and/or activities provided by Contractor, County shall reimburse Contractor in the amount and manner described in Exhibit A (FINANCIAL PROVISIONS) attached thereto and by this reference incorporated herein.

6 ADMINISTRATION OF CONTRACT - COUNTY

6.1 County Department of Mental Health Administration

6.1.1 A listing of all County Administration referenced in the following subparagraphs is designated in Exhibit E - County's Administration. The County will notify the Contractor in writing of any change in the names or addresses shown.

6.2 Director of Mental Health

6.2.1 The role of the Director

6.2.1.1 The Director shall have the authority to administer this Contract on behalf of the County. All references to the actions or decisions to be made by the County in this Contract shall be made by the Director unless otherwise expressly provided.

6.2.1.2 The Director may designate one (1) or more persons to act as his designee for the purposes of administering this Contract. Therefore "Director" shall mean "Director and/or his designee."

6.2.1.3 Coordinating with Contractor and ensuring Contractor's performance of the Contract; however,

in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and

- 6.2.1.4 Upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

6.3 Contract Monitoring Manager

- 6.3.1 The role of the Contracts Monitoring Manager is authorized to include:

- 6.3.1.1 Meeting with the Director or his designee on an as needed basis; and

- 6.3.1.2 Inspecting any and all tasks, deliverables, services, or other work provided by or on behalf of the Contractor; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

- 6.3.1.2 The Contracts Monitoring Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.4 Contract Monitor

- 6.4.1 The role of the County's Contract Monitor is to oversee the day-to-day administration of this Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby. The Contract Monitor reports to the Contract Monitoring Manager.

7 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor Administration

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Exhibit F (Contractor's

Administration). The Contractor will notify the County in writing of any change in the names or addresses shown.

7.2 Contractor's Contract Manager

7.2.1 Contractor shall designate in writing a Contract Manager who shall function as liaison with County regarding Contractor's performance hereunder.

7.2.2 The Contractor's Manager is designated in Exhibit F (Contractor's Administration). The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Manager.

7.2.3 The Contractor's Contract Monitor shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall meet and coordinate with County's Contract Monitor on an as needed basis.

7.3 Approval of Contractor's Staff

7.3.1 County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff.

7.4 Contractor's Staff Identification

Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.4.1 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked by a County representative to leave a County facility if they do not have the proper County ID badge on their person and Contractor personnel must immediately comply with such request.

7.4.2 Contractor shall notify the County within one business day when staff is terminated from working under this Contract. Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has terminated employment with the Contractor.

7.4.3 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the

employee has been removed from working on the County's Contract.

7.5 Background and Security Investigations

7.5.1 Each of Contractor's staff performing services under this Contract, who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation.

If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Contract. Contractor shall comply with County's request at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.5.2 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.5.3 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies

concerning information technology security and the protection of confidential records and information.

- 7.6.2 Contractor shall maintain the confidentiality of all records and information, including, but not limited to, claims, County records, patient/client records and information, and County claims processing information system records, in accordance with WIC Sections 5328 through 5330, inclusive, and all other applicable County, State, and federal laws, ordinances, rules, regulations, manuals, guidelines, and directives, relating to confidentiality and privacy.
- 7.6.3 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.6, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under this Paragraph 7.6 shall be conducted by contractor and performed by counsel selected by Contractor unless objected to by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.6.4 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.5 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Contract", Exhibit G-1.

- 7.6.6 Contractor shall require all contractor employees and non-employees; including sub-contractors performing services under this Contract to sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Contract", Exhibits G-2 and G-3. Such Acknowledgments shall be executed by each such employee and non-employee, including sub-contractors on or immediately after the commencement date of this Contract but in no event later than the date such employee first performs services under this Contract.

8 STANDARD TERMS AND CONDITIONS

8.1 Amendments

- 8.1.1 For any change which affects the scope of work, term, Financial Summary, maximum contract amount, payments, or any term or condition included under this Contract, an amendment to the Contract shall be prepared and executed by the contractor and by Director or his designee.
- 8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the contractor and by Director.
- 8.1.3 The Director or his designee may at his sole discretion, authorize extensions of time as defined in Paragraph 4 - Term of Contract. The contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the contractor and by Director.

8.2 Assignment and Delegation/Mergers or Acquisitions

- 8.2.1 The contractor shall notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying

the County prior to the actual acquisitions/mergers.

- 8.2.2 The contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the contractor may have against the County.
- 8.2.3 Shareholders, partners, members, or other equity holders of contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.
- 8.2.4 Any assumption, assignment, delegation, or takeover of any of the contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against contractor as it could pursue in the event of default by contractor.

8.3 Authorization Warranty

- 8.3.1 The contractor represents and warrants that the person executing this Contract for the contractor is an authorized agent who has actual authority to bind the contractor to each and every term, condition, and obligation of this Contract and that all requirements of the contractor have been fulfilled to provide such actual authority.

8.4 Intentionally Omitted

8.5 Complaints

8.5.1 If the contractor does not have existing complaints procedures in place in accordance with Medi-Cal regulations then the contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.2 Complaint Procedures

8.5.2.1 Within 30 business days after the Contract effective date, the contractor shall provide the County with the contractor's policy for receiving, investigating and responding to user complaints.

8.5.2.2 The County will review the contractor's policy and provide the contractor with approval of said plan or with requested changes.

8.5.2.3 If the County requests changes in the contractor's policy, the contractor shall make such changes and resubmit the plan within 30 business days for County approval.

8.5.2.4 If, at any time, the contractor wishes to change the contractor's policy, the contractor shall submit proposed changes to the County for approval before implementation.

8.5.2.5 The contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within 10 business days of receiving the complaint.

8.5.2.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

8.5.2.7 Copies of all written responses shall be sent to the County's Project Manager within 5 business days of mailing to the complainant.

8.6 Compliance with Applicable Law

8.6.1 In the performance of this Contract, contractor shall comply with all applicable Federal, State and local laws, rules,

regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by contractor, its officers, employees, agents, or subcontractors, to comply with any such federal, State, or local laws, rules, regulations, ordinances, ADA standards, directives, guidelines, manuals, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) shall be conducted by contractor and performed by counsel selected by contractor unless objected to by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.
- 8.6.3 Contractor shall comply with all federal laws, including, but not limited to, Title XIX of the Social Security Act, State, and local laws, ordinances, rules, regulations, manuals, guidelines, ADA standards, and directives applicable to its performance hereunder. Further, all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.4 Contractor shall be governed by and comply with all contractual obligations of the DHCS' Mental Health Plan Contract with the County.
- 8.6.5 Contractor shall maintain in effect an active compliance program in accordance with the recommendations set forth by

the Department of Health and Human Services, Office of the Inspector General.

8.6.6 Duty to Notify: Contractor agrees to notify County of any and all legal complaints, citations, enforcement proceedings, administrative proceedings, judgments or litigation, known to Contractor, whether civil or criminal initiated against Contractor, its officers, employees, or agents which are likely to have a material effect on the organization's stewardship, financial position and/or ability to perform and deliver services under this contract.

8.6.7 Licenses, Permits, Registrations, and Certificates

8.6.7.1 Contractor shall obtain and maintain in effect during the term of this Contract, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Short-Doyle/Medi-Cal and/or Medicare provider if Title XIX Short-Doyle/Medi-Cal and/or Medicare services are provided hereunder), as required by all federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(ies) and services under this Contract. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Contract all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation, and certificate (including, but not limited to, certification as a Short-Doyle/Medi-Cal and/or Medicare provider if Title XIX Short-Doyle/Medi-Cal and/or Medicare services are provided hereunder) as required by all applicable federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines and directives shall be retained and current updates of such documents shall be maintained, and made available upon request, not to exceed three (3) business days after the initial request, for inspection, review, and/or audit

by authorized representatives and designees of County, State, and/or federal governments during the term of this Contract and during the applicable period of records retention.

8.6.7.2 If Contractor is a participant in the Short-Doyle/Medi-Cal and/or Medicare program, Contractor shall keep fully informed of all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal and Medicare certifications of all its facilities.

8.6.7.3 Contractor shall ensure that any independent contractors (i.e., individuals who are not employees but who are contracted by Contractor to perform services hereunder) who prescribe medications, in addition to obtaining and maintaining all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder, are credentialed by DMH and maintain such credentialing in effect during the term of this Contract.

8.6.8 Unlawful Solicitation

8.6.8.1 Contractor shall require all of its employees to acknowledge, in writing, understanding of an contract to comply with the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of California Business and Professions Code (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to insure that there is no violation of such provisions by its employees. Where applicable, Contractor shall utilize the attorney referral services of all those bar associations within the County of Los Angeles that have such a service.

8.7 Compliance with Civil Rights Laws

8.7.1 The contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap,

marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The contractor shall comply with Exhibit D - Contractor's EEO Certification.

8.8 Compliance with the County's Jury Service Program

8.8.1 Jury Service Program:

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy

1. Unless the contractor has demonstrated to the County's satisfaction either that the contractor is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the contractor shall have and adhere to a written policy that provides that its Employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this paragraph, "contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) contractor

has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If the contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this paragraph. The provisions of this paragraph shall be inserted into any such subcontract contract and a copy of the Jury Service Program shall be attached to the contract.

3. If the contractor is not required to comply with the Jury Service Program when the Contract commences, the contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the contractor shall immediately notify the County if the contractor at any time either comes within the Jury Service Program's definition of "contractor" or if the contractor no longer qualifies for an exception to the Jury Service Program. In either event, the contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the contractor demonstrate, to the County's satisfaction that the contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that the contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 Conflict of Interest

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the contractor or have any other direct or

indirect financial interest in this Contract. No officer or employee of the contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

- 8.9.2 The contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The contractor warrants that it is not now aware of any facts that create a conflict of interest. If the contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph shall be a material breach of this Contract.

8.10 Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List

- 8.10.1 Should the contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 Consideration of Hiring GAIN-GROW Participants

- 8.11.1 Should the contractor require additional or replacement personnel after the effective date of this Contract, the contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the contractor will interview qualified candidates. The County will refer GAIN-GROW participants by job category to the contractor. Contractors shall report all job openings with job requirements to: GAINGROW@DPSS.LACOUNTY.GOV and

BSERVICES@WDACS.LACOUNTY.GOV and DPSS will refer qualified GAIN/GROW job candidates.

- 8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.12 Contractor Responsibility and Debarment

The following requirements set forth in the County's Non-Responsibility and Debarment Ordinance (Title 2, Chapter 2.202 of the County Code) are effective for this Contract, except to the extent applicable State and/or federal laws are inconsistent with the terms of the Ordinance.

8.12.1 Responsible Contractor

A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

8.12.2 Chapter 2.202 of the County Code

The contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the contractor on this or other contracts which indicates that the contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the contractor may have with the County.

8.12.3 Non-responsible contractor

The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the contractor has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County, 2) committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or

engaged in a pattern or practice which negatively reflects on same, 3) committed an act or offense which indicates a lack of business integrity or business honesty, or 4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

- 8.12.4.1 If there is evidence that the contractor may be subject to debarment, the Department will notify the contractor in writing of the evidence which is the basis for the proposed debarment and will advise the contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- 8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The contractor and/or the contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- 8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 8.12.4.4 If a contractor has been debarred for a period longer than five (5) years, that contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion,

reduce the period of debarment or terminate the debarment if it finds that the contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.

8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the contractor has been debarred for a period longer than five (5) years; 2) the debarment has been in effect for at least five (5) years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

8.12.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to subcontractors of County contractors.

8.13 Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law

8.13.1 The contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Exhibit I, in a prominent position at the contractor's place of business. The contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. Information and posters for printing are available at www.babysafela.org.

8.14 Contractor's Warranty of Adherence to County's Child Support Compliance Program

8.14.1 The contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the contractor's duty under this Contract to comply with all applicable provisions of law, the contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 County's Quality Assurance Plan

The County or its agent(s) will monitor the contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Contract terms and conditions and applicable federal, State, and County policies and procedures relating to performance standards

and outcome measures including but not limited to those performance standards and outcome measures required by specific federal, State, and/or County rules, directive, and guidelines for entities receiving their funding. Examples of such performance standards and/or outcome measures include, but are not limited to, those identified in Exhibit M and those reflected in County and/or program Service Exhibits/SOWs and practice parameters; as well as performance standards and/or outcomes measures related to the Patient Protection and Affordable Care Act (ACA) and Cal MediConnect Program.

Performance standards and/or outcome measures will be used as part of the determination of the effectiveness of the services delivered by Contractor. Substandard performance or outcomes by Contractor may be grounds for contract review and a corrective action plan (CAP).

Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate contractor performance database. The report to the Board will include improvement/corrective action measures taken by the County and the contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.15.1 Contractor shall establish and maintain a Quality Management Program. Contractor's written Quality Management Program shall describe its quality assurance, quality improvement and utilization review structure, process, decisions, actions and monitoring, in accordance with the Department's Quality Improvement Program Policy No. 1100.1, to ensure that the quality and appropriateness of care delivered to clients of the mental health system meets or exceeds the established County, State, and federal service standards and complies with the standards set by the DHCS through the Performance Contract and/or Mental Health Plan Contract.

8.15.2 The Contractor's Quality Management Program shall be consistent with Department's Quality Improvement Program Policy No. 1100.1 including the Department's Quality Improvement Work Plan and participation in Service Area Quality Assurance and Quality Improvement Committee meetings as outlined in Policy No. 1100.1.

- 8.15.3 The Contractor's Quality Management Program shall be consistent with the Department's Cultural Competency Plan. Contractor shall ensure that 100% of Contractor's staff, including clerical/support, administrative/management, clinical, subcontractors, and independent contractors receive **annual** cultural competence training.

Contractor shall monitor, track, document (e.g., training bulletins/flyers, sign-in sheets specifying name and function of staff, and/or individual certificates of completion, etc.) and make available upon request by the Federal, State and/or County government the annual cultural competence training provided to Contractor's staff, including clerical, administrative/ management, clinical, subcontractors, and independent contractors.

Contractor shall complete and submit an attestation of annual cultural competence training completed by 100% of staff to the Ethnic Services Manager (psbcc@dmh.lacounty.gov) by March 23rd of every Calendar Year.

Additionally, per the Federal Managed Care Network Adequacy Final Rule requirements, 100% of direct service practitioners (psychotherapists, psychiatrists, case managers, etc.) must complete cultural competence training within the past 12 months to meet annual reporting requirements. This information needs to be entered and updated quarterly into the application (<https://lacdmhnact.dynamics365portals.us/>) based on each practitioner specifying the hours of cultural competence training completed. This information is due quarterly on the following dates of every Calendar Year:

- July 1
- October 1
- January 1
- April 1

- 8.15.4 The Contractor's Quality Management Program shall be consistent with the Department's Quality Assurance requirements for Contract Providers as outlined in Policy 401.03.

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8.16 Damage to County Facilities, Buildings or Grounds

- 8.16.1 The contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the contractor or employees or agents of the contractor performing in-kind services as referenced in Exhibit A, Financial Provisions, Section T. PAYMENTS BY CONTRACTOR TO COUNTY. Such repairs shall be made immediately after the contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2 If the contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the contractor by cash payment upon demand.

8.17 Employment Eligibility Verification

- 8.17.1 The contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The contractor shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.17.2 The contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 Facsimile Representations

The County and the contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each

party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.19 Fair Labor Standards

8.19.1 The contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the contractor's employees for which the County may be found jointly or solely liable.

8.20 Force Majeure

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both contractor and such subcontractor, and without any fault or negligence of either of them. In such case, contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit contractor to meet the required performance schedule. As used in this subparagraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

- 8.20.3 In the event contractor's failure to perform arises out of a force majeure event, contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 Governing Law, Jurisdiction, and Venue

This Contract shall be governed by, and construed in accordance with, the laws of the State of California and with all laws, regulations, and contractual obligations of County under its contract with the State. The contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.22 Independent Contractor Status

- 8.22.1 This Contract is by and between the County and the contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.22.2 The contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the contractor.
- 8.22.3 The contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the contractor and not employees of the County. The contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the contractor pursuant to this Contract.

8.22.4 Contractor shall adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.23 Indemnification

8.23.1 The contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.

8.24 General Provisions for all Insurance Coverage

8.24.1 Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.2 Evidence of Coverage and Notice to County

8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.

8.24.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to contractor's policy expiration dates. The County reserves the right to obtain complete, certified

copies of any required contractor and/or sub-contractor insurance policies at any time.

- 8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.
- 8.24.2.4 Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- 8.24.2.5 Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles – Department of Mental Health
Contracts Development and Administration Division
550 S. Vermont, 5th Floor, Room 500
Los Angeles, CA 90020
Attention: Chief of Contracts

- 8.24.2.6 Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to contractor. Contractor also shall promptly notify County of any third party claim or suit filed against contractor or any of its subcontractors which arises from or relates to

this Contract, and could result in the filing of a claim or lawsuit against contractor and/or County.

8.24.3 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) shall be provided additional insured status under contractor's General Liability policy with respect to liability arising out of contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the contractor's acts or omissions, whether such liability is attributable to the contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.4 Cancellation of or Changes in Insurance

Contractor shall provide County with, or contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

8.24.5 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to contractor, and/or suspend or terminate this Contract.

County, at its sole discretion, may obtain damages from contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to contractor, deduct the premium cost from sums due to contractor or pursue contractor reimbursement.

8.24.6 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.24.7 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any contractor coverage.

8.24.8 Waivers of Subrogation

To the fullest extent permitted by law, the contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.9 Subcontractor Insurance Coverage Requirements

Contractor shall include all subcontractors as insureds under contractor's own policies, or shall provide County with each subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and shall require that each subcontractor name the County and contractor as additional insureds on the subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any subcontractor request for modification of the Required Insurance.

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8.24.10 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any contractor deductible or SIR. The County retains the right to require contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing contractor's payment of all deductibles and SIRs, including all related claims investigation, administration, and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.11 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

8.24.12 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.13 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.14 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

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8.24.15 **County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.25 **Insurance Coverage**

- 8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

- 8.25.2 **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

- 8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self- insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's

compensation law or any federal occupational disease law.

8.25.4 Unique Insurance Coverage

8.25.4.1 Sexual Misconduct Liability

Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

8.25.4.2 Professional Liability-Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$3 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

8.25.4.3 Intentionally Omitted

8.25.4.4 Intentionally Omitted

8.25.4.5 Intentionally Omitted

8.25.4.6 Privacy/Network Security (Cyber) Liability

Insurance coverage providing protection against liability for (1) privacy breaches [liability arising from the loss or disclosure of confidential information no matter how it occurs]; (2) system breach; (3) denial or loss of service; (4) introduction, implantation, or spread of malicious software code; (5) unauthorized access to or use of computer systems with limits up to \$10 million based on criteria established by the County. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

8.26 Intentionally Omitted

8.27 Intentionally Omitted

8.28 Nondiscrimination and Affirmative Action

8.28.1 The contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age (over 40), marital status, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era in compliance with all applicable Federal and State anti-discrimination laws and regulations. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other contract.

8.28.2 The contractor shall certify to, and comply with, the provisions of Exhibit D (Contractor's EEO Certification).

8.28.3 The contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age (over 40), marital status, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, and granting or denying family care leave. Contractor shall not discriminate against or harass, nor shall it permit harassment of, its employees during employment

based upon race, color, religion, national origin, ancestry, gender, age (over 40), marital status, sexual orientation, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment, and will comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.).

8.28.4 The contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, marital status, or political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Further, Contractor shall give written notice of its obligations under this Paragraph 8.28 to labor organizations with which it has a collective bargaining or other contract.

8.28.5 The contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, marital status, or political affiliation, status as a disabled veteran or veteran of the Vietnam era be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.28.6 The contractor shall allow County representatives access to the contractor's employment records during regular business hours to verify compliance with the provisions of

this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.

8.28.7 If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event the contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.28.9 Contractor shall include the provisions of this Paragraph 8.28 in every subcontract or purchase order unless otherwise expressly exempted.

8.29 Non Exclusivity

8.29.1 Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the contractor. This Contract shall not restrict County from acquiring similar, equal or like goods and/or services from other entities or sources.

8.30 Notice of Delays

8.30.1 Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within three (3) business days, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 Notice of Disputes

8.31.1 The contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the Director or his designee shall resolve it.

8.32 Notice to Employees Regarding the Federal Earned Income Credit

8.32.1 The contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.33 Notice to Employees Regarding the Safely Surrendered Baby Law

8.33.1 The contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit I, Safely Surrendered Baby Law of this Contract. Additional information is available at www.babysafela.org.

8.34 Notices

8.34.1 All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E - County's Administration and F - Contractor's Administration. Contractor's headquarters addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The Director or his designee shall have the authority to execute all notices or demands required or permitted by the County under this Contract. Including but not limited to:

Administrative Amendments: Modifications to this Contract may be accomplished using an administrative amendment process for the following purposes:

1. Change of Contractor's name.
2. Change of Contractor's headquarters' address.
3. Change, revision, addition, or deletion of Provider site address.
4. Change, revision, addition, or deletion of Provider site number.
5. Change, revision, addition, or deletion of Provider site name.
6. Change, revision, addition, or deletion of services previously approved within the Legal Entity for an existing or new Provider site.
7. Technical Corrections.
8. Shifting of funds between currently contracted Funded Programs so long as such shifting will not cause Contractor to increase its Maximum Contract Amount.

8.34.2 Such administrative amendment may be executed by the Director under delegated authority from the Board of Supervisors without prior approval of County Counsel. Such administrative amendment may be initiated by the County, with Contractor's written consent. Contractor's signature will be required to make such administrative amendments effective.

8.35 Intentionally Omitted

8.36 Public Records Act

8.36.1 Any documents submitted by the contractor; all information obtained in connection with the County's right to audit and inspect the contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection-Audit Settlement) of this Contract become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public

Records Act) and which are marked “trade secret”, “confidential”, or “proprietary”. The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 County shall notify Contractor upon receipt of a request for such marked documents.

8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked “trade secret”, “confidential”, or “proprietary”, the contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

8.37 Publicity

8.37.1 The contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the contractor from publishing its role under this Contract within the following conditions:

8.37.1.1 The contractor shall develop all publicity material in a professional manner; and

8.37.1.2 During the term of this Contract, the contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Project Director. The County shall not unreasonably withhold written consent.

8.37.2 The contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37 (Publicity) shall apply.

8.38 Record Retention and Inspection-Audit Settlement

- 8.38.1 The contractor shall maintain accurate and complete financial records, employment records and other records relating to its performance of this Contract. All such material shall be maintained by the contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.
- 8.38.2 In the event that an audit of the contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the contractor or otherwise, then the contractor shall file a copy of such audit report with the Department of Mental Health Contracts Development and Administration Division within thirty (30) days of the contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s). Failure on the part of the contractor to comply with any of the provisions of this subparagraph 8.38 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.38.3 Direct Services and Indirect Services Records: Contractor shall maintain a record of all direct services and indirect services rendered by all professional, para-professional, intern, student, volunteer and other personnel under this Contract in sufficient detail to permit an evaluation and audit of such services. All such records shall be retained, maintained, and made available within three (3) business days for inspection, review, and/or audit by authorized representatives and designees of County, State, and/or federal governments during the term of this Contract and during the applicable period of records retention. In addition to the general requirements in this Paragraph 8.38, Contractor shall comply with any additional patient/client record requirements described in the Service Exhibit(s)/Statement of Work(s) and shall adequately document the delivery of all services described in the Service Exhibit(s)/Statement of Work(s).

8.38.3.1 Patient/Client Records (Direct Services):

Contractor shall maintain treatment and other records for each individual patient/client of all direct services (e.g., 24-hour services, day services, targeted case management, mental health services, medication support, and crisis intervention) in accordance with all applicable County, State and federal requirements. Such treatment and other records shall include, but not be limited to, patient/client identification number, demographic information, and all data elements required by the County's claims processing information system, consent for treatment form, assessment, treatment plan, progress notes, and any other applicable information. The required data elements shall be in accordance with the Organizational Provider's Manual. All patient/client records shall be maintained by Contractor at a location in Los Angeles County for a minimum period that is at least equivalent to the later of any of the following:

8.38.3.1.1 Ten (10) years following discharge of the patient/client or termination of services.

8.38.3.1.2 For minors, one (1) year after the minor reaches the age of 18 (eighteen), but not less than 10 (ten) years and/or from the final date of the contract period between DMH and Contractor, the date of completion of any audit, or the date the service was rendered, whichever is later.

8.38.3.1.3 Ten (10) years after completion of all County, State and/or federal audits.

8.38.3.1.4 Ten (10) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

8.38.3.1.5 During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and

designees of County, State, and/or federal governments for purposes of inspection, review, and/or audit. Nothing in this paragraph shall limit Contractor's obligation to retain records for the period described by law.

8.38.3.2 Case Management Support Services, Outreach Services, and Client Supportive Services Records (Indirect Services): Contractor shall maintain accurate and complete program records of all indirect services (i.e., all services other than direct services) in accordance with all applicable County, State and federal requirements. All program records shall be maintained by Contractor for a minimum period that is at least equivalent to the later of any of the following:

8.38.3.2.1 Ten (10) years following the expiration or earlier termination of this Contract.

8.38.3.2.2 Ten (10) years after completion of all County, State and/or federal audits.

8.38.3.2.3 Ten (10) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

8.38.3.2.4 During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or federal governments for purposes of inspection and/or audit. Nothing in this paragraph shall limit Contractor's obligation to retain records for the period described by law.

8.38.4 Financial Records: The contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles, with the procedures set out in the State's Cost and Financial Reporting System (CFRS) Instruction Manual, and with all

applicable federal, State and County requirements, guidelines, standards, and procedures. Minimum standards for accounting principles are set forth in County's Auditor-Controller's Contract Accounting and Administration Handbook which shall be furnished to Contractor by County upon request. The above financial records shall include, but are not limited to:

- 8.38.4.1 Books of original entry and a general ledger.
- 8.38.4.2 Reports, studies, statistical surveys or other information Contractor used to identify and allocate indirect costs. "Indirect costs" shall mean those costs as described by the guidelines, standards, and procedures which may be provided by County in writing to Contractor, the Centers for Medicare and Medicaid Provider Reimbursement Manual Parts 1 and 2 (Publications #15-1 and #15-2), and the OMB Uniform Guidance, Subpart E: Cost Principles.
- 8.38.4.3 Bronzan-McCorquodale/County statistics and total facility utilization information (e.g., patient days, visits) which can be identified by type of service pursuant to any policies and procedures which may be provided by County in writing to Contractor.
- 8.38.4.4 A listing of all County remittances received.
- 8.38.4.5 Patient/client financial folders clearly documenting:
 - 8.38.4.5.1 Contractor's determination of patient's/client's eligibility for Medi-Cal, medical insurance and any other third party payer coverage; and
 - 8.38.4.5.2 Contractor's reasonable efforts to collect charges from the patient/client, his/her responsible relatives, and any other third party payer.
 - (a) Individual patient/client ledger cards indicating the type and amount of charges incurred and

payments by source and service type.

(b) Employment records.

8.38.4.6 The entries in all the above financial records must be readily traceable to applicable source documentation (e.g., remittance invoices, vendor invoices, employee timecards, signed by employee and countersigned by supervisor, subsidiary ledgers and journals, appointment logs, patient ledger cards, etc.). Any apportionment of costs shall be made in accordance with the requirements of the State's CFRS Instruction Manual, the Federal Centers for Medicare and Medicaid Provider Reimbursement Manual Parts 1 and 2 (Publications #15-1 and #15-2), and Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services. All such records shall be maintained by Contractor for a minimum period that is at least equivalent to the later of any of the following:

8.38.4.6.1 Ten (10) years following the expiration or earlier termination of this Contract;

8.38.4.6.2 Ten (10) years after completion of all County, State and/or federal audits; or

8.38.4.6.3 Ten (10) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

8.38.4.6.4 During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or federal governments for purposes of inspection, review, and/or audit. Such access shall include access to individuals with knowledge of financial records and Contractor's outside auditors, and regular and special reports from Contractor.

8.38.5 Preservation of Records: If, following termination of this Contract, Contractor's facility(ies) is (are) closed or if majority ownership of Contractor changes, then within 48 hours of closure or ownership change, Director of DHCS and Director shall be notified in writing by Contractor of all arrangements made by Contractor for preservation of all the patient/client, financial, and other records referred to in this Paragraph 8.38.

8.38.6 Audits:

8.38.6.1 Contractor shall provide County and its authorized representative's access to and the right to examine, audit, excerpt, copy, or transcribe, any pertinent transaction, activity, time cards, or any other records relating to this Contract.

8.38.6.2 County may, in its sole discretion, perform periodic fiscal and/or program review(s) of Contractor's records that relate to this Contract. If County determines that the results of any such reviews indicate the need for corrective action, Contractor shall within 30 calendar days after receiving the findings of the fiscal and/or program review, either (a) submit a corrective plan of action to DMH, or (b) request a review by the Director. If Contractor requests a review by the Director within the 30 calendar days, and if a corrective plan of action is then required, Contractor shall have 30 calendar days to submit its corrective plan of action.

8.38.6.3 Audit Reports: In the event that any audit of any or all aspects of this Contract is conducted by any federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report(s) with DMH's Contracts Development and Administration Division within 30 calendar days of Contractor's receipt thereof, unless otherwise provided by applicable federal or State law or under this Contract. Contractor shall promptly notify County of any request for access to information related to this Contract by any other governmental agency.

8.38.6.4 California Department of Health Care Services (DHCS) Access to Records: Contractor agrees that for a period of ten (10) years following the furnishing of services under this Contract; three (3) years after final audit is completed including appeals, or ten (10) years after termination of this Agreement; whichever occurs later, Contractor shall maintain and make available to the DHCS, the Secretary of the United States Department of Health and Human Services (HHS), or the Controller General of the United States, and any other authorized federal and State agencies, or to any of their duly authorized representatives, the contracts, books, documents and records of Contractor which are necessary to verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents and records of the subcontractor as provided in Paragraph 3.10 and in this Paragraph 8.38.

8.38.6.5 Federal Access to Records: Grant-funded programs require audits and compliance with federal guidelines pursuant to OMB Uniform Guidance, Subpart F: Single Audit Requirements. If, and to the extent that, Section 1861(v)(1)(I) of the Social Security Act (42 United States Code Section 1395x(v)(1)(I)) is applicable, Contractor agrees that for a period of ten (10) years following the furnishing of services under this Contract, three (3) years after final audit is completed including appeals, or ten (10) years after termination of this Contract; whichever is later, Contractor shall maintain and make available to the Secretary of the United States Department of HHS, or the Controller General of the United States, or to any of their duly authorized representatives, the contracts, books, documents and records of

Contractor which are necessary to verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontractor shall provide for such access to the subcontract, books, documents and records of the subcontractor as provided in Paragraph 3.10 and in this Paragraph 8.38.

8.39 Recycled Bond Paper

- 8.39.1 Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.40 Subcontracting

- 8.40.1 The requirements of this Contract may not be subcontracted by the contractor **without the advance approval of the County**. Any attempt by the contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.
- 8.40.2 If the contractor desires to subcontract, the contractor shall provide the following information promptly at the County's request:
 - 8.40.2.1 The reasons for the particular subcontract.
 - 8.40.2.2 A detailed description of the services to be performed by the subcontractor;
 - 8.40.2.3 Identification of the proposed subcontractor.
 - 8.40.2.4 A description of the proposed subcontract amount and manner of compensation, together with Contractor's cost or price analysis thereof.
 - 8.40.2.5 A draft copy of the proposed subcontract which shall include the following provisions:

“This contract is a subcontract under the terms of the prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract, including those related to ensuring high quality of service and outcomes”.

8.40.2.6 A copy of the proposed subcontract, if in excess of \$10,000 and utilizes public funds, shall also contain the following provision:

"The contracting parties shall be subject to the examination and audit of the State Auditor, pursuant to the California Government Code, Section 8546.7, for a period of ten (10) years from the end of the Fiscal Year in which such services were provided or until final resolution of any audits, whichever occurs later."

8.40.2.7 Further, the Contractor will also be subject to the examination and audit of the State Auditor, pursuant to the Government Code, Section 8546.7, for a period of ten (10) years from the end of the fiscal year in which such services were provided or until final resolution of any audits, whichever occurs later.

8.40.2.8 Other pertinent information and/or certifications requested by the County.

8.40.3 The contractor shall indemnify, defend, and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were the contractor employees.

8.40.4 The contractor shall remain fully responsible for all performances required of it under this Contract, including those that the contractor has determined to subcontract, notwithstanding the County's approval of the contractor's proposed subcontract.

8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The contractor is responsible to notify its subcontractors of this County right.

- 8.40.6 The Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 The contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8 The contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. Before any subcontractor employee may perform any work hereunder, contractor shall ensure delivery of all such documents to:

Los Angeles County Department of Mental Health

Contracts Development and Administration Division
550 S. Vermont Ave., 5th Floor
Los Angeles, CA 90020
Attention: Chief of Contracts

8.41 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program

- 8.41.1 Failure of the contractor to maintain compliance with the requirements set forth in Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Paragraph 8.43 (Termination for Default) and pursue debarment of the contractor, pursuant to County Code Chapter 2.202.

8.42 Termination for Convenience

- 8.42.1 This Contract may be terminated by the County or Contractor at any time without cause by giving at least 30 calendar days prior written notice to the other party.

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8.42.2 After receipt of a notice of termination and except as otherwise directed by the County, the contractor shall:

8.42.2.1 On or after the date of the written notice of termination, County, in its sole discretion, may stop all payments to Contractor hereunder until preliminary settlement based on the Annual Cost Report. Contractor shall prepare an Annual Cost Report in accordance with the terms of the Financial Exhibit A.

8.42.2.2 Upon issuance of any notice of termination, Contractor shall make immediate and appropriate plans to transfer or refer all patients/clients receiving services under this Contract to other agencies for continuing services in accordance with the patient's/client's needs. Such plans shall be subject to prior written approval of the Director or his designee, except that in specific cases, as determined by Contractor, where an immediate patient/client transfer or referral is indicated, Contractor may make an immediate transfer or referral. If Contractor terminates this Contract, all costs related to all such transfers or referrals as well as all costs related to all continuing services shall not be a charge to this Contract nor reimbursable in any way under this Contract; and

8.42.2.3 If Contractor is in possession of any equipment, furniture, removable fixtures, materials, or supplies owned by County as provided in Paragraph 9.16 (PURCHASES), the same shall be immediately returned to County.

8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the contractor under this Contract shall be maintained by the contractor in accordance with Paragraph 8.38 (Record Retention and Inspection-Audit Settlement).

8.43 Termination for Default

8.43.1 The County may, by written notice to the contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Director:

8.43.1.1 Contractor has materially breached this Contract;
or

8.43.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or

8.43.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this paragraph.

8.43.3 Except with respect to defaults of any subcontractor, the contractor shall not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the contractor and subcontractor, and without the fault or negligence of either of them, the contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be

furnished by the subcontractor were obtainable from other sources in sufficient time to permit the contractor to meet the required performance schedule. As used in this paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.

8.43.4 If, after the County has given notice of termination under the provisions of Paragraph 8.43 (Termination for Default) it is determined by the County that the contractor was not in default under the provisions of Paragraph 8.43 (Termination for Default) or that the default was excusable under the provisions of subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).

8.43.5 The rights and remedies of the County provided in this Paragraph 8.43 (Termination for Default) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 Termination for Improper Consideration

8.44.1 The County may, by written notice to the contractor, immediately terminate the right of the contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the contractor as it could pursue in the event of default by the contractor.

8.44.2 The contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.45 Termination for Insolvency

8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

8.45.1.1 Insolvency of the contractor. The contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the contractor is insolvent within the meaning of the Federal Bankruptcy Code;

8.45.1.2 The filing of a voluntary or involuntary petition regarding the contractor under the Federal Bankruptcy Code;

8.45.1.3 The appointment of a Receiver or Trustee for the contractor; or

8.45.1.4 The execution by the contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this Paragraph 8.45 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 Termination for Non-Adherence of County Lobbyist Ordinance

8.46.1 The contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the contractor or any County Lobbyist or County Lobbying firm retained by the contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.47 Termination for Non-Appropriation of Funds

8.47.1 Notwithstanding any other provision of this Contract, the County shall not be obligated for the contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and

until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the contractor in writing of any such non-allocation of funds at the earliest possible date.

8.48 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program

8.48.1 Failure of contractor to maintain compliance with the requirements set forth in Paragraph 8.53 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of contractor, pursuant to County Code Chapter 2.206.

8.49 Time Off for Voting

8.49.1 The contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

8.50 Validity

8.50.1 If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.51 Waiver

8.51.1 No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach

or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this paragraph 8.53 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.52 Warranty Against Contingent Fees

8.52.1 The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

8.52.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.53 Warranty of Compliance with County's Defaulted Property Tax Reduction Program

8.53.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless contractor qualifies for an exemption or exclusion, contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.54 Compliance with County's Zero Tolerance Policy on Human Trafficking

Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking.

If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Contractor's staff pursuant to this paragraph shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

9 UNIQUE TERMS AND CONDITIONS

9.1 Third Party Beneficiaries

9.1.1 Notwithstanding any other provision of this Contract, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Contract.

9.2 Health Insurance Portability and Accountability Act of 1996 (HIPAA)

9.2.1 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations, and subtitle D, Privacy, of the Health Information Technology for Economic and Clinical Health Act (HITECH). Contractor understands and agrees that, as a provider of mental health services, it is a "*Covered Entity*" under HIPAA and HITECH and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA and HITECH.

9.2.2 The parties acknowledge their separate and independent obligations with respect to HIPAA and HITECH and that such obligations relate to *transactions and code sets, privacy, and security*. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA and HITECH in all these areas and that County has not undertaken any responsibility for compliance on contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to contractor's obligations under

HIPAA and HITECH but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

9.2.3 Contractor and County understand and agree that each is independently responsible for HIPAA and HITECH compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA and HITECH laws and implementing regulations related to transactions and code sets, privacy, and security.

9.2.4 Each party further agrees that, should it fail to comply with its obligations under HIPAA and HITECH, it shall indemnify and hold harmless the other party (including the other party's officers, employees, and agents), for damages to the other party that are attributable to such failure.

9.2.5 Contractor and County understand and agree that HIPAA has imposed additional requirements in regards to changes in DMH's County's information system.

(1) County has a Guide to Procedure Codes available at <http://lacdmh.lacounty.gov/hipaa/index.html> which includes a "crosswalk" of DMH activity codes to Current Procedural Terminology (CPT) and Health Care Procedure Coding System (HCPCS) codes.

(2) County has electronic Data Interchange (EDI) Contract forms available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm which includes information about the applicable HIPAA transactions that can be processed in the Integrated Behavioral Health Information System (IBHIS)

Contractor acknowledges that County is using the IBHIS in which clinical, demographic, administrative, financial, claims, outcomes, and other information will be exchanged between DMH and contract providers exclusively through the use of EDI transactions and other County defined b2b ("Business-to-Business") data collection and interoperability solutions.

(3) As County defines requirements for each transaction and determines the method by which each transaction is to be exchanged between Contractor and County,

County shall notify Contractor of the effective date(s) by which Contractor shall be required to implement each newly defined interface through County's release of revised Companion Guides. Revised Companion Guides shall be released prior to the effective date(s) upon which each newly defined interface is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each newly defined interface, unless earlier effective date(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual contract between County and Contractor.

- (a) 120 days for new interface requiring major development and testing,
 - (b) 90 days for new interfaces requiring moderate development and testing; and
 - (c) 60 days for new interfaces requiring minimal development and testing.
- (4) Contractor acknowledges that County may modify interfaces requirements as deemed needed by County. County shall notify Contractor of the effective dates(s) by which Contractor shall be required to comply with each modified interface in accordance with County's revised requirements through County's release of revised Companion Guides. Revised Companion Guides shall be released prior to the effective date(s) upon which each modified interface is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each revised interface, unless earlier effective dates(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual contract between County and Contractor.
 - (a) 90 days for existing interfaces requiring major development and testing;
 - (b) 60 days for existing interfaces that requiring moderate development and testing; and
 - (c) 30 days for existing interfaces requiring minimal development and testing.

- (5) Contractor agrees to comply with the exchange of all required interfaces specified by County and the method by which these transactions are to be exchanged between Contractor and County as of the effective date(s) specified by County.
- (6) County has Trading Partner Agent Authorization Contracts available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm which includes the Contractor's authorization to its Agent(s) to submit HIPAA-compliant transactions on behalf of Contractor to the IBHIS.

9.2.6 Contractor understands that County operates an informational website <http://dmh.lacounty.gov/wps/portal/dmh> related to the services under this Contract and the parties' HIPAA obligations, and agrees to undertake reasonable efforts to utilize said website to obtain updates, other information, and forms to assist Contractor in its performance.

9.2.7 Contractor understands and agrees that if it uses the services of an Agent in any capacity in order to receive, transmit, store or otherwise process Data or Data Transmissions or perform related activities, the Contractor shall be fully liable to DMH for any acts, failures or omissions of the Agent in providing said services as though they were the Contractor's own acts, failures, or omissions.

9.2.8 Contractor further understands and agrees that the terms and conditions of the current IBHIS Trading Partner Contract (TPA) available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm respectively, shall apply to this Contract and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

9.2.9 Contractor acknowledges that County participates in the Meaningful Use of Electronic Health Records Incentive Program (MU Program) under the HITECH Act which requires the annual submission of data documenting the compliance of eligible professionals with certain MU measures.

9.2.10 County and Contractor further understand and agree that mutual cooperation in the collection and reporting of MU

Program measures may be required in cases in which both County and Contractor have employed or contracted the professional medical services of the same eligible professional during any calendar year in which the MU Program is in effect. In such cases, the requesting party shall deliver to the receiving party a letter on agency letterhead indicating the specific information requested, the format in which the information is to be delivered to the requesting party, and the required date of delivery of the information requested. The receiving party shall have 30 days from receipt of the request to deliver the requested information to the requesting party in the format specified by the requester.

9.3 Contractor Protection of Electronic County Information

- 9.3.1 The Board has recognized that the County must ensure that appropriate safeguards are in place to protect public data and avoid the penalties and fines that may be imposed when unprotected confidential/sensitive information is disclosed inappropriately. The County Policy 5.200 "Contractor Protection of Electronic County Information" for specific details on this policy reference the following link: https://library.municode.com/ca/la_county_bos/codes/board_policy?nodeId=CH5COPU_5.200COPRELCOIN was adopted to protect personal information (PI), protected health information (PHI) and medical information (MI) electronically stored and/or transmitted by County Contractors. Contractor agrees that it will comply with County Policy 5.200, as it now exist or as it might be modified in the future, as it relates to information acquired in the course of providing services during the term of this Contract.
- 9.3.2 Contractor shall comply with the encryption standards set forth in Exhibit Q, Protection of Electronic County PI, PHI and MI (Data Encryption) and submit Required Forms Exhibit R, LACDMH Contractor's Compliance with Encryption Requirements. Encryption requirements shall apply to all County PI, PHI and MI electronically stored or transmitted by Contractors and subcontractors, irrespective of storage and/or transmission methodology.
- 9.3.3 Contractor shall comply with the Information Security Requirements set for in Exhibit T, Information Security and Privacy Requirements.

- 9.3.4 Contractor shall complete and submit to DMH the Confidentiality Oath (Non-LAC-DMH Workforce Members), Exhibit U to this Contract.
- 9.3.5 Contractor shall sign, submit to DMH and comply with County of Los Angeles Agreement for Acceptable Use and Confidentiality of County Information Technology Resources, Exhibit S to this Contract.

9.4 Technology Requirements

- 9.4.1 Contractor shall acquire, manage, and maintain Contractor's own information technology, infrastructure, platforms, systems and/or services in order to meet all requirements specified by County for interoperability (as stated in section 9.2.5).
- 9.4.2 Contractor shall ensure that each individual using electronic methods to sign electronic health records in the performance of work specified under this Contract completes an Electronic Signature Agreement annually. The Electronic Signature Agreement shall be substantially similar to the sample available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html.
- 9.4.2.1 Contractor shall maintain a copy of each Electronic Signature Contract and make them available for inspection by County upon request.
- 9.4.2.2 Contractor shall submit to County a Legal Entity Electronic Signature Certification to certify compliance with this provision of this Contract. Contractors who implement electronic methods to sign electronic health records subsequent to the execution of this Contract shall submit to County a Legal Entity Electronic Signature Certification immediately upon implementation. The Legal Entity Electronic Signature Certification to be used by Contractor is found at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html. Nothing in this requirement is intended to imply that Contractor qualifies as a Legal Entity, as that term is generally understood by Department.

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9.5 Contractor's Charitable Activities Compliance

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification, Exhibit O, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)

9.6 Data Destruction

Contractor(s) and Vendor(s) that have maintained, processed, or stored the County of Los Angeles' ("County") data and/or information, implied or expressed, have the sole responsibility to certify that the data and information have been appropriately destroyed consistent with the National Institute of Standards and Technology (NIST) Special Publication SP 800-88 titled Guidelines for Media Sanitization. Available at:

<http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88>
Rev.%201

The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within the County, or external to the County's boundaries. The County must receive within twenty (20) business days, a signed document from Contractor(s) and Vendor(s) that certifies and validates the data and information containing PHI and PII were placed in one or more of the following stored states: unusable, unreadable, and indecipherable.

Vendor shall certify that any County data stored on purchased, leased, or rented electronic storage equipment and electronic devices, including, but not limited to printers, hard drives, servers, and/or workstations are destroyed consistent with the current National Institute of Standard and Technology (NIST) Special Publication SP-800-88, Guidelines for Media Sanitization. Vendor shall provide County with written certification, within ten (10) business days of removal of any electronic storage equipment and devices that validates that any and all County data was destroyed and is unusable, unreadable, and/or undecipherable.

9.7 Local Small Business Enterprise (LSBE) Preference Program

- 9.7.1 This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.
- 9.7.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a LSBE.
- 9.7.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a LSBE.
- 9.7.4 If the Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:
 - 1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
 - 2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten (10) percent of the amount of the contract; and
 - 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

9.8 Social Enterprise (SE) Preference Program

- 9.8.1 This Contract is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.
- 9.8.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.
- 9.8.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.
- 9.8.4 If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor shall:
1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
 2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the contract; and
 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

9.9 Disabled Veteran Business Enterprise (DVBE) Preference Program

- 9.9.1 This Contract is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in Chapter 2.211 of the Los Angeles County Code.
- 9.9.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.
- 9.9.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.
- 9.9.4 If Contractor has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor shall:
1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
 2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

Notwithstanding any other remedies in this contract, the above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this

information prior to responding to a solicitation or accepting a contract award.

9.10 Air or Water Pollution Requirements: Unless specifically exempted under federal law, any federally funded Legal Entity Contract and/or any subcontracts in excess of \$100,000 must comply with the following provisions:

9.10.1 Contractor agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Chapter 1).

9.10.2 Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

9.11 Contractor's Exclusion From Participation In A Federally Funded Program

9.11.1 Contractor hereby warrants that neither it nor any of its staff members is restricted, excluded or suspended from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within 30 calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion or suspension from participation in a federally funded health care program; and (2) any exclusionary or suspension action taken by any agency of the federal or State governments against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part. This warranty and notice requirements apply equally to suspensions from the Medi-Cal program as well as any other federally funded health care programs including but not limited to Medicare and Healthy Families.

- 9.11.2 There are a variety of different reasons why an individual or entity may be excluded from participating in a federally funded health care program. Sometimes, the exclusion is mandatory and in other cases the Office of Inspector General (OIG), and State officials have the discretion not to exclude.
- 9.11.3 The mandatory bases for federal exclusion include: (1) felony convictions for program related crimes, including fraud or false claims, or for offenses related to the dispensing or use of controlled substances, or (2) convictions related to patient abuse.
- 9.11.4 Permissive exclusions may be based on: (1) conviction of a misdemeanor related to fraud or financial misconduct involving a government program; (2) obstructing an investigation; (3) failing to provide access to documents or premises as required by federal health care program officials; (4) conviction of a misdemeanor related to controlled substances; (5) failing to disclose information about the entity itself, its subcontractors or its significant business transactions; (6) loss of a State license to practice a health care profession; (7) default on a student loan given in connection with education in a health profession; (8) charging excessive amounts to a federally funded health care program or furnishing services of poor quality or which are substantially in excess of the needs of the patients; (9) paying a kickback or submitting a false or fraudulent claim. Persons controlling or managing excluded entities who knew of the conduct leading to the exclusion can themselves be excluded, and entities which are owned and controlled by excluded individuals can also be excluded. Mandatory exclusions under State law from Medi-Cal are similar but also include convictions of a misdemeanor for fraud or abuse involving the Medi-Cal program or a Medi-Cal beneficiary.
- 9.11.5 Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal or State exclusion or suspension of Contractor or its staff members from such participation in a federally funded health care program. Contractor shall provide the certification set forth in Exhibit K (Attestation Regarding

Federally Funded Program) as part of its obligation under this Paragraph 9.11.

9.11.6 Contractor shall also comply with DMH Policy 106.04 (Contractors Eligibility to Provide Goods and Services to Federally Funded Health Care Programs and to Secure Federally Funded Contracts) which includes the following topics: 1) Contractor's responsibility for any and all Civil Monetary Penalties associated with repayments for claims submitted for excluded or suspended agencies or individuals and 2) Contractor's responsibility to provide employee identification information within three (3) business days should DMH or its representatives request it related to sanction list screening compliance.

9.11.7 Failure by Contractor to meet the requirements of this Paragraph 9.11 shall constitute a material breach of Contract upon which County may immediately terminate or suspend this Contract.

9.12 Certification Regarding Debarment, Suspension, Ineligibility And Voluntary Exclusion – Lower Tier Covered Transactions (45 C.F.R. Part 76)

9.12.1 In addition to Paragraph 8.12 (Contractor Responsibility and Debarment) the Contractor hereby acknowledges that the County is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Contract, Contractor certifies that neither it nor any of its owners, officers, partners, directors or other principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Contract, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Contractor shall immediately notify County in writing, during the term of this Contract, should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach

of this Contract upon which the County may immediately terminate or suspend this Contract.

9.13 Restrictions On Lobbying

9.13.1 If any federal funds are to be used to pay for any of Contractor's services under this Contract, Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public Law 101 121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds under this Contract also fully complies with all such certification and disclosure requirements.

9.14 Disclosures

9.14.1 Disclosure of 5% or More Ownership Interest: Pursuant to Code of Federal Regulations (CFR) Paragraph 455.104, Contractor shall submit the disclosures below to County regarding ownership and control. Contractor shall provide the certification set forth in Exhibit P (Ownership/Controlling Interest Disclosure) as part of its obligation under this Paragraph 9.14. Contractor must submit updated disclosures (Exhibit P) to County before entering into contract, and within 35 days after any change in the Contractor's ownership or upon request by the County. Contractor shall send all the disclosures to those persons and addresses which are set forth in Paragraph 8.34 (NOTICES).

(a) Disclosures to be provided:

- i. The name and address of any person (individual or corporation) with an ownership of control interest in the Contractor's business. The address for corporate entities shall include, as applicable, a primary business address, every business location, and a P.O. Box address;
- ii. Date of birth and Social Security Number (in the case of an individual);

- iii. Other tax identification number (in the case of corporation with a 5% or more ownership or control interest in Contractors' business);
- iv. Whether the person (individual or corporation) with an ownership or control interest in the Contractor's business is related to another person with ownership or control in the Contractor's business such as a spouse, parent, child, or sibling;
- v. The name of any other disclosing entity in which the Contractor has an ownership or control interest; and
- vi. The name, address, date of birth, and Social Security Number of any managing employee of the Contractor.

9.14.2 Disclosures Related to Business Transactions: Contractor must submit disclosures and updated disclosures to County including information regarding certain business transactions within 35 days, upon request:

- (a) The ownership of any subcontractor with whom the Contractor has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and
- (b) Any significant business transactions between the Contractor and any subcontractor during the 5-year period ending on the date of the request.

9.14.3 Disclosure Related to Persons Convicted of Crimes: Contractor shall submit the following disclosures to County regarding the Contractor's management:

- (a) The identity of any person who is a managing employee of the Contractor who has been convicted of a crime related to federal health care programs (42 CFR Paragraph 455.106(a)(1), (2).)
- (b) The identity of any person who is an agent of the Contractor who has been convicted of a crime related to federal health care programs (42 CFR Paragraph

455.106(a)(1), (2).) For this purpose, the word “agent” has the meaning described in 42 CFR Paragraph 455.101.

- (c) The Contractor shall supply the disclosures before entering into the contract and at any time upon County’s request.
- (d) Contractor’s subcontractors, if any, shall submit the same disclosures to the Contractor regarding the subcontractors’ owners, persons with controlling interest, agents, and managing employees’ criminal convictions. Subcontractors shall supply the disclosures before entering into a contract and at any time upon County’s request.

9.15 Certification Of Drug-Free Work Place

9.15.1 Contractor certifies and agrees that Contractor and its employees shall comply with DMH's policy of maintaining a drug-free work place. Contractor and its employees shall not manufacture, distribute, dispense, possess, or use any controlled substances as defined in 21 United States Code Section 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any of Contractor's facilities or work sites or County's facilities or work sites. If Contractor or any of its employees is convicted of or pleads nolo contendere to any criminal drug statute violation occurring at any such facility or work site, then Contractor, within five (5) days thereafter, shall notify Director in writing.

9.16 Purchases

9.16.1 Purchase Practices: Contractor shall fully comply with all federal, State and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, in acquiring all furniture, fixtures, equipment, materials, and supplies. Such items shall be acquired at the lowest possible price or cost if funding is provided for such purposes hereunder.

9.16.2 Proprietary Interest of County: In accordance with all applicable federal, State and County laws, ordinances,

rules, regulations, manuals, guidelines and directives, County shall retain all proprietary interest, except the use during the term of this Contract, in all furniture, fixtures, equipment, materials, and supplies, purchased or obtained by Contractor using any County funds. Upon the expiration or termination of this Contract, the discontinuance of the business of Contractor, the failure of Contractor to comply with any of the provisions of this Contract, the bankruptcy of Contractor or its giving an assignment for the benefit of creditors, or the failure of Contractor to satisfy any judgment against it within 30 calendar days of filing, County shall have the right to take immediate possession of all such furniture, removable fixtures, equipment, materials, and supplies, without any claim for reimbursement whatsoever on the part of Contractor. County, in conjunction with Contractor, shall attach identifying labels on all such property indicating the proprietary interest of County.

- 9.16.3 Inventory Records, Controls and Reports: Contractor shall maintain accurate and complete inventory records and controls for all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds. Within 90 calendar days following the execution of this Contract, Contractor shall provide Director with an accurate and complete inventory report of all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds. The inventory report shall be prepared by Contractor on a form or forms designated by Director, certified and signed by an authorized officer of Contractor, and one copy thereof shall be delivered to County within 30 calendar days of any change in the inventory. Within five business days after the expiration or termination of the Contract, Contractor shall submit to County six copies of the same inventory report updated to the expiration or termination date of the Contract, certified and signed by an authorized officer of Contractor, based on a physical count of all items of furniture, fixtures, equipment, materials, and supplies, as of such expiration or termination date.

9.16.4 Protection of Property in Contractor's Custody: Contractor shall maintain vigilance and take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds, against any damage or loss by fire, burglary, theft, disappearance, vandalism or misuse. In the event of any burglary, theft, disappearance, or vandalism of any item of furniture, fixtures, equipment, materials, and supplies, Contractor shall immediately notify the police and make a written report thereof, including a report of the results of any investigation which may be made. In the event of any damage or loss of any item of furniture, fixtures, equipment, materials, and supplies, from any cause, Contractor shall immediately send Director a detailed, written report. Contractor shall contact DMH's Administrative Services Division for instructions for disposition of any such property which is worn out or unusable.

9.16.5 Disposition of Property in Contractor's Custody: Upon the termination of the funding of any program covered by this Contract, or upon the expiration or termination of this Contract, or at any other time that County may request, Contractor shall: (1) provide access to and render all necessary assistance for physical removal by County or its authorized representatives of any or all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds, in the same condition as such property was received by Contractor, reasonable wear and tear excepted, or (2) at Director's option, deliver any or all items of such property to a location designated by Director. Any disposition, settlement or adjustment connected with such property shall be in accordance with all applicable federal, State and County laws, ordinances, rules, regulations, manuals, guidelines and directives.

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IN WITNESS WHEREOF, contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Director of Mental Health or his designee thereof, the day and year first above written.

COUNTY OF LOS ANGELES

By _____
JONATHAN E. SHERIN, M.D., Ph.D.

CONTRACTOR

By _____
Name _____
Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

By _____

**FINANCIAL EXHIBIT A
(FINANCIAL PROVISIONS)**

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(FINANCIAL PROVISIONS)

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EXHIBIT

EXHIBIT A-1: COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH
CONTRACTOR CLAIMS CERTIFICATION FOR TITLE XIX
SHORT-DOYLE MEDI-CAL AND TITLE XXI MEDICAID CHILDREN'S
HEALTH INSURANCE PROGRAM REIMBURSEMENTS

FINANCIAL EXHIBIT A
FINANCIAL PROVISIONS

A. GENERAL

- (1) The County shall pay Contractor in arrears for eligible services provided under this DMH Legal Entity Contract and in accordance with the terms of this Financial Exhibit A up to the amounts identified for each Funded Program as shown in the Financial Summary and as otherwise may be limited under this DMH Legal Entity Contract and the exhibits thereto, including but not limited to this Financial Exhibit A and the Financial Summary.
 - (a) For the purposes of the Contract, a “Funded Program” is a set of services and/or activities (including invoiced services and activities) paid through a particular funding source for the benefit of a specific beneficiary or program (e.g., Medi-Cal or Non-Medi-Cal) as identified on a row of the Financial Summary.
 - (b) For the purposes of the Contract, the “Funded Program Amount” is the amount identified in the last column of the Financial Summary for each Funded Program.
 - (c) For the purposes of this Contract, “Non-Medi-Cal” includes all of the following: Persons with no known outside payer source, persons for whom eligibility for benefits under the State’s Medi-Cal programs is being determined or established, and persons whose eligibility for the Medi-Cal programs was unknown at the time that services were rendered.
 - (d) The Contractor understands and agrees that the Medi-Cal Funded Program Amount(s) in the Financial Summary is provided based on Contractor’s ability to provide specific services and/or serve specific populations, which may include but is not limited to, Medi-Cal beneficiaries eligible under Early and Periodic, Screening, Diagnosis, and Treatment (EPSDT) Program; Title XXI Medicaid Children’s Health Insurance Program (MCHIP); existing Title XIX Short-Doyle/Medi-Cal Program for low-income individuals who are age 65 or older, blind, disabled, or members of families with dependent children or qualified pregnant women or children; and, Medicaid (Medi-Cal in California) Coverage Expansion under the Affordable Care Act, as set forth in the Negotiation Package. Therefore, Contractor shall ensure access and provision of a full array of Specialty Mental Health Services to all eligible beneficiaries based

on client needs, as set forth in the Negotiation Package under this Contract.

- (2) The Contractor shall comply with all requirements necessary for reimbursement as established by federal, State and local statutes, laws, ordinances, rules, regulations, manuals, policies, guidelines and directives.
- (3) In order to reduce County costs, the Contractor shall comply with all applicable provisions of the Welfare and Institutions Code (WIC) and/or California Code of Regulations (CCR) related to reimbursement by non-County and non-State sources, including, but not limited to, collecting reimbursement for services from clients (which shall be the same as patient fees established pursuant to WIC Section 5710) and from private or public third-party payers. In addition, Contractor shall ensure that, to the extent a recipient of services under this Contract is eligible for coverage under Medi-Cal or Medicare or any other federal or State funded program (an eligible beneficiary), services provided to such eligible beneficiary are billed appropriately.
 - (a) Contractor shall be responsible for delivering services to the extent that funding is allocated by County. To the extent that Contractor does not have funds allocated in this Contract for a Funded Program that pays for services to a particular eligible beneficiary, Contractor shall, at the first opportunity, refer said eligible beneficiary to another Contractor or County facility that, to the extent feasible, is within the same geographic area and has funds allocated for the needed service(s).
 - (b) To the extent that the County determines Contractor has improperly billed for services to a particular Funded Program, County in its discretion may disallow payment of said services and/or may make corrective accounting entries to post the payment of the said services to the appropriate Funded Program and/or require Contractor to void said claimed services and replace/resubmit said services for payment from the correct Funded Program, if applicable.
- (4) The Countywide Maximum Allowances (CMA) are in effect during the Initial Period, the First Optional Extension Period, and the Second Optional Extension Period, or any part thereof, and shall be applicable to this Contract as of the date executed by DMH.

B. LIMITATIONS ON MAXIMUM REIMBURSEMENT

- (1) The total maximum reimbursement that will be paid by County to Contractor under this Contract, including Cash Flow Advances (CFA) if applicable, for the Initial Period, First Optional Extension Period, and the Second Optional

Extension Period shall be, in no event more than, the Maximum Contract Amount (MCA) specified in Contract, for the Initial Period, First Optional Extension Period, and the Second Optional Extension Period, respectively, of this Contract.

- (a) In addition to the general limitation of Paragraph B (1) of this Financial Exhibit A, in no event shall the maximum reimbursement that will be paid by County to Contractor under this Contract for any Funded Program be more than the amount identified as the Funded Program Amount for each Funded Program, as stated on the Financial Summary for the Initial Period, First Optional Extension Period and the Second Optional Extension Period, as applicable.
- (2) Contractor shall immediately provide written notice to the County when, based on the Contractor's own internal records, it has billed for services/activities under this Contract in an amount equal to seventy-five (75) percent of the total MCA or seventy-five (75) percent of the Funded Program Amount(s) during the Initial Period, First Optional Extension Period or the Second Optional Extension Period of this Contract.
 - (a) Contractor shall send such notice to those persons and addresses which are set forth in the DMH Legal Entity Contract, Paragraph 8.34 (NOTICES).
 - (b) Failure of Contractor to comply with Subparagraph (2) of this Paragraph B (LIMITATIONS ON MAXIMUM REIMBURSEMENT) will be considered a breach of this Contract.
- (3) Except as otherwise provided in this Contract, the total MCA and/or the Funded Program Amount(s) for any of the periods specified in this Financial Exhibit A (FINANCIAL PROVISIONS), Paragraphs C (REIMBURSEMENT FOR INITIAL PERIOD) and D (REIMBURSEMENT IF CONTRACT IS EXTENDED) may not be increased or decreased without a properly executed amendment to this Contract. The Parties acknowledge that the actual number of individuals seeking care from Contractor who are eligible under a particular Funded Program may differ from the estimated number upon which the Funded Program Amounts were based and that it may be appropriate to increase Contractor's responsibility to provide services to certain eligible individuals while decreasing its responsibilities to provide services to other eligible individuals. Any such modification in Contractor's responsibilities, along with commensurate changes in the appropriate Funded Program Amounts, may be accomplished through a formal amendment or administrative amendment for shifting of funds, completed in advance of the provision of services and as outlined in the DMH Policy, *Shifting Guidelines for the Legal Entity Agreement*. In case of an administrative amendment,

such administrative amendment may be executed by Director under delegated authority from the Board of Supervisors without prior approval of County Counsel. Such administrative amendment may be initiated by the County, with Contractor's written consent. Contractor's signature will be required to make such administrative amendment effective.

C. REIMBURSEMENT FOR INITIAL PERIOD

- (1) The MCA for the Initial Period of this Contract as described in Paragraph 4 (TERM) of the Legal Entity Contract shall not exceed _____

DOLLARS (\$_____) and shall consist of Funded Programs as shown on the Financial Summary.

D. REIMBURSEMENT IF CONTRACT IS AUTOMATICALLY RENEWED

- (1) Reimbursement For First Automatic Renewal Period: The MCA for the First Automatic Renewal Period of this Contract as described in Paragraph 4 (TERM) of the DMH Legal Entity Contract shall not exceed _____

DOLLARS (\$_____) and shall consist of Funded Programs as shown on the Financial Summary.

- (2) Reimbursement For Second Automatic Renewal Period: The MCA for the Second Automatic Renewal Period of this Contract as described in Paragraph 4 (TERM) of the DMH Legal Entity Contract shall not exceed _____

DOLLARS (\$_____) and shall consist of Funded Programs as shown on the Financial Summary.

E. REIMBURSEMENT BASIS

- (1) Reimbursement Rates for Mental Health Services: For mental health services claimed and billed through the County's claims processing information system, and except as further limited elsewhere in this Contract, Contractor will utilize provisional rates based on a Cost Reimbursement methodology under this Contract, except as may be provided under Subparagraph (4) of this Paragraph E (REIMBURSEMENT BASIS) of this Financial Exhibit A.

- (a) Contractor shall calculate its requested provisional rates in accordance with the terms and limitations set forth in DMH Policy, *Provisional Rate Setting*.
 - (b) Requested provisional rates for services provided under this Contract shall be uniform, unless otherwise agreed to by County and Contractor, and will apply to all similar services regardless of Funded Program.
 - (c) Notwithstanding any other provision of this Contract, in no event may Contractor request a provisional rate that exceeds the CMA or request a provisional rate that exceeds Contractor's published charge(s) to the general public except if the Contractor is a Nominal Charge Provider.
 - (d) All provisional rates are subject to prior review and approval of the County consistent with the DMH Policy, *Provisional Rate Setting*.
 - (e) County's approval of Contractor's provisional rates does not guarantee payment at the provisional rate.
 - (f) Contractor shall be reimbursed provisionally based on Contractor's provisional rate, subject to and in accordance with the terms of this Contract.
- (2) Reimbursement Rates for Institutions for Mental Diseases: Pursuant to Section 5902(e) of the WIC, Institutions for Mental Diseases (IMD), which are licensed as level B nursing facilities (SNF) by the State Department of Health Care Services (SDHCS), are reimbursed for basic services at the rate(s) established by SDHCS for Medi-Cal services provided by level B nursing facilities, in addition to the Medi-Cal rate established by SDHCS for a Special Treatment Plan (STP). Accordingly, the IMD reimbursement rate will consist of a basic SNF rate and a STP rate; and for some IMD programs a rate for specialized programming and/or provision of more intensive mental health services provided to clients at County's request, if applicable; or a Mental Health Rehabilitation Center (MHRC) rate established by the County for basic services and, if applicable, specialized programming and/or provision of more intensive mental health services provided to clients at County's request.
- (3) Reimbursement for Medi-Cal Administrative Activities (MAA): Reimbursement for MAA shall be based on the direct and indirect costs of the actual time spent performing MAA services using State's latest MAA claim template
- (4) Reimbursement of Other Costs and Direct Charges: Certain Funded Programs may provide for and allow Contractor to submit requests for reimbursement to the County for specific expenses that cannot be claimed through the County's claims processing information system. These expenses

shall be referred to as a "Direct Charge." Such reimbursement shall be based on actual costs plus an administrative fee, if applicable, expressed as a percentage of actual costs, which shall be reviewed and approved in advance by the County.

- (5) Unique Funded Program: To the extent that Contractor's Contract includes a Funded Program which has billing and payment requirements that are not consistent with the provisions of this Paragraph E (REIMBURSEMENT BASIS), the special billing and payment requirements shall be set forth in an amendment or other written form of addenda to this Financial Exhibit A memorializing the specific billing and payment requirement which shall be signed by Contractor and Director.

F. BILLING PROCEDURES

- (1) If Title XIX Short-Doyle/Medi-Cal services, and/or MAA, and/or Title XXI MCHIP services are provided under this Contract, Contractor authorizes County to serve as the Mental Health Plan for State claiming and reimbursement and to act on Contractor's behalf with SDHCS in regard to claiming.
- (2) Claims Certification and Program Integrity:
 - (a) Contractor hereby certifies that all units of service entered by Contractor into the County's claims processing information system and/or the MAA data base system and/or claims for actual costs submitted as Direct Charges to County for any Funded Program covered by this Contract are true and accurate to the best of Contractor's knowledge.
 - (b) Contractor shall annually provide the additional certification set forth in the "Contractor Claims Certification for Title XIX Short-Doyle/Medi-Cal and Title XXI Medicaid Children's Health Insurance Program Reimbursements" (Exhibit A-1 to this Exhibit A) related to the Contractor's compliance with specific State and federal statutory and regulatory requirements which are conditions for the reimbursement of Title XIX Short-Doyle/Medi-Cal and/or MAA and/or Title XXI MCHIP claims.
- (3) Mental Health Services: Claims for all mental health services, including services funded by Title XIX Short-Doyle/Medi-Cal and Title XXI MCHIP, shall be entered into the County's claims processing information system within 30 calendar days of the end of the month in which services are delivered, except as otherwise provided in this Paragraph F (BILLING PROCEDURES).

- (a) Contractor must submit claims within 30 calendar days as specified above unless there is a reasonable justification in which case Contractor must submit (i) an initial or original (non-replacement) claim, including claims for services under Title XIX Short-Doyle/Medi-Cal or under Title XXI MCHIP, within six (6) months after the end of the month in which the services were rendered, to the extent doing so would not preclude payment from a funding source; and (ii) a replacement claim for services under Title XIX Short-Doyle/Medi-Cal or under Title XXI MCHIP within nine (9) months after the end of the month in which the services were rendered, to the extent doing so would not preclude payment from a funding source.
- (b) Notwithstanding Subparagraph (3) (a) of this Paragraph (F) (BILLING PROCEDURES), good cause justification for late claim submission is governed by applicable federal and State laws and regulations and is subject to approval by the State and/or County.
- (c) In addition to all other limitations provided in this Paragraph F (BILLING PROCEDURES), claims for all services provided through June 30th of a given fiscal year under Categorically Funded Programs as set forth in the Financial Summary shall be entered into the County's claims processing information system no later than July 15th of the subsequent fiscal year.
- (d) In the event the State or federal government or any funding source denies any or all claims submitted by County on behalf of Contractor, County will not be responsible for any payment obligation and, accordingly, Contractor shall not seek or retain payment from County and shall indemnify and hold harmless County from any and all liabilities for payment of any or all denied claims, including those denied claims that were submitted outside the period of time specified in Subparagraphs (3) (a), (b) and (c) of this Paragraph F (BILLING PROCEDURES), except any claims which are denied due to the fault of the County. Any controversy or dispute arising from such State or federal denied claims shall be handled by Contractor in accordance with the applicable State and/or federal administrative appeal process.
- (e) Contractor shall, as soon as practicable, notify County of any delay in meeting the timeframe for submitting claims specified in Subparagraph (3) of this Paragraph F (BILLING PROCEDURES) in the event Contractor is not able to make timely data entry into the County's claims processing information system due to no fault on the part of Contractor. Such Contractor notification should be immediate upon Contractor's recognition of the delay and must include a specific description of the problem that the Contractor is having with the

County's claims processing information system. Notification shall be pursuant to the DMH Legal Entity Contract, Paragraph 8.34 (NOTICES), and such notification shall also be made by Contractor to the DMH Chief Information Office Bureau's (CIOB) Help Desk.

- (f) The County will notify Contractor in writing as soon as practicable of any County issue(s) which will prevent the entry by Contractor of claiming information into the County's claims processing information system, and County will waive the requirement of Subparagraph (3) of this Paragraph F (BILLING PROCEDURES) in the event of any such County issue(s). Once County has notified Contractor that its issues are resolved, Contractor shall enter billing information into the County's claims processing information system within 30 calendar days of County's notice unless otherwise agreed to by County and Contractor.

To the extent that issues identified pursuant to Subparagraph (3) (f) of this Paragraph F (BILLING PROCEDURES) requires that Contractor modify its procedures for entering claims into the County's claims processing information system, Contractor shall consult with County regarding a reasonable time required to implement such modifications and, upon approval by County, the 30 calendar days required by Subparagraph (3) (f) of this Paragraph F (BILLING PROCEDURES) shall be extended by the amount of time required to implement such modifications.

- (g) County may modify the County's claims processing information system at any time in order to comply with changes in, or interpretations of, State or federal laws, rules, regulations, manuals, guidelines, and directives. County shall notify Contractor in writing of any such modification and the reason, if known, for the modification and the planned implementation date of the modification. To the extent that such modifications create a delay in Contractor submitting claims into the County's claims processing information system for a period of time, the timelines under this Paragraph F (BILLING PROCEDURES) shall be extended by the number of calendar days reasonably based on the time the system is inactive.

- (4) Institutions for Mental Diseases (IMD): If Contractor is an IMD, Contractor shall, no later than the 15th of each month following the service month, submit an invoice to the County for patient days approved in writing by the County . Said invoice shall be in a form as specified by the County, and will include an itemized accounting of all charges for each patient day. Invoices shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).

- (5) Medi-Cal Administrative Activities (MAA): To the extent that MAA is identified as a Funded Program in the Financial Summary, Contractor shall submit claims for reimbursement for MAA by entering the eligible MAA services provided and the actual time incurred rendering the MAA services into the County's MAA data base system within 30 calendar days of rendering the MAA services.
- (a) County may modify the County's MAA in the claims processing information system, at any time in order to comply with changes in, or interpretations of, State or federal laws, rules, regulations, manuals, guidelines, and directives. County shall notify Contractor in writing prior to implementing any such modification and the reason, if known, for the modification and the planned implementation date of the modification.
- (6) Direct Charges: Contractor shall submit invoices for Direct Charges within 60 calendar days of the end of the month in which the eligible expense was incurred. Contractor shall assign a unique invoice number to each invoice. Such invoice shall be in the form and include the content specified by County for each Funded Program. Invoices shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS) of this Financial Exhibit A or in case of the Funded Program set up for an electronic submission of invoices (e.g., Wraparound Invoice), invoices shall be submitted to the appropriate electronic tracking system. Failure to comply with the terms specified in Subparagraph (6) of this Paragraph F (BILLING PROCEDURES) may result in non-payment of said invoice.
- (a) In addition to all other limitations provided in this Paragraph F (BILLING PROCEDURES), Direct Charges for all services provided through June 30th of a given fiscal year under Categorically Funded Programs as set forth in the Financial Summary shall be submitted to the persons and at the addresses identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS) no later than July 15th of the subsequent fiscal year or in case of the Funded Program set up for an electronic submission of invoices (e.g., Wraparound Invoice), invoices shall be submitted to the appropriate electronic tracking system no later than July 15th of the subsequent fiscal year.

G. COUNTY PAYMENT FOR SERVICES RENDERED

- (1) General: County agrees to reimburse Contractor for services rendered under Funded Programs during the term of this Contract based on the provisional rates approved to in writing by the County for the Initial Period, First Optional Extension Period and Second Optional Extension Period, as applicable, subject to all of the rules, regulations and policies established by the County,

State and/or federal governments regarding payment and reimbursement of services, and in accordance with the terms of this Contract.

- (2) County Payments: After Director's review and approval of the billing (i.e., claim or invoice), County shall provisionally pay Contractor in accordance with the following:
- (a) County shall make good faith efforts to make payments for services billed through the County's claims processing information system as soon as possible after submission and approval, subject to the limitations and conditions specified in this Contract, but within 60 calendar days after submission and approval. County shall make available a schedule of anticipated payment dates for claims submitted by Contractor into the County's claims processing information system on or prior to July 1 of each year.
 - (b) Payments for services or Direct Charges billed through invoices shall be paid within 60 calendar days after receipt of a complete and accurate invoice, subject to the limitations and conditions specified in this Contract.
 - (c) Payments for MAA will be made on a quarterly basis and will be based upon actual State approval and State payment to the County of MAA claims. Only Contractors who have been approved by the State to participate in and to claim reimbursement for MAA and who have MAA authorized as a Unique Funded Program in their Contract are permitted to claim MAA.

H. BILLING AND PAYMENT LIMITATIONS

- (1) Provisional Payments: County payments to Contractor for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future County, State and/or federal adjustments. County adjustments to provisional payments to Contractor will be based upon the local match funds amount specified in the Financial Summary, County's claims processing information system data, MAA data base information, State adjudication of Medi-Cal claims files, contractual limitations of this Contract, annual cost report, application of various County, State and/or federal reimbursement limitations, application of any County, State and/or federal policies, procedures and regulations, and/or County, State or federal audits, all of which take precedence over monthly claim reimbursements provided by County. County and Contractor acknowledge that the references in this Paragraph H (BILLING AND PAYMENT LIMITATIONS) represent examples only and are not intended, nor shall be construed, to represent all of the circumstances or conditions that may result in adjustments to provisional payments.

- (2) Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Paragraph H (BILLING AND PAYMENT LIMITATIONS), reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. Contractor shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.
- (a) Reimbursement of certain Direct Charges, such as but not limited to capital improvement, are contingent upon the delivery of appropriate and associated services. If the County reasonably determines from a review of Contractor's service and billing records that the Contractor failed to deliver required services associated with such Direct Charge(s), County shall have the right to adjust and/or recover provisional payment(s) associated with such Direct Charge(s). The recovery from Contractor shall be made through cash payment made by Contractor to County and/or County offsets to County payment(s) of Contractor's approved claim(s) in accordance with the terms of Paragraph T (PAYMENTS BY CONTRACTOR TO COUNTY) and Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).
- (3) Adjustment of Claims Based on Other Data and Information: The County shall have the right to adjust claims based upon data and information that may include, but is not limited to, County's claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, 835 data, and Contractor's annual Cost Report, all of which shall supersede and take precedence over the claimed amount submitted by Contractor.
- (4) Adjustment of Claims for Contract Compliance: Director, in his/her sole discretion and at any time and without prior written notice to Contractor, may take any necessary actions required to ensure that Contractor shall not be paid a sum in excess of the amount due to the Contractor under the terms and conditions of this Contract. Such actions may include, but are not limited to, reimbursing claims submitted through the claims processing information system at an amount less than that amount that would be calculated using Contractor's provisional rates, denying claims for payment; holding claims for Medi-Cal services from being forwarded for adjudication by the State; withholding payment of certain claims; and/or demanding repayment from Contractor.
- (a) Concurrent with any such action, Director shall provide Contractor with written notice of the County's decision to take such action(s), including the reason(s) for the action. Thereafter, Contractor may, within ten (10) calendar days of Contractor's receipt of the notification, request reconsideration of the County's decision. Contractor may request in

writing, and shall receive if requested, County's computations for making a determination that such action was necessary, including any amount(s) held, denied or reduced.

- (b) Upon receiving a request for reconsideration from Contractor, County shall, within 15 calendar days, schedule a meeting with Contractor to consider Contractor's request to reconsider its action. At said meeting, Contractor may present to the County information or documentation relevant to the circumstances that led the County to take such actions and may propose alternative actions.
- (c) Within 15 calendar days of said meeting, County shall, in writing, notify Contractor, of its final decision which may include County's request to Contractor to void said claims in the County's claim processing information system. The decision of the Director will be final.

Should the County grant reconsideration, such reconsideration will only be applicable to claims paid and processed to the appropriate funding sources after the date that said reconsideration is granted.

- (5) County Withhold of Payment for Contractor Lapse in Providing Service Data:
If Contractor fails to submit service data as required by County, then the County may, in its discretion, withhold all or a portion of its payment until County is in receipt of complete and correct service data and such service data has been reviewed and approved by Director.

- (a) Prior to withholding payment, Director shall provide Contractor with at least 30 calendar days written notice of the County's decision to withhold payment, including the reason(s) for the intended action and the identification of the incomplete or incorrect service data. Thereafter, Contractor may, within 15 calendar days, request reconsideration of the County's decision.
- (b) Upon receiving a request for reconsideration from Contractor, County shall, within 15 calendar days, schedule a meeting with Contractor to consider Contractor's request to reconsider its action. At said meeting, Contractor may present to the County information or documentation relevant to the circumstances that led the County to take such actions and may propose a date for submitting the complete and correct data.
- (c) Within 15 calendar days of said meeting, County shall, in writing, notify Contractor, of its final decision. The decision of the Director will be final.
- (d) Upon receipt from the Contractor of revised service data, Director shall review such revised service data within 60 calendar days of receipt.

Upon determination that such submitted service data is complete and correct, County shall release withheld payments within 30 days of such determination.

- (6) **County Denial of Payments for Lack of Documentation:** Director may deny payment for services when documentation of clinical work does not meet minimum federal, State, and County written standards.
 - (a) Prior to denying payment, Director shall provide Contractor with at least 30 calendar days' written notice of the County's decision to deny payment, including the reason(s) for the intended actions. Thereafter, Contractor may, within 15 calendar days, request reconsideration of the County's decision.
 - (b) Upon receiving a request for reconsideration from Contractor, County shall, within 15 calendar days, schedule a meeting with Contractor to consider Contractor's request to reconsider its action. At said meeting, Contractor may present to the County information or documentation relevant to the circumstances that led the County to take such actions and may propose alternative actions.
 - (c) Within 15 calendar days of said meeting, County shall, in writing, notify Contractor of its final decision. The decision of the Director will be final.
- (7) **County Suspension of Payment for Default:** Director may suspend payments to Contractor, for good cause, if the Director determines that Contractor is in default under any of the provisions of this Contract.
 - (a) In cases of alleged fraud or similar intentional wrongdoing relating to any provision of this Contract Director may immediately suspend payments to Contractor without prior written notice. Thereafter, Contractor may, within 15 calendar days of the date of written notice from County, request reconsideration of Director's decision to suspend payment.
 - (b) For all other reasons of default or a reasonable good faith determination of impending insolvency, Director shall provide Contractor with at least 30 calendar days' prior written notice of such suspension that includes the reason(s) for such suspension. Thereafter, Contractor may, within 15 calendar days of the date of written notice from County, request reconsideration of Director's decision to suspend payment. Suspension of payment to Contractor shall not take effect pending the results of such reconsideration process.

- (c) Upon receiving a request for reconsideration of suspension from Contractor, County shall, within 15 calendar days, schedule a meeting with Contractor to consider Contractor's request. At said meeting, Contractor may present to the County information or documentation relevant to the circumstances that led the County to take such actions and may propose alternative actions.
- (d) Within 15 calendar days of said meeting, County shall notify Contractor of its final decision in writing. The decision of the Director will be final.
- (8) No Payment for Services Rendered Following Expiration/Termination of Contract: Contractor shall have no claim against County for payment of any money, or reimbursement of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract or any part thereof. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.
- (9) Contractor agrees to hold harmless both the State and beneficiary in the event County cannot or will not pay for services performed by Contractor pursuant to this Contract.

I. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

- (1) This Contract shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Contract, including, but not limited to, those contained in State's Budget Act.
- (2) This Contract shall also be subject to any additional restrictions, limitations, or conditions imposed by the federal government which may in any way affect the provisions or funding of this Contract.
- (3) In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in County contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within 30 calendar days of

the Board's approval of such action. Except as set forth above in Subparagraph (3) of this Paragraph I (LIMITATIONS OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS) and Subparagraph (5) of Paragraph J (CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS), the Contractor shall continue to provide all of the services set forth in this Contract.

- (4) Notwithstanding any other provision of this Contract, County shall not be obligated for Contractor's performance hereunder or by any provision of this Contract during this or any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Contract in County's Budget for each such fiscal year. In the event funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. County shall notify Contractor of any such non-appropriation of funds at the earliest possible date.
- (5) Notwithstanding any other provision of this Contract, for the purposes of any special grants such as Substance Abuse and Mental Health Services Administration (SAMHSA) and discretionary funds received from the Board of Supervisors, any unspent amounts of such grants and/or discretionary funds, if so authorized by the grantor or the Board of Supervisors, may be rolled over from one fiscal year to the next by decreasing the Funded Program Amount and MCA for the fiscal year in which the funds were unspent and increasing the Funded Program Amount and MCA by the same amount in the following fiscal year. Such roll over of funds shall not, in any event, allow Contractor to receive reimbursement for services/activities paid by these grants and/or discretionary funds in excess of the total allotment of such grants and discretionary funds over the period covered by such grants and discretionary funds. Any such change in the MCA due to such roll over of funds shall be effected by a duly executed amendment to this Contract.

J. CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS

- (1) Funds under this Contract are provided for the delivery of mental health services to eligible beneficiaries under each of the Funded Programs identified in the Financial Summary. Each Funded Program has been established in accordance with the requirements and restrictions imposed by each respective County, State and/or federal payer source contributing to the Funded Program.
- (2) Contractor may not redirect funds from one Funded Program to another Funded Program, except through a duly executed amendment to this Contract as outlined in DMH Policy, *Shifting Guidelines for the Legal Entity Contract*.

- (3) Contractor may not charge services delivered to an eligible beneficiary under one Funded Program to another Funded Program unless the recipient is also an eligible beneficiary under the second Funded Program. When a recipient of services is an eligible beneficiary under more than one Funded Program, Contractor shall charge the services to the Funded Program under which the County shall receive maximum reimbursement from non-County sources, provided that Contractor has available funds under the appropriate Funded Program.
- (4) Contractor also shall not charge services delivered to an eligible beneficiary for Medi-Cal to the Non-Medi-Cal Funded Program Amount except in such cases when a client's eligibility for benefits is being established or determined, or when the client is eligible for Medi-Cal minor consent, or when DMH has given advance approval to use the Non-Medi-Cal Funded Program Amount. Upon confirming that said client is approved for Medi-Cal benefits, or in such case that the County may determine that a service paid originally through the Non-Medi-Cal Funded Program Amount was to a client approved for Medi-Cal, Contractor shall void the original claims for services provided on or after the effective date that Medi-Cal services became eligible for reimbursement, and replace/resubmit such claims for Medi-Cal under the correct Funded Program.
- (5) Contractor shall be responsible for delivering services to clients to the extent that funding is provided by the County. Where Contractor determines that services to clients can no longer be delivered, Contractor shall provide 30 calendar days prior written notice to County. Contractor shall thereafter refer clients to County or to another appropriate Contractor.
 - (a) Contractor shall not be required to provide the notice required under Subparagraph (5) of this Paragraph J (CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS) if the County reduces funding to the Contractor under Paragraph I (LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS) whether such reductions occur at the beginning or during a fiscal year. In addition, if County reduces or eliminates funding for a specific Funded Program, or portion thereof, Contractor shall not be responsible for continuing services for those clients served by the Funded Program, or portion thereof.

K. CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN AND COUNTY'S RIGHT TO RE-ALLOCATE FUNDS

- (1) County and Contractor may by written amendment reduce programs or services and revise the applicable MCA and/or Funded Program Amount. The Director shall provide 15 business days prior written notice of such

funding changes to Contractor, including any changes in the amount of services to be received by County. Any such change in any applicable MCA and/or Funded Program Amount shall be effected by a formal amendment or administrative amendment by Director to this Contract.

- (2) Contractor shall be responsible for delivering and monitoring services so that Contractor can provide continued and uninterrupted provision of quality eligible services to eligible beneficiaries as specified in this Contract, to the extent funding is provided by County. Notwithstanding Subparagraph (1) of this Paragraph K (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN AND COUNTY'S RIGHT TO RE-ALLOCATE FUNDS), if the County reasonably determines the Contractor will not meet expectations listed in Subparagraph (3), County may notify Contractor to discuss and determine whether a corrective action plan (CAP) will be required.
- (3) Without limiting Contractor's obligations under this Contract, Contractor shall meet the following expectations:
 - (a) Contractor will meet performance and/or outcome expectations that are specified in the approved Negotiation Package; and
 - (b) Contractor will meet performance and/or outcome expectations that are specified in the Contract and/or any Service Exhibit, that may be developed with contractors' input and are specified in program Service Exhibits, and/or are set forth in Department guidelines, directives, and/or practice parameters.
- (4) If a CAP is issued and Contractor fails to comply with such CAP, County may implement options listed in subsections (a), (b), and/or (c) to safeguard County's mission to ensure access to quality services for all client populations and to ensure the types of services and supports necessary to assist clients in achieving hope, wellness, and recovery:
 - (a) Restrict Contractor from expending any more funds allocated for the program(s) at issue and the County's intent to reallocate funds to another program budget category for the same period within this Contract, and/or reallocate such funds for the efficient use of such funds.
 - (b) Decrease the amount of funds allocated in subsequent fiscal years for the program(s) at issue and reallocate such funds for the efficient use of such funds;
 - (c) Terminate specific programs within the Contractor's Contract and/or the Contractor's Contract in its entirety for failure to meet performance

and/or outcome expectations as specified in program service exhibits and/or Department guidelines, directives, and practice parameters.

Prior to implementing options (a), (b), and/or (c) of Subparagraph (4), County shall provide 15 business days prior written notification to Contractor of County's intent to implement one or more such options. Such notification shall include an explanation of how the County reached the conclusion that Contractor is not meeting the expectations listed in Subparagraph (3); copies of relevant data, such as but not limited to County information system reports used by County in making this decision; the nature and amount of proposed funding changes; and, any proposed changes in the amount of services to be provided by Contractor.

- (5) In the event Contractor believes that an adjustment under Subparagraph (4) of this Paragraph K (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN AND COUNTY'S RIGHT TO RE-ALLOCATE FUNDS) is unjustified, Contractor may, within the 15 business days of the date on the County's notice, notify the Director in writing and request a meeting with County to review its documentation. Any such meeting shall be held within 30 calendar days of the initial written notification. If Contractor fails to meet with County in this period of time, and County has provided an opportunity to meet within that time period, Contractor is deemed to have waived its opportunity to meet with County and accepts County recommended changes to its MCA; Funded Program Amount; and/or program/service delivery up to and including termination of specific programs and/or the entire Contract.

If, after any such meeting, it is still determined that an adjustment under this Subparagraph (4) of Paragraph K (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN AND COUNTY'S RIGHT TO RE-ALLOCATE FUNDS) is justified, the County shall take the appropriate action, as provided above. Director shall provide final prior written notice to Contractor of such action(s), including any changes in the amount of services to be received by County, and the determination of the Director will be final. Any such change in Contractor's Contract, including termination of programs with the Contract and/or the entire Contract shall be effected by an administrative amendment to this Contract issued by Director. Changes that are based on one-time circumstances will be applicable to the current contract year only and shall not result in reductions (or increases) of MCA and/or Funded Program Amount in subsequent years, while changes that are based on clearly documented ongoing historical trends may result in ongoing reductions (or increases) of MCA and/or Funded Program Amount in subsequent years.

The determination by the Director shall be effective upon the receipt of such final prior written notice by Contractor and the changes to funding and services shall be incorporated into this Contract as of the date of receipt. Contractor understands and agrees that its MCA and/or Funded Program Amount may be reduced as a result of the adjustments authorized by this provision, and further acknowledges that County has relied upon this flexibility in establishing the MCA and/or Funded Program Amount for this Contract. By executing this Contract, Contractor specifically consents to the prospective adjustments set forth in this provision up to and including termination of programs and/or the Contract.

L. LIMITATION ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES, MEDI-CAL ADMINISTRATIVE ACTIVITIES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM

- (1) If, under this Contract, Contractor has Funded Programs that include Title XIX Short-Doyle/Medi-Cal services, Medi-Cal Administrative Activities, and/or Title XXI MCHIP services, Contractor shall certify annually, no later than July 10th of each year, in writing that all necessary documentation will exist at the time any claims for Title XIX Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities, and/or Title XXI MCHIP are submitted by Contractor to County.

Contractor shall be solely liable and responsible for all service data and information submitted by Contractor.

- (2) Contractor acknowledges and agrees that the County, in undertaking the processing of claims and payment for services rendered under this Contract for these Funded Programs, does so as the Mental Health Plan for the State and federal governments.
- (3) Contractor shall submit to County all Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI MCHIP claims or other State required claims data within the time frame(s) prescribed by this Contract to allow the County to meet the timeframes prescribed by the State and federal governments. County shall have no liability for Contractor's failure to comply with the time frames established under this Contract and State and federal time frames, except to the extent that such failure was through no fault of Contractor.
- (4) County, as the Mental Health Plan, shall submit to the State in a timely manner claims for Title XIX Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities, and/or Title XXI MCHIP services only for those

services/activities identified and entered into the County's claims processing information system and/or into the Medi-Cal Administrative Activities data base system, as appropriate, which are compliant with State and federal requirements. County shall make available to Contractor any subsequent State approvals or denials of such claims within 30 days of receipt thereof.

- (5) Contractor acknowledges and agrees that County's final payment for services and activities claimed by Contractor for Title XIX Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities, and/or Title XXI MCHIP services is contingent upon reimbursement from the State and federal governments and that County's provisional payment for said services does not render County in any way responsible for payment of, or liable for, Contractor's claims for payment for these services.
- (6) Contractor's ability to retain payment for such services and/or activities is entirely dependent upon Contractor's compliance with all laws and regulations related to same.
- (7) Notwithstanding any other provision of this Contract, Contractor shall hold County harmless from and against any loss to Contractor resulting from the denial or disallowance of claims for or any audit disallowances related to said services by the County, State or federal governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the County.
- (8) Contractor shall repay to County the amount paid by County to Contractor for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI MCHIP services/activities which are subsequently denied or disallowed by the County, State, and/or federal governments. In no event shall County be liable or responsible to Contractor for any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI MCHIP services/activities that are subsequently denied or disallowed by County, State, and/or federal governments unless the denial or disallowance was due to the fault of the County.
- (9) The total County payment for Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services and/or MAA under federal requirements consists of federal and local match, and such local match may consist of County and/or State funds. Contractor acknowledges that if such services are subsequently denied, voided, and/or disallowed, County shall make a full recovery of such payments, including State and local match amounts.
- (10) Notwithstanding any other provision of this Contract, Contractor agrees that the County may offset future payments to the Contractor and/or demand repayment from Contractor when amounts are owed to the County pursuant

to above Subparagraphs (7) and (8) of this Paragraph L (LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES, MEDI-CAL ADMINISTRATIVE ACTIVITIES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM). Such demand for repayment and Contractor's repayment shall be in accordance with Paragraph T (PAYMENTS BY CONTRACTOR TO COUNTY), except for denials reflected on the State's 835 files, which will be offset immediately from the County's next payment to Contractor.

- (11) Contractor shall comply with all written instructions provided to Contractor by Director, State or other applicable payer source regarding claiming and documentation.
- (12) Nothing in this Paragraph L (LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES, MEDI-CAL ADMINISTRATIVE ACTIVITIES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM) shall be construed to limit Contractor's rights to appeal State and federal settlement and/or audit findings in accordance with the applicable State and federal regulations.

M. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

- (1) Contractor shall comply with all County, State, and federal requirements and procedures relating to:
 - (a) The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with State guidelines and Welfare and Institutions Code Sections 5709 and 5710.
 - (b) The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicare, private insurance, or other third party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. Contractor shall pursue and report collection of all patient/client and other revenue.
 - (c) Contractor shall not charge the client's financial responsibility for a service to the Non-Medi-Cal Funded Program Amount.
- (2) All fees paid by patients/clients receiving services under this Contract and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by Contractor only for the delivery of mental health services/activities specified in this Contract.

- (3) Contractor may retain unanticipated revenue, which is not shown in Contractor's Negotiation Package for this Contract, for a maximum period of one (1) fiscal year, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Contract. Contractor shall report the expenditures for the mental health services/activities funded by this unanticipated revenue in the Annual Cost Report submitted by Contractor to County.
- (4) Contractor shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.
- (5) Contractor may retain any interest and/or return which may be received, earned or collected from any funds paid by County to Contractor, provided that Contractor shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Contract.
- (6) Failure of Contractor to report in all its claims and in its Annual Cost Report all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, all unanticipated revenue not shown in Contractor's Negotiation Package for this Contract, and all interest and return on funds paid by County to Contractor, shall result in:
 - (a) Contractor's submission of a revised claim statement showing all such non-reported revenue.
 - (b) A report by County to SDHCS of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries.
 - (c) Any appropriate financial adjustment to Contractor's reimbursement.

N. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED

- (1) The CFA, if approved by County, is an advance of funds to be repaid by Contractor through direct payment of cash and/or through the provision of appropriate services/activities under this Contract during the applicable period.
- (2) For each month of each period of this Contract, County will reimburse Contractor based upon Contractor's submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes. However, for each month of the first two (2) months, of the Initial

Term, the First Optional Extension Period, or the Second Optional Extension Period, Contractor may request in writing from County a monthly County General Fund CFA as herein described.

- (3) CFA disbursement(s), if any, shall be part of the total maximum reimbursement, which is limited to the MCA as specified in Paragraph B (LIMITATIONS ON MAXIMUM REIMBURSEMENT).
- (4) CFA is intended to provide cash flow to Contractor pending Contractor's rendering and billing of eligible services/activities, as identified in DMH Legal Entity Contract Paragraph 3 (WORK) subsection 3.3 (DESCRIPTION OF SERVICES/ACTIVITIES), and County payment thereof. Contractor may request each monthly CFA only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.
- (5) Notwithstanding any other provision to the contrary, funding for Wraparound Case Rate (i.e., Specialized Foster Care Wraparound Invoice Funded Program) shall not be included when computing monthly CFA amount(s).
- (6) Cash Flow Advance Request Letter: For each month for which Contractor is eligible to request and receive a CFA, Contractor must submit to the County a letter requesting a CFA and the amount of CFA Contractor is requesting.
 - (a) In order to be eligible to receive a CFA, the letter requesting a CFA must be received by County on or before the 15th of that month (i.e., for the month of July 2018, the request must be received by July 15, 2018).
 - i. If the letter requesting CFA is received by the County from the Contractor after the 15th of the month, Contractor will not be eligible to receive a CFA for that month.
 - (b) The signed letter requesting a CFA must be sent via mail, fax or email (PDF file) to the Department of Mental Health Financial Services Bureau – Accounting Division, Provider Reimbursement Section (PRS).
 - i. PRS staff will determine whether Contractor is eligible to have its request considered based on the date the request letter is received by PRS and not the date on the request letter.
 - (c) Upon receipt of a request, Director, in his/her sole discretion, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

- i. If a CFA is not approved, Director will notify Contractor within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, Contractor may, within 15 calendar days, request reconsideration of the decision.
- (7) Reduction of Cash Flow Advance Amount by Actual Adjudicated Claims: The CFA amount available to Contractor for any particular month will be reduced by County payments of claims received from Contractor. The County's claims payment process is initiated immediately upon County receipt from Contractor of a reimbursement claim.
- (8) Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request:
 - (a) For each of the first two (2) months of each period that this Contract is in effect, Contractor may request in writing from County a monthly County General Fund CFA for any funds which may be part of the MCA for such period as identified in the Financial Summary. Contractor shall specify in its request the amount of the monthly CFA it is requesting, not to exceed \$_____ for the first month and \$_____ for the second month, if applicable. In no event shall the monthly CFA requested by Contractor exceed 1/12th of MCA as identified on the Financial Summary as of the specified month the CFA is requested.
 - (b) In case the Contract is amended to increase or reduce the Maximum Contract Amount during the first two (2) months during which the Contractor may request and receive CFA, the CFA amount shall be recalculated for the remaining month(s) based on the effective date of the amendment. For the month in which the amendment is executed, the revised CFA amount shall be based on the effective date of the amendment, and if such effective date falls between the 1st and the 15th of the month, the revised CFA amount will be adjusted based on the total amount of the change in the MCA; and if the effective date falls between the 16th and the end of the month, the revised CFA amount will be calculated based on one half (1/2) of the total change in the MCA.
 - (c) The Contractor may request in writing from County, consistent with above Subparagraph (8) (a) of this Paragraph N (CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED), for additional monthly CFA to accommodate extraordinary circumstances that are beyond Contractor's control, including but not limited to, Contractor's inability to submit claims to the County as described in Subparagraph (3) of Paragraph F (BILLING

PROCEDURES) or due to procedural matters associated with transitioning Contractor to County's new claims processing information system, County's inability to process claims due to extended disruption in the County's claims processing information system, or any other circumstance determined by the Director, in his/her sole discretion, to constitute an extraordinary circumstance beyond Contractor's control. The County in its sole discretion shall review Contractor's request, including but not limited to, the amount of CFA requested and the amount of CFA requested in relation to the number of months remaining in the fiscal year, and shall respond accordingly within 15 business days from the receipt of such request.

- i. Additional monthly CFA is subject to approval by the Director, County Auditor-Controller, County Counsel and County Chief Executive Office.

(9) Recovery of Cash Flow Advances: If Contractor has received any CFA pursuant to this Paragraph N (CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED), then recovery from Contractor's monthly claims shall be made through cash payment made by Contractor to County and/or County offsets to County payment(s) of Contractor's approved claim(s) as follows:

- (a) Generally, when Contractor rendering services at a level that would indicate it will utilize all or a substantial portion of its MCA, County initiates recovery of the CFA balance, if any, for a particular fiscal year in July following the close of such fiscal year or at such time as payments to Contractor, including the CFA, reach the MCA. Such recovery is initiated through the Contractor's rendering and submitting of appropriate services and activities into the County's claims processing information system and/or the submission of invoices for direct charges. The determination to begin recovery of CFA balance in July of the following fiscal year, or at such time as payments to Contractor, including the CFA, reach the MCA, is based on the presumption that when a contractor is meeting its contractual levels, then the Contractor will have rendered sufficient services/activities and entered such services/activities into the County's claims processing information system by September 30th following the end of the fiscal year. September 30th is the date by which all or a substantial portion of the Contractor's prior fiscal year's claims should have been received from Contractor and processed by County.
- (b) If at any time during the fiscal year, County determines that Contractor is not rendering services at a level that would utilize all of its MCA, County may initiate recovery of the CFA as specified above in

Subparagraph (9) (a) of this Paragraph N (CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED) prior to July 1. If County intends to initiate recovery of the CFA prior to July 1, County will give Contractor 30 calendar days prior written notice, including the reason(s) for the intended actions, to ensure Contractor renders and submits sufficient services/activities to have repaid all, or a substantial portion of the CFA, by September 30 following the fiscal year close. Contractor may, within 15 calendar days of the receipt of County's written notice, request reconsideration of the County's decision.

- (c) Should a Contractor have any remaining CFA balance for a particular fiscal year at such time as the State SD/MC Cost Report is complete, County will perform an analysis to determine the amount of unearned CFA balance based on the SD/MC Cost Report and Contractor repayment of the unearned CFA balance shall be conducted as specified in Paragraph T (PAYMENTS BY CONTRACTOR TO COUNTY) unless otherwise agreed to by County.
- (10) When Contractor's CFA balance is zero (0) in any fiscal year of the term of this Contract, any County and/or State and/or federal government(s) approved Contractor reimbursement claims for eligible services/activities will be disbursed in accordance with the terms and conditions of this Contract.
- (11) Should Contractor request and receive CFA, Contractor shall exercise cash management of such CFA in a prudent manner.

O. ANNUAL COST REPORTS

- (1) For each fiscal year or portion thereof that this Contract is in effect, Contractor shall provide County with two (2) copies of an accurate and complete Annual Cost Report, along with a statement of expenses and revenue, and a Cost Report Certification. The statement of expenses and revenue and Cost Report Certification must be signed by a Contractor's executive official or designee, by the due date specified in Subparagraph (4) of this Paragraph O (ANNUAL COST REPORTS).
- (2) An accurate and complete Annual Cost Report shall be defined as a cost report which is completed to the best of the ability of Contractor on such forms or in such formats as specified by the County and consistent with such instructions as the County may issue and is based on the best available data.
- (3) The Annual Cost Report will be comprised of a separate set of forms for the County and State based on the Financial Summary applicable to the fiscal year.

- (4) The Annual Cost Report will be due on September 15th for the fiscal year ending on the previous June 30th or seventy-five (75) calendar days following the expiration or termination date of this Contract, whichever occurs earlier. Should the due date fall on a weekend, such report will be due on the following business day.
- (a) Failure by Contractor to submit an Annual Cost Report within 30 calendar days after the due date specified in above Subparagraph (4) of this Paragraph O (ANNUAL COST REPORTS) shall constitute a breach of this Contract.
- i. In addition to, and without limiting, any other remedy available to the County for such breach, County may undertake any or all of the following to remedy such breach:
- (A) In such instance that Contractor does not submit an Annual Cost Report(s) by such 30 calendar days after the applicable due date specified in Subparagraph (4) of this Paragraph O (ANNUAL COST REPORTS), then all amounts covered by the outstanding Annual Cost Report(s) and paid by County to Contractor for the fiscal year for which the Annual Cost Report(s) is (are) outstanding shall be due by Contractor to County. Contractor shall pay County according to the method described in Paragraph T (PAYMENTS BY CONTRACTOR TO COUNTY). Such payments shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).
- (B) If this Contract is extended as provided in DMH Legal Entity Contract Paragraph 4 (TERM), then County may opt to suspend payments to Contractor under this Contract until the Annual Cost Report(s) is (are) submitted. County shall give Contractor at least 15 business days written notice of its intention to suspend payments hereunder, including the reason(s) for its intended action. Thereafter, Contractor shall have 15 business days either to correct the deficiency, or to request reconsideration of the decision to suspend payments. Payments to Contractor shall not be suspended during said 15 business days provided to correct the deficiency or, if reconsideration is requested, pending the results of the reconsideration process.

- (b) Failure by the Contractor to submit an Annual Cost Report(s) by the due date specified in Subparagraph (4) of this Paragraph O (ANNUAL COST REPORTS) will result in damages being sustained by the County. County and Contractor agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to submit its Annual Cost Report(s) to the County under this Paragraph O (ANNUAL COST REPORTS). The County and Contractor hereby agree that a reasonable estimate of said damages is \$100 per day for each day that the Contractor fails to submit to the County by the due date.
 - i. Liquidated damages shall be assessed separately on each outstanding Annual Cost Report.
 - ii. Liquidated damages shall be assessed commencing on September 16th or on the seventy-sixth (76th) day following the expiration or earlier termination of this Contract and shall continue until the outstanding Annual Cost Report(s) is/are received.
 - iii. Upon written request from the County, Contractor shall, within 30 calendar days, submit to the County payment for said damages. Said Payment shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).
 - iv. Contractor may ask that liquidated damages not be assessed by sending a written request for an extension to submit the Annual Cost Report to the Director no later than 30 calendar days prior to the due date specified in this Subparagraph (4) of this Paragraph O (ANNUAL COST REPORTS). The decision to grant an extension without assessing liquidated damages in accordance with Subparagraph (4) (b) of this Paragraph O (ANNUAL COST REPORTS) shall be at the sole discretion of the Director.
- (5) Each Annual Cost Report shall be prepared by Contractor in accordance with the Centers for Medicare and Medicaid Services' Publications #15-1 and #15-2; "The Provider Reimbursement Manual Parts 1 and 2;" the State's Cost and Financial Reporting System (CFRS) Instruction Manual; and any other written guidelines that shall be provided to Contractor at the Cost Report training, to be conducted by County on or before June 30th of the fiscal year for which the Annual Cost Report is to be prepared.

- (a) Attendance by Contractor at the County's Cost Report Training is mandatory.
 - (b) Failure by the Contractor to attend the Cost Report Training shall be considered a breach of this Contract that will result in damages being sustained by the County. County and Contractor agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to attend the Cost Report Training. The County and Contractor hereby agree that a reasonable estimate of said damages is \$100 per occurrence. Therefore, County may, in its sole discretion, assess liquidated damages in the amount of \$100 for Contractor's non-attendance at the Cost Report Training. Said Payment shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).
- (6) Upon written notification from the Director that its Annual Cost Report contains errors or inaccuracies, Contractor shall, within 30 calendar days, correct such errors and inaccuracies and resubmit its Annual Cost Report.
- (a) If Contractor fails to correct inaccuracies in Annual Cost Report within 30 calendar days after receipt of written notification from the Director and said inaccuracies result in the loss of reimbursement to the County for claimable amounts that were paid to Contractor, Contractor must return back to the County the amount of lost reimbursement that the County could have claimed if the inaccuracy was corrected by Contractor.
- (7) Contractor shall be solely responsible for any loss incurred by County due to Contractor's failure to comply with County and State cost report requirements.

P. OTHER REQUIREMENTS FOR CONTRACTORS PROVIDING TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES, MEDI-CAL ADMINISTRATIVE ACTIVITIES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM SERVICES

- (1) Contractor shall maintain records documenting all Title XIX Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities, and/or Title XXI MCHIP services for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits or appeals, whichever occurs later.
- (2) Contractor shall complete and certify, in accordance with State and County instructions, and provide DMH with two (2) copies of an accurate and

complete Specialty Mental Health Services (SMHS) Reconciliation Report, also referred to as Title XIX Short-Doyle/Medi-Cal Reconciliation Report, at the legal entity level by the due date set by the State for the applicable fiscal year.

- (a) Should Contractor fail to provide County with the SMHS Reconciliation Report by the due date, then Director, in his/her sole discretion, shall determine which State approved Short-Doyle/Medi-Cal services shall be used by County for completion of the SMHS Reconciliation Report.
- (b) Contractor shall hold County harmless from and against any loss to Contractor resulting from the Contractor's failure to provide County with the SMHS Reconciliation Report and County's subsequent determination of which State-approved Short Doyle/Medi-Cal services to use for completion of the SMHS Reconciliation Report for the Contractor.

Q. INTERIM SETTLEMENT

Subsequent to the County's filing of the Annual Cost Report on behalf of the Contractor, County shall settle with Contractor on an interim basis only if sufficient funds are available. Interim Settlement is County's settlement process based on the Contractor's submitted Annual Cost Report. It will equal the difference between the Contractor's eligible costs for reimbursement under the Contract and the total year-to-date payments Contractor has already received, including any Cash Flow Advances. This Interim Settlement amount is provisional and may be subject to adjustment based on the Annual Cost Report Reconciliation and Settlement, and SD/MD Audit and Post-Audit Settlement outcomes.

- (1) **PAYMENTS:** The Interim Settlement process may result in either County owing Contractor or Contractor owing County payments. The payment is determined by the Interim Settlement process, whereby the County will calculate the difference between the Contractor's eligible costs for reimbursement under the Contract and as submitted per the Annual Cost Report, and the total year-to-date payments Contractor has already received, including any Cash Flow Advances.
- (2) **PAYMENT BY COUNTY TO CONTRACTOR:**
 - (a) **Payment Amount:** In addition to the amounts paid to Contractor for services, including services to Medi-Cal beneficiaries and/or MCHIP enrollees, under the Contract, County will calculate an interim settlement payment owed to Contractor and provide Contractor with written notification of the amount owed to Contractor.

- (b) Funding: The payment amount may be composed of County, federal, and/or State funds. County will use the funds owed to Contractor to reduce any other amounts owed to County.
- (c) Timing of Payment: If no other funds are owed to County, County will pay Contractor within 30 days of notification of interim settlement amounts.
- (3) Contractor may, by a written notice to the County within 30 days of execution of this amendment, ask to review the County's Interim Settlement results.
 - (a) County will review the County Interim Settlement results with Contractor within 30 days of receipt of request.
 - (b) County will follow up with a written response within 30 days following review of the results, if needed."

R. SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT

- (1) Based on the Annual Cost Report(s) submitted pursuant to Paragraph O (ANNUAL COST REPORTS) and the most updated State Medi-Cal approvals and County claims information, at the end of each fiscal year or portion thereof that this Contract is in effect, the State and County will perform an SMHS Reconciliation and Settlement.
 - (a) Upon initiation and instruction by the State, County will begin the SMHS Reconciliation process with Contractors.
 - (b) County will perform settlement upon receipt of State Reconciliation Settlement to the County.
- (2) Such reconciliation and settlement will be subject to the terms and conditions of this Contract and any other applicable State and/or federal statutes, regulations, policies, procedures and/or other requirements pertaining to cost reporting and settlements for Title XIX Short-Doyle/Medi-Cal and Medi-Cal Administrative Activities, and Title XXI MCHIP, and other applicable federal and/or State programs.
- (3) SMHS Reconciliation Settlement shall be subject to the limitations contained in the Financial Summary. Such limitations include, but are not limited to:
 - (a) Available Match funds as indicated in Column D of the Financial Summary;

- (b) Actual submitted and approved claims to those third-parties providing funds in support of specific Funded Programs;
 - (c) Funded Program Amounts;
- (4) County shall issue its SMHS Reconciliation Settlement results no later than 180 calendar days after the receipt by County from the State of the State's Cost Report Settlement package and payment for a particular fiscal year.
 - (a) As part of its SMHS Reconciliation Settlement, County shall identify any amounts due to Contractor by the County or due from the Contractor to the County.
 - (b) Upon issuance of the County's SMHS Reconciliation Settlement results, Contractor may, within 30 calendar days, submit a written request to the County for review of the SMHS Reconciliation Settlement results.
 - i. Upon receipt by County of the Contractor's written request, the County shall, within 30 calendar days, meet with the Contractor to review the SMHS Reconciliation Settlement results and to consider any documentation or information presented by the Contractor. Contractor may waive such meeting and elect to proceed based on written submission at its sole discretion.
 - ii. Within 30 calendar days of the meeting specified above in Subparagraph (4) (i) of this Paragraph R (SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT), County shall issue a response to the Contractor including confirming or adjusting any amounts due to Contractor by the County or due from Contractor to the County.
- (5) In the event that the SMHS Reconciliation Settlement indicates that the Contractor is due payment from the County, County shall initiate the payment process to Contractor within 30 calendar days following the expiration of the date to request a review as specified above in Subparagraph (4) (b) of this Paragraph R (SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT) or issuance of the County response as specified above in Subparagraph (4) (b) (ii) of this Paragraph R (SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT), whichever is later.
- (6) In the event that the SMHS Reconciliation Settlement indicates that the Contractor owes payment to the County, Contractor shall make payment to the County in accordance with the terms of Paragraph T (PAYMENTS BY

CONTRACTOR TO COUNTY). Said payment shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).

- (7) Regardless of any other provision of this Paragraph Q (SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT), reimbursement to Contractor shall not exceed the MCA and shall not exceed the Funded Program Amount, as identified on the Financial Summary.

S. AUDITS, AUDIT APPEALS AND POST-AUDIT APPEAL
SHORT-DOYLE/MEDI-CAL (SD/MC) SETTLEMENT

- (1) At any time during the term of this Contract or after the expiration or termination of this Contract, in accordance with State and federal law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the County, State or federal governments may conduct an audit of Contractor regarding the services/activities provided under this Contract.
- (2) Settlement of audit findings will be conducted according to the auditing party's procedures in place at the time of the audit.
- (3) Post-Audit SD/MC Settlement: In the case of a State Short-Doyle/Medi-Cal (SD/MC) audit, the State and County will perform a post-audit SD/MC settlement based on State audit findings. Such settlement will take place when the State initiates its settlement action, which customarily is after the issuance of the audit report by the State and before the State's audit appeal process.
 - (a) County shall issue Post-Audit SD/MC Settlement to Contractor for any amount due County or due to Contractor within 90 calendar days after the State issues its audit report to the County.
 - (b) If the Post-Audit SD/MC Settlement determines that the amount paid by County to Contractor for any units furnished hereunder are more than the amounts allowable pursuant to this Contract, then the difference shall be due by Contractor to County. Contractor shall make payment to the County in accordance with the terms of Paragraph T (PAYMENTS BY CONTRACTOR TO COUNTY). Said payment shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).
 - (c) County shall follow all applicable federal laws, regulations manuals, guidelines and directives in recovering from Contractor any federal over-payment.

- (d) In the event that Post-Audit SD/MC Settlement indicates that Contractor is due payment from County, County shall initiate the payment process to Contractor within 30 days of settlement issuance date.
 - (e) If the auditing party stays its collection of any amounts due or payable because of the audit findings, County will also stay its settlement of the same amounts due or payable until the responsible auditing party initiates its settlement action with County.
- (4) SD/MC Audit Appeals: Contractor may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.
 - (a) For federal audit exceptions, federal audit appeal processes shall be followed.
 - (b) Contractor may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such appeals must be filed through County. County shall notify Contractor of State appeal deadlines after County's receipt of information from State.
- (5) Post-Audit Appeal SD/MC Settlement:
 - (a) If at any time the Appeal process results in a revision to the audit findings, and the State recalculates the audit settlement of the SD/MC cost report for a particular year and settles with County, County will perform a post-audit appeal Short-Doyle/Medi-Cal re-computed settlement after the State issues its revised settlement with the County, based on the State appeal resolution.
 - i. If the post-audit appeal SD/MC re-computed settlement results in amounts due to Contractor by the County, County shall initiate the payment process to Contractor within 30 calendar days of issuing the post-audit appeal SD/MC re-computed settlement to Contractor.
 - ii. If the post-audit appeal SD/MC re-computed settlement results in amounts due from Contractor to the County, Contractor shall make payment to the County in accordance with the terms of Paragraph T (PAYMENTS BY CONTRACTOR TO COUNTY). Said payment shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).

- (b) Notwithstanding any other provisions of this Contract, if Contractor appeals any audit report, the appeal shall not prevent the County from recovering from Contractor any amount owed by Contractor that the State has recovered from County.
- (6) County Audits: Should the auditing party be the County, Contractor will have 30 calendar days from the date of the audit report within which to file an appeal with County. The letter providing the Contractor with notice of the audit findings shall indicate the persons and address to which the appeal should be directed. County shall consider all information and argument provided by Contractor with its appeal, and will issue its decision on the appeal after such consideration. Such decision is final. County will issue an invoice for any amount due County 15 calendar days after County has notified Contractor of the County's audit appeal findings. Contractor shall make payment to the County in accordance with the terms of Section T (PAYMENTS BY CONTRACTOR TO COUNTY). Said payment shall be submitted to the persons and at the address identified in Paragraph Y (PAYMENT AND INVOICE NOTIFICATIONS).

T. PAYMENTS BY CONTRACTOR TO COUNTY

- (1) Payment Amount: In the event that it is determined that the Contractor owes County under this Contract as the result of the Interim Settlement, SMHS Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes, Contractor agrees to pay County the sum owed to County upon a written notification by County. County first shall offset this amount against any other amount owed to Contractor. If there is a remaining amount owed to County, Contractor will pay County using one or more of the options provided below by notifying County within ten (10) business days of receipt of County's written notification:
 - (a) Paid in one cash payment by Contractor to County;
 - (b) Paid by cash payment(s) by Contractor to County over a period not to exceed twelve (12) months;
 - (c) A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:
 - i. Paid by cash payment(s) or deducted from future claims
 - (d) Use of in-kind services; or
 - (e) A combination of any or all of the above to run concurrently, but up to and not to exceed six (6) consecutive years.
- (2) If Contractor does not so notify County within such ten (10) days as state in Paragraph T. PAYMENT BY CONTRACTOR TO COUNTY, (1) Payment Amount, above, or if Contractor fails to make payment of any such amount to

County as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by County for recovery of such amount from Contractor.

- (3) In-Kind Services: This Contract considers the repayment of settlement amounts owed from Contractor to the County through the provision of in-kind services. As such, County and Contractor agree to the following terms and conditions:
- (a) The term of the in-kind repayment may be for up to and not to exceed six (6) years from the execution of this Contract as amended.
 - (b) No payment of any kind will be made by County to Contractor for such in-kind services provided under this Contract.
 - (c) In-kind services from Contractor will be valued at the hourly rate of Contractor's staff assigned to a DMH Directly Operated facility or otherwise specified by the Director, to perform the in-kind service. The hourly rate should be the higher of whatever the County pays for a compatible service or Contractor's rate. If Contractor's hourly rate is used, it will be verified according to Contractor's payroll records. Contractor shall not include costs and units of service for such staff while performing in-kind services to County on its year-end cost report.
 - (d) County will assign a contract program monitor, or designee, to oversee the in-kind repayment of services by Contractor's staff in a DMH Directly Operated facility or as otherwise specified by the Director. County's contract program monitor, or designee, will oversee Contractor's staff.
 - (e) County and Contractor agree that the in-kind services to be performed under this Contract will consist of appropriate clinical services as specified by the Director or his designee within mutually agreed upon service areas. This includes the type and qualification of staff to be assigned to such Directly Operated facilities to perform the in-kind services.
 - (f) County's contract program monitor has the discretion to terminate the in-kind services based upon work performance issues associated with the Contractor's staff performing the in-kind services.
 - (g) County's contract program monitor may ask for a Corrective Action Plan which may include, but not be limited to, recommending a new repayment option for the Contractor which may include:
 - i. Paid in cash by Contractor to County over a period not to exceed three (3) months;
 - ii. Deducted from future claims over a period not to exceed three (3) months;

- iii. A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director of his designee:
 - 1) Paid in cash payment(s) or deducted from future claims.
 - iv. Any combination of the above, not to exceed a total of six (6) consecutive years from the date of the original repayment plan under this Contract.
- (h) County will notify Contractor of the need for a Corrective Action Plan in writing.
- i. If upon receipt of such written notice, Contractor does not provide the County with a written Corrective Action Plan within ten (10) business days, then Director, in his sole discretion, shall determine which of the four (4) payment options shall be used by County for recovery of amount owed by Contractor.
 - (i) Contractor will report the units of service delivered under the in-kind service arrangement in a format specified by County no later than the tenth calendar day of the month following the month of service. If the tenth calendar day of the month falls on a weekend or a County recognized holiday, the report is due the following business day.
- (4) Under special circumstances, Contractor may request in writing an extension of the payment period beyond the six (6) – year extension period referenced in Paragraph T (PAYMENTS BY CONTRACTOR TO COUNTY), (1) Payment Amount, (c) – extended repayment plan option
- (a) Director in his sole discretion may approve Contractor's request.
- (5) Administrative Fee: A monthly administrative fee may be assessed for any Contractor repayment plan beyond 12 months;
- (a) The fee assessed shall be a flat monthly amount based on the amount owed to County and the term of the repayment period at the time of the request.
 - (b) The amount of the fee may be determined by county at the time of Director's approval of Contractor's request, and shall be paid by Contractor to County with the monthly payment until Contractor pays County in full.
- (6) Contractor may make additional cash payments to County at any time.
- (7) If SMHS Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes result in money owed to Contractor by County, such amount(s) shall be offset from the balance owed to County

- (8) Contractor shall ensure that no current-year County funding is used to pay prior years' liabilities and that the County offset is absorbed by revenues, donations, and/or other sources of funds.

U. FINANCIAL SOLVENCY

- (1) Contractor shall maintain adequate provisions to meet the solvency/working capital criteria specified in DMH Policy, *Financial Responsibility Requirements for Existing DMH Contractors*.

V. COUNTY AND CONTRACTOR REQUESTED CHANGES

- (1) If Contractor desires any change in the terms and conditions of this Contract, Contractor shall request such change in writing prior to **March 1st** of the fiscal year for which the change would be applicable, except as otherwise provided in Paragraph X (SURVIVAL: AMENDMENTS TO MAXIMUM CONTRACT AMOUNT AND FINANCIAL SUMMARY (EXHIBIT B) or unless otherwise agreed to by County.
- (a) All changes requested by Contractor shall be made by an amendment pursuant to DMH Legal Entity Contract Paragraph 8.1 (AMENDMENTS).
- (b) All changes requested by the Contractor shall be followed by a Mid-Year Change to the last approved Negotiation Package to be submitted by the Contractor, which must be approved by the Director as specified in DMH Notice, *Negotiation Package Submission Procedures*.
- (2) If Contractor requests an increase or decrease in the MCA or in the Funded Program Amount, Contractor shall provide all reports, data, and other information requested by the County, within 15 calendar days of County's request.
- (a) Contactor's request for consideration of an increase in the MCA or in the Funded Program Amount, must be made and approved prior to Contractor rendering services that exceed the MCA or the Funded Program Amount. To the extent that County agrees to increase MCA or a Funded Program Amount, such approval shall be in the form of an executed amendment to this Contract. Director will make best efforts to expedite the amendments provided under this Subparagraph (2) (a) of this Paragraph V (CONTRACTOR REQUESTED CHANGES).
- (b) Requests received after the Contractor has rendered services in excess of the MCA, or the Funded Program Amount, will only be considered on a prospective basis for payment of services rendered

after the effective date of any executed amendment. The County shall not be responsible for payment, nor otherwise be liable for, services/activities that Contractor provided in excess of the MCA or the Funded Program Amount during any part of the Initial Period, First Optional Extension Period or Second Automatic Optional Extension Period, respectively.

- (3) If County requires changes per options (a) and/or (b) as specified in Paragraph K (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN AND COUNTY'S RIGHT TO RE-ALLOCATE FUNDS), Contractor must submit a Mid-Year Change to the last approved Negotiation Package as specified in DMH Notice, *Negotiation Package Submission Procedures*.
- (4) If County requires changes per Paragraph I (LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS), Contractor must submit a Mid-Year Change to the last approved Negotiation Package.
- (5) If County and Contractor agree to make a funding and/or service plan change relevant to this Contract, Contractor must submit a Mid-Year Change to the last approved Negotiation Package as specified in DMH Notice, *Negotiation Package Submission Procedures*.

W. DELEGATED AUTHORITY

- (1) Notwithstanding any other provision of this Contract, the Director may, without further action by County's Board of Supervisors, prepare and sign amendments to this Contract under the following conditions.
 - (a) County's total payments to Contractor under this Contract, for each fiscal year of the term of this Contract, does not exceed an increase of more than the Board of Supervisor-approved percentage of the current applicable MCA; and
 - (b) Any such MCA amendment increase or amendment change shall only be for the provision of additional services; for the provision of new services as reflected on Exhibit C (STATEMENT OF WORK(S)/ SERVICE EXHIBIT(S) LIST); to ensure continuity of care; or to reflect program and/or policy changes that affect this Contract; or to allow final shift of funds pursuant to Paragraph X (SURVIVAL: AMENDMENTS TO MAXIMUM CONTRACT AMOUNT AND FINANCIAL SUMMARY (Exhibit B); and
 - (c) County's Board of Supervisors has appropriated sufficient funds for all changes described in each such amendment to this Contract; and

- (d) Approval of County Counsel, or the designee, is obtained prior to any such amendment to this Contract.
- (e) Director shall notify County's Board of Supervisors and the Chief Executive Officer of all Contract changes in writing within 30 calendar days following execution of any such amendment(s).

X. SURVIVAL: AMENDMENTS TO MAXIMUM CONTRACT AMOUNT AND FINANCIAL SUMMARY (EXHIBIT B)

- (1) Due to the length of the State reconciliation and audit processes, County and contractor acknowledge that the final determination of the amounts that may be owed by the Parties to each other will occur during First and/or Second Optional Extension Period as described in Legal Entity Contract, Paragraph 4 (TERM) and/or after the expiration or termination of Contract. Therefore, the parties agree that all provisions of Contract related to effectuating payment, including, but not limited to, provisions related to cost reporting, settlement, and audit, including such provisions in Exhibit A, Financial Provisions, survive the First and/or Second Optional Extension Period as described in Legal Entity Contract, Paragraph 4 (TERM) and/or expiration or termination of Contract. This Paragraph X shall not be interpreted to imply that other provisions of Contract do not survive its expiration, if the Parties intent, as demonstrated by language, circumstances, law, or practice, is that the provision should survive.
- (2) To maximize the use of federal and State funding for Medi-Cal services, Contractor, within 30 calendar days after the Annual Cost Report due date for the applicable fiscal year, may submit in writing a request to shift and/or increase funds on the Financial Summary (Exhibit B). Such shifting and/or increase of funds request shall reflect maximization of federal and other funding based on Contractor's complete and accurate Annual Cost Report submitted in accordance with Paragraph O (ANNUAL COST REPORTS) and in accordance with terms and limitations set forth in DMH Policy, Shifting Guidelines for the Legal Entity Contract. To the extent that County approves the shifting of funds request, such approval shall be in the form of an executed amendment to this Contract. In addition, the Director, at his/her sole discretion, may propose and, with the Contract of Contractor, execute a written amendment (a) to modify the distribution of funds identified for each Funded Program as shown on the Financial Summary (Exhibit B); (b) to change, including increase, the amount of federal or State funds on the Financial Summary (Exhibit B); or (c) to increase the MCA to include additional federal or State funds for Medi-Cal services, but only to the extent that such amendment is necessary for Contractor to be reimbursed for otherwise uncompensated care. Such amendment may be executed during First and/or Second Optional Extension Period as described in Legal Entity

Contract, Paragraph 4 (TERM) and/or after the Contract has expired or terminated and shall be effective irrespective of whether the Contract is in the Optional Extension Period or has expired or terminated.

Y. PAYMENT AND INVOICE NOTIFICATIONS

- (1) Contractor shall submit all Invoices, including any supporting documentation, to the following:

County of Los Angeles Department of Mental Health
Financial Services Bureau – Accounting Division
550 S. Vermont Avenue, 8th Floor
Los Angeles, CA 90020
Attn: Provider Reimbursement Section

- (2) Contractor shall submit all remittances and payments for amounts due to the County under this contract to the following:

County of Los Angeles Department of Mental Health
Financial Services Bureau – Accounting Division
550 S. Vermont Avenue, 8th Floor
Los Angeles, CA 90020
Attn: Cash Collections Section

**COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH CONTRACTOR CLAIMS
CERTIFICATION FOR TITLE XIX SHORT-DOYLE MEDI-CAL and TITLE XXI MEDICAID CHILDREN'S
HEALTH INSURANCE PROGRAM REIMBURSEMENTS**

Legal Entity: _____

Legal Entity Number: _____

Claims for services/activities with dates of services: July 1, 2018 through June 30, 2019.

I HEREBY CERTIFY under penalty of perjury that I am the official responsible for the administration of the mental health services in and for said claimant; that the amounts for which reimbursement will be claimed for Medi-Cal and Medicaid Children's Health Insurance Program (MCHIP) services to be rendered during the above indicated fiscal year and to be claimed to the County of Los Angeles Department of Mental Health will be in accordance with the terms and conditions of the Legal Entity Contract; and that to the best of my knowledge and belief each claim will be in all respects true, correct, and in accordance with State and federal law and regulation. I agree and shall certify under penalty of perjury that all claims for services to be provided to county mental health clients will be provided to the clients by this Legal Entity. The services will be provided in accordance with the client's written treatment plan. I agree and shall certify under penalty of perjury that no services will be submitted for the contractor nor any of its staff members who is restricted, excluded, and/or suspended from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part. This certification covers staff members who are directly included on the claim or any staff member whose time is included on the claim, but whose identifying Name and National Provider ID are not included if they were a co-practitioner in the service. This Legal Entity also certifies that all information submitted to the County Department of Mental Health will be accurate and complete. I and this Legal Entity understand that payment of these claims will be from County, State and federal funds, and any falsification or concealment of a material fact may be prosecuted under federal and/or State laws. The Legal Entity agrees to keep for a minimum period of as specified in its Legal Entity Contract with County a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. The Legal Entity agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the County of Los Angeles Department of Mental Health, California Department of Health Care Services, the Medi-Cal Fraud Unit, California Department of Justice, Office of the State Controller, U.S. Department of Health and Human Services, or their duly authorized representatives. The Legal Entity also agrees that services will be offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.

FURTHER, I HEREBY CERTIFY under penalty of perjury to the following: An assessment of the beneficiary will be conducted in compliance with the requirements established in the County's Mental Health Plan (MHP) contract with the California Department of Health Care Services (State DHCS). The beneficiary will be determined to be eligible to receive Medi-Cal services at the time the services are provided to the beneficiary. The services to be included in the claims during the above indicated period will actually be provided to the beneficiary. Medical necessity will be established for the beneficiary as defined under Title 9, California Code of Regulations, Division 1, Chapter 11, for the service or services to be provided, for the timeframe in which the services will be provided. A client plan will be developed and maintained for the beneficiary that meets all client plan requirements established in the County's MHP contract with the State DHCS. For each beneficiary with day rehabilitation, day treatment intensive, or EPSDT supplemental specialty mental health services to be included in the claim during said period, all requirements for payment authorization for day rehabilitation, day treatment intensive, and EPSDT supplemental specialty mental health services will be met, and any reviews for such service or services will be conducted prior to the initial authorization and any re-authorization periods as established in the County's MHP contract with the State DHCS.

Date: _____ Signature: _____

Executed at _____, California

I CERTIFY under penalty of perjury that I am a duly qualified and authorized official of the herein Legal Entity claimant responsible for the examination and settlement of accounts. I further certify that this Legal Entity claimant will provide from the eligible designated funds in the Financial Summary of the Legal Entity Contract with County, the local share of payment for Short-Doyle/Medi-Cal and/or MCHIP covered services to be included in the claims to be submitted to County during the above referenced period in order to satisfy matching requirements for federal financial participation pursuant to the Title XIX and Title XXI of the Social Security Act.

Date: _____ Signature: _____

Executed at _____, California

Please forward the completed form to the Department of Mental Health (DMH):

Los Angeles County – Department of Mental Health
Attn: Contract Development and Administration Division
550 S. Vermont Ave., 5th Floor, RM 500
Los Angeles, CA 90020

Financial Summary (Exhibit B)

LE Name:
LE No:
Fiscal Year:Amendment No.:
Amendment Date:
Contract Period:Contract No:
Fin Sum No:

A	B	C	D	E
Rank	Funded Programs	Medi-Cal Reimbursable ¹	Local Match Funds	Funded Program Amount (Gross)
Categorically Funded Programs				
1	Family Preservation Program	N		
2	Specialized Foster Care - DCFS MAT Non-Medi-Cal (Non-MC)	N		
3	Specialized Foster Care Enhanced Mental Health Svcs Medi-Cal (MC)	Y		
4	Specialized Foster Care MAT MC	Y		
5	Specialized Foster Care TFC MC	Y		
6	Specialized Foster Care Wraparound Non-MC	N		
7	Specialized Foster Care Wraparound Invoice	N		
8	Specialized Foster Care Wraparound MC	Y		
9	DCFS Medical Hub Non-MC	N		
10	DCFS PHF MC	Y		
12	First 5 Non-MC	N		
13	First 5 Invoice	N		
14	First 5 MC	Y		
15	Comprehensive SOC Program (SAMHSA, CFDA #93.958) Non-MC	N		
16	Comprehensive SOC Program (SAMHSA, CFDA #93.958) Invoice	N		
17	Project ABC South LA (SAMHSA, CFDA #93.104) Invoice	N		
18	Juvenile Justice Program (STOP) Non-MC	N		
19	Juvenile Justice Program (JJCPA-MHSAT) Non-MC	N		
20	Juvenile Justice Program (JJCPA - MST) Non-MC	N		
21	Juvenile Justice Program (JJCPA - New Directions) Non-MC	N		
22	Juvenile Justice Program (JJCPA - New Directions) MC	Y		
23	Juvenile Justice Program (COD) Non-MC	N		
24	Juvenile Justice Program (FFT) Non-MC	N		
25	Juvenile Justice Program (FFT) MC	Y		
26	Juvenile Day Reporting Center Non-MC	N		
36	Diversion Program Non-MC	N		
37	Diversion Program Invoice	N		
38	Diversion Program MC	Y		
39	ODR Diversion Programs Non-MC	N		
40	ODR Diversion Programs MC	Y		
43	CalWORKs MHS Non-MC	N		
44	CalWORKs Homeless Family Solution System Invoice	N		
45	GROW Non-MC	N		
46	Post-Release Community Supervision-Community Reintegration Prog Non-MC	N		
47	Post-Release Community Supervision-Community Reintegration Prog Invoice	N		
48	Post-Release Community Supervision-Community Reintegration Prog MC	Y		
49	DPH Dual Diagnosis Non-MC	N		
50	DCSS Forensic Center Services Invoice	N		
56	DHS EPIC Program Non-MC	N		
57	DHS EPIC Program MC	Y		
Federal/State Revenue				
58	Federal/State Revenue MC	Y		
Realignment Funded Programs				
59	DMH Mental Health Services Non-MC	N		
60	DMH Mental Health Services Invoice	N		
61	DMH Mental Health Services MC	Y		
62	DMH IMD Step Down Non-MC	N		
63	DMH IMD Step Down Invoice	N		
64	DMH IMD Step Down MC	Y		
MHSA Funded Programs				
65	MHSA Full Service Partnership Non-MC	N		
66	MHSA Full Service Partnership Invoice	N		
67	MHSA Full Service Partnership MC	Y		
68	MHSA Recovery, Resiliency, & Reintegration Services Non-MC	N		
69	MHSA Recovery, Resiliency, & Reintegration Services Invoice	N		
70	MHSA Recovery, Resiliency, & Reintegration Services MC	Y		
71	MHSA Alternative Crisis Services Non-MC	N		
72	MHSA Alternative Crisis Services Invoice	N		
73	MHSA Alternative Crisis Services MC	Y		
74	MHSA Linkage Services Invoice	N		
75	MHSA Planning, Outreach, & Engagement Non-MC	N		
76	MHSA Prevention & Early Intervention Non-MC	N		
77	MHSA Prevention & Early Intervention Invoice	N		
78	MHSA Prevention & Early Intervention MC	Y		
Maximum Contract Amount (MCA)				\$ -

¹Medi-Cal reimbursable (Y/N) reflects DMH program guidelines in addition to applicable state and federal regulations.

V4/16/18

CONTRACTOR NAME: _____
LEGAL ENTITY NO.: _____

PERIOD: _____

PROVIDER NUMBER	SERVICE EXHIBIT NUMBER(S)	SERVICE DELIVERY SITE ADDRESS	MENTAL HEALTH SERVICE AREA(S)	SITE SUPERVISORIAL DISTRICT

CONTRACTOR'S EEO CERTIFICATION

Contractor Name

Address

Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | | |
|----|---|------------------------------|-----------------------------|
| 1. | The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

Authorized Official's Printed Name and Title

Authorized Official's Signature

Date

COUNTY'S ADMINISTRATION

CONTRACTOR'S NAME: _____

CONTRACT NO: _____

DIRECTOR OF MENTAL HEALTH:

Name: Jonathan E. Sherin, M.D., Ph.D.

Title: Director

Address: 550 S. Vermont Avenue

Los Angeles, CA., 90020

Telephone: (213) 738-4601

E-Mail Address: Director@dmh.lacounty.gov

COUNTY MONITORING MANAGER:

Name: Terri Boykins, LCSW

Title: Deputy Director

Address: 550 S. Vermont Avenue, 4th Floor

Los Angeles, CA., 90020

Telephone: (213) 738-2408

E-Mail Address: TBoykins@dmh.lacounty.gov

CONTRACT LEAD:

Name: _____

Title: _____

Address: 550 S. Vermont Avenue

Los Angeles, CA., 90020

Telephone: _____

E-Mail Address: _____

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: _____

CONTRACT NO: _____

CONTRACTOR'S CONTRACT MANAGER: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Notices to Contractor shall be sent to the following:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR _____ Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: for Contractor's record; shall be made available within three (3) business days upon DMH request)

Contractor Name _____ Contract No. _____

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: for Contractor's record; shall be made available within three (3) business days upon DMH request)

Contractor Name _____ Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

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2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 2 of 3

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 3 of 3

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

SAFELY SURRENDERED BABY LAW

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

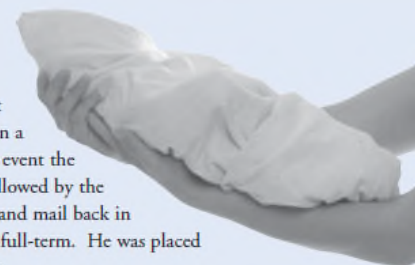
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal
de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



DEFINITIONS

The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

1. **“ACA”** means the Patient Protection and Affordable Care, Public Law 111–148, comprehensive health care reform passed by Congress and then signed into law by the President on March 23, 2010;
2. **“Board of Supervisors” (“Board”)** means the Board of Supervisors of the County of Los Angeles acting as governing body;
3. **“Cal MediConnect”** means the Centers for Medicare & Medicaid Services (CMS) and the State of California's three-year demonstration project to promote coordinated health care delivery to seniors and people with disabilities who are dually eligible for both of the State Medi-Cal program and the federal Medicare program;
4. **“CalWORKs”** means California Work Opportunities and Responsibilities to Kids Act, which under California Welfare and Institutions Code Section 11200 et seq. provides for mental health supportive services to eligible welfare recipients. CalWORKs funding consists of both federal and State funds;
5. **“Cash Flow Advance”** means County General Funds (CGF) furnished by County to Contractor for cash flow purposes in expectation of Contractor repayment pending Contractor's rendering and billing of eligible services/activities;
6. **“CCR”** means the California Code of Regulations;
7. **“CDSS”** means California Department of Social Services;
8. **“CGF”** means County General Funds;
9. **“Contract”** means this contract executed between County and Contractor. Included are all supplemental contracts amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work;
10. **“Contractor”** means the person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an contract with the County to perform or execute the work covered by this contract;
11. **“Contractor Project Manager”** means the person designated by the Contractor to administer the Contract operations under this Contract;
12. **“Cost Reimbursement” or “CR”** means the arrangement for the provision of mental health services based on the reasonable actual and allowable costs of services provided under this Contract, less all fees paid by or on behalf of

patients/clients and all other revenue, interest and return resulting from the same services;

13. **“County”** means the Board of Supervisors of the County of Los Angeles acting as governing body.
14. **“County Contract Project Monitor”** means person with responsibility to oversee the day to day activities of this contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the contractor;
15. **“County Project Manager”** means person designated by County’s Project Director to manage the operations under this contract;
16. **“County Project Director”** means person designated by County with authority for County on contractual or administrative matters relating to this contract that cannot be resolved by the County’s Project Manager;
17. **“County’s Claims Processing Information System”** means the current system employed by the Department of Mental Health to submit and process claims;
18. **“Countywide Maximum Allowances”** or **“CMA”** means County established maximum reimbursement rates for specialty mental health services provided by the Los Angeles County Department of Mental Health Legal Entity Contractors;
19. **“CPT”** means Physicians’ Current Procedural Terminology as referenced in the American Medical Association standard edition publication;
20. **“Day(s)”** means calendar day(s) unless otherwise specified;
21. **“DCFS”** means County Department of Children and Family Services;
22. **“DHCS”** means California Department of Health Care Services;
23. **“Director”** means County’s Director of Mental Health or his authorized designee;
24. **“DMH”** means County’s Department of Mental Health;
25. **“DPSS”** means County’s Department of Public Social Services;
26. **“EOB”** means **‘Explanation of Balance’** for Title XIX Short-Doyle/Medi-Cal services which is the State Department of Health Services adjudicated claim data and **‘Explanation of Benefits’** for Medicare which is the Federal designated Fiscal Intermediary’s adjudicated Medicare claim data;
27. **“EPSDT”** means the Early and Periodic Screening, Diagnosis, and Treatment program, which is a requirement of the Medicaid program to provide comprehensive health care. Such State funds are specifically designated for this program;

28. **“FFP”** means Federal Financial Participation for Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities as authorized by Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
29. **“Fiscal Intermediary”** means County acting on behalf of the Contractor and the Federally designated agency in regard to and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities;
30. **“Fiscal Year”** means the twelve (12) month period beginning July 1st and ending the following June 30th;
31. **“Funded Program”** means a set of services paid through a particular funding source for the benefit of a specific beneficiary (e.g., Medi-Cal/Healthy Families or Non-Medi-Cal/Non-Healthy Families). The Funded Program Amount is the basis for the provisional payment to the Contractor per Paragraph E of the Financial Exhibit A of the LAC-DMH LE Contract. A Funded Program is made up of one or more Subprograms;
32. **“Gross Program Budget”** is the sum total of the Net Program Budget and all “Third Party Revenues” shown in the Financial Summary;
33. **“GROW”** means General Relief Opportunities for Work;
34. **“HITECH”** means The Health Information Technology for Economic and Clinical Health Act. Subtitle D of the HITECH Act addresses the privacy and security concerns associated with the electronic transmission of health information, in part, through several provisions that strengthen the civil and criminal enforcement of the HIPAA rules.
35. **“HIPAA”** means Health Insurance and Portability Act. HIPAA Privacy Rule provides federal protections for personal health information held by covered entities (or a Business Associate of a “Covered Entity”) and gives patients an array of rights with respect to that information. At the same time, the Privacy Rule is balanced so that it permits the disclosure of personal health information needed for patient care and other important purposes.
36. **“IMD”** means Institutions for Mental Disease and includes hospitals, nursing facilities or other institutions of more than 16 beds that are primarily engaged in providing diagnosis, treatment or care of persons with mental disease, including medical attention, nursing care and related services;
37. **“Legal Entity”** means a provider of mental health services as is described in Title 9 CCR section 1840.100;
38. **“Master Agreement List”** means a list of contractors who have submitted a Statement of Qualifications (SOQ) in response to County’s Request for Statement of Qualifications (RFSQ), and have met the minimum qualifications listed in the RFSQ, and who have an executed Master Agreement;

39. **“Maximum Contract Amount”** is the sum total of all “Allocations” shown in the Financial Summary; except that the “Maximum Contract Amount” shall not include “Third Party Revenue” shown in the Financial Summary;
40. **“Medicaid Expansion under ACA in California”** means expansion of Medi-Cal eligibility to additional low-income adults;
41. **“Mental Health Services Act” (“MHSA”)** means the initiative originally adopted by the California electorate on November 2, 2004, and as subsequently amended, which creates a new permanent revenue source, administered by the State, for the transformation and expanded delivery of mental health services provided by State and County agencies and which requires the development of integrated plans for prevention, innovation, and system of care services;
42. **“MHRC”** means Mental Health Rehabilitation Centers certified by the DHCS;
43. **“Organizational Provider’s Manual”** is the Los Angeles County DMH Organizational Provider’s Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services;
44. **“PATH”** means Projects for Assistance in Transition from Homelessness Federal grant funds;
45. **“PHF”** means a Psychiatric Health Facility. A Psychiatric Health Facility is a health facility licensed by the State Department of Mental Health, that provides 24 hour acute inpatient care on either a voluntary or involuntary basis to mentally ill persons; such care includes the following basic services: psychiatry, clinical psychology, psychiatric nursing, social work, rehabilitation, drug administration, and appropriate food services for those persons whose physical health needs can be met in an affiliated hospital or in outpatient settings;
46. **“PHI”** means Protected Health Information. PHI is defined in Health Insurance Portability and Accountability Act of 1996 (HIPAA), and implementing regulations.
47. **“PII”** means Personally Identifiable Information. Any information that identifies a person, including, but not limited to, name, address, email address, passwords, account numbers, social security numbers, credit card information, personal financial or healthcare information, personal preferences, demographic data, marketing data, credit data, or any other identification data. For the avoidance of doubt, Personally Identifiable Information shall include, but not be limited to, all “nonpublic personal information,” as defined under the Gramm-Leach-Bliley Act (15 United States Code (“U.S.C.”) §6801 et seq.).
48. **“Request for Services” (“RFS”)** is a second solicitation process to Contractors on a pre-qualified Master Agreement that requests specific and detailed services as defined in a Statement of Work at a time when such services are needed;

- 49. **“Request for Statement of Qualifications” (“RFSQ”)** means a solicitation based on establishing a pool of qualified vendors/contractors to provide services through a Master Agreement;
- 50. **“SAMHSA”** means Substance Abuse and Mental Health Services Administration Federal block grant funds;
- 51. **“Sensitive Position”** means, per Resolution of the Board of Supervisors of the County, any position involving duties which pose a potential threat or risk to the County or to the public when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of the County or perform those services pursuant to contract;
- 52. **“Service Exhibit” (SE)** means the directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the contract services;
- 53. **“SDMH”** means State Department of Mental Health; – Assembly Bill 102, signed by Governor Brown on June 28, 2011, directs the transfer of Medi-Cal related mental health services to DHCS therefore any reference to SDMH in Contract should mean DHCS; unless otherwise specifically stated to mean “SDMH”;
- 54. **“SFC”** means Service Function Code, as defined by Director, for a particular type of mental health service, and/or Title XIX Medi-Cal administrative claiming activity;
- 55. **“SNF-STP”** mean Skilled Nursing Facility licensed by the DHCS, with an added Special Treatment Program certified by the California Department of Public Health;
- 56. **“State”** means the State of California;
- 57. **“Statement of Qualifications” (“SOQ”)** means a contractor’s response to an RFSQ;
- 58. **“Statement of Work” (“SOW”)** means the directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the contract services;
- 59. **“Subcontract”** means a contract by the contractor to employ a subcontractor to provide services to fulfill this contract;
- 60. **“Subcontractor”** means any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials, to contractor in furtherance of contractor’s performance of this contract, at any tier, under oral or written contract;
- 61. **“Subprogram”** means a set of services for a specific purpose. The Subprogram Amounts are allocated and/or awarded based on Contractors’ areas of expertise and their ability to provide specific services and/or serve specific populations. The

Subprogram Amounts will be used to monitor the provision of mental health services within the Funded Program and will not be used at cost settlement;

- 62. **“Title IV”** means Title IV of the Social Security Act, 42 United States Code Section 601et seq.;
- 63. **“Title XIX”** means Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
- 64. **“Title XXI”** means Title XXI of the Social Security Act, 42 United States Code Section 1396 et seq.;
- 65. **“UMDAP”** means DHCS's Uniform Method of Determining Ability to Pay;
- 66. **“WIC”** means the California Welfare and Institutions Code; and
- 67. **“Work Order”** means a document, which includes a Statement of Work, requesting Bids for specific services from a pre-qualified pool of Contractors that have Master Agreements. An executed Work Order becomes part of the Master Agreement.

ATTESTATION REGARDING FEDERALLY FUNDED PROGRAMS

In accordance with the DMH Legal Entity Contract's Paragraph 9.11 (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM):

I, the undersigned certify that I am not presently excluded from participation in federally funded health care programs, nor is there an investigation presently pending or recently concluded of me which is likely to result in my exclusion from any federally funded health care program, nor am I otherwise likely to be found by a federal or state agency to be ineligible to provide goods or services under the federally funded health care programs.

I further certify as the official responsible for the administration of - _____(hereafter "Contractor") that all of its officers, employees, agents and/or sub-contractors are not presently excluded from participation in any federally funded health care programs, nor is there an investigation presently pending or recently concluded of any such officers, employees, agents and/or sub-contractors which is likely to result in an exclusion from any federally funded health care program, nor are any of its officers, employees, agents and/or sub-contractors otherwise likely to be found by a federal or state agency to be ineligible to provide goods or services under the federally funded health care programs.

I understand and certify that I will notify DMH within thirty (30) calendar days, in writing of:

- Any event that would require Contractor or any of its officers, employees, agents and/or sub-contractors exclusion or suspension under federally funded health care programs, or
- Any suspension or exclusionary action taken by an agency of the federal or state government against Contractor, or one or more of its officers, employees, agents and/or sub-contractors, barring it or its officers, employees, agents and/or sub-contractors from providing goods or services for which federally funded healthcare program payment may be made.

Name of authorized official (Official Name) _____
Please print name

Signature of authorized official _____ Date _____

REQUIRED SUPPLEMENTAL DOCUMENTS

INSTRUCTIONS ON SUBMISSION OF DOCUMENTS

For Contracts up for renewal (submit every three years): *All the documents listed below must be submitted to DMH's Contracts Development Administration Division at 550 S. Vermont Ave., 5th Floor, Los Angeles, CA 90020, at the time of execution of Contract, but no later than ten (10) business days after July 1st of the fiscal year in which Contract is being executed (for new Contracts with an effective date other than July 1st, these documents must be submitted ten (10) business days after the effective date of the Contract). Documents must be submitted in a one-subject binder in sequence as listed below. Contractor must give a good cause justification, in writing, for not submitting the documents in the time period described above. The written justification must be addressed to the DMH lead District Chief overseeing the Contract.*

For Contracts that will be amended (submit annually if necessary): *The following documents must be resubmitted annually during the term of the contract, Financial Responsibility Requirements, Indemnification and Insurance, Contractor Acknowledgement and Confidentiality Agreements, Contractor's Compliance with Encryption Requirements, and the Confidentiality Oath unless there are updates or revisions and then all documents listed below must be resubmitted.*

1. **Corporation Documents**

Provide a copy of the following:

- a. List of Authorized Persons: Board minutes authorizing the person(s) and identifying her/his job title that is (are) legally empowered to sign legal documents on behalf of the organization;
- b. Articles of Incorporation and Corporate Seal: The imprint/copy of the Corporate Seal if the organization is a corporation is to be **affixed to the copy of the Articles of Incorporation**. The Corporate Seal must read the same as the organization's name. An explanation for any difference, if any, between the Corporate Seal and the organization's name as used in the Negotiation Package is to be provided; and
- c. By-Laws/Amendments.

2. **Organizational Chart** – Attach a current/proposed organizational chart, showing all existing and proposed mental health and substance abuse programs/subprograms irrespective of DMH funding.

3. **Financial Responsibility Requirements**

The Contractor must comply with Department's Policy No. 813.04 - **Financial Responsibility Requirements for Contracting with the County of Los Angeles Department of Mental Health**. This DMH Policy can be accessed in its entirety at the following website:
http://lacdmh.lacounty.gov/ContractorsPolicies/Documents/800/813_04.pdf

4. **Rent and Lease Agreements** specifying all Terms and Conditions **shall be made available within three (3) business days should DMH or its representative request the documents.**

Such agreements if requested are to include: term of Agreement; monetary consideration; other leasing consideration; full names and addresses of leaser; and any family/related party relationship between leaser and the organization and its officers and Board of Directors including a full listing of full names of officers, directors, etc. who have any family/related party relationship with leaser.

5. **Fully Executed Contracts** (e.g., Consultants, professional services, etc.) **shall be made available within three (3) business days should DMH or its representative request the documents.**

6. **Equipment Lease(s)** copies for equipment, including automobiles, photocopiers, etc. **shall be made available within three (3) business days should DMH or its representative request the documents.**

7. **Maintenance Agreement(s)** for equipment and other items **shall be made available within three (3) business days should DMH or its representative request the documents.**

8. **Subcontract(s)** – List of all subcontractors.

Contractors must have **prior written approval** from DMH in order to enter a particular subcontract.

PERFORMANCE STANDARDS AND OUTCOME MEASURES EXHIBIT

CONTRACTOR _____

Legal Entity Number: _____

Pursuant to Paragraph 8.15 COUNTY'S QUALITY ASSURANCE PLAN Contractor shall be subject to the following standards and outcomes that have been checked in the last column titled "Required Outcome" and which will be used by County as part of the determination of the effectiveness of services delivered by Contractor. Also, as stated in Paragraph 3.0, Contractor may be subjected to other specific performance outcomes that are required for Mental Health Service Act (MHSA) programs. MHSA performance outcomes are separately identified from this Attachment M and are instead provided in the respective MHSA service exhibits that are part of this Legal Entity Contract, if applicable.

Line ID	Outcomes Domains	Performance Outcomes Targets	Method of Data Collection	Required Outcome (check)
1		State mandated (California Welfare and Institutions Code (WIC) § 5612 and WIC § 5613)	California Consumer's Perception Survey - MHSIP ¹ , YSS ² and YSS-F ³ survey instruments.	P

Performance Outcomes Project:				
2	Access to Services	Client received continuity of care by being seen within 5 business days of discharge from an acute psychiatric hospital. (System wide benchmark is 75% or more of the clients are seen within the five (5) days).	County DMH's claims processing information system data repository.	
3		80% or more of responding clients were able to receive services at convenient times and location.	MHSIP, YSS and YSS - F survey instruments.	
4		Client received continuity of care by being seen within 14 calendar days of discharge from mental health residential treatment program/institutional setting. (Only applicable to residential/institutional service providers. Unplanned discharges are excepted from the 14 day requirement). (System wide benchmark is 59% or more of the clients are seen within the seven (7) days).	County DMH's claims processing information system data repository.	
5	Client Satisfaction	80% or more of responding child/youth and families report that they had someone to talk to when they were troubled.	YSS and YSS-F survey instruments.	
6		80% or more of responding clients reported that staff were sensitive to the client's cultural/ethnic background.	MHSIP, YSS and YSS-F surveys.	
7	Clinical Effectiveness	70% or more of responding families of child/youth and child/youth get along better with family members.	YSS and YSS-F surveys instruments.	
8		80% or more of responding families of child/youth and child/youth in a crisis, have the support they need from family or friends.	YSS and YSS-F survey instruments.	
9		70% or more of responding families report child/youth are doing better in school and/or work.	YSS-F survey	
10		65% or more of responding Transitional Age Youth are doing better in school and/or work.	YSS	
11		60% or more of responding adult/older adult clients are doing better in school and/or work.	MHSIP.survey	
12		75% or more of responding adult/older adult clients report they deal more effectively with daily problems and/or 60% report that their symptoms are not bothering them as much.	MHSIP, YSS and YSS-F survey	

¹ MHSIP -- Mental Health Statistics Improvement Program and is used for adult and older adult surveys.

² YSS s - Youth Services Survey for Youth.

³ YSS-F - Youth Services Survey for Families.

BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement ("Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

1. DEFINITIONS

- 1.1 "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.
- 1.2 "Business Associate" has the same meaning as the term "business associate" at 45 C.F.R. § 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement "Business Associate" shall mean Contractor.
- 1.3 "Covered Entity" has the same meaning as the term "covered entity" at 45 CFR § 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" shall mean County.

- 1.4 "Data Aggregation" has the same meaning as the term "data aggregation" at 45 C.F.R. § 164.501.
- 1.5 "De-identification" refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.
- 1.7 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)
- 1.8 "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S. C. § 17921.)
- 1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.
- 1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.
- 1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).

- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 162.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.
- 1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.
- 1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations. (See 45 C.F.R § 164.103.)
- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the applicable Covered Entity's Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law.
- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.
 - 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.
 - 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
 - 5.1.3 Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
 - 5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **Chief HIPAA Privacy Officer at: Chief HIPAA Privacy Officer, Kenneth Hahn Hall of Administration, 500 West Temple Street, Suite 525, Los Angeles, California 90012, HIPAA@auditor.lacounty.gov**, that includes, to the extent possible:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;
- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;

- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
 - (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and
 - (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.
- 5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.
- 5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.
- 5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.
- 5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

- 6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.
- 6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.

- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the

Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.
 - 9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:
 - (a) The date of the Disclosure;
 - (b) The name, and address if known, of the entity or person who received the Protected Health Information;
 - (c) A brief description of the Protected Health Information Disclosed; and
 - (d) A brief statement of the purpose of the Disclosure.
 - 9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.
- 9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in

accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528

- 9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

- 10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

12. MITIGATION OF HARMFUL EFFECTS

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

13. BREACH NOTIFICATION TO INDIVIDUALS

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
- (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
- (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
- (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.

13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

14. INDEMNIFICATION

14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or

connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.

- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF COVERED ENTITY

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

16. TERM

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 18.1 to 18.4 shall survive the termination or expiration of this Business Associate Agreement.

17. TERMINATION FOR CAUSE

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which

shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.

- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.
- 18.2 Destruction for purposes of Section 18.2 and Section 6.1.2 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.
- 18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.

- 18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

19. AUDIT, INSPECTION, AND EXAMINATION

- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose of determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in Section 17.
- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement,

Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 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 Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Check the Certification below that is applicable to your company.

- ☐ Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

OR

- ☐ Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

Signature

Date

Name and Title of Signer (please print)



Los Angeles County Department of Mental Health
OWNERSHIP/CONTROLLING INTEREST DISCLOSURE

Completion of this form is mandated by the Centers for Medicare and Medicaid Services, Department of Health and Human Services and applicable regulation as found at 42 CFR 455.101 and 42. CFR 455.104. Disclosure must be made at the time of enrollment or contracting with Los Angeles County Department of Mental Health, at the time of survey, or within 35 days of a written request from Los Angeles County Department of Mental Health. It is the provider's responsibility to ensure all information is accurate and to report any changes as required by law by completing a new Ownership/Controlling Interest Disclosure form. Please add additional disclosures on the back of form.

Part 1. Applicant/Vendor Information

Name of Entity (Legal name as it appears on tax identification form)		Provider # (if currently enrolled in CA Medicaid)		NPI Number	
Doing Business As		Street Address	City	State	Zip Code
Telephone Number		Fax Number		E-mail Address	

Part 2. Ownership, indirect ownership, and managing employee interests

☐ If Non-Profit Organization, Please check this Box

Does any person have an ownership or controlling interest of 5% or more in the entity?

☐ NO (If No, please sign below)

☐ YES (If yes, please completed A, B, C, D and sign below)

A. Lists the name, address, Federal Employer Identification Number (FEIN) or Social Security Number (SSN), Date of Birth (DOB) and percentage of interest of each person with an ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has direct or indirect ownership of 5% or more. Add additional disclosures on back of form.

Name	Add Name	Delete Name	Street Address	City	State	Zip Code	FEIN/SSN	DOB	% Interest

B. Are any of the above mentioned persons related to one another as a spouse, parent, child, or sibling? Add additional disclosures on back of form.

☐ No

☐

Yes (If yes, please complete below)

Name	Add Name	Delete Name	FEIN/SSN	DOB	Name of Person Related To	Relationship

C. List any person who holds a position of managing employee within the disclosing entity. Add additional disclosures on back of form.

Name	FEIN/SSN	DOB	Position Title

D. Does any person, business, organization or corporation with an ownership or control interest (identified in A and/or B) have an ownership or controlling interest of 5% or more in any other California Medicaid Provider? Add additional disclosures on back of form.

☐ No (if No, please sign below)

☐ Yes (If yes, please name and show information)

Name	Other Provider Name	FEIN/SSN	DOB	%Interest

Provider Statement

I certify that information provided on this form is true, accurate and complete. I will notify Los Angeles County Department of Mental Health in writing within 35 days of any additions/changes to the information.

Signature of Provider/Authorized Representative/Agent
(Stamped signatures NOT accepted)

Title

Date

Print Name

Telephone Number



ADDENDUM
Los Angeles County Department of Mental Health
OWNERSHIP/CONTROLLING INTEREST DISCLOSURE

ADDENDUM INFORMATION FOR ADDITIONAL OWNERSHIP/CONTROLLING DISCLOSURE

OWNERSHIP, INDIRECT OWNERSHIP, AND MANAGING EMPLOYEE INTEREST

PLEASE COMPLETE A, B, C, D AND SIGN BELOW

Continued from Page 1.

A. Lists the name, address, Federal Employer Identification Number (FEIN) or Social Security Number (SSN), Date of Birth (DOB) and percentage of interest of each person with an ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has direct or indirect ownership of 5% or more.

Name	Add Name	Delete Name	Street Address	City	State	Zip Code	FEIN/SSN	DOB	% Interest

B. Are any of the above mentioned persons related to one another as a spouse, parent, child, or sibling? Continued from Page 1.

☐ No

☐

Yes (If yes, please complete below)

Name	Add Name	Delete Name	FEIN/SSN	DOB	Name of Person Related To	Relationship

C. List any person who holds a position of managing employee within the disclosing entity. Continued from Page 1.

Name	FEIN/SSN	DOB	Position Title

D. Does any person, business, organization or corporation with an ownership or control interest (identified in A and/or B) have an ownership or controlling interest of 5% or more in any other California Medicaid Provider? Continued from Page 1.

☐ No (if No, please sign below)

☐ Yes (If yes, please name and show information)

Name	Other Provider Name	FEIN/SSN	DOB	%Interest

Provider Statement

I certify that information provided on this form is true, accurate and complete. I will notify Los Angeles County Department of Mental Health in writing within 35 days of any additions/changes to the information.

Signature of Provider/Authorized Representative/Agent

(Stamped signatures NOT accepted)

Title

Date

Print Name

Telephone Number

EXHIBIT Q**Protection of Electronic County PI, PHI and MI
Data Encryption**

Contractor and Subcontractors that electronically transmit or store personal information (PI), protected health information (PHI) and/or medical information (MI) shall comply with the encryption standards set forth below. PI is defined in California Civil Code Section 1798.29(g). PHI is defined in Health Insurance Portability and Accountability Act of 1996 (HIPAA), and implementing regulations. MI is defined in California Civil Code Section 56.05(j).

1. Stored Data

Contractors' and Subcontractors' workstations and portable devices (e.g., mobile, wearables, tablets, thumb drives, external hard drives) require encryption (i.e. software and/or hardware) in accordance with: (a) Federal Information Processing Standard Publication (FIPS) 140-2; (b) National Institute of Standards and Technology (NIST) Special Publication 800-57 Recommendation for Key Management — Part 1: General (Revision 3); (c) NIST Special Publication 800-57.

Recommendation for Key Management — Part 2: Best Practices for Key Management Organization; and (d) NIST Special Publication 800-111 Guide to Storage Encryption Technologies for End User Devices. Advanced Encryption Standard (AES) with cipher strength of 256-bit is minimally required.

2. Transmitted Data

All transmitted (e.g. network) County P1, PHI and/or MI require encryption in accordance with: (a) NIST Special Publication 800-52 Guidelines for the Selection and Use of Transport Layer Security Implementations; and (b) NIST Special Publication 800-57 Recommendation for Key Management — Part 3: Application-Specific Key Management Guidance. Secure Sockets Layer (SSL) is minimally required with minimum cipher strength of 128-bit.

3. Certification

The County must receive within ten (10) business days of its request, a certification from Contractor (for itself and any Subcontractors) that certifies and validates compliance with the encryption standards set forth above. In addition, Contractor shall maintain a copy of any validation/attestation reports that its data encryption product(s) generate and such reports shall be subject to audit in accordance with the Contract. Failure on the part of the Contractor to comply with any of the provisions of this Exhibit (Data Encryption) shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

4. Compliance

The Proposer shall provide information about its encryption practices by completing Exhibit R "Contractor's Compliance with Encryption Requirements" questionnaire. By submitting, Proposer certifies that it will be in compliance with Los Angeles County Board of Supervisors Policy 5.200, Contractor Protection of Electronic County Information, at the commencement of any contract and during the term of any contract that may be awarded pursuant to this solicitation. The completed forms must be returned to DMH DISO within ten (10) business days to certify compliance.

LACDMH CONTRACTOR'S COMPLIANCE WITH ENCRYPTION REQUIREMENTS EXHIBIT

Contract Agency Name: _____ **Contract Number:** _____

Contractor shall provide information about its encryption practices by completing this Exhibit. By submitting this Exhibit, Contractor certifies that it will be in compliance with Los Angeles County Board of Supervisors Policy 5.200, Contractor Protection of Electronic County Information, at the commencement of any contract and during the term of any contract that may be awarded pursuant to this solicitation.

COMPLIANCE QUESTIONS

	YES	NO	N/A		DOCUMENTATION AVAILABLE	
					YES	NO
1 Will County data stored on your workstation(s) be encrypted? <i>If "NO", or N/A please explain.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
2 Will County data stored on your laptop(s) be encrypted? <i>If "NO", or N/A please explain.</i>	YES	NO	N/A		YES	NO
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
3 Will County data stored on removable media be encrypted? <i>If "NO", or N/A please explain.</i>	YES	NO	N/A		YES	NO
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
4 Will County data be encrypted when transported? <i>If "NO", or N/A please explain.</i>	YES	NO	N/A		YES	NO
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
5 Will Contractor maintain a copy of any validation / attestation reports generated by its encryption tools? <i>If "NO", or N/A please explain.</i>	YES	NO	N/A		YES	NO
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
6 Will County data be stored on remote servers*? <small>*Cloud storage, Software-as-a-Service or SaaS</small> <i>Please provide public URL and hosting information for the server.</i>	YES	NO	N/A		YES	NO
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

Authorized Signatory Name (Print)

Authorized Signatory Official Title

Authorized Signatory Signature

Date

COUNTY OF LOS ANGELES
AGREEMENT FOR ACCEPTABLE USE
AND
CONFIDENTIALITY OF

COUNTY INFORMATION TECHNOLOGY RESOURCES

(Note: Authorized signatory must sign at time of contract execution. For employee(s) and non-employee(s), Contractor shall make available within three (3) business days upon DMH request)

ANNUAL

As a County of Los Angeles (County) employee, contractor, subcontractor, volunteer, or other authorized user of County information technology (IT) resources, I understand that I occupy a position of trust. Furthermore, I shall use County IT resources in accordance with my Department's policies, standards, and procedures. I understand that County IT resources shall not be used for:

- For any unlawful purpose;
- For any purpose detrimental to the County or its interests;
- For personal financial gain;
- In any way that undermines or interferes with access to or use of County IT resources for official County purposes;
- In any way that hinders productivity, efficiency, customer service, or interferes with a County IT user's performance of his/her official job duties;

I shall maintain the confidentiality of County IT resources (e.g., business information, personal information, and confidential information).

This Agreement is required by Board of Supervisors Policy No. 6.101 – Use of County Information Technology Resources, which may be consulted directly at website <http://countypolicy.co.la.ca.us/6.101.htm>.

As used in this Agreement, the term "County IT resources" includes, without limitation, computers, systems, networks, software, and data, documentation and other information, owned, leased, managed, operated, or maintained by, or in the custody of, the County or non-County entities for County purposes. The definitions of the terms "County IT resources", "County IT user", "County IT security incident", "County Department", and "computing devices" are fully set forth in Board of Supervisors Policy No. 6.100 – Information Technology and Security Policy, which may be consulted directly at website <http://countypolicy.co.la.ca.us/6.100.htm>. The terms "personal information" and "confidential information" shall have the same meanings as set forth in Board of Supervisors Policy No. 3.040 – General Records Retention and Protection of Records Containing Personal and Confidential Information, which may be consulted directly at website <http://countypolicy.co.la.ca.us/3.040.htm>.

As a County IT user, I agree to the following:

1. Computer crimes: I am aware of California Penal Code Section 502(c) – Comprehensive Computer Data Access and Fraud Act (set forth, in part, below). I shall immediately report to my management any suspected misuse or crimes relating to County IT resources or otherwise.
2. No Expectation of Privacy: I do not expect any right to privacy concerning my activities related to County IT resources, including, without limitation, in anything I create, store, send, or receive using County IT resources. I understand that having no expectation to

any right to privacy includes, for example, that my access and use of County IT resources may be monitored or investigated by authorized persons at any time, without notice or consent.

3. Activities related to County IT resources: I understand that my activities related to County IT resources (e.g., email, instant messaging, blogs, electronic files, County Internet services, and County systems) may be logged/stored, may be a public record, and are subject to audit and review, including, without limitation, periodic monitoring and/or investigation, by authorized persons at any time. I shall not either intentionally, or through negligence, damage, interfere with the operation of County IT resources. I shall neither, prevent authorized access, nor enable unauthorized access to County IT resources responsibly, professionally, ethically, and lawfully.
4. County IT security incident reporting: I shall notify the County Department's Help Desk and/or Departmental Information Security Officer (DISO) as soon as a County IT security incident is suspected.
5. Security access controls: I shall not subvert or bypass any security measure or system which has been implemented to control or restrict access to County IT resources and any related restricted work areas and facilities. I shall not share my computer identification codes and other authentication mechanisms (e.g., logon identification (ID), computer access codes, account codes, passwords, SecurID cards/tokens, biometric logons, and smartcards).
6. Passwords: I shall not keep or maintain any unsecured record of my password(s) to access County IT resources, whether on paper, in an electronic file, or otherwise. I shall comply with all County and County Department policies relating to passwords. I shall immediately report to my management any compromise or suspected compromise of my password(s) and have the password(s) changed immediately.
7. Business purposes: I shall use County IT resources in accordance with my Department's policies, standards, and procedures.
8. Confidentiality: I shall not send, disseminate, or otherwise expose or disclose to any person or organization, any personal and/or confidential information, unless specifically authorized to do so by County management. This includes, without limitation information that is subject to Health Insurance Portability and Accountability Act of 1996, Health Information Technology for Economic and Clinical Health Act of 2009, or any other confidentiality or privacy legislation.
9. Computer virus and other malicious devices: I shall not intentionally introduce any malicious device (e.g., computer virus, spyware, worm, key logger, or malicious code), into any County IT resources. I shall not use County IT resources to intentionally introduce any malicious device into any County IT resources or any non-County IT systems or networks. I shall not disable, modify, or delete computer security software (e.g., antivirus software, antispymware software, firewall software, and host intrusion prevention software) on County IT resources. I shall notify the County Department's Help Desk and/or DISO as soon as any item of County IT resources is suspected of being compromised by a malicious device.

10. Offensive materials: I shall not access, create, or distribute (e.g., via email) any offensive materials (e.g., text or images which are sexually explicit, racial, harmful, or insensitive) on County IT resources (e.g., over County-owned, leased, managed, operated, or maintained local or wide area networks; over the Internet; and over private networks), unless authorized to do so as a part of my assigned job duties (e.g., law enforcement). I shall report to my management any offensive materials observed or received by me on County IT resources.

11. Internet: I understand that the Internet is public and uncensored and contains many sites that may be considered offensive in both text and images. I shall use County Internet services in accordance with my Department's policies and procedures. I understand that my use of the County Internet services may be logged/stored, may be a public record, and are subject to audit and review, including, without limitation, periodic monitoring and/or investigation, by authorized persons at any time. I shall comply with all County Internet use policies, standards, and procedures. I understand that County Internet services may be filtered, but in my use of them, I may be exposed to offensive materials. I agree to hold County harmless from and against any and all liability and expense should I be inadvertently exposed to such offensive materials.

12. Electronic Communications: I understand that County electronic communications (e.g., email, text messages, etc.) created, sent, and/or stored using County electronic communications systems/applications/services are the property of the County. All such electronic communications may be logged/stored, may be a public record, and are subject to audit and review, including, without limitation, periodic monitoring and/or investigation, by authorized persons at any time, without notice or consent. I shall comply with all County electronic communications use policies and use proper business etiquette when communicating over County electronic communications systems/applications/services.

13. Public forums: I shall only use County IT resources to create, exchange, publish, distribute, or disclose in public forums (e.g., blog postings, bulletin boards, chat rooms, Twitter, Facebook, MySpace, and other social networking services) any information (e.g., personal information, confidential information, political lobbying, religious promotion, and opinions) in accordance with Department's policies, standards, and procedures.

14. Internet storage sites: I shall not store County information (i.e., personal, confidential (e.g., social security number, medical record), or otherwise sensitive (e.g., legislative data)) on any Internet storage site in accordance with Department's policies, standards, and procedures.

15. Copyrighted and other proprietary materials: I shall not copy or otherwise use any copyrighted or other proprietary County IT resources (e.g., licensed software and documentation, and data), except as permitted by the applicable license agreement and approved by designated County Department management. I shall not use County IT resources to infringe on copyrighted material.

16. Compliance with County ordinances, rules, regulations, policies, procedures, guidelines, directives, and agreements: I shall comply with all applicable County ordinances, rules, regulations, policies, procedures, guidelines, directives, and agreements relating to County IT resources. These include, without limitation, Board of Supervisors Policy No. 6.100 – Information Technology and Security Policy, Board of Supervisors Policy No.

6.101 – Use of County Information Technology Resources, and Board of Supervisors Policy No. 3.040 – General Records Retention and Protection of Records Containing Personal and Confidential Information.

17. Disciplinary action and other actions and penalties for non-compliance: I understand that my non-compliance with any provision of this Agreement may result in disciplinary action and other actions (e.g., suspension, discharge, denial of access, and termination of contracts) as well as both civil and criminal penalties and that County may seek all possible legal redress.

**CALIFORNIA PENAL CODE SECTION 502(c)
"COMPREHENSIVE COMPUTER DATA ACCESS AND FRAUD ACT"**

Below is a section of the "Comprehensive Computer Data Access and Fraud Act" as it pertains specifically to this Agreement. California Penal Code Section 502(c) is incorporated in its entirety into this Agreement by reference, and all provisions of Penal Code Section 502(c) shall apply. For a complete copy, consult the Penal Code directly at website www.leginfo.ca.gov/.

502(c) Any person who commits any of the following acts is guilty of a public offense:

- (1) Knowingly accesses and without permission alters, damages, deletes, destroys, or otherwise uses any data, computer, computer system, or computer network in order to either (A) devise or execute any scheme or artifice to defraud, deceive, or extort, or (B) wrongfully control or obtain money, property, or data.
- (2) Knowingly accesses and without permission takes, copies, or makes use of any data from a computer, computer system, or computer network, or takes or copies any supporting documentation, whether existing or residing internal or external to a computer, computer system, or computer network.
- (3) Knowingly and without permission uses or causes to be used computer services.
- (4) Knowingly accesses and without permission adds, alters, damages, deletes, or destroys any data, computer software, or computer programs which reside or exist internal or external to a computer, computer system, or computer network.
- (5) Knowingly and without permission disrupts or causes the disruption of computer services or denies or causes the denial of computer services to an authorized user of a computer, computer system, or computer network.
- (6) Knowingly and without permission provides or assists in providing a means of accessing a computer, computer system, or computer network in violation of this section.
- (7) Knowingly and without permission accesses or causes to be accessed any computer, computer system, or computer network.

- (8) Knowingly introduces any computer contaminant into any computer, computer system, or computer network.
- (9) Knowingly and without permission uses the Internet domain name of another individual, corporation, or entity in connection with the sending of one or more electronic mail messages, and thereby damages or causes damage to a computer, computer system, or computer network.

I HAVE READ AND UNDERSTAND THE ABOVE AGREEMENT:

County IT User's Name

County IT User's Signature

County IT User's Employee/ID Number

Date

Manager's Name

Manager's Signature

Manager's Title

Date

INFORMATION SECURITY AND PRIVACY REQUIREMENTS

This Exhibit (Information Security and Privacy Requirements) sets forth information security procedures to be established by Contractor and maintained throughout the term of the Purchase Order. These procedures are in addition to the requirements of the Purchase Order between the Parties. They present a minimum standard only. It is Contractor's sole obligation to: (i) implement appropriate administrative, physical and technical measures to secure its systems and data to protect and ensure the privacy, confidentiality, integrity and availability of County Data (consisting of but not limited to County Confidential Information, Personally Identifiable Information, and Protected Health Information) against internal and external threats, vulnerabilities and risks; and (ii) continuously review and revise those measures to address ongoing threats, vulnerabilities and risks. Failure to comply with the minimum standards set forth in this Exhibit (Information Security and Privacy Requirements) will constitute a material, non-curable breach of the Purchase Order by Contractor, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under the Purchase Order, to immediately terminate the Purchase Order.

1. **Security Policy.** Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards and procedures (collectively "**Information Security Policy**"). The Information Security Policy will be communicated to all Contractor personnel, agents and subcontractors in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks.
2. **Personnel and Contractor Protections.** Contractor shall screen and conduct background checks on all Contractor personnel exposed to County Confidential Information and require all employees and contractors to sign an appropriate written confidentiality/non-disclosure agreement. All agreements with third-parties involving access to Contractor's systems and data, including all outsourcing arrangements and maintenance and support agreements (including facilities maintenance), shall specifically address security risks, controls, and procedures for information systems. Contractor shall supply each of its Contractor personnel with appropriate, ongoing training regarding information security procedures, risks, vulnerabilities and threats. Contractor shall have an established set of procedures to ensure Contractor personnel promptly report actual and/or suspected breaches of security.
3. **Removable Media.** Except in the context of Contractor's routine back-ups or as otherwise specifically authorized by County in writing, Contractor shall institute strict administrative, physical and logical security controls to prevent transfer of County information to any form of Removable Media. For purposes of this Exhibit (Information Security and Privacy Requirements), "**Removable Media**" means portable or removable hard disks, floppy disks, USB memory drives, zip disks, optical disks, CDs, DVDs, digital film, digital cameras, memory cards (e.g., Secure Digital (SD), Memory Sticks (MS), CompactFlash (CF), Smart Media (SM), Multimedia Card (MMC), and xD-Picture Card (xD)), magnetic tape, and all other removable data storage media.
4. **Storage, Transmission, and Destruction of Personally Identifiable Information and Protected Health Information.** All Personally Identifiable Information and Protected Health Information

shall be rendered unusable, unreadable, or indecipherable to unauthorized individuals in accordance with HIPAA, as amended and supplemented by the HITECH Act and the California Civil Code section 1798 et seq. Without limiting the generality of the foregoing, Contractor shall encrypt (i.e., National Institute of Standards and Technology (NIST) Special Publication (SP) 800-111 Guide to Storage Encryption Technologies for End User Devices¹) all Personally Identifiable Information and electronic Protected Health Information (stored and during transmission) in accordance with HIPAA and the HITECH Act, as implemented by the U.S. Department of Health and Human Services. If Personally Identifiable Information and Protected Health Information is no longer required to be retained by Contractor under the Agreement and applicable law, Contractor shall destroy such Personally Identifiable Information and Protected Health Information by: (a) shredding or otherwise destroying paper, film, or other hard copy media so that the Personally Identifiable Information and Protected Health Information cannot be read or otherwise cannot be reconstructed; and (b) clearing, purging, or destroying electronic media containing Personally Identifiable Information and Protected Health Information consistent with National Institute of Standards and Technology (NIST) Special Publication (SP) 800-88, Guidelines for Media Sanitization² and US Department of Defense (DOD) 5220.22-M data sanitization and clearing directive³ such that the Personally Identifiable Information and Protected Health Information cannot be retrieved.

5. **Data Control, Media Disposal and Servicing.** Subject to and without limiting the requirements under Section 4 (Storage, Transmission and Destruction of Personally Identifiable Information and Protected Health Information), County Data (i) may only be made available and accessible to those parties explicitly authorized under the Agreement or otherwise expressly Approved by County in writing; (ii) if transferred across the Internet, any wireless network (e.g., cellular, 802.11x, or similar technology), or other public or shared networks, must be protected using industry standard encryption technology in accordance with the NIST SP 800-52 Guidelines for the Selection and use of Transport Layer Security Implementations⁴; and (iii) if transferred using Removable Media (as defined above) must be sent via a bonded courier or protected using industry standard encryption technology in accordance with NIST SP 800-111 Guide to Storage Encryption Technologies for End User Devices⁵. The foregoing requirements shall apply to back-up data stored by Contractor at off-site facilities. In the event any hardware, storage media, or Removable Media must be disposed of or sent off-site for servicing, Contractor shall ensure all County Confidential Information, including Personally Identifiable Information and Protected Health Information, has been cleared, purged, or scrubbed from such hardware and/or media using industry best practices in accordance with NIST SP 800-88, Guidelines for Media Sanitization⁶).
6. **Hardware Return.** Upon termination or expiration of the Agreement or at any time upon County's request, Contractor will return all hardware, if any, provided by County containing Personally Identifiable Information, Protected Health Information, or County Confidential Information to County. The Personally Identifiable Information, Protected Health Information, and County Confidential Information shall not be removed or altered in any way. The hardware

¹ Available at <http://www.csrc.nist.gov/>

² Available at <http://www.csrc.nist.gov/>

³ Available at <http://www.dtic.mil/whs/directives/corres/pdf/522022MSup1.pdf>

⁴ Available at <http://www.csrc.nist.gov/>

⁵ Available at <http://www.csrc.nist.gov/>

⁶ Available at <http://www.csrc.nist.gov/>

should be physically sealed and returned via a bonded courier or as otherwise directed by County. In the event the hardware containing County Confidential Information or Personally Identifiable Information is owned by Contractor or a third-party, a notarized statement, detailing the destruction method used and the data sets involved, the date of destruction, and the company or individual who performed the destruction will be sent to a designated County security representative within fifteen (15) days of termination or expiration of the Agreement or at any time upon County's request. Contractor's destruction or erasure of Personal Information and Protected Health Information pursuant to this Section shall be in compliance with industry Best Practices (e.g., NIST Special Publication 800-88, Guidelines for Media Sanitization⁷).

7. **Physical and Environmental Security.** Contractor facilities that process County Data will be housed in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.
8. **Communications and Operational Management.** Contractor shall: (i) monitor and manage all of its information processing facilities, including, without limitation, implementing operational procedures, change management and incident response procedures; and (ii) deploy adequate anti-viral software and adequate back-up facilities to ensure essential business information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures will be adequately documented and designed to protect information, computer media, and data from theft and unauthorized access.
9. **Access Control.** Contractor shall implement formal procedures to control access to its systems, services, and data, including, but not limited to, user account management procedures and the following controls:
 - a. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of properly configured firewalls;
 - b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, authentication, authorization, and event logging;
 - c. Applications will include access control to limit user access to information and application system functions; and
 - d. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. Contractor shall record, review and act upon all events in accordance with incident response policies set forth below.
10. **Security Incident.** A "Security Incident" shall have the meaning given to such term in 45 C.F.R. § 164.304.
 - a. Contractor will promptly notify (but in no event more than twenty-four (24) hours after the detection of a Security Incident) the designated County security contact by

⁷ Available at <http://www.csrc.nist.gov/>

telephone and subsequently via written letter of any potential or actual security attacks or Security Incidents.

- b. The notice shall include the approximate date and time of the occurrence and a summary of the relevant facts, including a description of measures being taken to address the occurrence. A Security Incident includes instances in which internal personnel access systems in excess of their user rights or use the systems inappropriately.
 - c. Contractor will provide a monthly report of all Security Incidents noting the actions taken. This will be provided via a written letter to the County security representative on or before the first (1st) week of each calendar month. County or its third-party designee may, but is not obligated, perform audits and security tests of Contractor's environment that may include, but are not limited to, interviews of relevant personnel, review of policies, procedures and guidelines, and other documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of County Data.
 - d. In the event County desires to conduct an unannounced penetration test, County shall provide contemporaneous notice to Contractor's Vice President of Audit, or such equivalent position. Any of County's regulators shall have the same right upon request. Contractor shall provide all information reasonably requested by County in connection with any such audits and shall provide reasonable access and assistance to County or its regulators upon request. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes. County reserves the right to view, upon request, any original security reports that Contractor has undertaken on its behalf to assess Contractor's own network security. If requested, copies of these reports will be sent via bonded courier to the County security contact. Contractor will notify County of any new assessments.
11. **Contractor Self Audit.** Contractor will provide to County a summary of: (1) the results of any security audits, security reviews, or other relevant audits listed below, conducted by Contractor or a third-party as applicable; and (2) the corrective actions or modifications, if any, Contractor will implement in response to such audits.

Relevant audits conducted by Contractor as of the Effective Date include:

- a. ISO 27001:2013 (Information Security Management) or FDA's Quality System Regulation, etc. – Contractor-Wide. A full recertification is conducted every three (3) years with surveillance audits annually.
 - i. **External Audit** – Audit conducted by non-Contractor personnel, to assess Contractor's level of compliance to applicable regulations, standards, and contractual requirements.
 - ii. **Internal Audit** – Audit conducted by qualified Contractor Personnel (or contracted designee) not responsible for the area of review, of Contractor organizations, operations, processes, and procedures, to assess compliance to

and effectiveness of Contractor's Quality System ("**CQS**") in support of applicable regulations, standards, and requirements.

- iii. **Supplier Audit** – Quality audit conducted by qualified Contractor Personnel (or contracted designee) of product and service suppliers contracted by Contractor for internal or Contractor client use.
 - iv. **Detailed findings**- are not published externally, but a summary of the report findings, and corrective actions, if any, will be made available to County as provided above and the ISO certificate is published on Contractor's website.
- b. SSAE-16 (formerly known as SAS -70 II) – As to the Hosting Services only:
- i. Audit spans a full twelve (12) months of operation and is produced every six (6) months (end of June, end of December) to keep it "fresh".
 - ii. The resulting detailed report is available to County.

Detailed findings are not published externally, but a summary of the report findings, and corrective actions, if any, will be made available to County as provided above.

12. **Security Audits.** In addition to the audits described in Section 10 (Contractor Self Audit), during the term of the Agreement, County or its third-party designee may annually, or more frequently as agreed in writing by the Parties, request a security audit (e.g., attestation of security controls) of Contractor's data center and systems. The audit will take place at a time mutually agreed to by the Parties, but in no event on a date more than ninety (90) days from the date of the request by County. County's request for security audit will specify the areas (e.g., Administrative, Physical and Technical) that are subject to the audit and may include but not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal vulnerability scans, penetration tests results, evidence of code reviews, and evidence of system configuration and audit log reviews. County shall pay for all third-party costs associated with the audit. It is understood that summary data of the results may filtered to remove the specific information of other Contractor customers such as IP address, server names, and others. Contractor shall cooperate with County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. Any of the County's regulators shall have the same right upon request, to request an audit as described above. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.



COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
CHIEF INFORMATION OFFICE BUREAU
Information Security Division
CONFIDENTIALITY OATH
Non-LAC-DMH Workforce Members

(Note: Authorized signatory must sign at time of contract execution. For employee(s) and non-employee(s), Contractor shall make available within three (3) business days upon DMH request)

The intent of this Confidentiality Form is to ensure that all County Departments, Contractors, LAC-DMH Non-Governmental Agencies (NGA), Fee-For-Service Hospital (FFS1), Fee-For-Service Outpatient (FFS2) and Pharmacy users are aware of their responsibilities and accountability to protect the confidentiality of clients' sensitive information viewed, maintained and/or accessed by any DMH on-line systems.

Further, the Department's Medi-Cal and MEDS access policy has been established in accordance with Federal and State laws governing confidentiality.

The California Welfare and Institutions (W&I) Code, Section 14100.2, cites the information to be regarded confidential. This information includes applicant/beneficiary names, addresses, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data. (See also 22 California Code of Regulations (C.C.R.), Sections 50111 and 51009)

The Medi-Cal Eligibility Manual, Section 2-H, titled "Confidentiality of Medi-Cal Case Records," referring to Section 14100.2, a, b, f, and h, W&I Code, provides in part that:

- “(a) All types of information, whether written or oral, concerning a person, made or kept by any public office or agency in connection with the administration of any provision of this chapter *... shall be confidential, and shall not be open to examination other than for purposes directly connected with administration of the Medi-Cal program.”
- “(b) Except as provided in this section and to the extent permitted by Federal Law or regulation, all information about applicants and recipients as provided for in subdivision (a) to be safeguarded includes, but is not limited to, names and addresses, medical services provided, social and economic conditions or circumstances, agency evaluation or personal information, and medical data, including diagnosis and past history of disease or disability.”
- “(f) The State Department of Health Services may make rules and regulations governing the custody, use and preservation of all records, papers, files, and communications pertaining to the administration of the laws relating to the Medi-Cal program **”
- “(h) Any person who knowingly releases or possesses confidential information concerning persons who have applied for or who have been granted any form of Medi-Cal benefits ***... for which State or Federal funds are made available in violation of this section is guilty of a misdemeanor.”

*, **, *** The State of California's Statute for Medicaid Confidentiality can be found at the following web address: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/Medicaidstatute.aspx>

The signed copy of this agreement must be maintained by DMH Facilitators

Please read the agreement and take due time to consider it prior to signing.

I understand that County Departments, Contractors, LAC-DMH Non-Governmental Agencies (NGA), Fee-For-Service Hospital (FFS1), Fee-For-Service Outpatient (FFS2) and Pharmacy users are prohibited from sharing their unique Logon I.D. and password with co-worker or other agencies.

Further, I understand that data browsing is strictly prohibited and my access to information is restricted to the minimum necessary required to carry out my job responsibilities.

Further, I understand that County Departments, Contractors, LAC-DMH Non-Governmental Agencies (NGA), Fee-For-Service Hospital (FFS1), Fee-For-Service Outpatient (FFS2) and Pharmacy users are prohibited from obtaining, releasing, or using confidential client information from case records or computer records for purposes not specifically related to the administration of services and authorized by the California Welfare and Institutions Code (Section 14100.2).

Further, I understand the violation of the confidentiality of records or of these policies which are made for protection of the confidentiality of such records, may cause:

1. A civil action under the provision of the Welfare and Institutions Code 5330 Sections:
 - a) Any person may bring an action against an individual who has willfully and knowingly released confidential information or records concerning him or her in violation of this chapter, or of Chapter 1 (commencing with Section 11860) of Part 3 of Division 10.5 of the Health and Safety Code, for the greater of the following amounts:
 1. Ten thousand Dollars (\$10,000)
 2. Three times the amount of actual damages, if any sustained by the plaintiff.
 - b) Any person may bring an action against an individual who has negligently released confidential information or records concerning him or her in violation of this chapter, or of Chapter 1 (commencing with Section 11860) of Part 3 of Division 10.5 of the Health and Safety Code, for both of the following:
 1. One thousand dollars (\$1,000) In order to recover under this paragraph, it shall not be a prerequisite that the plaintiff suffer or be threatened with actual damages.
 2. The amount of actual damages, if any, sustained by the plaintiff
 - c) Any person may, in accordance with Chapter 3(commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, bring an action to enjoin the release of confidential information or records in violation of this chapter, and may in the same action seek damages as provided in this section.
 - d) In addition to the amounts specified in subdivisions (a) and (b), the plaintiff shall recover court costs and reasonable attorney's fees as determined by the court.
2. Disciplinary action including suspension or termination of employment.

Further, I understand that the County will not provide legal protection if violations of these policies or procedures occur.

I hereby certify that I have read this form and I have knowledge of the requirements of State and Federal confidentiality laws and will comply with all applicable provisions of same.

I, the undersigned, hereby agree not to divulge any information or records concerning any client except in accordance with W&I Code, Section 5328 et seq. and the Health Insurance Portability and Accountability Act of 1996 (HIPAA). I acknowledge that the unauthorized release of confidential information as described in this document may result in disciplinary action up to and including termination of any office of employment. I further agree I have read as described in this document that a person may make me subject to a civil action under the provisions of the W&I Code for the unauthorized release of confidential information.

User's Name: _____
Print Signature Date

Phone #: () _____ Ext: _____

Pharmacy, FFS, NGA Legal Entity No. or
Provider #: _____ Provider Name: _____

Address: _____ / _____ / _____
City Zip Code Service Area

LIST OF OTHER GOVERNMENT CONTRACTS

OTHER GOVERNMENT CONTRACTS

Contracts with other County (other than DMH), State, Federal Agencies/Departments, and School Districts
(Within the past three (3) years):

[illegible]

County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisorial District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
1	1736 Family Crisis Center 2116 Arlington Avenue, Suite 200 Los Angeles, CA 90018	00256	2,4	\$ 429,900	\$ 429,900	\$ 429,900	E
2	Alcott Center for Mental Health Services 1433 S. Robertson Blvd. Los Angeles, CA 90035	00177	2	\$ 3,296,039	\$ 3,296,039	\$ 3,296,039	A,C
3	Alma Family Services 900 Corporate Center Drive, Suite 350 Monterey Park, CA 91754	00173	1,4	\$ 14,260,302	\$ 14,260,302	\$ 14,260,302	A,C,E,F
4	Amanecer Community Counseling Service, Inc. 1200 Wilshire Blvd., Suite 200 Los Angeles, CA 90017	00180	1,2	\$ 12,873,392	\$ 12,873,392	\$ 12,873,392	A,C,F
5	APLA Health and Wellness David Geffen Center, 611 South Kingsley Drive Los Angeles, CA 90005	00269	2	\$ 32,109	\$ 32,109	\$ 32,109	
6	ASC Treatment Group DBA The Anne Sippi Clinic 2457 Endicott Street Los Angeles, CA 90032	00409	1,4	\$ 1,390,700	\$ 1,390,700	\$ 1,390,700	
7	Asian American Drug Abuse Program, Inc. 2900 S. Crenshaw Blvd. Los Angeles, CA 90016	01167	2	\$ 655,740	\$ 655,740	\$ 655,740	C
8	Asian Pacific Health Care Venture, Inc. 4216 Fountain Ave. Los Angeles, CA 90029	01800	1	\$ 191,243	\$ 191,243	\$ 191,243	C
9	ASPIRAnet 400 Oyster Point Blvd. San Francisco, CA 94080	00467	4	\$ 1,965,600	\$ 1,965,600	\$ 1,965,600	F
10	Barbour and Floyd Medical Associates 2610 Industry Way, Suite A Lynwood, CA 90262	00175	1	\$ 5,833,285	\$ 5,833,285	\$ 5,833,285	A,C

** Programs Note key:

(A)- Full Service Partnership (FSP)

(B)-Institutes of Mental Disease (IMD)

(C)- Recovery, Resilience, & Reintegration (RRR)

(D)- Short Term Residential Therapeutic Program (STRTP)

(E)- Work Opportunity and Responsibility to Kids (CalWORKS)

(F)- Wraparound Case Rate

County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisorial District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
11	Bayfront Youth and Family Services 324 East Bixby Rd. Long Beach, CA 90807	01273	1,4	\$ 3,550,229	\$ 3,550,229	\$ 3,550,229	F
12	Behavioral Health Services, Inc. 15519 Crenshaw Blvd. Los Angeles, CA 90016	01150	1,3	\$ 1,912,925	\$ 1,912,925	\$ 1,912,925	A,C
13	Braswell Rehabilitation Institute for Development of Growth and Educational Services, Inc. (DBA, BRIDGES, INC.) 279 East Arrow Highway, Suite 102 San Dimas, CA 91773	00274	1,3	\$ 4,459,775	\$ 4,459,775	\$ 4,459,775	A,C
14	California Hispanic Commission on Alcohol and Drug Abuse, Inc. 1419 21st Street Sacramento, CA 95811	01149	1	\$ 4,087,441	\$ 4,087,441	\$ 4,087,441	C
15	California Institute of Health and Social Services, Inc. dba Alafia Mental Health 8929 S. Sepulveda Blvd., Suite 201 Los Angeles, CA 90045	01192	2,5	\$ 2,829,868	\$ 2,829,868	\$ 2,829,868	C
16	Center for Integrated Family and Health Services 540 S. Eremland Drive Covina, CA 91723	01209	1	\$ 1,906,660	\$ 1,906,660	\$ 1,906,660	C
17	Child and Family Center 21545 Centre Point Parkway Santa Clarita, CA 91350	00210	5	\$ 9,784,324	\$ 9,784,324	\$ 9,784,324	C,F
18	Child and Family Guidance Center 9650 Zelzah Avenue Northridge, CA 91325	00207	3,5	\$ 32,317,030	\$ 32,317,030	\$ 32,317,030	C,E,F
19	ChildNet Youth and Family Services, Inc. 4155 Outer Traffic Circle, P.O Box 4550 Long Beach, CA 90805	00783	4	\$ 16,827,420	\$ 16,827,420	\$ 16,827,420	F

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
20	Children's Bureau of Southern California 1910 Magnolia Avenue Los Angeles, CA 90007	00668	1,2,5	\$ 23,642,677	\$ 23,642,677	\$ 23,642,677	C,F
21	Children's Hospital Los Angeles 4650 Sunset Blvd., Mail Stop 1 Los Angeles, CA 90027	00179	1,2	\$ 15,620,741	\$ 15,620,741	\$ 15,620,741	C
22	Children's Institute, Inc. 2121 W. Temple St. Los Angeles, CA 90026	00591	1,2,4	\$ 26,339,472	\$ 26,339,472	\$ 26,339,472	C,E,F
23	City of Gardena 1700 W. 162nd Street Gardena, CA 90248	00322	2	\$ 33,742	\$ 33,742	\$ 33,742	
24	CLARE Foundation, Inc. 909 Pico Blvd. Santa Monica, CA 90405	TBD	3	\$ 2,352,703	\$ 2,352,703	\$ 2,352,703	
25	Community Family Guidance Center 10929 South Street, Suite 208-B Cerritos, CA 90703	00181	1,4	\$ 6,109,950	\$ 6,109,950	\$ 6,109,950	C
26	Counseling and Research Associates, Inc. DBA Masada Homes 108 W. Victoria Street Gardena, CA 90248	00779	1,2,4,5	\$ 20,114,392	\$ 20,114,392	\$ 20,114,392	A,C,F
27	Counseling4Kids 601 S. Glenoaks Blvd., Suite 200 Burbank, CA 91502	00694	2,5	\$ 9,056,875	\$ 9,056,875	\$ 9,056,875	C
28	D'Veal Corporation DBA D'Veal Family and Youth Services 855 N. Orange Grove Blvd., Suite 207 Pasadena, CA 91103	00778	1,5	\$ 11,082,362	\$ 11,082,362	\$ 11,082,362	C,F
29	David & Margaret Home, Inc. 1350 Third Street La Verne, CA 91750	01227	1	\$ 7,247,558	\$ 7,247,558	\$ 7,247,558	A,C,D

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
30	*Didi Hirsch Psychiatric Service 4760 S. Sepulveda Blvd. Culver City, CA 90230	00183	1,2,3	\$ 43,515,712	\$ 43,515,712	\$ 43,515,712	A,C,E
31	Dignity Health DBA California Hospital Medical Center 1401 S. Grand Avenue Los Angeles, CA 90015	01285	1	\$ 3,293,991	\$ 3,293,991	\$ 3,293,991	C,F
32	Disability Community Resource Center 12901 Venice Blvd. Los Angeles, CA 90066	00316	2	\$ 195,170	\$ 195,170	\$ 195,170	C

*Didi Hirsch Psychiatric Services MCA includes MHSA funding for the suicide hotline,

33	Drew Child Development Corporation, Inc. 1770 E. 118th Street Los Angeles, CA 90059	01181	1,2	\$ 3,894,538	\$ 3,894,538	\$ 3,894,538	C
34	Eggleston Youth Centers, Inc. 3701 Stocker St., Suite 205 Los Angeles, CA 90008	01853	2	\$ 1,214,040	\$ 1,214,040	\$ 1,214,040	C
35	El Centro de Amistad, Inc. 7038 Owensmouth Avenue Canoga Park, CA 91303	00185	3	\$ 4,266,000	\$ 4,266,000	\$ 4,266,000	C,E
36	El Centro del Pueblo, Inc. 1157 Lemoyne Street Los Angeles, CA 90026	01250	1,2	\$ 3,701,116	\$ 3,701,116	\$ 3,701,116	C,F
37	Eldorado Community Service Center 26460 Summit Circle Santa Clarita, CA 91350	00695	2,3,5	\$ 826,826	\$ 826,826	\$ 826,826	
38	Emotional Health Association DBA SHARE! The Self-Help and Recovery Exchange 6666 Green Valley Circle Culver City, CA 90230	01311	1,2	\$ 1,765,016	\$ 1,765,016	\$ 1,765,016	C

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
39	ENKI Health and Research Systems, Inc. 150 E. Olive Ave., Suite 203 Burbank, CA 91502	00188	1	\$ 36,283,101	\$ 36,283,101	\$ 36,283,101	A,C,E
40	Ettie Lee Homes, Inc. P.O. Box 339 Baldwin Park, CA 91706	00995	1	\$ 5,238,252	\$ 5,238,252	\$ 5,238,252	C,F
41	Exceptional Children's Foundation 5350 Machado Rd. Culver City, CA 90230	01567	2	\$ 1,647,631	\$ 1,647,631	\$ 1,647,631	C
42	Exodus Recovery, Inc. 9808 Venice Blvd., Suite 700 Culver City, CA 90232	00527	1,2,4	\$ 36,761,910	\$ 36,761,910	\$ 36,761,910	A,C
43	Filipino-American Service Group, Inc. 135 N. Park View Street Los Angeles, CA 90026	00302	1	\$ 71,134	\$ 71,134	\$ 71,134	
44	Five Acres - The Boys' & Girls' Aid Society of Los Angeles County 760 W. Mountain View Street Altadena, CA 91001	00647	1,5	\$ 19,966,108	\$ 19,966,108	\$ 19,966,108	C,F
45	Florence Crittenton Services of Orange County, Inc. 801 East Chapman Ave., Suite 203 Fullerton, CA 92831	00870	1,2,4,OOC	\$ 11,158,745	\$ 11,158,745	\$ 11,158,745	C,F
46	Foothill Family Service 2500 E. Foothill Blvd., Suite 300 Pasadena, CA 91107	00724	1,5	\$ 15,361,860	\$ 15,361,860	\$ 15,361,860	C,F
47	For The Child, Inc. 4565 California Avenue Long Beach, CA 90807	00300	4	\$ 2,214,525	\$ 2,214,525	\$ 2,214,525	C
48	Gateways Hospital and Mental Health Center 1891 Effie Street Los Angeles, CA 90026	00190	1,2	\$ 29,800,443	\$ 29,800,443	\$ 29,800,443	C

(S) (M) (F)

(E)- Work Opportunity and Responsibility to Kids (CalWORKs)

(F)- Wraparound Case Rate

**Program Note key:

(A)- Full Service Partnership (FSP)

County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
49	Hamburger Home DBA Aviva Family and Children's Services dba Aviva Center 7120 Franklin Ave. Los Angeles, CA 90046	00174	1,2,3	\$ 15,002,793	\$ 15,002,793	\$ 15,002,793	C,F
50	Hathaway-Sycamores Child and Family Services 100 West Walnut Street, Suite A-3 Pasadena, CA 91124	00192	1,2,3,5	\$ 47,135,493	\$ 47,135,493	\$ 47,135,493	C,D,F
51	Haynes Family of Programs, Inc. 233 West Baseline Road, P O BOX 400 La Verne, CA 91750	00697	1	\$ 5,091,107	\$ 5,091,107	\$ 5,091,107	C,F
52	HealthRIGHT 360 1735 Mission Street San Francisco, CA 94103	00348	1,5	\$ 9,524,984	\$ 9,524,984	\$ 9,524,984	A,C,E
53	HealthView, Inc. DBA Harbor View House 921 S. Beacon Street San Pedro, CA 90731	00209	4	\$ 1,157,587	\$ 1,157,587	\$ 1,157,587	C
54	Helpline Youth Counseling, Inc. 14181 Telegraph Road Whittier, CA 90604	01232	4	\$ 2,667,296	\$ 2,667,296	\$ 2,667,296	C,F
55	Heritage Clinic and The Community Assistance Program for Seniors 447 N. El Molino Ave. Pasadena, CA 91101	00965	4,5	\$ 6,864,701	\$ 6,864,701	\$ 6,864,701	A,C
56	Hillsides 815 Colorado Blvd. Los Angeles, CA 90041	00321	1,5	\$ 24,589,564	\$ 24,589,564	\$ 24,589,564	C,D,E,F
57	Hillview Mental Health Center, Inc. 12450 Van Nuys Blvd., Suite 200 Pacoima, CA 91331	00194	3	\$ 15,104,754	\$ 15,104,754	\$ 15,104,754	A,C,E

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
58	Homes for Life Foundation 8939 S. Sepulveda Blvd., Suite 460 Los Angeles, CA 90045	00508	1,2,4,5	\$ 2,151,897	\$ 2,151,897	\$ 2,151,897	C
59	Institute for Family Centered Services, Inc. DBA California Mentor 9166 Anaheim Place, Suite 200 Rancho Cucamonga, CA 91730	01981	1,2,3,4,5	\$ 7,539,840	\$ 7,539,840	\$ 7,539,840	F
60	Institute for Multicultural Counseling & Education Services, Inc. (I.M.C.E.S.) 3580 Wilshire Blvd., Suite 2000 Los Angeles, CA 90010	00699	2,5	\$ 7,487,992	\$ 7,487,992	\$ 7,487,992	A,C,F
61	Jewish Family Service of Los Angeles 3580 Wilshire Blvd., Suite 700 Los Angeles, CA 90010	01521	2,3	\$ 2,481,965	\$ 2,481,965	\$ 2,481,965	C
62	JWCH Institute, Inc. 5650 Jillson Street Commerce, CA 90040	01563	1,4	\$ 3,412,959	\$ 3,412,959	\$ 3,412,959	A,C
63	Kedren Community Health Center, Inc. 4211 S. Avalon Blvd. Los Angeles, CA 90011	00197	1,2	\$ 40,186,617	\$ 40,186,617	\$ 40,186,617	A,C
64	Korean American Family Services, Inc. 3727 West 6th Street, Suite 320 Los Angeles, CA 90020	01794	1	\$ 293,538	\$ 293,538	\$ 293,538	C
65	Koreatown Youth and Community Center, Inc. 3727 W. 6th Street, Suite 300 Los Angeles, CA 90020	00326	1	\$ 918,091	\$ 918,091	\$ 918,091	C
66	Los Angeles Centers for Alcohol and Drug Abuse 11015 Bloomfield Ave. Santa Fe Springs, CA 90670	TBD	4	\$ 3,744,820	\$ 3,744,820	\$ 3,744,820	

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
67	Los Angeles Child Guidance Clinic 3787 S. Vermont Ave. Los Angeles, CA 90007	00199	1,2	\$ 21,786,395	\$ 21,786,395	\$ 21,786,395	C,F
68	Los Angeles LGBT Center 1625 N. Schrader Blvd. McDonald/Wright Building Los Angeles, CA 90028	00304	3	\$ 1,334,725	\$ 1,334,725	\$ 1,334,725	C
69	Maryvale 7600 E. Graves Avenue Rosemead, CA 91770	01034	1	\$ 4,403,613	\$ 4,403,613	\$ 4,403,613	C,F
70	McKinley Children's Center, Inc. 762 W. Cypress Street San Dimas, CA 91773	00971	1	\$ 5,352,520	\$ 5,352,520	\$ 5,352,520	A,C
71	Mental Health America of Los Angeles 200 Pine Avenue, Suite 400 Lond Beach, CA 90802	00200	4,5	\$ 22,597,090	\$ 22,597,090	\$ 22,597,090	A,C
72	New Directions, Inc. P.O Box 25536 11420 Santa Monica Blvd. Los Angeles, CA 90025	01142	2,3	\$ 1,070,118	\$ 1,070,118	\$ 1,070,118	A
73	Ocean Park Community Center 1453 16th Street Santa Monica, CA 90404	00305	1,3	\$ 10,796,312	\$ 10,796,312	\$ 10,796,312	A,C
74	Olive Crest 2130 E. Fourth Street, Suite 200 Santa Ana, CA 92705	00518	4,5	\$ 4,134,422	\$ 4,134,422	\$ 4,134,422	C,F
75	One In Long Beach, Inc. 2017 E. 4th Street Long Beach, CA 90814	00859	4	\$ 285,853	\$ 285,853	\$ 285,853	C
76	Optimist Boys' Home and Ranch, Inc. 6957 N. Figueroa St., Box 41-1076 Los Angeles, CA 90041	00781	1,2,3,5	\$ 29,159,272	\$ 29,159,272	\$ 29,159,272	C,D,F
77	Pacific Asian Counseling Services 8616 La Tijera Blvd. Suite 200 Los Angeles, CA 90045	00579	2,3,4	\$ 6,540,408	\$ 6,540,408	\$ 6,540,408	A,C,E

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisorial District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
78	Pacific Clinics 800 S. Santa Anita Avenue Arcadia, CA 91006	00203	1,2,4,5, OOC	\$ 97,666,571	\$ 97,666,571	\$ 97,666,571	A,C
79	Para Los Ninos 5000 Hollywood Boulevard Hollywood, CA 90027	01169	1	\$ 2,632,444	\$ 2,632,444	\$ 2,632,444	C
80	Pasadena Unified School District 351 South Hudson Avenue, Room 206 Pasadena, CA 91109	01228	5	\$ 3,200,981	\$ 3,200,981	\$ 3,200,981	C
81	Pathways Community Services LLC 4281 Katella Avenue, Suite 201 Los Alamitos, CA 90720	00801	4,5	\$ 8,856,010	\$ 8,856,010	\$ 8,856,010	A,C,E
82	Pediatric & Family Medical Center DBA Eisner Pediatric & Family Medical Center 1500 South Olive Street Los Angeles, CA 90015	00711	1	\$ 1,250,103	\$ 1,250,103	\$ 1,250,103	C
83	Penny Lane Centers 15305 Rayen Street North Hills, CA 91343	00201	1,3,5	\$ 32,585,189	\$ 32,585,189	\$ 32,585,189	A,C,E,F
84	Personal Involvement Center, Inc. 8220 S. San Pedro Street Los Angeles, CA 90003	01194	2,5	\$ 7,279,420	\$ 7,279,420	\$ 7,279,420	A,C,F
85	Phoenix Houses of Los Angeles, Inc. 11600 Eldridge Avenue Lake View Terrace, CA 91342	00805	3	\$ 4,803,817	\$ 4,803,817	\$ 4,803,817	C,F
86	Project Return Peer Support Network 2677 Zoe Ave., Suite 304 Huntington Park, CA 90255	01961	1,4	\$ 2,797,474	\$ 2,797,474	\$ 2,797,474	C
87	Providence Saint John's Health Center 1339 20th Street Santa Monica, CA 90404	00217	3	\$ 3,064,782	\$ 3,064,782	\$ 3,064,782	C
88	Rosemary Children's Services 36 S. Kinneloa Avenue, Suite 200 Pasadena, CA 91107	00848	1,5	\$ 7,881,893	\$ 7,881,893	\$ 7,881,893	C,D,F

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
89	San Fernando Valley Community Mental Health Center, Inc. 16360 Roscoe Blvd., 2nd Floor Van Nuys, CA 91406	00208	3	\$ 41,613,649	\$ 41,613,649	\$ 41,613,649	A,C,E,F
90	San Gabriel Children's Center, Inc. 2200 E. Route 66 Glendora, CA 91740	00320	1	\$ 4,525,278	\$ 4,525,278	\$ 4,525,278	A,C,F
91	SHIELDS for Families 11601 South Western Avenue Los Angeles, CA 90047	00558	1,2	\$ 14,198,183	\$ 14,198,183	\$ 14,198,183	A,C,E
92	Social Model Recovery Systems, Inc. 223 East Rowland Street Covina, CA 91723	00212	1,5	\$ 5,477,309	\$ 5,477,309	\$ 5,477,309	A,C
93	South Bay Children's Health Center Association, Inc. 410 S. Camino Real Redondo Beach, CA 90277	00213	2,4	\$ 1,134,608	\$ 1,134,608	\$ 1,134,608	C
94	Southern California Health and Rehabilitation Program (SCHARP) 2610 Industry Way, Suite A Lynwood, CA 90262	00506	1,2,4	\$ 16,733,939	\$ 16,733,939	\$ 16,733,939	A,C,E,F
95	Special Service for Groups 905 East 8th Street Los Angeles, CA 90021	00214	1,2,3,4,5	\$ 57,897,465	\$ 57,897,465	\$ 57,897,465	A,C,E,F
96	SPIRITT Family Services, Inc. 8000 Painter Avenue Whittier, CA 90602	01160	1,4	\$ 2,944,737	\$ 2,944,737	\$ 2,944,737	C,F
97	St. Anne's Maternity Home 155 North Occidental Blvd. Los Angeles, CA 90026	01186	1,2	\$ 5,816,298	\$ 5,816,298	\$ 5,816,298	A,C,D,F
98	St. Francis Medical Center 3630 East Imperial Highway Lynwood, CA 90262	01366	1	\$ 3,372,700	\$ 3,372,700	\$ 3,372,700	C
99	St. Joseph Center 204 Hampton Drive Venice, CA 90291	00218	2,3	\$ 6,004,855	\$ 6,004,855	\$ 6,004,855	A,C

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County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

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100	Star View Behavioral Health, Inc. 1501 Hughes Way, Suite 150 Long Beach, CA 90810	00543	1,2,3,4	\$ 53,656,072	\$ 53,656,072	\$ 53,656,072	A,C,F
101	Step Up on Second Street, Inc. 1328 Second Street Santa Monica, CA 90401	00215	2, 3	\$ 9,889,583	\$ 9,889,583	\$ 9,889,583	A,C
102	Stirling Academy, Inc. 6931 Van Nuys Blvd., Suite 102 Van Nuys, CA 91405	00216	3	\$ 3,472,651	\$ 3,472,651	\$ 3,472,651	C
103	Tarzana Treatment Centers, Inc. 18646 Oxnard Street Tarzana, CA 91356	01156	2,3,5	\$ 12,116,504	\$ 12,116,504	\$ 12,116,504	A,C,F
104	Telecare Corporation 1080 Marina Village Parkway, #100 Alameda, CA 94501	00108	1,2,4	\$ 27,508,258	\$ 27,508,258	\$ 27,508,258	A, B,C
105	Tessie Cleveland Community Services Corporation 8019 S. Compton Avenue Los Angeles, CA 90001	01379	1,2,5	\$ 19,858,493	\$ 19,858,493	\$ 19,858,493	A,C,F
106	The Children's Center of the Antelope Valley 45111 Fern Avenue Lancaster, CA 93534	01066	5	\$ 2,424,479	\$ 2,424,479	\$ 2,424,479	A,C
107	The Guidance Center 1301 Pine Avenue Long Beach, CA 90813	00191	2,4	\$ 15,807,425	\$ 15,807,425	\$ 15,807,425	C,E
108	The Help Group Child and Family Center 13130 Burbank Blvd. Sherman Oaks, CA 91401	00198	2,3	\$ 14,227,714	\$ 14,227,714	\$ 14,227,714	C,,EF
109	The Institute for the Redesign of Learning 205 Pasadena Avenue South Pasadena, CA 91030	00171	1	\$ 12,243,999	\$ 12,243,999	\$ 12,243,999	C

****Program Note key:**

(A)- Full Service Partnership (FSP)

(B)- Institutes of Mental Disease (IMD)

(C)- Recovery, Resilience, & Reintegration (RRR)

(D)- Short Term Residential Therapeutic Program (STRTP)

County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
110	The Regents of the University of California, Los Angeles 10889 Wilshire Blvd., Suite 700 Los Angeles, CA 90095	00984	3	\$ 2,004,234	\$ 2,004,234	\$ 2,004,234	C
111	The Teen Project, Inc. 8140 Sunland Blvd. Sun Valley, CA 91352	TBD	3	\$ 3,710,782	\$ 3,710,782	\$ 3,710,782	
112	The Village Family Services 6736 Laurel Canyon Blvd., Suite 200 North Hollywood, CA 91606	01224	1,3	\$ 7,644,093	\$ 7,644,093	\$ 7,644,093	A,C,F
113	The Whole Child - Mental Health & Housing Services 10155 Colima Road Whittier, CA 90603	00195	1, 4	\$ 7,114,977	\$ 7,114,977	\$ 7,114,977	C
114	Tobinworld 920 E. Broadway Glendale, CA 91205	01171	1	\$ 1,782,044	\$ 1,782,044	\$ 1,782,044	C
115	Topanga-Roscoe Corporation DBA Topanga West Guest Home 22115 Roscoe Blvd. Canoga Park, CA 91304	00630	3	\$ 960,606	\$ 960,606	\$ 960,606	C
116	Trinity Youth Services 201 N. Indian Hill Blvd., STE. A-201 Claremont, CA 91711	01026	1, OOC	\$ 15,196,522	\$ 15,196,522	\$ 15,196,522	C,D
117	United American Indian Involvement, Inc. 1125 West Sixth Street, Suite 103 Los Angeles, CA 90017	00938	1	\$ 3,210,624	\$ 3,210,624	\$ 3,210,624	C
118	University Muslim Medical Association (UMMA) 711 W. Florence Ave. Los Angeles, CA 90044	01806	2	\$ 705,453	\$ 705,453	\$ 705,453	C
119	Uplift Family Services 251 Llewellyn Avenue Cambell, CA 95008	00120	1,2,6	\$ 9,200,874	\$ 9,200,874	\$ 9,200,874	C,F

(E)- Work Opportunity and Responsibility to Kids (CalWORKs)

(F)- Wraparound Case Rate

**Program Note key:

(A)- Full Service Partnership (FSP)

(B)- Institutes of Mental

County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
120	VIP Community Mental Health Center, Inc. (VIP CMHC) 1721 Griffin Avenue Los Angeles, CA 90031	01044	1	\$ 10,073,285	\$ 10,073,285	\$ 10,073,285	C
121	Vista Del Mar Child and Family Services 3200 Motor Avenue Los Angeles, CA 90031	00196	2,3	\$ 13,468,952	\$ 13,468,952	\$ 13,468,952	C,F
122	Watts Labor Community Action Committee - WLCAC 10950 South Central Avenue Los Angeles, CA 90059	00310	2	\$ 417,849	\$ 417,849	\$ 417,849	
123	Wayfinder Family Services 5300 Angeles Vista Boulevard Los Angeles, CA 90043	01798	2	\$ 1,824,467	\$ 1,824,467	\$ 1,824,467	
124	WISE & Healthy Aging 1527 4th Street, 3rd Floor Santa Monica, CA 90401	01559	3	\$ 413,911	\$ 413,911	\$ 413,911	C
Total				\$ 1,344,868,854	\$ 1,344,868,854	\$ 1,344,868,854	
	IMD ONLY PROVIDERS						
125	Alpine Special Treatment Center, Inc. 2120 Alpine Blvd. Alpine, CA 91901	01321	OOC	N/A	N/A	N/A	B
126	AMADA Enterprises, Inc. 12619 S. Avalon Blvd. Los Angeles, CA 90061	00324	2	N/A	N/A	N/A	B
127	KF Community Care, LLC 2335 South Mountain Avenue Duarte, CA 91010	01727	5	N/A	N/A	N/A	B
128	Landmark Medical Services, Inc. 2030 North Garey Avenue Pomona, CA 91767	00313	1	N/A	N/A	N/A	B

(B)- Institute of Mental Disease (IMD)

(C)- Recovery, Resilience, & Reintegration (RRR)

(D)- Short Term Residential Therapeutic Program (STRTP)

(E)- Work Opportunity and Responsibility to Kids (CalWORKs)

(F)- Wraparound Case Rate

County of Los Angeles
Department of Mental Health
List of Legal Entity Contracts

#	Contractor Name & Address	LE Number	Supervisory District Service Location	MCA FY 2018-19	MCA FY 2019-20	MCA FY 2020-21	** Program Notes
129	San Gabriel Valley Convalescent Hospital, Inc. DBA Penn Mar Therapeutic Center 260 East Brown Street, Suite 315 Birmingham, CA 48009	00308	1	N/A	N/A	N/A	B
130	SunBridge Braswell Enterprises, Inc. 2335 South Towne Street Pomona, CA 91766	00279	1, OOC	N/A	N/A	N/A	B
131	SunBridge Harbor View Rehabilitation Center 490 West 14th Street Long Beach, CA 90813	00206	4	N/A	N/A	N/A	B
132	SunBridge Meadowbrook Rehabilitation Center 3951 East Blvd. Los Angeles, CA 90066	00314	2	N/A	N/A	N/A	B
133	SunBridge Shandin Hills Rehabilitation Center 4164 North 4th Avenue San Bernardino, CA 92408	01207	OOC	N/A	N/A	N/A	B

**Program Note key:

(A)- Full Service Partnership (FSP)

(B) -Institutes of Mental Disease (IMD)

(C)- Recovery, Resilience, & Reintegration (RRR)

(D)- Short Term Residential Therapeutic Program (STRTP)

(E)- Work Opportunity and Responsibility to Kids (CalWORKs)

(F)- Wraparound Case Rate



**CONTRACT BY AND BETWEEN
COUNTY OF LOS ANGELES
AND**

(CONTRACTOR)

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACT

MH190154

Exodus Recovery, Inc.

Contract Number

00527

Legal Entity Number

51417801

Vendor Number

9808 Venice Blvd., Suite 700

Culver City, CA. 90232-6824

Contractor Headquarters Address

Contractor Headquarters' Supervisorial District _____

Mental Health Service Area(s) _____ **OR Countywide** _____

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Exhibits:

- 1.1 Exhibit A - Financial Exhibit (Financial Provisions)
 - 1.1.1 Exhibit A-1 - Contractor Claims Certification for Title XIX Short-Doyle Medi-Cal and Title XXI Medicaid Children's Health Insurance Programs Reimbursements
- 1.2 Exhibit B - Intentionally Omitted
- 1.3 Exhibit C - Statement(s) of Work/ Service Exhibit(s) List
- 1.4 Exhibit D - Contractor's EEO Certification
- 1.5 Exhibit E - County's Administration
- 1.6 Exhibit F - Contractor's Administration
- 1.7 Exhibit G - Acknowledgment of Confidentiality Agreement(s)
- 1.8 Exhibit H - Jury Service Ordinance
- 1.9 Exhibit I - Safely Surrendered Baby Law
- 1.10 Exhibit J - Definitions
- 1.11 Exhibit K - Attestation Regarding Federally Funded Programs
- 1.12 Exhibit L - Required Supplemental Documents
- 1.13 Exhibit M - Performance Standards and Outcome Measures Exhibit
- 1.14 Exhibit N - Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- 1.15 Exhibit O - Charitable Contributions Certification
- 1.16 Exhibit P - Ownership/Controlling Interest Disclosure
- 1.17 Exhibit Q - Protection of Electronic County PI, PHI, and MH
- 1.18 Exhibit R - Contractor's Compliance with Encryption Requirements
- 1.19 Exhibit S - Agreement for Acceptable Use and Confidentiality of County Information Technology Resources
- 1.20 Exhibit T - Information Security and Privacy Requirements
- 1.21 Exhibit U - Confidentiality Oath
- 1.22 Exhibit V - List of Other Government Contracts

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACT

This CONTRACT is made and entered into this 1st day of July, **2018** by and between the County of Los Angeles, hereinafter referred to as County and Exodus recovery, Inc., hereinafter referred to as "Contractor". Contractor is located at 9808 Venice Blvd., Suite 700 Culver City, CA. 90232-6824.

RECITALS

WHEREAS, the County may contract with private businesses for Mental Health Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Mental Health Services; and

WHEREAS, County desires to provide to those persons in Los Angeles County who qualify therefore certain mental health services contemplated and authorized by the Bronzan-McCorquodale Act, California Welfare and Institutions Code (WIC) Section 5600 et seq.; and

WHEREAS, County desires through the County's Request for Statement of Qualification (RFSQ) process to provide to those persons in Los Angeles County who qualify therefore certain mental health services contemplated and authorized by the Mental Health Service Act (MHSA) adopted by the California electorate on November 2, 2004; and

WHEREAS, Contractor is equipped, staffed, and prepared to provide these services as described in this Contract; and

WHEREAS, County believes it is in the best interest of the people of the County of Los Angeles to provide these services by contract; and

WHEREAS, these services shall be provided by Contractor in accordance with all applicable federal, State and local laws, required licenses, ordinances, rules, regulations, manuals, guidelines, and directives, which may include, but are not necessarily limited to, the following: Bronzan-McCorquodale Act, WIC Section 5600 et seq., including, but not limited to, Sections 5600.2, 5600.3, 5600.4, 5600.9, 5602, 5608, 5651, 5670, 5670.5, 5671, 5671.5, 5672, 5705, 5709, 5710, 5751.2, and 5900 et seq.; Medi-Cal Act, WIC Section 14000 et seq., including, but not limited to, Section 14705.5, 14705.7, 14706, 14710, and 14132.44; WIC Section 15600 et seq., including Section 15630; WIC Section 17601 et seq.; California Work Opportunity and Responsibility to Kids Act, WIC Section 11200 et seq.; California Government Code Sections 26227 and 53703; Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.; Part B of Title XIX of the Public Health Service Act, 42 United States Code Section 300x et seq.; Title XXI of

the Social Security Act; California Penal Code Section 11164 et seq.; Title 9 and Title 22, including, but not limited to, Sections 51516, 70001, 71001, 72001 et seq., and 72443 et seq. of the California Code of Regulations (CCR); 45 Code of Federal Regulations (CFR) Parts 160 and 164 and WIC Section 5328 et seq.; 42 CFR Paragraph 455.104, California Department of Health Care Services (DHCS) Mental Health Plan Contract; Los Angeles County Department of Mental Health (DMH) Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services; State's Cost and Financial Reporting System Instruction Manual; Federal Office of Management and Budget (OMB) Uniform Guidance, Subpart E: Cost Principles and Subpart F: Single Audit Requirement; County of Los Angeles Auditor-Controller Contract Accounting and Administration Handbook; policies and procedures developed by County; State's Medicaid Plan; and policies and procedures which have been documented in the form of Policy Letters issued by DHCS; and

WHEREAS, this Contract is authorized by WIC Section 5600 et seq., California Government Code Sections 23004, 26227 and 53703, and otherwise.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1 APPLICABLE DOCUMENTS

- 1.1 Entire Contract: The body of this Contract, all exhibits, Financial Exhibit A (Financial Provisions), and Statement(s) of Work (SOW)/Service Exhibit(s) (SE) Service Delivery Site Exhibits attached hereto and incorporated herein by reference, and Contractor's Negotiation Package for this Contract, as approved in writing by the Director, including any addenda thereto as approved in writing by the Director, which are hereby incorporated herein by reference but not attached, shall constitute the complete and exclusive statement of understanding between the parties which supersedes all previous agreements/contracts, written or oral, and all other communications between the parties relating to the subject matter of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Contract, and then to the Exhibits according to the following priority:

- 1.1 Exhibit A - Financial Exhibit (Financial Provisions)

- 1.1.1 Exhibit A-1 - Contractor Claims Certification for Title XIX Short-Doyle Medi-Cal and Title XXI Medicaid Children's Health Insurance Programs Reimbursements
- 1.3 Exhibit C - Statement(s) of Work/ Service Exhibit(s) List

Contractor's Negotiation Package (Subprogram Schedule) incorporated by this reference and to be sent to all Legal Entity contractors by DMH upon determination of LE contractor.

This Contract constitutes the complete and exclusive statement of understanding between the parties, and supersedes all previous contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Paragraph 8.1 (Amendments) or Paragraph 8.34 (Notices) and signed by both parties.

2 DEFINITIONS/HEADINGS

- 2.1 Definitions/Headings: The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Exhibit J – Definitions - lists words and their definitions as used herein.

3 WORK

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this contract, the same shall be deemed to be a gratuitous effort on the part of the contractor, and the contractor shall have no claim whatsoever against the County.

3.3 Description of Services/Activities

- 3.3.1 Contractor shall provide those mental health services identified on the and Statement(s) of Work/ Service Exhibit(s) of this Contract and as described in the Contractor's Negotiation Package for this Contract, as approved in writing by the Director. The quality of services provided by Contractor shall be the same regardless of the patient's/client's ability to pay or source of payment.

- 3.3.2 Contractor shall be responsible for delivering services to new patients/clients to the extent that funding is provided by County. Where Contractor determines that services to new patients/clients can no longer be delivered, Contractor shall provide 30 calendar days prior notice to County. Contractor shall also thereafter make referrals of new patients/clients to County or other appropriate agencies.
- 3.3.3 Contractor shall not be required to provide the notice in the preceding paragraph when County reduces funding to Contractor, either at the beginning of or during the fiscal year. In addition, when County eliminates the funding for a particular program provided by Contractor, Contractor shall not be responsible for continuing services for those patients/clients linked to that funding but shall make referrals of those patients/clients to County or other appropriate agencies.
- 3.3.4 Contractor may provide activities claimable as Title XIX Medi-Cal Administrative Activities pursuant to WIC Section 14132.44. The administrative activities which may be claimable as Title XIX Medi-Cal Administrative Activities are described in the policies and procedures provided by the California Department of Mental Health (CDMH) and/or the California Department of Health Services (CDHS).
- 3.3.5 Contractor may provide mental health services claimable as Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services.
- 3.3.6 Contractors shall not be eligible to provide mental health services claimable under the Mental Health Services Act (MHSA) unless Contractor has been found to be eligible to provide mental health services as follows: (1) Contractor has submitted to the County a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ) for the provision of such services; Contractor has met the minimum qualifications listed in the RFSQ and has been selected for recommendation for placement on a MHSA Master Contract eligibility list; and Contractor has demonstrated experience and training in its

specialized field and has been selected to provide MHSA services pursuant to a solicitation process approved by County, or (2) Contractor intends to transform a portion of its services to MHSA services, Contractor has submitted a mid-year change to the Negotiation Package outlining the planned transformation and County has approved Contractor to provide MHSA services through the transformation process. Placement on the Master Contract eligibility list does not guarantee that Contractor will be selected to provide mental health services claimable as MHSA services. In order to provide mental health services claimable as MHSA services, a provider must have been selected to provide MHSA services pursuant to a solicitation process approved by County, or be approved by County to provide MHSA service through the transformation process.

3.4 Maintenance Standards for Service Delivery Sites

3.4.1 Contractor shall ensure that all locations where services are provided under this Contract are operated at all times in accordance with all County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies) shall include a review of compliance with this Paragraph 3.4.

3.5 Nondiscrimination in Services

3.5.1 Contractor shall not discriminate in the provision of services hereunder because of race, religion, national origin, ancestry, gender, age, marital status, sexual orientation and/or physical or mental handicap or medical conditions (except to the extent clinically appropriate), in accordance with requirements of federal and State law. For the purpose of this Paragraph 3.5, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service or benefit to any person which is different or is provided in a different manner or at a

different time from that provided to others; subjecting any person to segregation or separate treatment in any matter related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment, eligibility, membership, or any other requirement or condition which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative steps to ensure that those persons who qualify for services under this Contract are provided services without regard to ability to pay or source of payment, race, religion, national origin, ancestry, gender, age, marital status, sexual orientation and/or physical or mental handicap, or medical conditions.

3.5.2 Contractor shall establish and maintain written complaint procedures under which any person applying for or receiving any services under this Contract may seek resolution from Contractor of a complaint with respect to any alleged discrimination in the rendering of services by Contractor's personnel. Such procedures shall also include a provision whereby any such person, who is dissatisfied with Contractor's resolution of the matter, shall be referred by Contractor to Director for the purpose of presenting his complaint of the alleged discrimination. Such complaint procedures shall also indicate that if such person is not satisfied with County's resolution or decision with respect to the complaint of alleged discrimination, such person may appeal the matter to the State, if appropriate.

3.5.3 If direct services (e.g., 24-hour services, day services, targeted case management, mental health services, medication support, and crisis intervention) are provided hereunder, Contractor shall have admission policies which are in accordance with CCR Title 9, Sections 526 and 527, and which shall be in writing and available to the public. Contractor shall not employ discriminatory practices in the admission of any person, assignment of accommodations, or otherwise. Any time any person applies for services under this Contract, such person shall be advised by Contractor of

the complaint procedures described in the above paragraph. A copy of such complaint procedures shall be posted by Contractor in each of Contractor's facilities where services are provided under this Contract in a conspicuous place, available and open to the public.

3.6 Patients'/Clients' Rights

3.6.1 Contractor shall comply with all applicable patients'/clients' rights provisions, including, but not limited to, WIC Section 5325 et seq., CCR Title 9, Section 850 et seq., and CCR Title 22. Further, Contractor shall comply with all patients'/clients' rights policies provided by County. County Patients' Rights Advocates shall be given access by Contractor to all patients/clients, patients'/clients' records, and Contractor's personnel in order to monitor Contractor's compliance with all applicable statutes, regulations, manuals and policies.

3.7 Reporting of Patient/Client Abuse and Related Personnel Requirements

3.7.1 Elders and Dependent Adults Abuse: Contractor, and all persons employed or subcontracted by Contractor, shall comply with WIC Section 15600 et seq. and shall report all known or suspected instances of physical abuse of elders and dependent adults under the care of Contractor either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by WIC Sections 15630, and permitted by Sections 15631 and 15632. Contractor and all persons employed or subcontracted by Contractor shall make the report on such abuse, and shall submit all required information, in accordance with WIC Sections 15630, 15633 and 15633.5.

3.7.2 Minor Children Abuse: Contractor and all persons employed or subcontracted by Contractor, shall comply with California Penal Code Section 11164 et seq. and shall report all known or suspected instances of child abuse to an appropriate child protective agency, as mandated by California Penal Code Sections 11164, 11165.9, and 11166. Contractor and all persons employed or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required information, in accordance with California Penal Code Sections 11166 and 11167.

3.7.3 Contractor Staff:

- 3.7.3.1 Contractor shall ensure that any person who enters into employment as a care custodian of elders, dependent adults or minor children, or who enters into employment as a health or other practitioner, prior to commencing employment, and as a prerequisite to that employment, shall sign, on a form provided by Contractor in accordance with the above code sections, a statement to the effect that such person has knowledge of, and will comply with, these code sections.
- 3.7.3.2 Contractor shall ensure that clerical and other non-treatment staff who are not legally required to report suspected cases of abuse, consult with mandated reporters upon suspecting any abuse.
- 3.7.3.3 For the safety and welfare of elders, dependent adults, and minor children, Contractor shall, to the maximum extent permitted by law, ascertain arrest and conviction records for all current and prospective employees and shall not employ or continue to employ any person convicted of any crime involving any harm to elders, dependent adults, or minor children.
- 3.7.3.4 Contractor shall not employ or continue to employ any person whom Contractor knows, or reasonably suspects, has committed any acts which are inimical to the health, morals, welfare, or safety of elders, dependent adults or minor children, or which otherwise make it inappropriate for such person to be employed by Contractor.

3.8 Staffing

- 3.8.1 Throughout the term of this Contract, Contractor shall staff its operations so that staffing approximates the type and number indicated in Contractor's Negotiation Package for this Contract and as required by WIC and CCR.
 - 3.8.1.1 Staff providing services under this Contract shall be qualified and shall possess all appropriate licenses in accordance with WIC Section 5751.2 and all other applicable requirements of the California Business and Professions Code, WIC, CCR, Los Angeles County DMH Organizational

Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services, CDMH Policy Letters, DHCS Policy Letters, and shall only function within the scope of practice as dictated by licensing boards/bodies.

- 3.8.1.2 If, at any time during the term of this Contract, the Contractor has a sufficient number of vacant staff positions that would impair its ability to perform any services under the Contract, Contractor shall promptly notify Director of such vacancies.
- 3.8.1.3 At all times during the term of this Contract, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of all persons by name, title, professional degree, language capability(ies), and experience, who are providing any services under this Contract.

3.9 Staff Training and Supervision

- 3.9.1 Contractor shall institute and maintain an in-service training program of treatment review and case conferences in which all its professional, para-professional, intern, student, and clinical volunteer personnel shall participate.
- 3.9.2 Contractor shall institute and maintain appropriate supervision of all persons providing services under this Contract with particular emphasis on the supervision of para-professionals, interns, students, and clinical volunteers in accordance with Departmental clinical supervision policy.
- 3.9.3 Contractor shall be responsible for the provision of mandatory training for all staff at the time of initial employment and on an ongoing basis as required by federal and State law, including but not limited to Health Insurance Portability and Accountability Act (HIPAA) and Sexual Harassment, and for the training of all appropriate staff on the Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services, and other State and County policies and

procedures as well as on any other matters that County may reasonably require.

- 3.9.4 Contractor shall document and make available upon request by the federal, State and/or County the type and number of hours of training provided to Contractor's officers, employees, agents, and subcontractors.

3.10 Program Supervision, Monitoring and Review

- 3.10.1 Pursuant to WIC Section 5608 and CCR Title 9, Section 521, all services hereunder shall be provided by Contractor under the general supervision of Director. Director shall have the right to monitor and specify the kind, quality, appropriateness, timeliness, and amount of services, and the criteria for determining the persons to be served.

- 3.10.2 Upon receipt of any contract monitoring report pertaining to services/activities under this Contract, Contractor shall respond in writing to person(s) identified and within the time specified in the contract monitoring report. Contractor shall, in its written response, either acknowledge the reported deficiencies or present additional evidence to dispute the findings. In addition, Contractor must submit a plan for immediate correction of all deficiencies.

- 3.10.3 In the event of a State audit of this Contract, if State auditors disagree with County's official written instructions to Contractor in its performance of this Contract, and if such audit results in a State disallowance of any of Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as determined by State.

- 3.10.4 To ensure compliance with this Contract and for any other reasonable purpose relating to performance of this Contract, and subject to the provisions of State and federal law, authorized County, State, and/or federal representatives and designees shall have the right to enter Contractor's premises (including all other places where duties under this Contract are being performed), with or without notice, to: inspect, monitor and/or audit Contractor's facilities, programs and procedures, or to otherwise evaluate the work performed or being performed; review and copy any records and supporting documentation pertaining to the performance of this Contract; and elicit information regarding the performance of this Contract or any related work. The representatives and designees of such agencies may

examine, audit and copy such records at the site at which they are located. Contractor shall provide access to facilities and shall cooperate and assist County, State, and/or federal representatives and designees in the performance of their duties. Unless otherwise agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or federal representatives and designees within three (3) business days.

3.11 Reports

3.11.1 Contractor shall make reports as required by Director, State, or the federal government regarding Contractor's activities and operations as they relate to Contractor's performance of this Contract. In no event may County require such reports unless it has provided Contractor with at least 30 calendar days' prior written notification. County shall provide Contractor with a written explanation of the procedures for reporting the required information.

3.11.2 Income Tax Withholding: Upon Director's request, Contractor shall provide County with certain documents relating to Contractor's income tax returns and employee income tax withholding. These documents shall include, but are not limited to:

- (1) A copy of Contractor's federal and State quarterly income tax withholding returns (i.e., Federal Form 941 and/or State Form DE-3 or their equivalents).
- (2) A copy of a receipt for, or other proof of payment of, each employee's federal and State income tax withholding, whether such payments are made on a monthly or quarterly basis.

3.11.3 County Claims Processing Information System:

- (1) Notwithstanding any other provision of this Contract, only units of service submitted by Contractor into the County's claims processing information system shall be counted as delivered units of service.
- (2) Notwithstanding any other provision of this Contract, the only units of service which shall be considered valid and reimbursable at Annual Cost Report Reconciliation and Settlement, Cost Report Audit Settlement, or at any other

time otherwise shall be those units of service that are submitted by Contractor into the County's claims processing information system by the County's year-end cutoff date in accordance with the terms of this Contract and its exhibits thereto, including but not limited to Exhibit A (Financial Provisions), and which are not voided, replaced and/or denied for any reason, except due to the fault of the County. Notwithstanding any other provision of this Contract, claims entered into the County's claim processing information system shall be attributed to a specific Funded Program and Subprogram based upon the plan identified by Contractor when submitting the claim into the County's claims processing information system.

- (3) Contractor shall train its staff in the operation, procedures, policies, and all related use, of the County's claims processing information system as required by County. County shall train Contractor's designated trainer in the operation, procedures, policies, and all related use of the County's information system.

4 TERM OF CONTRACT

4.1 TERM:

4.1.1 Initial Period: The Initial Period of this Contract shall commence on **July 1, 2018** and shall continue in full force and effect through **June 30, 2023**.

4.1.2 Optional Extension Period(s): After the Initial Period, this Contract may be extended two (2) additional periods unless either party desires to terminate this Contract in accordance with provision 8.42 (Termination for Convenience).

- (1) First Optional Extension Period: If this Contract is extended, the First Optional Extension Period shall commence on **July 1, 2023** and shall continue in full force and effect through **June 30, 2024**.

- (2) Second Optional Extension Period: If this Contract is extended, the Second Optional Extension Period shall commence on **July 1, 2024**, and shall continue in full force and effect through **June 30, 2025**.

4.1.3 The County maintains databases that track/monitor contractor performance history. Information entered into

such databases may be used for a variety of purposes, including determining whether the County will exercise an Contract term extension option.

- 4.1.4 The Contractor shall notify the Department of Mental Health when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the Department of Mental Health at the address herein provided in Exhibit E - County's Administration.

5 FINANCIAL PROVISIONS

- 5.1 Reimbursement: In consideration of services and/or activities provided by Contractor, County shall reimburse Contractor in the amount and manner described in Exhibit A (FINANCIAL PROVISIONS) attached thereto and by this reference incorporated herein.

6 ADMINISTRATION OF CONTRACT - COUNTY

6.1 County Department of Mental Health Administration

- 6.1.1 A listing of all County Administration referenced in the following subparagraphs is designated in Exhibit E - County's Administration. The County will notify the Contractor in writing of any change in the names or addresses shown.

6.2 Director of Mental Health

6.2.1 The role of the Director

- 6.2.1.1 The Director shall have the authority to administer this Contract on behalf of the County. All references to the actions or decisions to be made by the County in this Contract shall be made by the Director unless otherwise expressly provided.
- 6.2.1.2 The Director may designate one (1) or more persons to act as his designee for the purposes of administering this Contract. Therefore "Director" shall mean "Director and/or his designee."
- 6.2.1.3 Coordinating with Contractor and ensuring Contractor's performance of the Contract; however, in no event shall Contractor's obligation to fully

satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and

- 6.2.1.4 Upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

6.3 Contract Monitoring Manager

- 6.3.1 The role of the Contracts Monitoring Manager is authorized to include:

- 6.3.1.1 Meeting with the Director or his designee on an as needed basis; and

- 6.3.1.2 Inspecting any and all tasks, deliverables, services, or other work provided by or on behalf of the Contractor; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

- 6.3.1.2 The Contracts Monitoring Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.4 Contract Monitor

- 6.4.1 The role of the County's Contract Monitor is to oversee the day-to-day administration of this Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby. The Contract Monitor reports to the Contract Monitoring Manager.

7 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor Administration

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Exhibit F (Contractor's Administration). The Contractor will notify the County in writing of any change in the names or addresses shown.

7.2 Contractor's Contract Manager

- 7.2.1 Contractor shall designate in writing a Contract Manager who shall function as liaison with County regarding Contractor's performance hereunder.
- 7.2.2 The Contractor's Manager is designated in Exhibit F (Contractor's Administration). The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Manager.
- 7.2.3 The Contractor's Contract Monitor shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall meet and coordinate with County's Contract Monitor on an as needed basis.

7.3 Approval of Contractor's Staff

- 7.3.1 County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff.

7.4 Contractor's Staff Identification

Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

- 7.4.1 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked by a County representative to leave a County facility if they do not have the proper County ID badge on their person and Contractor personnel must immediately comply with such request.
- 7.4.2 Contractor shall notify the County within one business day when staff is terminated from working under this Contract. Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has terminated employment with the Contractor.
- 7.4.3 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has been removed from working on the County's Contract.

7.5 Background and Security Investigations

7.5.1 Each of Contractor's staff performing services under this Contract, who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation.

If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Contract. Contractor shall comply with County's request at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.5.2 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.5.3 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

7.6.2 Contractor shall maintain the confidentiality of all records and information, including, but not limited to, claims, County

records, patient/client records and information, and County claims processing information system records, in accordance with WIC Sections 5328 through 5330, inclusive, and all other applicable County, State, and federal laws, ordinances, rules, regulations, manuals, guidelines, and directives, relating to confidentiality and privacy.

- 7.6.3 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.6, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under this Paragraph 7.6 shall be conducted by contractor and performed by counsel selected by Contractor unless objected to by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.6.4 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.5 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Contract", Exhibit G-1.
- 7.6.6 Contractor shall require all contractor employees and non-employees; including sub-contractors performing services under this Contract to sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Contract", Exhibits G-2 and G-3. Such Acknowledgments shall be executed by each such employee and non-

employee, including sub-contractors on or immediately after the commencement date of this Contract but in no event later than the date such employee first performs services under this Contract.

8 STANDARD TERMS AND CONDITIONS

8.1 Amendments

- 8.1.1 For any change which affects the scope of work, term, payments, or any term or condition included under this Contract, an amendment to the Contract shall be prepared and executed by the contractor and by Director or his designee.
- 8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the contractor and by Director.
- 8.1.3 The Director or his designee may at his sole discretion, authorize extensions of time as defined in Paragraph 4 - Term of Contract. The contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the contractor and by Director.

8.2 Assignment and Delegation/Mergers or Acquisitions

- 8.2.1 The contractor shall notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 8.2.2 The contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such

consent shall be null and void. For purposes of this paragraph, County consent shall require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the contractor may have against the County.

8.2.3 Shareholders, partners, members, or other equity holders of contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.4 Any assumption, assignment, delegation, or takeover of any of the contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against contractor as it could pursue in the event of default by contractor.

8.3 Authorization Warranty

8.3.1 The contractor represents and warrants that the person executing this Contract for the contractor is an authorized agent who has actual authority to bind the contractor to each and every term, condition, and obligation of this Contract and that all requirements of the contractor have been fulfilled to provide such actual authority.

8.4 Intentionally Omitted

8.5 Complaints

8.5.1 If the contractor does not have existing complaints procedures in place in accordance with Medi-Cal regulations then the contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.2 Complaint Procedures

8.5.2.1 Within 30 business days after the Contract effective date, the contractor shall provide the County with the contractor's policy for receiving, investigating and responding to user complaints.

8.5.2.2 The County will review the contractor's policy and provide the contractor with approval of said plan or with requested changes.

8.5.2.3 If the County requests changes in the contractor's policy, the contractor shall make such changes and resubmit the plan within 30 business days for County approval.

8.5.2.4 If, at any time, the contractor wishes to change the contractor's policy, the contractor shall submit proposed changes to the County for approval before implementation.

8.5.2.5 The contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within 10 business days of receiving the complaint.

8.5.2.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

8.5.2.7 Copies of all written responses shall be sent to the County's Project Manager within 5 business days of mailing to the complainant.

8.6 Compliance with Applicable Law

8.6.1 In the performance of this Contract, contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by contractor, its officers, employees, agents, or subcontractors, to comply with any such federal, State, or local laws, rules, regulations, ordinances, ADA standards, directives, guidelines, manuals, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) shall be conducted by contractor and performed by counsel selected by contractor unless objected to by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.
- 8.6.3 Contractor shall comply with all federal laws, including, but not limited to, Title XIX of the Social Security Act, State, and local laws, ordinances, rules, regulations, manuals, guidelines, ADA standards, and directives applicable to its performance hereunder. Further, all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.4 Contractor shall be governed by and comply with all contractual obligations of the DHCS' Mental Health Plan Contract with the County.
- 8.6.5 Contractor shall maintain in effect an active compliance program in accordance with the recommendations set forth by the Department of Health and Human Services, Office of the Inspector General.

8.6.6 Duty to Notify: Contractor agrees to notify County of any and all legal complaints, citations, enforcement proceedings, administrative proceedings, judgments or litigation, known to Contractor, whether civil or criminal initiated against Contractor, its officers, employees, or agents which are likely to have a material effect on the organization's stewardship, financial position and/or ability to perform and deliver services under this contract.

8.6.7 Licenses, Permits, Registrations, and Certificates

8.6.7.1 Contractor shall obtain and maintain in effect during the term of this Contract, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Short-Doyle/Medi-Cal and/or Medicare provider if Title XIX Short-Doyle/Medi-Cal and/or Medicare services are provided hereunder), as required by all federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(ies) and services under this Contract. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Contract all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation, and certificate (including, but not limited to, certification as a Short-Doyle/Medi-Cal and/or Medicare provider if Title XIX Short-Doyle/Medi-Cal and/or Medicare services are provided hereunder) as required by all applicable federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines and directives shall be retained and current updates of such documents shall be maintained, and made available upon request, not to exceed three (3) business days after the initial request, for inspection, review, and/or audit by authorized representatives and designees of County, State, and/or federal governments during the term of this Contract and during the applicable period

of records retention.

8.6.7.2 If Contractor is a participant in the Short-Doyle/Medi-Cal and/or Medicare program, Contractor shall keep fully informed of all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal and Medicare certifications of all its facilities.

8.6.7.3 Contractor shall ensure that any independent contractors (i.e., individuals who are not employees but who are contracted by Contractor to perform services hereunder) who prescribe medications, in addition to obtaining and maintaining all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder, are credentialed by DMH and maintain such credentialing in effect during the term of this Contract.

8.6.8 Unlawful Solicitation

8.6.8.1 Contractor shall require all of its employees to acknowledge, in writing, understanding of an contract to comply with the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of California Business and Professions Code (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to insure that there is no violation of such provisions by its employees. Where applicable, Contractor shall utilize the attorney referral services of all those bar associations within the County of Los Angeles that have such a service.

8.7 Compliance with Civil Rights Laws

8.7.1 The contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract

or under any project, program, or activity supported by this Contract. The contractor shall comply with Exhibit D - Contractor's EEO Certification.

8.8 Compliance with the County's Jury Service Program

8.8.1 Jury Service Program:

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy

1. Unless the contractor has demonstrated to the County's satisfaction either that the contractor is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the contractor shall have and adhere to a written policy that provides that its Employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this paragraph, "contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90)

days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If the contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this paragraph. The provisions of this paragraph shall be inserted into any such subcontract contract and a copy of the Jury Service Program shall be attached to the contract.

3. If the contractor is not required to comply with the Jury Service Program when the Contract commences, the contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the contractor shall immediately notify the County if the contractor at any time either comes within the Jury Service Program's definition of "contractor" or if the contractor no longer qualifies for an exception to the Jury Service Program. In either event, the contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the contractor demonstrate, to the County's satisfaction that the contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that the contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 Conflict of Interest

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the contractor who may financially benefit from the performance of work hereunder shall in any way

participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

- 8.9.2 The contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The contractor warrants that it is not now aware of any facts that create a conflict of interest. If the contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph shall be a material breach of this Contract.

8.10 Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List

- 8.10.1 Should the contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 Consideration of Hiring GAIN-GROW Participants

- 8.11.1 Should the contractor require additional or replacement personnel after the effective date of this Contract, the contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the contractor will interview qualified candidates. The County will refer GAIN-GROW participants by job category to the contractor. Contractors shall report all job openings with job requirements to: GAINGROW@DPSS.LACOUNTY.GOV and BSERVICES@WDACS.LACOUNTY.GOV and DPSS will refer qualified GAIN/GROW job candidates.

- 8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.12 Contractor Responsibility and Debarment

The following requirements set forth in the County's Non-Responsibility and Debarment Ordinance (Title 2, Chapter 2.202 of the County Code) are effective for this Contract, except to the extent applicable State and/or federal laws are inconsistent with the terms of the Ordinance.

8.12.1 Responsible Contractor

A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

8.12.2 Chapter 2.202 of the County Code

The contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the contractor on this or other contracts which indicates that the contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the contractor may have with the County.

8.12.3 Non-responsible contractor

The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the contractor has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County, 2) committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, 3) committed an act or offense which indicates a

lack of business integrity or business honesty, or 4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

- 8.12.4.1 If there is evidence that the contractor may be subject to debarment, the Department will notify the contractor in writing of the evidence which is the basis for the proposed debarment and will advise the contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- 8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The contractor and/or the contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- 8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 8.12.4.4 If a contractor has been debarred for a period longer than five (5) years, that contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the contractor has

adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.

8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the contractor has been debarred for a period longer than five (5) years; 2) the debarment has been in effect for at least five (5) years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

8.12.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to subcontractors of County contractors.

8.13 Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law

8.13.1 The contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Exhibit I, in a prominent position at the contractor's place of business. The contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. Information and posters for printing are available at www.babysafela.org.

8.14 Contractor's Warranty of Adherence to County's Child Support Compliance Program

8.14.1 The contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the contractor's duty under this Contract to comply with all applicable provisions of law, the contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 County's Quality Assurance Plan

The County or its agent(s) will monitor the contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Contract terms and conditions and applicable federal, State, and County policies and procedures relating to performance standards and outcome measures including but not limited to those performance standards and outcome measures required by specific federal, State, and/or County rules, directive, and guidelines for

entities receiving their funding. Examples of such performance standards and/or outcome measures include, but are not limited to, those identified in Exhibit M and those reflected in County and/or program Service Exhibits/SOWs and practice parameters; as well as performance standards and/or outcomes measures related to the Patient Protection and Affordable Care Act (ACA) and Cal MediConnect Program.

Performance standards and/or outcome measures will be used as part of the determination of the effectiveness of the services delivered by Contractor. Substandard performance or outcomes by Contractor may be grounds for contract review and a corrective action plan (CAP).

Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate contractor performance database. The report to the Board will include improvement/corrective action measures taken by the County and the contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.15.1 Contractor shall establish and maintain a Quality Management Program. Contractor's written Quality Management Program shall describe its quality assurance, quality improvement and utilization review structure, process, decisions, actions and monitoring, in accordance with the Department's Quality Improvement Program Policy No. 1100.1, to ensure that the quality and appropriateness of care delivered to clients of the mental health system meets or exceeds the established County, State, and federal service standards and complies with the standards set by the DHCS through the Performance Contract and/or Mental Health Plan Contract.

8.15.2 The Contractor's Quality Management Program shall be consistent with Department's Quality Improvement Program Policy No. 1100.1 including the Department's Quality Improvement Work Plan and participation in Service Area Quality Assurance and Quality Improvement Committee meetings as outlined in Policy No. 1100.1.

8.15.3 The Contractor's Quality Management Program shall be consistent with the Department's Cultural Competency Plan. Contractor shall ensure that 100% of Contractor's staff,

including clerical/support, administrative/management, clinical, subcontractors, and independent contractors receive **annual** cultural competence training.

Contractor shall monitor, track, document (e.g., training bulletins/flyers, sign-in sheets specifying name and function of staff, and/or individual certificates of completion, etc.) and make available upon request by the Federal, State and/or County government the annual cultural competence training provided to Contractor's staff, including clerical, administrative/ management, clinical, subcontractors, and independent contractors.

Contractor shall complete and submit an attestation of annual cultural competence training completed by 100% of staff to the Ethnic Services Manager (psbcc@dmh.lacounty.gov) by March 23rd of every Calendar Year.

Additionally, per the Federal Managed Care Network Adequacy Final Rule requirements, 100% of direct service practitioners (psychotherapists, psychiatrists, case managers, etc.) must complete cultural competence training within the past 12 months to meet annual reporting requirements. This information needs to be entered and updated quarterly into the application (<https://lacdmhnact.dynamics365portals.us/>) based on each practitioner specifying the hours of cultural competence training completed. This information is due quarterly on the following dates of every Calendar Year:

- July 1
- October 1
- January 1
- April 1

8.15.4 The Contractor's Quality Management Program shall be consistent with the Department's Quality Assurance requirements for Contract Providers as outlined in Policy 401.03.

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8.16 Damage to County Facilities, Buildings or Grounds

- 8.16.1 The contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the contractor or employees or agents of the contractor performing in-kind services as referenced in Exhibit A, Financial Provisions, Section T. PAYMENTS BY CONTRACTOR TO COUNTY. Such repairs shall be made immediately after the contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2 If the contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the contractor by cash payment upon demand.

8.17 Employment Eligibility Verification

- 8.17.1 The contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The contractor shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.17.2 The contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 Facsimile Representations

The County and the contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received

via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.19 Fair Labor Standards

8.19.1 The contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the contractor's employees for which the County may be found jointly or solely liable.

8.20 Force Majeure

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both contractor and such subcontractor, and without any fault or negligence of either of them. In such case, contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit contractor to meet the required performance schedule. As used in this subparagraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

- 8.20.3 In the event contractor's failure to perform arises out of a force majeure event, contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 Governing Law, Jurisdiction, and Venue

This Contract shall be governed by, and construed in accordance with, the laws of the State of California and with all laws, regulations, and contractual obligations of County under its contract with the State. The contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.22 Independent Contractor Status

- 8.22.1 This Contract is by and between the County and the contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.22.2 The contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the contractor.
- 8.22.3 The contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the contractor and not employees of the County. The contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the contractor pursuant to this Contract.

8.22.4 Contractor shall adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.23 Indemnification

8.23.1 The contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.

8.24 General Provisions for all Insurance Coverage

8.24.1 Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.2 Evidence of Coverage and Notice to County

8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.

8.24.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to contractor's policy expiration dates. The County reserves the right to obtain complete, certified

copies of any required contractor and/or sub-contractor insurance policies at any time.

- 8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.
- 8.24.2.4 Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- 8.24.2.5 Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles – Department of Mental Health
Contracts Development and Administration Division
550 S. Vermont, 5th Floor, Room 500
Los Angeles, CA 90020
Attention: Chief of Contracts

- 8.24.2.6 Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to contractor. Contractor also shall promptly notify County of any third party claim or suit filed against contractor or any of its subcontractors which arises from or relates to

this Contract, and could result in the filing of a claim or lawsuit against contractor and/or County.

8.24.3 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) shall be provided additional insured status under contractor's General Liability policy with respect to liability arising out of contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the contractor's acts or omissions, whether such liability is attributable to the contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.4 Cancellation of or Changes in Insurance

Contractor shall provide County with, or contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

8.24.5 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to contractor, and/or suspend or terminate this Contract.

County, at its sole discretion, may obtain damages from contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to contractor, deduct the premium cost from sums due to contractor or pursue contractor reimbursement.

8.24.6 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.24.7 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any contractor coverage.

8.24.8 Waivers of Subrogation

To the fullest extent permitted by law, the contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.9 Subcontractor Insurance Coverage Requirements

Contractor shall include all subcontractors as insureds under contractor's own policies, or shall provide County with each subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and shall require that each subcontractor name the County and contractor as additional insureds on the subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any subcontractor request for modification of the Required Insurance.

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8.24.10 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any contractor deductible or SIR. The County retains the right to require contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing contractor's payment of all deductibles and SIRs, including all related claims investigation, administration, and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.11 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

8.24.12 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.13 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.14 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

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8.24.15 **County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.25 **Insurance Coverage**

- 8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

- 8.25.2 **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

- 8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self- insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's

compensation law or any federal occupational disease law.

8.25.4 Unique Insurance Coverage

8.25.4.1 Sexual Misconduct Liability

Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

8.25.4.2 Professional Liability-Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$3 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

8.25.4.3 Intentionally Omitted

8.25.4.4 Intentionally Omitted

8.25.4.5 Intentionally Omitted

8.25.4.6 Privacy/Network Security (Cyber) Liability

Insurance coverage providing protection against liability for (1) privacy breaches [liability arising from the loss or disclosure of confidential information no matter how it occurs]; (2) system breach; (3) denial or loss of service; (4) introduction, implantation, or spread of malicious software code; (5) unauthorized access to or use of computer systems with limits up to \$10 million based on criteria established by the County. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

8.26 Intentionally Omitted

8.27 Intentionally Omitted

8.28 Nondiscrimination and Affirmative Action

8.28.1 The contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age (over 40), marital status, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era in compliance with all applicable Federal and State anti-discrimination laws and regulations. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other contract.

8.28.2 The contractor shall certify to, and comply with, the provisions of Exhibit D (Contractor's EEO Certification).

8.28.3 The contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age (over 40), marital status, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, and granting or denying family care leave. Contractor shall not discriminate against or harass, nor shall it permit harassment of, its employees during employment

based upon race, color, religion, national origin, ancestry, gender, age (over 40), marital status, sexual orientation, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment, and will comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.).

8.28.4 The contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, marital status, or political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Further, Contractor shall give written notice of its obligations under this Paragraph 8.28 to labor organizations with which it has a collective bargaining or other contract.

8.28.5 The contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, marital status, or political affiliation, status as a disabled veteran or veteran of the Vietnam era be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.28.6 The contractor shall allow County representatives access to the contractor's employment records during regular business hours to verify compliance with the provisions of

this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.

8.28.7 If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event the contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.28.9 Contractor shall include the provisions of this Paragraph 8.28 in every subcontract or purchase order unless otherwise expressly exempted.

8.29 Non Exclusivity

8.29.1 Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the contractor. This Contract shall not restrict County from acquiring similar, equal or like goods and/or services from other entities or sources.

8.30 Notice of Delays

8.30.1 Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within three (3) business days, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 Notice of Disputes

8.31.1 The contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the Director or his designee shall resolve it.

8.32 Notice to Employees Regarding the Federal Earned Income Credit

8.32.1 The contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.33 Notice to Employees Regarding the Safely Surrendered Baby Law

8.33.1 The contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit I, Safely Surrendered Baby Law of this Contract. Additional information is available at www.babysafela.org.

8.34 Notices

8.34.1 All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E - County's Administration and F - Contractor's Administration. Contractor's headquarters addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The Director or his designee shall have the authority to execute all notices or demands required or permitted by the County under this Contract. Including but not limited to:

Administrative Amendments: Modifications to this Contract may be accomplished using an administrative amendment process for the following purposes:

1. Change of Contractor's name.
2. Change of Contractor's headquarters' address.
3. Change, revision, addition, or deletion of Provider site address.
4. Change, revision, addition, or deletion of Provider site number.
5. Change, revision, addition, or deletion of Provider site name.
6. Change, revision, addition, or deletion of services previously approved within the Legal Entity for an existing or new Provider site.
7. Technical Corrections.
8. Shifting of funds between currently contracted Funded Programs so long as such shifting will not cause Contractor to increase its Maximum Contract Amount.

8.34.2 Such administrative amendment may be executed by the Director under delegated authority from the Board of Supervisors without prior approval of County Counsel. Such administrative amendment may be initiated by the County, with Contractor's written consent. Contractor's signature will be required to make such administrative amendments effective.

8.35 Intentionally Omitted

8.36 Public Records Act

8.36.1 Any documents submitted by the contractor; all information obtained in connection with the County's right to audit and inspect the contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection-Audit Settlement) of this Contract become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public

Records Act) and which are marked “trade secret”, “confidential”, or “proprietary”. The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 County shall notify Contractor upon receipt of a request for such marked documents.

8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked “trade secret”, “confidential”, or “proprietary”, the contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

8.37 Publicity

8.37.1 The contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the contractor from publishing its role under this Contract within the following conditions:

8.37.1.1 The contractor shall develop all publicity material in a professional manner; and

8.37.1.2 During the term of this Contract, the contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Project Director. The County shall not unreasonably withhold written consent.

8.37.2 The contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37 (Publicity) shall apply.

8.38 Record Retention and Inspection-Audit Settlement

- 8.38.1 The contractor shall maintain accurate and complete financial records, employment records and other records relating to its performance of this Contract. All such material shall be maintained by the contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.
- 8.38.2 In the event that an audit of the contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the contractor or otherwise, then the contractor shall file a copy of such audit report with the Department of Mental Health Contracts Development and Administration Division within thirty (30) days of the contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s). Failure on the part of the contractor to comply with any of the provisions of this subparagraph 8.38 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.38.3 Direct Services and Indirect Services Records: Contractor shall maintain a record of all direct services and indirect services rendered by all professional, para-professional, intern, student, volunteer and other personnel under this Contract in sufficient detail to permit an evaluation and audit of such services. All such records shall be retained, maintained, and made available within three (3) business days for inspection, review, and/or audit by authorized representatives and designees of County, State, and/or federal governments during the term of this Contract and during the applicable period of records retention. In addition to the general requirements in this Paragraph 8.38, Contractor shall comply with any additional patient/client record requirements described in the Service Exhibit(s)/Statement of Work(s) and shall adequately document the delivery of all services described in the Service Exhibit(s)/Statement of Work(s).

8.38.3.1 Patient/Client Records (Direct Services):

Contractor shall maintain treatment and other records for each individual patient/client of all direct services (e.g., 24-hour services, day services, targeted case management, mental health services, medication support, and crisis intervention) in accordance with all applicable County, State and federal requirements. Such treatment and other records shall include, but not be limited to, patient/client identification number, demographic information, and all data elements required by the County's claims processing information system, consent for treatment form, assessment, treatment plan, progress notes, and any other applicable information. The required data elements shall be in accordance with the Organizational Provider's Manual. All patient/client records shall be maintained by Contractor at a location in Los Angeles County for a minimum period that is at least equivalent to the later of any of the following:

8.38.3.1.1 Ten (10) years following discharge of the patient/client or termination of services.

8.38.3.1.2 For minors, one (1) year after the minor reaches the age of 18 (eighteen), but not less than 10 (ten) years and/or from the final date of the contract period between DMH and Contractor, the date of completion of any audit, or the date the service was rendered, whichever is later.

8.38.3.1.3 Ten (10) years after completion of all County, State and/or federal audits.

8.38.3.1.4 Ten (10) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

8.38.3.1.5 During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and

designees of County, State, and/or federal governments for purposes of inspection, review, and/or audit. Nothing in this paragraph shall limit Contractor's obligation to retain records for the period described by law.

8.38.3.2 Case Management Support Services, Outreach Services, and Client Supportive Services Records (Indirect Services): Contractor shall maintain accurate and complete program records of all indirect services (i.e., all services other than direct services) in accordance with all applicable County, State and federal requirements. All program records shall be maintained by Contractor for a minimum period that is at least equivalent to the later of any of the following:

8.38.3.2.1 Ten (10) years following the expiration or earlier termination of this Contract.

8.38.3.2.2 Ten (10) years after completion of all County, State and/or federal audits.

8.38.3.2.3 Ten (10) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

8.38.3.2.4 During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or federal governments for purposes of inspection and/or audit. Nothing in this paragraph shall limit Contractor's obligation to retain records for the period described by law.

8.38.4 Financial Records: The contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles, with the procedures set out in the State's Cost and Financial Reporting System (CFRS) Instruction Manual, and with all

applicable federal, State and County requirements, guidelines, standards, and procedures. Minimum standards for accounting principles are set forth in County's Auditor-Controller's Contract Accounting and Administration Handbook which shall be furnished to Contractor by County upon request. The above financial records shall include, but are not limited to:

- 8.38.4.1 Books of original entry and a general ledger.
- 8.38.4.2 Reports, studies, statistical surveys or other information Contractor used to identify and allocate indirect costs. "Indirect costs" shall mean those costs as described by the guidelines, standards, and procedures which may be provided by County in writing to Contractor, the Centers for Medicare and Medicaid Provider Reimbursement Manual Parts 1 and 2 (Publications #15-1 and #15-2), and the OMB Uniform Guidance, Subpart E: Cost Principles.
- 8.38.4.3 Bronzan-McCorquodale/County statistics and total facility utilization information (e.g., patient days, visits) which can be identified by type of service pursuant to any policies and procedures which may be provided by County in writing to Contractor.
- 8.38.4.4 A listing of all County remittances received.
- 8.38.4.5 Patient/client financial folders clearly documenting:
 - 8.38.4.5.1 Contractor's determination of patient's/client's eligibility for Medi-Cal, medical insurance and any other third party payer coverage; and
 - 8.38.4.5.2 Contractor's reasonable efforts to collect charges from the patient/client, his/her responsible relatives, and any other third party payer.
 - (a) Individual patient/client ledger cards indicating the type and amount of charges incurred and

payments by source and service type.

(b) Employment records.

8.38.4.6 The entries in all the above financial records must be readily traceable to applicable source documentation (e.g., remittance invoices, vendor invoices, employee timecards, signed by employee and countersigned by supervisor, subsidiary ledgers and journals, appointment logs, patient ledger cards, etc.). Any apportionment of costs shall be made in accordance with the requirements of the State's CFRS Instruction Manual, the Federal Centers for Medicare and Medicaid Provider Reimbursement Manual Parts 1 and 2 (Publications #15-1 and #15-2), and Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services. All such records shall be maintained by Contractor for a minimum period that is at least equivalent to the later of any of the following:

8.38.4.6.1 Ten (10) years following the expiration or earlier termination of this Contract;

8.38.4.6.2 Ten (10) years after completion of all County, State and/or federal audits; or

8.38.4.6.3 Ten (10) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

8.38.4.6.4 During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or federal governments for purposes of inspection, review, and/or audit. Such access shall include access to individuals with knowledge of financial records and Contractor's outside auditors, and regular and special reports from Contractor.

8.38.5 Preservation of Records: If, following termination of this Contract, Contractor's facility(ies) is (are) closed or if majority ownership of Contractor changes, then within 48 hours of closure or ownership change, Director of DHCS and Director shall be notified in writing by Contractor of all arrangements made by Contractor for preservation of all the patient/client, financial, and other records referred to in this Paragraph 8.38.

8.38.6 Audits:

8.38.6.1 Contractor shall provide County and its authorized representative's access to and the right to examine, audit, excerpt, copy, or transcribe, any pertinent transaction, activity, time cards, or any other records relating to this Contract.

8.38.6.2 County may, in its sole discretion, perform periodic fiscal and/or program review(s) of Contractor's records that relate to this Contract. If County determines that the results of any such reviews indicate the need for corrective action, Contractor shall within 30 calendar days after receiving the findings of the fiscal and/or program review, either (a) submit a corrective plan of action to DMH, or (b) request a review by the Director. If Contractor requests a review by the Director within the 30 calendar days, and if a corrective plan of action is then required, Contractor shall have 30 calendar days to submit its corrective plan of action.

8.38.6.3 Audit Reports: In the event that any audit of any or all aspects of this Contract is conducted by any federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report(s) with DMH's Contracts Development and Administration Division within 30 calendar days of Contractor's receipt thereof, unless otherwise provided by applicable federal or State law or under this Contract. Contractor shall promptly notify County of any request for access to information related to this Contract by any other governmental agency.

8.38.6.4 California Department of Health Care Services (DHCS) Access to Records: Contractor agrees that for a period of ten (10) years following the furnishing of services under this Contract; three (3) years after final audit is completed including appeals, or ten (10) years after termination of this Agreement; whichever occurs later, Contractor shall maintain and make available to the DHCS, the Secretary of the United States Department of Health and Human Services (HHS), or the Controller General of the United States, and any other authorized federal and State agencies, or to any of their duly authorized representatives, the contracts, books, documents and records of Contractor which are necessary to verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents and records of the subcontractor as provided in Paragraph 3.10 and in this Paragraph 8.38.

8.38.6.5 Federal Access to Records: Grant-funded programs require audits and compliance with federal guidelines pursuant to OMB Uniform Guidance, Subpart F: Single Audit Requirements. If, and to the extent that, Section 1861(v)(1)(I) of the Social Security Act (42 United States Code Section 1395x(v)(1)(I)) is applicable, Contractor agrees that for a period of ten (10) years following the furnishing of services under this Contract, three (3) years after final audit is completed including appeals, or ten (10) years after termination of this Contract; whichever, is later, Contractor shall maintain and make available to the Secretary of the United States Department of HHS, or the Controller General of the United States, or to any of their duly authorized representatives, the contracts, books, documents and records of

Contractor which are necessary to verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontractor shall provide for such access to the subcontract, books, documents and records of the subcontractor as provided in Paragraph 3.10 and in this Paragraph 8.38.

8.39 Recycled Bond Paper

- 8.39.1 Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.40 Subcontracting

- 8.40.1 The requirements of this Contract may not be subcontracted by the contractor **without the advance approval of the County**. Any attempt by the contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.
- 8.40.2 If the contractor desires to subcontract, the contractor shall provide the following information promptly at the County's request:
 - 8.40.2.1 The reasons for the particular subcontract.
 - 8.40.2.2 A detailed description of the services to be performed by the subcontractor;
 - 8.40.2.3 Identification of the proposed subcontractor.
 - 8.40.2.4 A description of the proposed subcontract amount and manner of compensation, together with Contractor's cost or price analysis thereof.
 - 8.40.2.5 A draft copy of the proposed subcontract which shall include the following provisions:

“This contract is a subcontract under the terms of the prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract, including those related to ensuring high quality of service and outcomes”.

8.40.2.6 A copy of the proposed subcontract, if in excess of \$10,000 and utilizes public funds, shall also contain the following provision:

"The contracting parties shall be subject to the examination and audit of the State Auditor, pursuant to the California Government Code, Section 8546.7, for a period of ten (10) years from the end of the Fiscal Year in which such services were provided or until final resolution of any audits, whichever occurs later."

8.40.2.7 Further, the Contractor will also be subject to the examination and audit of the State Auditor, pursuant to the Government Code, Section 8546.7, for a period of ten (10) years from the end of the fiscal year in which such services were provided or until final resolution of any audits, whichever occurs later.

8.40.2.8 Other pertinent information and/or certifications requested by the County.

8.40.3 The contractor shall indemnify, defend, and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were the contractor employees.

8.40.4 The contractor shall remain fully responsible for all performances required of it under this Contract, including those that the contractor has determined to subcontract, notwithstanding the County's approval of the contractor's proposed subcontract.

8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The contractor is responsible to notify its subcontractors of this County right.

- 8.40.6 The Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 The contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8 The contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. Before any subcontractor employee may perform any work hereunder, contractor shall ensure delivery of all such documents to:

Los Angeles County Department of Mental Health
Contracts Development and Administration Division
550 S. Vermont Ave., 5th Floor
Los Angeles, CA 90020
Attention: Chief of Contracts

8.41 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program

- 8.41.1 Failure of the contractor to maintain compliance with the requirements set forth in Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Paragraph 8.43 (Termination for Default) and pursue debarment of the contractor, pursuant to County Code Chapter 2.202.

8.42 Termination for Convenience

- 8.42.1 This Contract may be terminated by the County or Contractor at any time without cause by giving at least 120 calendar days prior written notice to the other party.
- 8.42.2 After receipt of a notice of termination and except as

otherwise directed by the County, the contractor shall:

8.42.2.1 On or after the date of the written notice of termination, County, in its sole discretion, may stop all payments to Contractor hereunder until preliminary settlement based on the Annual Cost Report. Contractor shall prepare an Annual Cost Report in accordance with the terms of the Financial Exhibit A.

8.42.2.2 Upon issuance of any notice of termination, Contractor shall make immediate and appropriate plans to transfer or refer all patients/clients receiving services under this Contract to other agencies for continuing services in accordance with the patient's/client's needs. Such plans shall be subject to prior written approval of the Director or his designee, except that in specific cases, as determined by Contractor, where an immediate patient/client transfer or referral is indicated, Contractor may make an immediate transfer or referral. If Contractor terminates this Contract, all costs related to all such transfers or referrals as well as all costs related to all continuing services shall not be a charge to this Contract nor reimbursable in any way under this Contract; and

8.42.2.3 If Contractor is in possession of any equipment, furniture, removable fixtures, materials, or supplies owned by County as provided in Paragraph 9.16 (PURCHASES), the same shall be immediately returned to County.

8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the contractor under this Contract shall be maintained by the contractor in accordance with Paragraph 8.38 (Record Retention and Inspection-Audit Settlement).

8.43 Termination for Default

8.43.1 The County may, by written notice to the contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Director:

8.43.1.1 Contractor has materially breached this Contract;
or

8.43.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or

8.43.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this paragraph.

8.43.3 Except with respect to defaults of any subcontractor, the contractor shall not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the contractor and subcontractor, and without the fault or negligence of either of them, the contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be

furnished by the subcontractor were obtainable from other sources in sufficient time to permit the contractor to meet the required performance schedule. As used in this paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.

- 8.43.4 If, after the County has given notice of termination under the provisions of Paragraph 8.43 (Termination for Default) it is determined by the County that the contractor was not in default under the provisions of Paragraph 8.43 (Termination for Default) or that the default was excusable under the provisions of subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).
- 8.43.5 The rights and remedies of the County provided in this Paragraph 8.43 (Termination for Default) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 Termination for Improper Consideration

- 8.44.1 The County may, by written notice to the contractor, immediately terminate the right of the contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the contractor as it could pursue in the event of default by the contractor.
- 8.44.2 The contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.45 Termination for Insolvency

8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

8.45.1.1 Insolvency of the contractor. The contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the contractor is insolvent within the meaning of the Federal Bankruptcy Code;

8.45.1.2 The filing of a voluntary or involuntary petition regarding the contractor under the Federal Bankruptcy Code;

8.45.1.3 The appointment of a Receiver or Trustee for the contractor; or

8.45.1.4 The execution by the contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this Paragraph 8.45 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 Termination for Non-Adherence of County Lobbyist Ordinance

8.46.1 The contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the contractor or any County Lobbyist or County Lobbying firm retained by the contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.47 Termination for Non-Appropriation of Funds

8.47.1 Notwithstanding any other provision of this Contract, the County shall not be obligated for the contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and

until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the contractor in writing of any such non-allocation of funds at the earliest possible date.

8.48 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program

8.48.1 Failure of contractor to maintain compliance with the requirements set forth in Paragraph 8.53 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of contractor, pursuant to County Code Chapter 2.206.

8.49 Time Off for Voting

8.49.1 The contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

8.50 Validity

8.50.1 If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.51 Waiver

8.51.1 No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach

or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this paragraph 8.53 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.52 Warranty Against Contingent Fees

8.52.1 The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

8.52.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.53 Warranty of Compliance with County's Defaulted Property Tax Reduction Program

8.53.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless contractor qualifies for an exemption or exclusion, contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.54 Compliance with County's Zero Tolerance Policy on Human Trafficking

Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking.

If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Contractor's staff pursuant to this paragraph shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

9 UNIQUE TERMS AND CONDITIONS

9.1 Third Party Beneficiaries

9.1.1 Notwithstanding any other provision of this Contract, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Contract.

9.2 Health Insurance Portability and Accountability Act of 1996 (HIPAA)

9.2.1 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations, and subtitle D, Privacy, of the Health Information Technology for Economic and Clinical Health Act (HITECH). Contractor understands and agrees that, as a provider of mental health services, it is a "*Covered Entity*" under HIPAA and HITECH and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA and HITECH.

9.2.2 The parties acknowledge their separate and independent obligations with respect to HIPAA and HITECH and that such obligations relate to *transactions and code sets, privacy, and security*. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA and HITECH in all these areas and that County has not undertaken any responsibility for compliance on contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to contractor's obligations under

HIPAA and HITECH but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

9.2.3 Contractor and County understand and agree that each is independently responsible for HIPAA and HITECH compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA and HITECH laws and implementing regulations related to transactions and code sets, privacy, and security.

9.2.4 Each party further agrees that, should it fail to comply with its obligations under HIPAA and HITECH, it shall indemnify and hold harmless the other party (including the other party's officers, employees, and agents), for damages to the other party that are attributable to such failure.

9.2.5 Contractor and County understand and agree that HIPAA has imposed additional requirements in regards to changes in DMH's County's information system.

(1) County has a Guide to Procedure Codes available at <http://lacdmh.lacounty.gov/hipaa/index.html> which includes a "crosswalk" of DMH activity codes to Current Procedural Terminology (CPT) and Health Care Procedure Coding System (HCPCS) codes.

(2) County has electronic Data Interchange (EDI) Contract forms available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm which includes information about the applicable HIPAA transactions that can be processed in the Integrated Behavioral Health Information System (IBHIS)

Contractor acknowledges that County is using the IBHIS in which clinical, demographic, administrative, financial, claims, outcomes, and other information will be exchanged between DMH and contract providers exclusively through the use of EDI transactions and other County defined b2b ("Business-to-Business") data collection and interoperability solutions.

(3) As County defines requirements for each transaction and determines the method by which each transaction is to be exchanged between Contractor and County,

County shall notify Contractor of the effective date(s) by which Contractor shall be required to implement each newly defined interface through County's release of revised Companion Guides. Revised Companion Guides shall be released prior to the effective date(s) upon which each newly defined interface is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each newly defined interface, unless earlier effective date(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual contract between County and Contractor.

- (a) 120 days for new interface requiring major development and testing,
 - (b) 90 days for new interfaces requiring moderate development and testing; and
 - (c) 60 days for new interfaces requiring minimal development and testing.
- (4) Contractor acknowledges that County may modify interfaces requirements as deemed needed by County. County shall notify Contractor of the effective dates(s) by which Contractor shall be required to comply with each modified interface in accordance with County's revised requirements through County's release of revised Companion Guides. Revised Companion Guides shall be released prior to the effective date(s) upon which each modified interface is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each revised interface, unless earlier effective dates(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual contract between County and Contractor.
 - (a) 90 days for existing interfaces requiring major development and testing;
 - (b) 60 days for existing interfaces that requiring moderate development and testing; and
 - (c) 30 days for existing interfaces requiring minimal development and testing.

- (5) Contractor agrees to comply with the exchange of all required interfaces specified by County and the method by which these transactions are to be exchanged between Contractor and County as of the effective date(s) specified by County.
- (6) County has Trading Partner Agent Authorization Contracts available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm which includes the Contractor's authorization to its Agent(s) to submit HIPAA-compliant transactions on behalf of Contractor to the IBHIS.

9.2.6 Contractor understands that County operates an informational website <http://dmh.lacounty.gov/wps/portal/dmh> related to the services under this Contract and the parties' HIPAA obligations, and agrees to undertake reasonable efforts to utilize said website to obtain updates, other information, and forms to assist Contractor in its performance.

9.2.7 Contractor understands and agrees that if it uses the services of an Agent in any capacity in order to receive, transmit, store or otherwise process Data or Data Transmissions or perform related activities, the Contractor shall be fully liable to DMH for any acts, failures or omissions of the Agent in providing said services as though they were the Contractor's own acts, failures, or omissions.

9.2.8 Contractor further understands and agrees that the terms and conditions of the current IBHIS Trading Partner Contract (TPA) available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm respectively, shall apply to this Contract and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

9.2.9 Contractor acknowledges that County participates in the Meaningful Use of Electronic Health Records Incentive Program (MU Program) under the HITECH Act which requires the annual submission of data documenting the compliance of eligible professionals with certain MU measures.

9.2.10 County and Contractor further understand and agree that mutual cooperation in the collection and reporting of MU

Program measures may be required in cases in which both County and Contractor have employed or contracted the professional medical services of the same eligible professional during any calendar year in which the MU Program is in effect. In such cases, the requesting party shall deliver to the receiving party a letter on agency letterhead indicating the specific information requested, the format in which the information is to be delivered to the requesting party, and the required date of delivery of the information requested. The receiving party shall have 30 days from receipt of the request to deliver the requested information to the requesting party in the format specified by the requester.

9.3 Contractor Protection of Electronic County Information

- 9.3.1 The Board has recognized that the County must ensure that appropriate safeguards are in place to protect public data and avoid the penalties and fines that may be imposed when unprotected confidential/sensitive information is disclosed inappropriately. The County Policy 5.200 "Contractor Protection of Electronic County Information" for specific details on this policy reference the following link: https://library.municode.com/ca/la_county_bos/codes/board_policy?nodeId=CH5COPU_5.200COPRELCOIN was adopted to protect personal information (PI), protected health information (PHI) and medical information (MI) electronically stored and/or transmitted by County Contractors. Contractor agrees that it will comply with County Policy 5.200, as it now exist or as it might be modified in the future, as it relates to information acquired in the course of providing services during the term of this Contract.
- 9.3.2 Contractor shall comply with the encryption standards set forth in Exhibit Q, Protection of Electronic County PI, PHI and MI (Data Encryption) and submit Required Forms Exhibit R, LACDMH Contractor's Compliance with Encryption Requirements. Encryption requirements shall apply to all County PI, PHI and MI electronically stored or transmitted by Contractors and subcontractors, irrespective of storage and/or transmission methodology.
- 9.3.3 Contractor shall comply with the Information Security Requirements set for in Exhibit T, Information Security and Privacy Requirements.

- 9.3.4 Contractor shall complete and submit to DMH the Confidentiality Oath (Non-LAC-DMH Workforce Members), Exhibit U to this Contract.
- 9.3.5 Contractor shall sign, submit to DMH and comply with County of Los Angeles Agreement for Acceptable Use and Confidentiality of County Information Technology Resources, Exhibit S to this Contract.

9.4 Technology Requirements

- 9.4.1 Contractor shall acquire, manage, and maintain Contractor's own information technology, infrastructure, platforms, systems and/or services in order to meet all requirements specified by County for interoperability (as stated in section 9.2.5).
- 9.4.2 Contractor shall ensure that each individual using electronic methods to sign electronic health records in the performance of work specified under this Contract completes an Electronic Signature Agreement annually. The Electronic Signature Agreement shall be substantially similar to the sample available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html.
 - 9.4.2.1 Contractor shall maintain a copy of each Electronic Signature Contract and make them available for inspection by County upon request.
 - 9.4.2.2 Contractor shall submit to County a Legal Entity Electronic Signature Certification to certify compliance with this provision of this Contract. Contractors who implement electronic methods to sign electronic health records subsequent to the execution of this Contract shall submit to County a Legal Entity Electronic Signature Certification immediately upon implementation. The Legal Entity Electronic Signature Certification to be used by Contractor is found at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html. Nothing in this requirement is intended to imply that Contractor qualifies as a Legal Entity, as that term is generally understood by Department.

9.5 Contractor's Charitable Activities Compliance

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification, Exhibit O, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)

9.6 Data Destruction

Contractor(s) and Vendor(s) that have maintained, processed, or stored the County of Los Angeles' ("County") data and/or information, implied or expressed, have the sole responsibility to certify that the data and information have been appropriately destroyed consistent with the National Institute of Standards and Technology (NIST) Special Publication SP 800-88 titled Guidelines for Media Sanitization. Available at:

<http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88>
Rev.%201

The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within the County, or external to the County's boundaries. The County must receive within twenty (20) business days, a signed document from Contractor(s) and Vendor(s) that certifies and validates the data and information containing PHI and PII were placed in one or more of the following stored states: unusable, unreadable, and indecipherable.

Vendor shall certify that any County data stored on purchased, leased, or rented electronic storage equipment and electronic devices, including, but not limited to printers, hard drives, servers, and/or workstations are destroyed consistent with the current National Institute of Standard and Technology (NIST) Special Publication SP-800-88, Guidelines for Media Sanitization. Vendor shall provide County with written certification, within ten (10) business days of removal of any electronic storage equipment and devices that validates that any and all County data was destroyed and is unusable, unreadable, and/or undecipherable.

9.7 Local Small Business Enterprise (LSBE) Preference Program

- 9.7.1 This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.
- 9.7.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a LSBE.
- 9.7.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a LSBE.
- 9.7.4 If the Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:
1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
 2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten (10) percent of the amount of the contract; and
 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this

information prior to responding to a solicitation or accepting a contract award.

9.8 Social Enterprise (SE) Preference Program

- 9.8.1 This Contract is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.
- 9.8.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.
- 9.8.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.
- 9.8.4 If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor shall:
 - 1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
 - 2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the contract; and
 - 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the Department of

Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

9.9 Disabled Veteran Business Enterprise (DVBE) Preference Program

9.9.1 This Contract is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in Chapter 2.211 of the Los Angeles County Code.

9.9.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.

9.9.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.

9.9.4 If Contractor has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor shall:

1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

Notwithstanding any other remedies in this contract, the above penalties shall also apply to any business that has previously obtained proper certification, however, as a

result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

9.10 Air or Water Pollution Requirements: Unless specifically exempted under federal law, any federally funded Legal Entity Contract and/or any subcontracts in excess of \$100,000 must comply with the following provisions:

9.10.1 Contractor agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Chapter 1).

9.10.2 Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

9.11 Contractor's Exclusion From Participation In A Federally Funded Program

9.11.1 Contractor hereby warrants that neither it nor any of its staff members is restricted, excluded or suspended from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within 30 calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion or suspension from participation in a federally funded health care program; and (2) any exclusionary or suspension action taken by any agency of the federal or State governments against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part. This warranty and notice requirements apply equally to suspensions from the Medi-Cal program as well as any

other federally funded health care programs including but not limited to Medicare and Healthy Families.

- 9.11.2 There are a variety of different reasons why an individual or entity may be excluded from participating in a federally funded health care program. Sometimes, the exclusion is mandatory and in other cases the Office of Inspector General (OIG), and State officials have the discretion not to exclude.
- 9.11.3 The mandatory bases for federal exclusion include: (1) felony convictions for program related crimes, including fraud or false claims, or for offenses related to the dispensing or use of controlled substances, or (2) convictions related to patient abuse.
- 9.11.4 Permissive exclusions may be based on: (1) conviction of a misdemeanor related to fraud or financial misconduct involving a government program; (2) obstructing an investigation; (3) failing to provide access to documents or premises as required by federal health care program officials; (4) conviction of a misdemeanor related to controlled substances; (5) failing to disclose information about the entity itself, its subcontractors or its significant business transactions; (6) loss of a State license to practice a health care profession; (7) default on a student loan given in connection with education in a health profession; (8) charging excessive amounts to a federally funded health care program or furnishing services of poor quality or which are substantially in excess of the needs of the patients; (9) paying a kickback or submitting a false or fraudulent claim. Persons controlling or managing excluded entities who knew of the conduct leading to the exclusion can themselves be excluded, and entities which are owned and controlled by excluded individuals can also be excluded. Mandatory exclusions under State law from Medi-Cal are similar but also include convictions of a misdemeanor for fraud or abuse involving the Medi-Cal program or a Medi-Cal beneficiary.
- 9.11.5 Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal or State exclusion or suspension of Contractor or

its staff members from such participation in a federally funded health care program. Contractor shall provide the certification set forth in Exhibit K (Attestation Regarding Federally Funded Program) as part of its obligation under this Paragraph 9.11.

9.11.6 Contractor shall also comply with DMH Policy 106.04 (Contractors Eligibility to Provide Goods and Services to Federally Funded Health Care Programs and to Secure Federally Funded Contracts) which includes the following topics: 1) Contractor's responsibility for any and all Civil Monetary Penalties associated with repayments for claims submitted for excluded or suspended agencies or individuals and 2) Contractor's responsibility to provide employee identification information within three (3) business days should DMH or its representatives request it related to sanction list screening compliance.

9.11.7 Failure by Contractor to meet the requirements of this Paragraph 9.11 shall constitute a material breach of Contract upon which County may immediately terminate or suspend this Contract.

9.12 Certification Regarding Debarment, Suspension, Ineligibility And Voluntary Exclusion – Lower Tier Covered Transactions (45 C.F.R. Part 76)

9.12.1 In addition to Paragraph 8.12 (Contractor Responsibility and Debarment) the Contractor hereby acknowledges that the County is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Contract, Contractor certifies that neither it nor any of its owners, officers, partners, directors or other principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Contract, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Contractor shall immediately notify County in writing, during the term of this Contract,

should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Contract upon which the County may immediately terminate or suspend this Contract.

9.13 Restrictions On Lobbying

9.13.1 If any federal funds are to be used to pay for any of Contractor's services under this Contract, Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public Law 101 121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds under this Contract also fully complies with all such certification and disclosure requirements.

9.14 Disclosures

9.14.1 Disclosure of 5% or More Ownership Interest: Pursuant to Code of Federal Regulations (CFR) Paragraph 455.104, Contractor shall submit the disclosures below to County regarding ownership and control. Contractor shall provide the certification set forth in Exhibit P (Ownership/Controlling Interest Disclosure) as part of its obligation under this Paragraph 9.14. Contractor must submit updated disclosures (Exhibit P) to County before entering into contract, and within 35 days after any change in the Contractor's ownership or upon request by the County. Contractor shall send all the disclosures to those persons and addresses which are set forth in Paragraph 8.34 (NOTICES).

(a) Disclosures to be provided:

- i. The name and address of any person (individual or corporation) with an ownership of control interest in the Contractor's business. The address for corporate entities shall include, as applicable, a primary business address,

- every business location, and a P.O. Box address;
- ii. Date of birth and Social Security Number (in the case of an individual);
- iii. Other tax identification number (in the case of corporation with a 5% or more ownership or control interest in Contractors' business);
- iv. Whether the person (individual or corporation) with an ownership or control interest in the Contractor's business is related to another person with ownership or control in the Contractor's business such as a spouse, parent, child, or sibling;
- v. The name of any other disclosing entity in which the Contractor has an ownership or control interest; and
- vi. The name, address, date of birth, and Social Security Number of any managing employee of the Contractor.

9.14.2 Disclosures Related to Business Transactions: Contractor must submit disclosures and updated disclosures to County including information regarding certain business transactions within 35 days, upon request:

- (a) The ownership of any subcontractor with whom the Contractor has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and
- (b) Any significant business transactions between the Contractor and any subcontractor during the 5-year period ending on the date of the request.

9.14.3 Disclosure Related to Persons Convicted of Crimes: Contractor shall submit the following disclosures to County regarding the Contractor's management:

- (a) The identity of any person who is a managing employee of the Contractor who has been convicted of

a crime related to federal health care programs (42 CFR Paragraph 455.106(a)(1), (2).)

- (b) The identity of any person who is an agent of the Contractor who has been convicted of a crime related to federal health care programs (42 CFR Paragraph 455.106(a)(1), (2).) For this purpose, the word “agent” has the meaning described in 42 CFR Paragraph 455.101.
- (c) The Contractor shall supply the disclosures before entering into the contract and at any time upon County’s request.
- (d) Contractor’s subcontractors, if any, shall submit the same disclosures to the Contractor regarding the subcontractors’ owners, persons with controlling interest, agents, and managing employees’ criminal convictions. Subcontractors shall supply the disclosures before entering into a contract and at any time upon County’s request.

9.15 Certification Of Drug-Free Work Place

9.15.1 Contractor certifies and agrees that Contractor and its employees shall comply with DMH's policy of maintaining a drug-free work place. Contractor and its employees shall not manufacture, distribute, dispense, possess, or use any controlled substances as defined in 21 United States Code Section 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any of Contractor's facilities or work sites or County's facilities or work sites. If Contractor or any of its employees is convicted of or pleads nolo contendere to any criminal drug statute violation occurring at any such facility or work site, then Contractor, within five (5) days thereafter, shall notify Director in writing.

9.16 Purchases

9.16.1 Purchase Practices: Contractor shall fully comply with all federal, State and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, in acquiring all furniture, fixtures, equipment, materials, and supplies. Such items shall be acquired at the lowest

possible price or cost if funding is provided for such purposes hereunder.

9.16.2 Proprietary Interest of County: In accordance with all applicable federal, State and County laws, ordinances, rules, regulations, manuals, guidelines and directives, County shall retain all proprietary interest, except the use during the term of this Contract, in all furniture, fixtures, equipment, materials, and supplies, purchased or obtained by Contractor using any County funds. Upon the expiration or termination of this Contract, the discontinuance of the business of Contractor, the failure of Contractor to comply with any of the provisions of this Contract, the bankruptcy of Contractor or its giving an assignment for the benefit of creditors, or the failure of Contractor to satisfy any judgment against it within 30 calendar days of filing, County shall have the right to take immediate possession of all such furniture, removable fixtures, equipment, materials, and supplies, without any claim for reimbursement whatsoever on the part of Contractor. County, in conjunction with Contractor, shall attach identifying labels on all such property indicating the proprietary interest of County.

9.16.3 Inventory Records, Controls and Reports: Contractor shall maintain accurate and complete inventory records and controls for all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds. Within 90 calendar days following the execution of this Contract, Contractor shall provide Director with an accurate and complete inventory report of all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds. The inventory report shall be prepared by Contractor on a form or forms designated by Director, certified and signed by an authorized officer of Contractor, and one copy thereof shall be delivered to County within 30 calendar days of any change in the inventory. Within five business days after the expiration or termination of the Contract, Contractor shall submit to County six copies of the same inventory report updated to the expiration or termination date of the Contract, certified and signed by an authorized officer of Contractor, based on

a physical count of all items of furniture, fixtures, equipment, materials, and supplies, as of such expiration or termination date.

9.16.4 Protection of Property in Contractor's Custody: Contractor shall maintain vigilance and take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds, against any damage or loss by fire, burglary, theft, disappearance, vandalism or misuse. In the event of any burglary, theft, disappearance, or vandalism of any item of furniture, fixtures, equipment, materials, and supplies, Contractor shall immediately notify the police and make a written report thereof, including a report of the results of any investigation which may be made. In the event of any damage or loss of any item of furniture, fixtures, equipment, materials, and supplies, from any cause, Contractor shall immediately send Director a detailed, written report. Contractor shall contact DMH's Administrative Services Division for instructions for disposition of any such property which is worn out or unusable.

9.16.5 Disposition of Property in Contractor's Custody: Upon the termination of the funding of any program covered by this Contract, or upon the expiration or termination of this Contract, or at any other time that County may request, Contractor shall: (1) provide access to and render all necessary assistance for physical removal by County or its authorized representatives of any or all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds, in the same condition as such property was received by Contractor, reasonable wear and tear excepted, or (2) at Director's option, deliver any or all items of such property to a location designated by Director. Any disposition, settlement or adjustment connected with such property shall be in accordance with all applicable federal, State and County laws, ordinances, rules, regulations, manuals, guidelines and directives.

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IN WITNESS WHEREOF, contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Director of Mental Health or his designee thereof, the day and year first above written.

COUNTY OF LOS ANGELES

By _____
JONATHAN E. SHERIN, M.D., Ph.D.

Exodus Recovery, Inc.
CONTRACTOR

By _____
Name Luana Murphy
Title Chief Executive Officer
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

DMH UCC Contract
EXHIBIT A

**DMH
URGENT CARE CENTER LEGAL ENTITY CONTRACT**

**FINANCIAL EXHIBIT A
(FINANCIAL PROVISIONS)**

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DMH UCC Contract
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URGENT CARE CENTERS
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DMH UCC Contract
EXHIBIT A

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- 7 EXHIBIT A-2: COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH
8 URGENT CARE CENTER COST-BASED PAYMENT POLICY NO. 801.10
- 9 EXHIBIT A-3: COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH
10 URGENT CARE CENTER INVOICE TEMPLATE (plus 2 attachments A-3a
11 and A-3b)
- 12 EXHIBIT A-4: COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH
13 URGENT CARE CENTER CLIENT SUPPORT SERVICES (CSS)
14 EXPENSE REIMBURSEMENT CLAIM FORM
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FINANCIAL EXHIBIT A
PSYCHIATRIC URGENT CARE CENTERS

FINANCIAL PROVISIONS

A. GENERAL

(1) The County shall pay Contractor in arrears for costs associated with eligible service(s) provided under this DMH Urgent Care Center (UCC) Legal Entity Contract and in accordance with the terms of this Financial Exhibit A.

(a) The Contractor understands and agrees that payment under this Contract is provided for the provision of the Urgent Care Center (UCC) services as set forth in this Financial Exhibit A and SB82 Crisis Stabilization-UCC Statement of Work (SOW).

(b) For the purposes of this Contract, the phrase “Non-Medi-Cal” includes all of the following: Persons with no known outside payer source, persons for whom eligibility for benefits under the State’s Medi-Cal programs is being determined or established, and persons whose eligibility for the Medi-Cal programs was unknown at the time that services were rendered.

(c) The Contractor understands and agrees that the Federal reimbursement for Medi-Cal services is provided based on Contractor’s ability to provide specific services and/or serve specific populations, which may include but is not limited to, Medi-Cal beneficiaries eligible under Early and Periodic, Screening, Diagnosis, and Treatment (EPSDT) Program; Title XXI Medicaid Children’s Health Insurance Program (MCHIP); existing Title XIX Short-Doyle/Medi-Cal Program for individuals with low income individuals who are age 65 or older, blind, disabled, or members of families with dependent children or qualified pregnant women or children ; and Medicaid (Medi-Cal in California) Coverage Expansion under the Affordable Care Act, as set forth in the Negotiation Package (NP). Therefore, Contractor shall ensure the access and provision of UCC services to all eligible beneficiaries based on client needs as set forth in the NP under this Contract.

(2) The Contractor shall comply with all requirements necessary for reimbursement as established by federal, State and local statutes, laws, ordinances, rules, regulations, manuals, policies, guidelines and directives.

(3) In order to reduce County costs, the Contractor shall seek payment from all sources for services provided under this Contract consistent with the rules of the applicable payor, and further shall comply with all applicable provisions of the Welfare and Institutions Code (WIC) and/or California Code of Regulations (CCR) related to reimbursement by non-County and non-State sources, including, but not limited to, collecting reimbursement for services from clients (which shall be the same as patient fees established pursuant to WIC Section 5710) and from private or public third-party payers. In addition, Contractor shall ensure that, to the extent a recipient of services under this Contract is eligible for coverage under Medi-Cal or Medicaid or any other federal or State funded program, services provided to such eligible beneficiary are properly identified and reported in County's claims processing information system with properly designate funding sources.

(a) To the extent that the County determines Contractor has improperly reported services in the County's claims processing information system, including but not limited to incorrectly assigning services to particular funding sources, County in its discretion, may assess liquidated damages, per DMH Policy, Number To Be Determined (801.10), *Psychiatric Urgent Care Center Contract Reimbursement*.

(4) The Countywide Maximum Allowances (CMA) limitations shall not apply to eligible UCC services (i.e., Mode 10, Service Function Code 25) provided to a non-Medi-Cal or Medi-Cal beneficiary.

B. REIMBURSEMENT BASIS

(1) County agrees to reimburse Contractor for services rendered under this Contract to eligible clients during the term of this Contract based on the actual, allowable cost for the Initial Period, and any extension periods, as applicable, subject to all of the rules, regulations, and policies established by the County, State and/or federal governments regarding payment and reimbursement of services, and in accordance with the terms of this Contract.

(2) The total maximum amount that will be paid by County to Contractor under this Contract, including Cash Flow Advances if applicable, for the Initial Period, and any extension periods, shall be, in no event, more than the actual, allowable cost to provide UCC services stipulated in this Contract, for the Initial Period, any extension periods, respectively, of this Contract.

(a) Reimbursement for UCC services: Pursuant to the DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*, which is incorporated into this Financial Exhibit A by reference, reimbursement for UCC services shall be based on actual allowable cost consistent with the cost reimbursement methodology. As indicated in the policy, allowable costs only include those costs which are reasonable in amount, and which would be incurred by a prudent buyer of goods and services. As specified in DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*, Contractor shall submit, monthly, an invoice detailing the allowable actual cost related to the operation of the UCC and the provision of services as outlined in Contractor's most recent approved NP. Contractor shall continue to submit mental health units of service (UOS) data related to UCC services through the County's claims processing information system.

(b) Reimbursement for Start-up and Capital Improvements costs: Pursuant to the DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*, notwithstanding any other provisions of this Contract, Contractor may bill County for start-up costs. County may pay start-up costs to the Contractor for a limited time period to cover expenses associated with the implementation of a UCC as allowed by the funding source identified for the UCC.

(i) Such start-up costs and capital improvements may include an one-time cost for capital asset acquisitions and/or improvements associated with the facility(ies) of the UCC under this Contract. These expenses must be \$5,000 or greater and they shall be claimed in the fiscal year in which Contractor makes the purchase or improvement. These expenses may include: 1) construction or rehabilitation of the UCC facility(ies); 2) related "soft" costs for development of such facility(ies); and 3) other capital assets dedicated solely to the UCC implementation, as stated in Attachment II, Exhibit A -5 (CSS Expenditure Coding Guide for UCC Programs) of the Contract.

(c) County Payments: After Director's review and approval of a complete and accurate invoice, County shall make good faith efforts to make payments for services billed through the invoice as soon as possible, subject to the limitations and conditions specified in this Contract, but in any event, such payment will be made no more than thirty (30) calendar days after each submitted invoice is approved.

C. BILLING PROCEDURES

(1) UCC: Contractors shall, no later than the 15th of each month, submit an invoice for the monthly allowable and actual cost for the operation of the UCC for the previous month to the persons and at the address identified in Paragraph T (PAYMENT AND INVOICE NOTIFICATIONS) of this Financial Exhibit A. Said invoice shall be in a form as specified by the County, and will include an itemized accounting, as specified in the DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*, of all allowable costs incurred to operate the UCC. Contractor shall assign a unique invoice number to each invoice. In the event that the 15th of any month falls on a weekend or holiday, then the invoice shall be submitted by the last business day before the 15th.

(a) In addition to the monthly invoices, Contractor shall submit, to the persons and at the address identified in Paragraph T (PAYMENT AND INVOICE NOTIFICATIONS) of this Financial Exhibit A, an Annual Expenditure Report (AER) that summarizes and/or updates, if any, actual and allowable costs for the entire fiscal year as specified in the DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*. The AER is due no later than thirty (30) calendar days after the Annual Cost Report due date for the applicable fiscal year and may be used as the final invoice for the applicable fiscal year.

(2) If Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services are provided under this Contract, Contractor authorizes County to serve as the Mental Health Plan for State claiming and reimbursement of Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services and to act on Contractor's behalf with SDHCS in regard to claiming.

(3) Claims Certification and Program Integrity:

(a) Contractor hereby certifies that all UOS entered by Contractor into the County's claims processing information system and/or claims for actual costs submitted to County for any services covered by this Contract are true and accurate to the best of Contractor's knowledge.

(b) Contractor shall annually provide the additional certification set forth in the "Urgent Care Center Contractor Claims Certification for Title XIX Short-Doyle/Medi-Cal and Title XXI Medicaid Children's Health Insurance Program Reimbursements" (Exhibit A–

1 to this Attachment II) related to Contractor's compliance with specific State and federal statutory and regulatory requirements which are conditions for the reimbursement of Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP claims.

(4) Mental Health Services: UOS for all mental health services, including services funded by Title XIX Short-Doyle/Medi-Cal and Title XXI MCHIP but not including clients with private health insurance, shall be entered into County's claims processing information system within thirty (30) calendar days of the end of the month in which services are delivered, except as otherwise provided in this Paragraph C (BILLING PROCEDURES). For clients with private health insurance, Contractor must enter UOS within sixty (60) calendar days of the end of the month in which services are delivered, except as otherwise provided below.

(a) In the event that Contractor has a reasonable justification for not submitting UOS data within the time frame specified above, Contractor shall promptly, but in no event later than ten (10) business days after the timeline specified above, notify the Chief Information Office Bureau (CIOB), in writing, of the justification and remedy for the delay in submission of UOS in the County's claims processing information system, with a copy to Countywide Resource Management (CRM). County will determine whether a reasonable justification exists; if it does not, Contractor may be liable for liquidated damages, as specified in Paragraph D (4) below. If reasonable justification exists, Contractor shall submit (i) an initial or original (non-replacement) UOS data as soon as possible but for services under Title XIX Short-Doyle/Medi-Cal or under Title XXI MCHIP, no later than six (6) months after the end of the month in which the services were rendered, to the extent doing so would not preclude payment from a funding source; and (ii) replacement UOS data, if appropriate, for services under Title XIX Short-Doyle/Medi-Cal or under Title XXI MCHIP no later than nine (9) months after the end of the month in which the services were rendered, to the extent doing so would not preclude payment from a funding source.

(b) In addition to all other limitations provided in this Paragraph C (BILLING PROCEDURES), UOS for all services provided through June 30th of a given fiscal year under certain categorical funding, i.e., Assembly Bill (AB) 109 funding, Department of Children and Family Services funding, as specified in the approved NP, shall be entered into

the County's claims processing information system no later than July 15th of the subsequent fiscal year.

(c) In the event the State or federal government or any other funding source denies any or all UOS or claims submitted by County on behalf of Contractor, Contractor shall correct and resubmit/replace such UOS or claims within the time frame provided in Subparagraph (4) (a) of this Paragraph C (BILLING PROCEDURES).

(d) Notwithstanding the requirements in UOS specified in Subparagraph (4)(a) of this Paragraph C (BILLING PROCEDURES), Contractor shall, as soon as practicable, notify County of any delay in meeting the timeframe for submitting UOS specified in Subparagraph (4) of this Paragraph C (BILLING PROCEDURES) in the event Contractor is not able to make timely data entry into the County's claims processing information system due to no fault on the part of Contractor. Such Contractor notification should be immediate upon Contractor's recognition of the delay and must include a specific description of the problem that the Contractor is having with the County's claims processing information system. Notification shall be pursuant to the DMH Urgent Care Center Legal Entity Contract, Paragraph 8.34 (NOTICES), and such notification shall also be made by Contractor to the DMH CIOB's Help Desk with a copy to CRM.

(e) The County will notify Contractor in writing as soon as practicable of any County issue(s) which will prevent the entry by Contractor of UOS data into the County's claims processing information system, and County will waive the requirement of Subparagraph (4) of this Paragraph C (BILLING PROCEDURES) in the event of any such County issue(s). Once County has notified Contractor that its issues are resolved, Contractor shall enter billing information into the County's claims processing information system within thirty (30) calendar days of County's notice unless County and Contractor otherwise agreed to by County and Contractor to a different period, or pursuant to Subparagraph (i) below.

(i) To the extent that issues identified pursuant to Subparagraph (4) (e) of this Paragraph C (BILLING PROCEDURES) requires that Contractor modify its procedures for entering UOS into the County's claims processing information system, Contractor shall consult with County regarding a reasonable time required to implement such modifications and, upon approval by County, the thirty (30) calendar days required by

Subparagraph (4) (e) of this Paragraph C (BILLING PROCEDURES) shall be extended by the amount of time required to implement such modifications.

(f) County may modify the County's claims processing information system at any time in order to comply with changes in, or interpretations of, State or federal laws, rules, regulations, manuals, guidelines, and directives. County shall notify Contractor in writing of any such modification and the reason, if known, for the modification and the planned implementation date of the modification. To the extent that such modifications create a delay in Contractor submitting claims into the County's claims processing information system for a period of time, the timelines under this Paragraph C (BILLING PROCEDURES) shall be extended by the number of calendar days reasonably based on the time the system is inactive.

D. BILLING AND PAYMENT LIMITATIONS

(1) Provisional Payments: County payments to Contractor for performance of eligible services hereunder are provisional until the completion of the Annual Cost Report, AER, and all audits, as such payments are subject to future County, State, and/or federal adjustments to allowable costs. County adjustments to provisional payments to Contractor will be based upon the AER, annual cost report, and compliance reviews, and/or County, State, or federal audits, all of which take precedence over monthly claim reimbursements provided by County. County and Contractor acknowledge that the references in this Paragraph D (BILLING AND PAYMENT LIMITATIONS) represent examples only and are not intended, nor shall be construed, to represent all of the circumstances or conditions that may result in adjustments to provisional payments.

(2) Other Limitations for Certain Categorical Funding: In addition to all other limitations provided in this Paragraph D (BILLING AND PAYMENT LIMITATIONS), reimbursement for services rendered under certain funding sources may be further limited by rules, regulations and procedures applicable to that funding source. Contractor shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

(3) Contractor shall submit an NP and an updated NP as specified in DMH Notice, *Negotiation Package Submission Procedures*. Contractor shall compare its costs at least on a quarterly basis to Schedule 6-a (UCC Budget Schedule) of the approved NP, and shall

not exceed UCC Budget Schedule amount. Costs in excess of the UCC Budget Schedule amount which are not approved by County pursuant to DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*, will not be considered allowable.

(4) Recognizing that County will be damaged in the event that Contractor fails to meet certain obligations under this Contract, and further recognizing that the damages may be difficult to determine in some instances, Contractor agrees that County has the right to assess damages per DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement* based on the following:

(a) Contractor agrees that County has the right to assess liquidated damages under the following circumstances:

(i) Contractor Invoicing: Contractor fails to timely submit invoices as required by County;

(ii) Submission of Client Data: Contractor fails to timely input data related to services to all clients regardless of payor(s) in the County's claims processing information system without reasonable justification. In the case of Medi-Cal or MCHIP beneficiaries, if Contractor submits data in sufficient time to allow billing to Medi-Cal or MCHIP, only liquidated damages apply.

(iii) Designation of Funding Sources: Contractor improperly designates the funding source responsible for the client and corrects the error before the time to bill the funding source has lapsed; and

(iv) Default: County determines that Contractor is in default under the provisions of this Contract designated in DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*.

(b) Contractor agrees that County has the right to assess actual damages incurred under the following circumstances:

(i) Submission of Medi-Cal or MCHIP Data: Contractor fails to input data related to services to Medi-Cal or MCHIP beneficiaries in County's claims processing information system, or without good cause, such information is reported too late to allow timely claiming to Medi-Cal or MCHIP; and

(ii) Documentation: Contractor fails to ensure documentation of clinical work meets the minimum federal, State, and County written standards.

(c) Concurrent with any such action(s) specified in Subparagraph (4)(a) or (4)(b) of this Paragraph D (BILLING AND PAYMENT LIMITATIONS) and except in cases of alleged fraud or similar intentional wrongdoing or a reasonable good faith determination of impending insolvency, Director shall provide Contractor with written notice of the County's decision to take such action(s), including the reason(s) for the action, per DMH Policy Number 801.10, *Psychiatric Urgent Care Center Contract Reimbursement*.

(5) Expiration/Termination of Contract: Contractor shall have no claim against County for payment of any money, or reimbursement of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract or any part thereof. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

(6) Contract Compliance: Director, in his/her sole discretion and at any time and without prior written notice to Contractor, may take any necessary actions required to ensure that Contractor shall not be paid a sum in excess of the amount due to the Contractor under the terms and conditions of this Contract. Such actions may include, but are not limited to, denying all or in part the payment of any invoices, and/or demanding repayment from Contractor.

(7) Contractor agrees to hold harmless both the State and beneficiary in the event County cannot or will not pay for services performed by Contractor pursuant to this Contract.

E. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

(1) This Contract shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Contract, including, but not limited to, those contained in State's Budget Act.

(2) This Contract shall also be subject to any additional restrictions, limitations, or conditions imposed by the federal government which may in any way affect the provisions or funding of this Contract.

(3) In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in County contracts, County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action. Except as set forth in this Subparagraph (3) of this Paragraph E (LIMITATIONS OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS) and Subparagraph (3) of Paragraph F (CONTRACTOR'S REQUIREMENT FOR PAYMENT OF SERVICES BASED ON CLIENT ELIGIBILITY), the Contractor shall continue to provide all of the services set forth in this Contract.

(4) Notwithstanding any other provision of this Contract, County shall not be obligated for Contractor's performance hereunder or by any provision of this Contract during this or any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Contract in County's Budget for each such fiscal year. In the event funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. County shall notify Contractor of any such non-appropriation of funds at the earliest possible date.

F. CONTRACTOR'S REQUIREMENTS FOR PAYMENT OF SERVICES BASED ON CLIENT ELIGIBILITY

(1) Payment under this Contract is provided for the delivery of mental health services at a UCC to eligible beneficiaries identified in the SB82 Crisis Stabilization-UCC SOW and established in accordance with the requirements and restrictions imposed by each respective County, State and/or federal policies, guidelines, and regulations.

(2) Contractor shall not, in County's claims processing system, report services delivered to an eligible beneficiary for Medi-Cal to the Non-Medi-Cal Plan except in such cases when a client's eligibility for benefits is being established or determined at the time the report is made, when the client is eligible for Medi-Cal minor consent, or when DMH has given advance approval to use the Non-Medi-Cal Plan. Upon confirming that said client is approved for Medi-Cal benefits, Contractor shall void the original UOS for services provided on or after the effective date that Medi-Cal services became eligible for reimbursement, and replace/resubmit such UOS for Medi-Cal under the correct Plan. Similarly, where County determines that a service reported originally through the Non-Medi-Cal Plan was to a client approved for Medi-Cal, and so notifies Contractor, Contractor shall void the original UOS for services provided on or after the effective date that Medi-Cal services became eligible for reimbursement, and replace/resubmit such UOS for Medi-Cal under the correct Plan.

(3) Contractor shall be responsible for delivering services to clients to the extent that aggregate funding is in a County approved NP, except for special populations, not including County responsible clients, who have restricted sources of funding. Where Contractor determines that services to clients can no longer be delivered, Contractor shall provide thirty (30) calendar days prior written notice to County. Contractor shall thereafter refer clients to County or to another appropriate Contractor.

(a) Contractor shall not be required to provide the notice required under Subparagraph (3) of this Paragraph F (CONTRACTOR'S REQUIREMENT FOR PAYMENT OF SERVICES BASED ON CLIENT ELIGIBILITY) if the County reduces funding to the Contractor under Paragraph E (LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS) whether such reductions occur at the beginning or during a fiscal year. In addition, if County reduces or eliminates funding, or portion thereof,

Contractor shall not be responsible for continuing services for those clients served by such funding, or portion thereof.

G. CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN

(1) County and Contractor may by written amendment reduce programs or services. The Director shall provide fifteen (15) business days prior written notice of such funding changes to Contractor, including any changes in the amount of services to be received by County.

(2) Contractor shall be responsible for delivering and monitoring services so that Contractor can provide continued and uninterrupted quality services to eligible beneficiaries as specified in this Contract. Notwithstanding Subparagraph (1) of this Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN), if the County reasonably determines the Contractor will not meet expectations listed in Subparagraph (3), County may contact Contractor to discuss whether a corrective action plan (CAP) will be required. If County determines that a CAP is required, Contractor shall prepare such CAP. After receiving County approval of the CAP, Contractor shall implement its terms.

(3) Without limiting Contractor's obligations under this Contract, Contractor shall meet the following expectations:

(a) Contractor shall not deviate twenty-five (25) percent or more from its projected unique client count, UOS, or costs for UCC services based on a quarterly review of the approved NP schedules, including Schedule 6 (Budget) and Schedule 8 (Legal Entity Mental Health Service Plan), and Contractor's monthly invoice(s) and claiming data, unless it has advised County of such deviation and County has agreed that it is permissible.

(b) Contractor shall meet performance and/or outcome expectations that are specified in the Contract and/or any Service Exhibit, and/or are set forth in Department policies, guidelines, directives, and/or practice parameters.

(4) If a CAP is established pursuant to Subparagraph (2) of this Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN), and Contractor fails to comply with such CAP, County may implement options listed in subsections (a), (b), and/or (c) to safeguard County's mission to

ensure access to quality services for all client populations and to ensure the types of services and supports necessary to assist clients in achieving hope, wellness, and recovery.

(a) Restrict payment to Contractor of any amount above the amount agreed to in the NP.

(b) In the event that Contractor is operating at capacity as defined in the approved NP and Contract, clients will be redirected to other UCCs for services.

(c) Eliminate funding sources related to the deficiency within the Contractor's Contract and/or terminate the Contractor's Contract in its entirety for failure to meet performance and/or outcome expectations as specified in program service exhibit(s) and/or Department policies, guidelines, directives, and practice parameters.

(d) Changes that are based on one-time circumstances will be applicable to the current contract year only and shall not result in reductions (or increases) of funding in subsequent years, while changes that are based on clearly documented ongoing historical trends may result in ongoing reductions (or increases) of funding in subsequent years.

Prior to implementing options (a), (b), and/or (c) of Subparagraph (4), County shall provide fifteen (15) business days prior written notification to Contractor of County's intent to implement one or more such options. Such notification shall include an explanation of how the County reached the conclusion that Contractor is not meeting the expectations listed in Subparagraph (3) and copies of relevant data, such as but not limited to County information system reports used by County in making this decision, the nature and amount of proposed funding changes, and any proposed changes in the amount of services to be provided by Contractor.

(5) In the event Contractor believes that an adjustment under Subparagraph (4) of this Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN) is unjustified, Contractor may, within the fifteen (15) business days notice period, so notify the Director in writing, and request a meeting with County to review County's documentation. Any such meeting shall be held within thirty (30) calendar days of the initial written notification. If Contractor fails to meet with County in this period of time, and County has provided an opportunity to meet within that time period, Contractor is deemed to have waived its opportunity to meet with County

and accepts County recommended changes in funding and/or program/service delivery up to and including termination of the entire Contract.

If, after any such meeting, it is still determined that an adjustment under this Subparagraph (4) of Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES) is justified, the County shall take the appropriate action, as provided above. Director shall provide final prior written notice to Contractor of such action(s), including any changes in the amount of services to be received by County, and the determination of the Director will be final. Any such change in Contractor's Contract, including termination of the entire Contract shall be effected by an administrative amendment to this Contract issued by the Director.

The determination by the Director shall be effective upon the receipt of such final prior written notice by Contractor and the changes to funding and services shall be incorporated into this Contract as of the date of receipt. Contractor understands and agrees that funding may be reduced as a result of the adjustments authorized by this provision, and further acknowledges that County has relied upon this flexibility in establishing the funding for this Contract. By executing this Contract, Contractor specifically consents to the prospective adjustments set forth in this provision up to and including termination of the Contract.

H. LIMITATION ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM

(1) If, under this Contract, Contractor serves Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP clients, Contractor shall certify annually by submitting completed "Urgent Care Center Contractor Claims Certification for Title XIX Short-Doyle/Medi-Cal and Title XXI Medicaid Children's Health Insurance Program Reimbursements" (Exhibit A-1 to this Attachment II), no later than July 10 of each year, that all necessary documentation will exist at the time any claims for Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP are submitted by Contractor to County.

Contractor shall be solely liable and responsible for all service data and information submitted by Contractor.

(2) Contractor acknowledges and agrees that the County, in undertaking the processing of services, claims, and payment for services rendered under this Contract to Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP beneficiaries, does so as the Mental Health Plan for the State and federal governments.

(3) Contractor shall submit to County all Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP UOS or other State required service data within the time frame(s) prescribed by this Contract to allow the County to meet the timeframes prescribed by the State and federal governments.

(4) County, as the Mental Health Plan, shall submit to the State in a timely manner claims for Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services only for those services/activities identified and entered into the County's claims processing information system, as appropriate, which are compliant with State and federal requirements. County shall make available to Contractor any subsequent State approvals or denials of such claims within thirty (30) days of receipt thereof.

(5) Contractor shall comply with all written instructions provided to Contractor by Director, State or other applicable payer source regarding claiming and documentation.

(6) Nothing in this Paragraph H (LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM) shall be construed to limit Contractor's rights to appeal State and federal settlement and/or audit findings in accordance with the applicable State and federal regulations.

I. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

(1) Contractor shall comply with all County, State, and federal requirements and procedures relating to:

(a) The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with State guidelines and Welfare and Institutions Code Sections 5709 and 5710.

(b) The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicare, private insurance, or other third party coverage, and the collection, reporting, and deduction

of all patient/client and other revenue for patients/clients receiving services hereunder. Contractor shall pursue and report collection of all patient/client and other revenue.

(c) Contractor shall not charge the client's financial responsibility for a service to the Non-Medi-Cal Funded Program Amount.

(2) All fees paid by patients/clients receiving services under this Contract and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by Contractor only for the delivery of mental health service/activities specified in this Contract.

(3) Contractor may retain unanticipated revenue, which is not shown in Contractor's NP for this Contract, for a maximum period of one fiscal year, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Contract. Contractor shall report the expenditures for the mental health services/activities funded by this unanticipated revenue in the Annual Cost Report submitted by Contractor to County.

(4) Contractor shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

(5) Contractor may retain any interest and/or return which may be received, earned or collected from any funds paid by County to Contractor, provided that Contractor shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Contract.

(6) Failure of Contractor to report in all its claims and in its Annual Cost Report all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, all unanticipated revenue not shown in Contractor's NP for this Contract, and all interest and return on funds paid by County to Contractor, shall result in:

(a) Contractor's submission of a revised claim statement showing all such non-reported revenue.

(b) A report by County to SDHCS of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries.

(c) Any appropriate financial adjustment to Contractor's reimbursement.

J. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED

(1) The Cash Flow Advance (CFA), if approved by County, is an advance of funds to be repaid by Contractor through direct payment of cash and/or through the provision of appropriate services/activities under this Contract during the applicable period.

(2) For each month of each period of this Contract, County will reimburse Contractor based upon Contractor's actual allowable cost, in accordance with the terms of this Contract. However, for each month of the first two (2) months, of the Initial Term, the and any extension periods, Contractor may request in writing from County a monthly County General Fund CFA as herein described.

(3) CFA disbursement(s), if any, shall be part of the total maximum reimbursement, which is limited to the actual allowable cost as specified in Paragraph B (REIMBURSEMENT BASIS).

(4) CFA is intended to provide cash flow to Contractor pending Contractor's submission of invoices required by Subsection (1) of Paragraph C (BILLING PROCEDURES) for eligible services/activities, as identified in DMH Legal Entity Contract Paragraph 3.3 (DESCRIPTION OF SERVICES/ACTIVITIES) and SB82 Crisis Stabilization-UCC SOW, and County payment thereof. Contractor may request each monthly CFA only for such services/activities and only to the extent that there is no other reimbursement from any public or private sources for such services/activities.

(5) No CFA will be given if a Contractor has not been certified as an eligible Medi-Cal service provider unless otherwise agreed to by County.

(6) Cash Flow Advance Request Letter: For each month for which Contractor is eligible to request and receive a CFA, Contractor must submit to the County a letter requesting a CFA and the amount of CFA Contractor is requesting.

(a) In order to be eligible to receive a CFA, the letter requesting a CFA must be received by County on or before the 15th of that month (i.e., for the month of July 2014, the request must be received by July 15, 2014).

i. If the letter requesting CFA is received by the County from the Contractor after the 15th of the month, Contractor will not be eligible to receive a CFA for that month.

(b) The signed letter requesting a CFA must be sent via mail, fax or email (PDF file) to the Department of Mental Health Financial Services Bureau – Accounting Division, Provider Reimbursement Section (PRS).

i. PRS staff will determine whether Contractor is eligible to have its request considered based on the date the request letter is received by PRS and not the date on the request letter.

(c) Upon receipt of a request, Director, in his/her sole discretion, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

i. If a CFA is not approved, Director will notify Contractor within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, Contractor may, within fifteen (15) calendar days, request reconsideration of the decision.

(7) Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request:

For each of the first two (2) months of each period that this Contract is in effect, Contractor may request in writing from County a monthly County General Fund CFA. Contractor shall specify in its request the amount of the monthly CFA it is requesting, not to exceed 1/12th of UCC's budget as identified in the current and approved NP as of the specified month the CFA is requested.

(8) Recovery of Cash Flow Advances: If Contractor has received any CFA pursuant to this Paragraph J (CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED), then recovery of such CFA shall be made through County offsets to County payment(s) of Contractor's monthly approved claim(s) and/or invoice(s) as follows:

(a) County will initiate recovery of the CFA balance, if any, for a particular fiscal year in July following the close of such fiscal year. Such recovery is initiated through the Contractor's submission of invoices for actual and allowable cost of rendering appropriate services and activities. The determination to begin recovery of CFA balance in

July of the following fiscal year is based on the presumption that when a contractor is meeting its contractual levels, then the Contractor will have incurred appropriate and allowable cost for services/activities, subject to the limitations and conditions specified in this Contract, and submitted all invoices reflecting allowable actual cost by July 15 following the end of the fiscal year. In addition, Contractor will have entered such services/activities into the County's claims processing information system by July 30 following the end of the fiscal year.

(b) If at any time during the fiscal year, County determines that Contractor is not rendering services at a level that would meet the performance standard, County may initiate recovery of the CFA prior to July 1 of the following fiscal year. If County intends to initiate recovery of the CFA prior to July 1, County will give Contractor at least thirty (30) calendar days prior written notice, including the reason(s) for the intended actions. Contractor may, within fifteen (15) calendar days of the receipt of County's written notice, request reconsideration of the County's decision.

(c) Upon receipt and review of the AER, County will perform a reconciliation to determine if any of the CFA balance is owed to County. Contractor repayment of amounts owed shall be conducted as specified in Paragraph P (PAYMENT BY CONTRACTOR TO COUNTY) unless otherwise agreed to by County.

(9) Should Contractor request and receive CFA, Contractor shall exercise cash management of such CFA in a prudent manner.

K. ANNUAL COST REPORT AND AER

(1) For each fiscal year or portion thereof that this Contract is in effect, Contractor shall provide County with two (2) copies of an accurate and complete Annual Cost Report, along with a statement of expenses and revenue, and a Cost Report Certification. The statement of expenses and revenue and Cost Report Certification must be signed by a Contractor's executive official or designee, by the due date specified in Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER).

(a) If Contractor has multiple DMH contracts with the County under one Legal Entity, Contractor shall submit a single consolidated Annual Cost Report for all provider numbers used by the Legal Entity, and such report shall include information regarding the costs and services under this Contract.

(2) An accurate and complete Annual Cost Report shall be defined as a cost report which is completed to the best of the ability of Contractor on such forms or in such formats as specified by the County, is consistent with such instructions as the County may issue, and is based on the best available data.

(3) The Annual Cost Report will be comprised of a separate set of forms for the County and State based on the funding applicable to the fiscal year.

(4) The Annual Cost Report will be due on September 15th for the fiscal year ending on the previous June 30th or seventy-five (75) calendar days following the expiration or termination date of this Contract, whichever occurs earlier. Should the due date fall on a weekend, such report will be due on the following business day.

(a) Failure by Contractor to submit an Annual Cost Report within thirty (30) calendar days after the due date specified in above Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT) shall constitute a breach of this Contract.

i. In addition to, and without limiting, any other remedy available to the County for such breach, County may undertake any or all of the following to remedy such breach:

(A) In such instance that Contractor does not submit an Annual Cost Report by such thirty (30) calendar days after the applicable due date specified in Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER), then all amounts covered by the outstanding Annual Cost Report and paid by County to Contractor for the fiscal year for which the Annual Cost Report is (are) outstanding shall be due by Contractor to County. Contractor shall pay County according to the method described in Paragraph P (PAYMENT BY CONTRACTOR TO COUNTY). Such payments shall be submitted to the persons and at the address identified in Paragraph T (PAYMENT AND INVOICE NOTIFICATIONS).

(B) If this Contract is automatically renewed as provided in Paragraph 4 (TERM), then County may opt to suspend payments to Contractor under this Contract until the Annual Cost Report is submitted. County shall give Contractor at least fifteen (15) business days written notice of its intention to suspend payments hereunder, including the reason(s) for its intended action. Thereafter, Contractor shall have fifteen (15) business days either to submit the Annual Cost Report, or to request reconsideration of the

decision to suspend payments. Payments to Contractor shall not be suspended during said fifteen (15) business days provided to correct the deficiency or, if reconsideration is requested, pending the results of the reconsideration process.

(b) Failure by the Contractor to submit an Annual Cost Report by the due date specified in Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER) will result in damages being sustained by the County. County and Contractor agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to submit its Annual Cost Report to the County under this Paragraph K (ANNUAL COST REPORT AND AER). The County and Contractor hereby agree that a reasonable estimate of said damages is \$100 per day for each day that the Contractor fails to submit to the County by the due date.

i. Liquidated damages shall be assessed separately on each outstanding Annual Cost Report.

ii. Liquidated damages shall be assessed commencing on September 16th or on the seventy-sixth (76th) day following the expiration or earlier termination of this Contract and shall continue until the outstanding Annual Cost Report is received.

iii. Upon written request from the County, Contractor shall, within thirty (30) calendar days of the date of the written request, submit to the County payment for said damages. Said Payment shall be submitted to the persons and at the address identified in Paragraph T (PAYMENT AND INVOICE NOTIFICATIONS).

iv. Contractor may ask that liquidated damages not be assessed by sending a written request for an extension to submit the Annual Cost Report to the Director no later than thirty (30) calendar days prior to the due date specified in this Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER). The decision to grant an extension without assessing liquidated damages in accordance with Subparagraph (4) (b) of this Paragraph K (ANNUAL COST REPORT AND AER) shall be at the sole discretion of the Director.

(5) Each Annual Cost Report shall be prepared by Contractor in accordance with the Centers for Medicare and Medicaid Services' Publications #15-1 and #15-2; "The Provider Reimbursement Manual Parts 1 and 2," the State's Cost and Financial Reporting

System (CFRS) Instruction Manual; and any other written guidelines that shall be provided to Contractor at the Cost Report training, to be conducted by County on or before June 30 of the fiscal year for which the Annual Cost Report is to be prepared.

(a) Attendance by Contractor at the County's Cost Report Training is mandatory.

(b) Failure by the Contractor to attend the Cost Report Training shall be considered a breach of this Contract that will result in damages being sustained by the County. County and Contractor agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to attend the Cost Report Training. County and Contractor hereby agree that a reasonable estimate of said damages is \$100 per occurrence. Therefore, County may, in its sole discretion, assess liquidated damages in the amount of \$100 for Contractor's non-attendance at the Cost Report Training. Said Payment shall be submitted to the persons and at the address identified in Paragraph T (PAYMENT AND INVOICE NOTIFICATIONS).

(6) Upon written notification from the Director that its Annual Cost Report contains errors or inaccuracies, Contractor shall, within thirty (30) calendar days, correct such errors and inaccuracies and resubmit its Annual Cost Report.

(a) If Contractor fails to correct inaccuracies in Annual Cost Report within thirty (30) calendar days after receipt of written notification from the Director and said inaccuracies result in the loss of reimbursement to County for claimable amounts that were paid to Contractor, Contractor must pay County the amount of lost reimbursement that County could have claimed if the inaccuracy was corrected by Contractor.

(7) Contractor shall be solely responsible for any loss incurred by County due to Contractor's failure to comply with County and State cost report requirements.

(8) The AER will be due 30 calendar days after the Annual Cost Report due date for the applicable fiscal year or 90 days following the expiration or termination date of this Contract, which occurs earlier.

(a) Upon review and approval of the AER, County will reconcile the AER with total payments to Contractor for UCC services. County will issue an interim settlement, as specified in Paragraph M (INTERIM SETTLEMENT), with the Contractor for the

allowable cost of such UCC services, as certified in the Annual Cost Report and reflected in the AER.

(i) If an amount is owed to County, Contractor will issue payment to County consistent with Paragraph P (PAYMENT BY CONTRACTOR TO COUNTY).

L. OTHER REQUIREMENTS FOR CONTRACTORS PROVIDING TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM SERVICES

(1) Contractor shall maintain records documenting all Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services in compliance with the terms of Paragraph 8.38 (RECORD RETENTION AND INSPECTION AUDIT SETTLEMENT) of the Contract.

(2) Contractor shall complete and certify, in accordance with State and County instructions, and provide DMH with two (2) copies of an accurate and complete Specialty Mental Health Services (SMHS) Reconciliation Report, also referred to as Title XIX Short-Doyle/Medi-Cal Reconciliation Report, by the due date set by the State for the applicable fiscal year. If Contractor also provides specialty mental health services pursuant to any other contract with County, a single SMHS Reconciliation Report covering all contracted services shall be filed.

(a) Should Contractor fail to provide County with the SMHS Reconciliation Report by the due date, then Director, in his/her sole discretion, shall determine which State approved Short-Doyle/Medi-Cal services shall be used by County for completion of the SMHS Reconciliation Report.

(b) Contractor shall hold County harmless from and against any loss to Contractor resulting from the Contractor's failure to provide County with the SMHS Reconciliation Report and County's subsequent determination of which State-approved Short Doyle/Medi-Cal services to use for completion of the SMHS Reconciliation Report for the Contractor.

M. INTERIM SETTLEMENT

Subsequent to the County's filing of the Annual Cost Report on behalf of the Contractor, County shall settle with Contractor on an interim basis only if sufficient funds are available. Interim Settlement is County's settlement process based on

the Contractor's submitted Annual Cost Report and AER. It will equal the difference between the Contractor's eligible costs for reimbursement under the Contract and the total year-to-date payments Contractor has already received, including any Cash Flow Advances. This Interim Settlement amount is provisional and may be subject to adjustment based on the Annual Cost Report Reconciliation and Settlement, and SD/MD Audit and Post-Audit Settlement outcomes.

- (1) PAYMENTS: The Interim Settlement process may result in either County owing Contractor or Contractor owing County payments. The payment is determined by the Interim Settlement process, whereby the County will calculate the difference between the Contractor's eligible costs for reimbursement under the Contract and as submitted per the Annual Cost Report and AER, and the total year-to-date payments Contractor has already received, including any Cash Flow Advances.
- (2) PAYMENT BY COUNTY TO CONTRACTOR:
 - (a) Payment Amount: In addition to the amounts paid to Contractor for services, including services to Medi-Cal beneficiaries and/or MCHIP enrollees, under the Contract, County will calculate an interim settlement payment owed to Contractor and provide Contractor with written notification of the amount owed to Contractor.
 - (b) Funding: The payment amount may be composed of County, federal, and/or State funds. County will use the funds owed to Contractor to reduce any other amounts owed to County.
 - (c) Timing of Payment: If no other funds are owed to County, County will pay Contractor within 30 days of notification of interim settlement amounts.
- (3) Contractor may, by a written notice to the County within 30 days of execution of this amendment, ask to review the County's Interim Settlement

results.

- (a) County will review the County Interim Settlement results with Contractor within 30 days of receipt of request.
- (b) County will follow up with a written response within 30 days following review of the results, if needed.”

N. SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT

- (1) Based on the Annual Cost Report(s) submitted pursuant to Paragraph K (ANNUAL COST REPORT AND AER) and the most updated State Medi-Cal approvals and County claims information, at the end of each fiscal year or portion thereof that this Contract is in effect, the State and County will perform an SMHS Reconciliation and Settlement.
 - (a) Upon initiation and instruction by the State, County will begin the SMHS Reconciliation process with Contractors.
 - (b) County will perform settlement upon receipt of State Reconciliation Settlement to the County.
- (2) Such reconciliation and settlement will be subject to the terms and conditions of this Contract and any other applicable State and/or federal statutes, regulations, policies, procedures and/or other requirements pertaining to cost reporting and settlements for Title XIX Short-Doyle/Medi-Cal and Medi-Cal Administrative Activities, and Title XXI MCHIP, and other applicable federal and/or State programs.
- (3) County shall issue its SMHS Reconciliation Settlement results no later than 180 calendar days after the receipt by County from the State of the State’s Cost Report Settlement package and payment for a particular fiscal year.
 - (a) As part of its SMHS Reconciliation Settlement, County shall identify any amounts due to Contractor by the County or due from the Contractor to the County.

- (b) Upon issuance of the County's SMHS Reconciliation Settlement results, Contractor may, within 30 calendar days, submit a written request to the County for review of the SMHS Reconciliation Settlement results.
 - i. Upon receipt by County of the Contractor's written request, the County shall, within 30 calendar days, meet with the Contractor to review the SMHS Reconciliation Settlement results and to consider any documentation or information presented by the Contractor. Contractor may waive such meeting and elect to proceed based on written submission at its sole discretion.
 - ii. Within 30 calendar days of the meeting specified above in Subparagraph (4) (i) of this Paragraph N (SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT), County shall issue a response to the Contractor including confirming or adjusting any amounts due to Contractor by the County or due from Contractor to the County.
- (4) In the event that the SMHS Reconciliation Settlement indicates that the Contractor is due payment from the County, County shall initiate the payment process to Contractor within 30 calendar days following the expiration of the date to request a review as specified above in Subparagraph (3) (b) of this Paragraph N (SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT) or issuance of the County response as specified above in Subparagraph (4) (b) (ii) of this Paragraph N (SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT), whichever is later.
- (5) In the event that the SMHS Reconciliation Settlement indicates that the Contractor owes payment to the County, Contractor shall make payment to the County in accordance with the terms of Paragraph P (PAYMENTS BY

CONTRACTOR TO COUNTY). Said payment shall be submitted to the persons and at the address identified in Paragraph T (PAYMENT AND INVOICE NOTIFICATIONS).

**O. AUDITS, AUDIT APPEALS AND POST-AUDIT APPEAL
SHORT-DOYLE/MEDI-CAL (SD/MC) SETTLEMENT**

(1) At any time during the term of this Contract or after the expiration or termination of this Contract, in accordance with State and federal law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the County, State or federal governments may conduct an audit of Contractor regarding the services/activities provided under this Contract.

(2) Settlement of audit findings will be conducted according to the auditing party's procedures in place at the time of the audit.

(3) Post-Audit SD/MC Settlement: In the case of a State Short-Doyle/Medi-Cal (SD/MC) audit, the State and County will perform a post-audit SD/MC settlement based on State audit findings. Such settlement will take place when the State initiates its settlement action, which customarily is after the issuance of the audit report by the State and before the State's audit appeal process.

(4) County may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit for UCC services.

(a) Contractor shall provide all applicable documentation as requested by County, if County decides to appeal any such audit disallowances.

(b) For federal audit exceptions, federal audit appeal processes shall be followed.

(c) County may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. County shall notify Contractor of State appeal deadlines after County's receipt of information from State in order to coordinate receipt of applicable documentation.

(5) County Audits: Should County be the auditing party, Contractor will have thirty (30) calendar days from the date of the audit report within which to file an appeal with County. The letter providing the Contractor with notice of the audit findings shall indicate the persons and address to which the appeal should be directed. County shall consider all

information and arguments provided by Contractor with its appeal, and will issue its decision on the appeal after such consideration. Such decision is final. County will issue an invoice for any amount due County fifteen (15) calendar days after County has notified Contractor of the County's audit appeal findings. Contractor shall make payment to the County in accordance with the terms of Paragraph P (PAYMENT BY CONTRACTOR TO COUNTY). Said payment shall be submitted to the persons and at the address identified in Paragraph T (PAYMENT AND INVOICE NOTIFICATIONS).

P. PAYMENT BY CONTRACTOR TO COUNTY

(1) Payment Amount: In the event that it is determined that the Contractor owes County under this Contract as the result of the CFA Reconciliation, Interim Settlement based on Cost Report/AER, SMHS Reconciliation and Settlement, SD/MC Audit and Post-Audit Settlement processes, and/or any other audits, Contractor agrees to pay County the sum owed to County upon a written notification by County. County first shall offset this amount against any other amount owed to Contractor. If there is a remaining amount owed to County, Contractor will pay County using one or more of the options provided below by notifying County within ten (10) business days of receipt of County's written notification:

- (a) Paid in one cash payment by Contractor to County;
- (b) Paid by cash payment(s) by Contractor to County over a period not to exceed twelve (12) months;
- (c) A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:
 - i. Paid by cash payments(s) or deducted from future claims.
- (d) Use of in-kind services; or
- (e) A combination of any or all of the above to run concurrently, but up to and not to exceed six (6) consecutive years.

(2) If Contractor does not so notify County within such ten (10) business days as stated in Paragraph P. PAYMENT BY CONTRACTOR TO COUNTY, (1) Payment Amount, above, or if Contractor fails to make payment of any such amount to County as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by County for recovery of such amount from Contractor.

(3) In-Kind Services: This Contract considers the repayment of settlement amounts owed from Contractor to the County through the provision of in-kind services. As such, County and Contractor agree to the following terms and conditions:

(a) The term of the in-kind repayment may be for up to and not to exceed six (6) years from the execution of this Contract as amended.

(b) No payment of any kind will be made by County to Contractor for such in-kind services provided under this Contract.

(c) In-kind services from Contractor will be valued at the hourly rate of Contractor's staff assigned to a DMH Directly Operated facility or otherwise specified by the Director, to perform the in-kind service. The hourly rate should be the higher of whatever the County pays for a compatible service or Contractor's rate. If Contractor's hourly rate is used, it will be verified according to Contractor's payroll records. Contractor shall not include costs and units of service for such staff while performing in-kind services to County on its year-end cost report.

(d) County will assign a contract program monitor, or designate, to oversee the in-kind repayment of services by Contractor's staff in a DMH Directly Operated facility or as otherwise specified by the Director. County's contract program monitor, or designate, will oversee Contractor's staff.

(e) County and Contractor agree that the in-kind services to be performed under this Contract will consist of appropriate clinical services as specified by the Director or his designee within mutually agreed upon service areas. This includes the type and qualification of staff to be assigned to such Directly Operated facilities to perform the in-kind services.

(f) County's contract program monitor has the discretion to terminate the in-kind services based upon work performance issues associated with the Contractor's staff performing the in-kind services.

(g) County's contract program monitor may ask for a Corrective Action Plan which may include, but not be limited to, recommending a new repayment option for the Contractor which may include:

i. Paid in cash by Contractor to County over a period not to exceed three (3) months;

ii. Deducted from future claims over a period not to exceed three (3) months;

iii. A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:

1) Paid in cash payment(s) or deducted from future claims.

iv. Any combination of the above, not to exceed a total of six (6) consecutive years from the date of the original repayment plan under this Contract as amended.

(h) County will notify Contractor of the need for a Corrective Action Plan in writing.

i. If upon receipt of such written notice, Contractor does not provide the County with a written Corrective Action Plan within ten (10) business days, then Director, in his sole discretion, shall determine which of the four (4) payment options shall be used by County for recovery of amount owed by Contractor.

(i) Contractor will report the units of service delivered under the in-kind service arrangement in a format specified by County no later than the tenth calendar day of the month following the month of service. If the tenth calendar day of the month falls on a weekend or a County recognized holiday, the report is due the following business day.

(4) Under special circumstances, Contractor may request in writing an extension of the payment period beyond the six (6) - year extension period referenced in Paragraph P. PAYMENT BY CONTRACTOR TO COUNTY, (1) Payment Amount, (c) – extended repayment plan option.

(a) Director in his sole discretion may approve Contractor's request.

(5) Administrative Fee: A monthly administrative fee may be assessed for any Contractor repayment plan beyond 12 months;

(a) The fee assessed shall be a flat monthly amount based on the amount owed to County and the term of the repayment period at the time of the request.

(b) The amount of the fee will be determined by County at the time of Director's approval of Contractor's request, and shall be paid by Contractor to County with the monthly payment until Contractor pays County in full.

(6) Contractor may make additional cash payments to County at any time.

(7) If SMHS Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes results in money owed to Contractor by County, such amount(s) shall be offset from the balance owed to County.

(8) Contractor shall ensure that no current-year County funding is used to pay prior years' liabilities and that the County offset is absorbed by revenues, donations, and/or other sources of funds.

(9) Notwithstanding any other provision of this Contract as amended, in the event that County determines that Contractor has failed to make the payment to County as described in Paragraph P. PAYMENT BY CONTRACTOR TO COUNTY, and that there is no current written contract between County and Contractor for mental health services so that no amounts are due by County to Contractor from which the withhold/offset described in Paragraph P. PAYMENT BY CONTRACTOR TO COUNTY, can be made, then the total outstanding amount, as determined by County, shall be immediately due and payable by Contractor to County. Contractor shall repay County by cash payment upon demand."

Q. FINANCIAL SOLVENCY

Contractor shall maintain adequate provisions to meet the solvency/working capital criteria specified in DMH Policy 812.03, *Financial Responsibility Requirements for Existing DMH Contractors*.

R. COUNTY AND CONTRACTOR REQUESTED CHANGES

(1) If Contractor desires any change in the terms and conditions of this Contract, Contractor shall request such change in writing prior to March 1st of the fiscal year for which the change would be applicable, unless otherwise agreed to by County.

(a) All changes requested by Contractor shall be made by an amendment pursuant to DMH Legal Entity Contract Paragraph 8.1 (AMENDMENTS).

(b) After requesting any change, Contractor shall submit a Mid-Year Change to the last approved NP, which must be approved by the Director as specified in DMH Notice, *Negotiation Package Submission Procedures*.

(2) If County requires changes per options specified in Paragraph G (CONTRACTOR'S RESPONSIBILITY TO MONITOR SERVICE PLAN), Contractor must submit a Mid-Year Change to the last approved NP as specified in DMH Notice, *Negotiation Package Submission Procedures*.

(3) If County requires changes per Paragraph E (LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS), Contractor must submit a Mid-Year Change to the last approved NP as specified in DMH Notice, *Negotiation Package Submission Procedures*.

(4) If County and Contractor agree to make a funding and/or service plan change relevant to this Contract, Contractor must submit a Mid-Year Change to the last approved Negotiation Package as specified in DMH Notice, *Negotiation Package Submission Procedures*.

S. SURVIVAL: MODIFICATIONS TO PROGRAM BUDGET AND FINANCIAL EXHIBIT

- (1) Due to the length of the State reconciliation and audit processes, County and contractor acknowledge that the final determination of the amounts that may be owed by the Parties to each other will occur during First and/or Second Optional Extension Period as described in Legal Entity Contract, Paragraph 4(TERM) and/or after the expiration or termination of Contract. Therefore, the parties agree that all provisions of Contract related to effectuating payment, including, but not limited to, provisions related to cost reporting, settlement, and audit, including such provisions in Exhibit A, Financial Provisions, survive the First and/or Second Optional Extension Period as described in Legal Entity Contract, Paragraph 4 (TERM) and/or expiration or termination of Contract. This Paragraph S shall not be interpreted to imply that other provisions of Contract do not survive its expiration, if the Parties intent, as demonstrated by language, circumstances, law, or practice, is that the provision should survive.

- (2) To maximize the use of federal and State funding for Medi-Cal services, Contractor, within 30 calendar days after the Annual Cost Report due date for the applicable fiscal year, may submit in writing a request to shift and/or increase funds on Schedule 6-a (UCC Budget Schedule). Such shifting and/or increase of funds request shall reflect maximization of federal and other funding based on Contractor's complete and accurate Annual Cost Report submitted in accordance with Paragraph K (ANNUAL COST REPORTS) and in accordance with terms and limitations set forth in DMH Policy, Shifting Guidelines for the Legal Entity Contract. To the extent that County approves the shifting of funds request, such approval shall be in the form of an approved Negotiation Package, including Schedule 6-a (UCC Budget Schedule). In addition, the Director, at his/her sole discretion, may propose and, with the Contract of Contractor, (a) to modify the distribution of funds identified for each Funded Program as shown on the Schedule 6-a (UCC Budget Schedule); (b) to change, including increase, the amount of federal or State funds on the Schedule 6-a (UCC Budget Schedule); or (c) to increase the Program Budget (Schedule 6-a, UCC Budget Schedule) to include additional federal or State funds for Medi-Cal services, but only to the extent that such increase is necessary for Contractor to be reimbursed for otherwise uncompensated care. Such modification may be executed during First and/or Second Optional Extension Period as described in Legal Entity Contract, Paragraph 4 (TERM) and/or after the Contract has expired or terminated and shall be effective irrespective of whether the Contract is in the Optional Extension Period or has expired or terminated.

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T. PAYMENT AND INVOICE NOTIFICATIONS

(1) Contractor shall submit all Invoices, including any supporting documentation, to the following:

County of Los Angeles Department of Mental Health
Financial Services Bureau – Accounting Division
550 S. Vermont Avenue, 8th Floor
Los Angeles, CA 90020
Attn: Provider Reimbursement Section

(2) Contractor shall submit all remittances and payments for amounts due to the County under this contract to the following:

County of Los Angeles Department of Mental Health
Financial Services Bureau – Accounting Division
550 S. Vermont Avenue, 8th Floor
Los Angeles, CA 90020
Attn: Cash Collections Section

DMH UCC CONTRACT
EXHIBIT A-1COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH CONTRACTOR CLAIMS
CERTIFICATION FOR TITLE XIX SHORT-DOYLE MEDI-CAL and TITLE XXI MEDICAID CHILDREN'S
HEALTH INSURANCE PROGRAM REIMBURSEMENTSLegal Entity: Exodus Recovery, IncLegal Entity Number: 00527Claims for services/activities with dates of services: July 1, 2018 through June 30, 2019.

I HEREBY CERTIFY under penalty of perjury that I am the official responsible for the administration of the mental health services in and for said claimant; that the amounts for which reimbursement will be claimed for Medi-Cal and Medicaid Children's Health Insurance Program (MCHIP) services to be rendered during the above indicated fiscal year and to be claimed to the County of Los Angeles Department of Mental Health will be in accordance with the terms and conditions of the Legal Entity Agreement; and that to the best of my knowledge and belief each claim will be in all respects true, correct, and in accordance with State and federal law and regulation. I agree and shall certify under penalty of perjury that all claims for services to be provided to county mental health clients will be provided to the clients by this Legal Entity. The services will be provided in accordance with the client's written treatment plan. I agree and shall certify under penalty of perjury that no services will be submitted for the contractor nor any of its staff members who is restricted, excluded, and/or suspended from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part. This certification covers staff members who are directly included on the claim or any staff member whose time is included on the claim, but whose identifying Name and National Provider ID are not included if they were a co-practitioner in the service. This Legal Entity also certifies that all information submitted to the County Department of Mental Health will be accurate and complete. I and this Legal Entity understand that payment of these claims will be from County, State and federal funds, and any falsification or concealment of a material fact may be prosecuted under federal and/or State laws. The Legal Entity agrees to keep for a minimum period of as specified in its Legal Entity Agreement with County a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. The Legal Entity agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the County of Los Angeles Department of Mental Health, California Department of Health Care Services, the Medi-Cal Fraud Unit, California Department of Justice, Office of the State Controller, U.S. Department of Health and Human Services, or their duly authorized representatives. The Legal Entity also agrees that services will be offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.

FURTHER, I HEREBY CERTIFY under penalty of perjury to the following: An assessment of the beneficiary will be conducted in compliance with the requirements established in the County's Mental Health Plan (MHP) contract with the California Department of Health Care Services (State DHCS). The beneficiary will be determined to be eligible to receive Medi-Cal services at the time the services are provided to the beneficiary. The services to be included in the claims during the above indicated period will actually be provided to the beneficiary. Medical necessity will be established for the beneficiary as defined under Title 9, California Code of Regulations, Division 1, Chapter 11, for the service or services to be provided, for the timeframe in which the services will be provided. A client plan will be developed and maintained for the beneficiary that meets all client plan requirements established in the County's MHP contract with the State DHCS. For each beneficiary with day rehabilitation, day treatment intensive, or EPSDT supplemental specialty mental health services to be included in the claim during said period, all requirements for payment authorization for day rehabilitation, day treatment intensive, and EPSDT supplemental specialty mental health services will be met, and any reviews for such service or services will be conducted prior to the initial authorization and any re-authorization periods as established in the County's MHP contract with the State DHCS.

Date: _____ Signature: _____

Executed at _____, California

I CERTIFY under penalty of perjury that I am a duly qualified and authorized official of the herein Legal Entity claimant responsible for the examination and settlement of accounts. I further certify that this Legal Entity claimant will provide from the eligible designated funds in the Financial Summary of the Legal Entity Agreement with County, the local share of payment for Short-Doyle/Medi-Cal and/or MCHIP covered services to be included in the claims to be submitted to County during the above referenced period in order to satisfy matching requirements for federal financial participation pursuant to the Title XIX and Title XXI of the Social Security Act.

Date: _____ Signature: _____

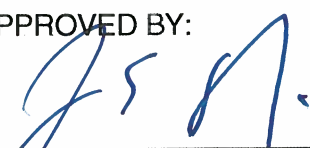
Executed at _____, California

Please forward the completed form to the Department of Mental Health (DMH):

Los Angeles County – Department of Mental Health
Attn: Contract Development and Administration Division
550 S. Vermont Ave., 5th Floor, RM 500
Los Angeles, CA 90020



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APPROVED BY:  Director	SUPERSEDES N/A	ORIGINAL ISSUE DATE 07/17/2017	DISTRIBUTION LEVEL(S) 1, 2

PURPOSE

- 1.1 To establish the guidelines and parameters for a cost-based payment structure for Los Angeles County Department of Mental Health (LACDMH) Legal Entities (LE) that operate Crisis Stabilization Units (CSUs), also referred to as psychiatric Urgent Care Centers (UCCs), in the County of Los Angeles (County). Throughout this policy, the term "UCC" will be used to mean CSU.

DEFINITION

- 2.1 **Annual Expenditure Report (AER):** A summary of actual payments of a cost-based UCC for a given fiscal year.
- 2.2 **Cash Flow Advance:** Disbursement amounts from County General Fund to a LE for purposes of providing cash flow pending the rendering, billing, and processing of claims for eligible services/activities. Such amounts are to be repaid by the LE, generally using amounts owed by the County or earned by Contractor for services rendered.
- 2.3 **Chair:** Comfortable furniture authorized by LACDMH for use in the UCC for clients admitted for treatment. The chair is able to recline to allow clients to rest comfortably during their stay in the UCC.
- 2.4 **Contractor:** A LACDMH contracted agency responsible for services identified in the LE Agreement.
- 2.5 **Cost Report:** A State of California required report for the Medi-Cal Program. The Annual Cost Report contains actual cost, revenue, and statistical information used to determine cost reimbursement for LE Mental Health Services Providers.
- 2.6 **Crisis Stabilization:** A service described in California Code of Regulations (CCR) Title 9 Section 1810.210 (Authority 1) lasting less than 24 hours, to or on behalf of a client for a condition that requires more timely response than a



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regularly scheduled visit. Service activities include, but are not limited to, one or more of the following: assessment, collateral, and therapy. Crisis stabilization is distinguished from crisis intervention by being delivered by providers who meet the crisis stabilization contact and site requirements, CCR Title 9 Section 1840.338 (Authority 2) and staffing requirements, CCR Title 9 Section 1840.348 (Authority 3).

- 2.7 **DMH Provider Reimbursement Section (PRS):** A unit within LACDMH Financial Services Bureau responsible for reimbursement of rendered services.
- 2.8 **Fiscal Year (FY):** A 12-month budget and financial reporting period. The FY for LACDMH begins on July 1 and ends on the following June 30.
- 2.9 **Legal Entity (LE):** A corporation, partnership, or agency providing specialty mental health services under contract with LACDMH, exclusive of individual or group providers, Fee-For-Service/Medi-Cal hospitals or psychiatric nursing facilities, CCR Title 9 Section 1840.100(c). (Authority 4)
- 2.10 **LACDMH Program Manager:** A manager responsible for monitoring administrative, fiscal, and clinical operations of an LACDMH mental health program.
- 2.11 **LACDMH Program Staff:** A staff responsible for monitoring the day-to-day operations of a mental health program within LACDMH.
- 2.12 **Maximum Capacity:** The maximum number of clients each UCC can treat at any one time. This maximum client capacity is specified on the Medi-Cal certification issued to UCC.
- 2.13 **Mode of Service:** A classification of service types used in the Client and Services Information System and for Cost Reporting. This allows any mental health service recognized by LACDMH to be grouped with similar services.
- 2.14 **Program Budget:** Schedule 6-A of DMH LE Agreement, Negotiation Package (Attachment 1), which is a set of anticipated costs and revenues for a particular funded program or a particular provider clinic/site for an entire FY.



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- 2.15 **Service Function Code (SFC):** Numeric billing codes used to identify a service or service category within a Mode of Service.
- 2.16 **Start-up Costs:** A set of expenses allowed under a specific funding source(s) typically granted for a period of up to three months and intended to assist a contractor in fully implementing a funded program.
- 2.17 **Urgent Care Center (UCC):** An outpatient program that provides, for up to 24 hours, intensive crisis services composed of immediate care and linkage to community-based services and supports for individuals who would otherwise be brought to emergency rooms. UCCs must be Medi-Cal certified to provide crisis stabilization services, including integrated services for co-occurring substance abuse disorders and must be Lanterman-Petris-Short designated to evaluate and treat individuals involuntarily detained pursuant to Welfare and Institutions Code, Sections 5150 and 5585. (Authority 5)

POLICY

- 3.1 To the extent that reimbursement for UCC services provided by a LE is cost-based and the services are provided under a contract without a maximum contract amount, LACDMH shall ensure that the costs submitted for reimbursement are reasonable and allowable under applicable funding plans and monitored on a regular and ongoing basis.
- 3.2 The provisions regulating cost reimbursement procedures and cost report and settlement requirements shall be contained in the LACDMH LE Agreement, Financial Exhibit A. This policy contains the guidelines for implementation of the contract provisions.

PROCEDURE

- 4.1 Negotiation Package and Program Budget Approval
- 4.1.1 By May 1st, before the commencement of a new FY, or prior to the commencement of a new contract, contractor shall submit a Schedule 6-A of the LE Agreement (Program Budget in the Negotiation Package). The Program Budget shall be based upon the UCC's Maximum



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Capacity. LACDMH reserves the right to review the Negotiation Packages (NPs), including the Program Budget, for accuracy and reasonableness, and approve or reject NPs or Program Budgets, including providing instructions for remedying any rejected NPs or Program Budgets.

4.1.2 Program Budget Requirements

4.1.2.1 The anticipated annual program costs in the Program Budget shall be developed using the UCC's Maximum Capacity. The Program Budget shall reflect all direct and indirect costs needed to appropriately cover peak service times. Contractor is required to make every attempt to stay within the approved initial amount. To the extent possible, contractor shall, in preparing the Program Budget, account for possible price fluctuations and build in reasonable contingencies to prevent exceeding the approved Program Budget. Further, LACDMH may assess financial consequences when contractor, as instructed by LACDMH Program Staff, does not take reasonable steps to ensure program costs are minimized when the UCC is not able to operate at Maximum Capacity for extended periods of time.

- County may pay start-up costs to a contractor for a limited time period to cover expenses associated with the implementation of a UCC. Allowable start-up costs will be determined by the funding source(s) identified in the contract.

NOTE: IN INSTANCES WHERE A NEW UCC CONTRACT IS BEING ESTABLISHED AND A THIRD PARTY FUNDING SOURCE DOES NOT ALLOW A CONTRACTOR TO CLAIM FOR CERTAIN START-UP EXPENSES THAT THE COUNTY WOULD ALLOW, THE COUNTY MAY, AT ITS SOLE DISCRETION, DETERMINE WHETHER TO PAY START UP EXPENSES, USING OTHER FUNDS.



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- In no event shall a contractor increase or reduce the number of chairs that have been authorized for use in the initial Program Budget without first submitting a written request to the LACDMH Program Manager detailing the reasons for a modification, and receiving written approval from the LACDMH Program Manager for the modification.
- Contractor may only submit requests for changes in staff salary and benefit rates, including amounts paid in salary and bonuses to its executive management, at the beginning of each FY. Requests are subject to review and approval based on the availability of funds and inflation factors.

4.1.3 Program Budget Modifications

4.1.3.1 It is the contractor's responsibility to ensure it maintains policies and procedures to monitor its Program Budget and spending to effectively operate the UCC. If at any point during the FY, contractor discovers that ongoing FY costs will exceed the total for either the direct or indirect categories of the approved Program Budget, contractor shall immediately submit a written notice to the LACDMH Program Manager of the potential of exceeding the approved Program Budget.

4.1.3.2 The notice must provide a revised Program Budget, a cost analysis and justification for the anticipated increase in the approved program budget and explain the steps taken to mitigate the increase in cost, including an explanation as to why an increase is unavoidable and whether contractor anticipates that the increase will carry on into future FYs or is considered a one-time incident. Contractor must also explain the extent to which it is possible to reduce the unavoidable costs. LACDMH Program Manager will review the notice upon receipt, and if the costs are deemed unavoidable and justified, the LACDMH Program Manager will make a recommendation to LACDMH executive management that the revised program budget be approved. Contractor shall be



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notified in writing within five (5) business days of executive management's approval or rejection of the revised program budget.

- 4.1.3.3 LACDMH shall not be responsible for the payment of costs that are greater than the amount in an approved revised Program Budget which is adopted by LACDMH after following the procedure in Section 4.1.2. In the event that there is no approved revised Program Budget, LACDMH will not reimburse amounts above the original approved Program Budget. Furthermore, LACDMH will not pay particular costs which are not reasonable and not allowable under Medi-Cal or other funding source rules irrespective of whether such costs are within the aggregated approved Program Budget or revised Program Budget amount.

4.1.4 Cash Flow Advances (CFA)

- 4.1.4.1 Contractor shall refer to and follow the instructions in Financial Exhibit A of the LACDMH LE Agreement titled CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED.

4.2 Invoices, Reports, and Claiming

- 4.2.1 Contractor shall submit monthly invoices to PRS. The UCC Contract Reimbursement Invoice Claim Template (Attachment 2) shall include the total monthly cost related to the provision of direct services, as well as indirect and administrative costs, and other direct charges associated with the delivery of UCC services that are eligible under Mode 10, SFC 25. Contractor shall separately submit monthly Client Supportive Services Expense Claims (Attachment 3) to LACDMH PRS for the allowable costs associated with UCC Mode 60 services. Invoices shall be prepared in accordance with generally accepted accounting practices and consistent with the allocation guide provided in Cost Allocation Methodology (Attachment 4).



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4.2.1.1 In some instances, such as where a third party is providing funding, a contractor may need to incur costs up front and seek reimbursement through a third party source. Contractor shall follow the procedures and guidelines established by such third party source or LACDMH to obtain such reimbursement.

4.2.2 Invoices shall be submitted to PRS by the 15th of the month following the month for which costs were incurred. For example, requests for payment for costs incurred in the month of July shall be submitted by no later than August 15th. In the event that the 15th of any month falls on a weekend or holiday, then the invoice shall be submitted by the last business day before the 15th. LACDMH Program Staff will then review invoices for accuracy. Upon approval of the invoice, LACDMH Program Staff will submit the invoices to PRS for processing payment.

4.2.2.1 To avoid delays in payment, contractors shall ensure invoices are accurate and submitted in a timely manner. Submissions provided beyond the identified deadline require a justification that will be reviewed by LACDMH Program Staff for payment.

4.2.2.2 It is contractor's responsibility to ensure all invoices contain the required information as set forth in the authorized invoice document to ensure payment. Invoices that do not contain all required information may result in delayed processing and payment of the invoice(s). Contractor shall record "N/A" for categories that do not apply.

4.2.2.3 Contractor shall also be responsible for providing supporting documents to justify any invoice(s) submitted. Supporting documents shall clearly identify what charge on the invoice they are supporting, and be easily identifiable. Unless LACDMH specifies or instructs otherwise, copies of supporting documents are acceptable. The following are examples of supporting documentation expected to be provided when submitting invoices.



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Type of Cost	Supporting Documentation
Direct Cost – Program Staffing	Timesheets, certified statement of hours worked, or check stubs.
Direct Cost – Services and Supplies	Copies of receipts, invoices, or contracts.
Indirect and Administrative Costs	Methodology (provided one time, unless changed).

4.2.2.4 LACDMH will provide a schedule of payment as noted in the LE Agreement, Financial Exhibit A, Reimbursement Basis.

4.2.3 **Mode 10 Services:** Contractor shall report all allowable crisis stabilization services (Mode 10, SFC 25) in LACDMH's claims processing information system in accordance with LE Agreement, Financial Exhibit A, Billing Procedures and complete and submit UCC Contract Reimbursement Invoice Claim Template (Attachment 2) to report all direct and indirect costs associated with the delivery of Mode 10, SFC 25.

4.2.4 Contractor shall ensure that all Mode 10 services provided through the UCC are reported in the LACDMH claims processing information system within 30 days of the end of the month in which services are delivered and data for services provided are appropriate and accurate. If contractor fails to enter claims within this time period without reasonable justification, LACDMH may assess liquidated damages as provided for in LE Agreement, Financial Exhibit A, subparagraph (4) of Paragraph D, (BILLING AND PAYMENT LIMITATIONS).

4.2.5 **Mode 60 Services:** Contractor shall claim allowable expenses under Mode 60, SFCs 70, 71, 72, 75, and 78 by completing and submitting the Client Supportive Services Expense Claim (Attachment 3) to report all costs associated with the delivery of Mode 60, SFCs 70, 71, 72, 75, and 78.

4.2.6 Contractor is responsible for resolving any claims for services provided by contractor and submitted by LACDMH which are rejected or denied by the Medi-Cal program for reasons other than lack of eligibility or



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coverage, and for assisting LACDMH in the submission of replacement claims in a timely manner. Unresolved denied claims may result in LACDMH assessing damages pursuant to LE Agreement, Financial Exhibit A, subparagraph (4) of Paragraph D, (BILLING AND PAYMENT LIMITATIONS).

4.3 Assessment of Damages

4.3.1 Conditions for Assessment of Liquidated or Other Damages: It is acknowledged that contractor's failure to adhere to LE Agreement, Financial Exhibit A, will cause LACDMH to incur damages and losses, some of which are types and in amounts difficult to ascertain with certainty, and that the liquidated damages and the actual damages formulas as set forth in LE Agreement, Financial Exhibit A, Paragraph D, (BILLING AND PAYMENT LIMITATIONS) represent a fair, reasonable and appropriate remedy thereof.

4.3.1.1 Accordingly, in lieu of actual damages for non-compliance with LE Agreement, Financial Exhibit A, liquidated damages may, at LACDMH's sole discretion, be assessed and recovered by County from contractor, in the event of repeated occurrences of non-compliance with the timely and proper reporting of service information into LACDMH's claims processing information system, where such information is reported in time for LACDMH to submit a timely claim or reprocess a claim to Medi-Cal or Medicaid Children's Health Insurance Program (MCHIP).

4.3.1.2 Actual damages may be assessed in the event that complete and accurate service information is not reported in time for LACDMH to submit a timely claim or reprocess a defective claim for a covered service to an eligible Medi-Cal or MCHIP beneficiary. No liquidated or other damages will be assessed if the contractor has good cause for the untimely submission, and actual damages will not be assessed if the payment for the services is denied due to lack of beneficiary eligibility, or lack of coverage. Actual damages may be assessed where



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coverage is denied due to lack of documentation.

4.3.2 Process for Assessment of Liquidated and Other Damages: The process for determining if liquidated or actual damages may be assessed is as follows:

4.3.2.1 For each month an invoice is submitted, LACDMH program staff shall, within 10 business days of the end of the contractual reporting deadline as described in LE Agreement, Financial Exhibit A, Paragraph C (BILLING PROCEDURES), reconcile data provided by contractor, the LACDMH claims processing information system, including IS/IBHIS data, contractor's monthly invoice and monthly census reports/client lists and the unbilled Medi-Cal Report, to determine whether contractor has adhered to reporting responsibilities as set forth in LE Agreement, Financial Exhibit A, Billing Procedures.

4.3.2.2 If it is determined that timely reporting was not done, LACDMH program staff will submit an initial written notice to contractor within five (5) business days of the reconciliation process to inform contractor of its failure to meet contractual obligations. Such notice shall also serve to inform contractor that any repeated occurrence or failure to remedy the initial non-compliance issue will automatically result in the assessment of liquidated damages. The amount of such liquidated damage as set forth below shall be deducted from payment of the following month's invoice. Such notice shall further advise contractor that continued failure to report data necessary to timely claim for services to Medi-Cal and MCHIP beneficiaries shall result in assessment of actual damages.

4.3.2.3 If contractor continues to demonstrate poor compliance with LE Agreement, Financial Exhibit A, Billing Procedures, the County may pursue additional remedies up to and including termination of the contract.



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- 4.3.2.4 Contractor may meet with LACDMH within five (5) days of the date of the notice and demonstrate why good cause exists not to assess liquidated or actual damages.
- 4.3.2.5 Such liquidated damages are intended to represent estimated actual damages and are not intended as a penalty, but rather a reasonable measure of damages, based upon LACDMH's experience and the nature of the loss that may result from non-compliance.
- 4.3.2.6 Requests for delays in claims submissions due to good cause justification or no fault on the part of the contractor or due to County issues that prevent the entry by contractor of UOS data shall be handled in accordance with LE Agreement, Financial Exhibit A, Billing Procedures.
- 4.3.2.7 The table below provides the types of damages LACDMH may assess due to contractor's non-compliance and the amount associated with the particular damage. The provisions that constitute the damages are found in LE Agreement, Financial Exhibit A, subparagraph (4) of Paragraph D, (BILLING AND PAYMENT LIMITATIONS). These amounts are subject to change at LACDMH's discretion with 30 days' written notice provided to contractor.

Liquidated Damages	Assessed Amount
Contractor Invoicing	\$100 for each invoice that is late.
Submission of Client Data	<p>If at the time of the LACDMH program staff review described in Section 4.3 of this policy client data is shown to be between one to five (1-5) days late, an amount of \$10 per client shall be assessed.</p> <p>If at the time of the LACDMH program staff review described in Section 4.3 of this policy client data is shown to be</p>



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	<p>between 6-10 days late, an amount of \$15 per client shall be assessed.</p> <p>If at the time of the LACDMH program staff review described in Section 4.3 of this policy client data is shown to be over 10 days late, an amount of \$20 per client shall be assessed.</p>
Designation of Funding Sources	\$10 for each client incorrectly claimed on an invoice.
Default: Non-compliance with this LACDMH Policy No. 801.10.	\$100 per occurrence.
Default: Non-compliance with financial guidelines that govern particular funding sources.	\$100 per occurrence in a monthly invoice.
Default: Untimely submission of Schedule 6-A of the NP as described in Section 4.1 of this policy.	\$100 per day for each day the contractor fails to submit Schedule 6-A of the NP timely.
Actual Damages	Assessed Amount
Submission of Medi-Cal or MCHIP Data.	Actual amount of revenue expected to be generated by LACDMH when data is not submitted in sufficient time to allow billing to Medi-Cal or MCHIP.
Lack of Documentation.	Actual amount of revenue expected to be generated by LACDMH when documentation does not meet minimum federal, state and County written standards.

4.4 Annual Expenditure Report

- 4.4.1 Contractor shall submit an Annual Expenditure Report (AER) (Attachment 5) for each UCC it operates. The AER is due no later than 30 calendar days after the annual cost report due date for the applicable FY and shall be submitted to PRS staff. The AER shall identify and include the following:



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- A summary of expenses for the entire FY broken down by monthly direct and indirect expenses;
- Actual, allowable UCC expenses not captured during the FY. Contractor shall report all expenses that may have not been previously captured in monthly invoices and shall clearly delineate when and why a particular expense was not captured, and shall provide supporting documents to validate the expense;
- Remove expenses not attributable to the UCC. Contractor shall clearly delineate when and where an expense not attributable to the UCC was incurred. Revisions shall be reflected in subtotals of the AER; and
- Ensure all expenses attributed to the UCC are recognized in accordance with Generally Accepted Accounting Principles.

4.4.2 The AER shall be consistent with and serve to support the expenditures reported for cost reporting and settlement purposes. LACDMH program staff shall use the AER to validate program costs and set forth corrective actions, if necessary. Refer to Attachment 4 for a template of the AER.

4.5 County Rights and Options

4.5.1 LACDMH reserves the right to review and determine the efficacy of a UCC cost-based payment structure, and to take appropriate actions as a result of such review, including reverting to the previous payment structure or termination of the contract. LACDMH also reserves the right to amend existing policies and/or establish new or additional policies that govern the reimbursement of UCC services.

AUTHORITY

1. California Code of Regulations Title 9 Section 1810.210
2. California Code of Regulations Title 9 Section 1840.338
3. California Code of Regulations Title 9 Section 1840.348
4. California Code of Regulations Title 9 Section 1840.100
5. California Welfare and Institution Code Sections 5150 and 5585
6. LACDMH Notice: Negotiation Package Submission Procedures



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7. Code of Federal Regulations Title 2 Subtitle A Chapter II - Office of Management and Budget Guidance, Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E - Cost Principles

ATTACHMENT (HYPERLINKED)

1. [Schedule 6-A of DMH Legal Entity Agreement, Negotiation Package](#)
2. [Urgent Care Center Contract Reimbursement Invoice Claim Template](#)
3. [Client Supportive Services Expense Reimbursement Claim](#)
4. [Cost Allocation Methodology](#)
5. [Annual Expenditure Report](#)

RESPONSIBLE PARTY

LACDMH Countywide Resource Management
LACDMH Financial Services Bureau

URGENT CARE CENTERS

CONTRACT REIMBURSEMENT INVOICE CLAIM

Provider Name:
Provider Number:
Address:
Program/Plan: Crisis Stabilization Center/Alternative Crisis Services
Agreement Number:
Agreement Term:
Legal Entity Number:

INVOICE PERIOD:

Monthly Invoice Total
Y-T-D Total
Units of Service

Description of Expense	UCC Approved NP Budget (Effective 07/01/17)	UCC Monthly Expense
Personnel Expenses FTEs: _____ (See Attachment A)		
Salaries Expenses	\$ -	\$ -
Employee Benefits	-	-
Personnel Expenses Subtotal	\$ -	\$ -
Services & Supplies		
Conferences	\$ -	\$ -
Education and Training	-	-
Equipment Leases (not lease purchase)	-	-
Furniture	-	-
Information Technology/Data Processing	-	-
Insurance-Workers Compensation	-	-
Insurance-Other	-	-
Laboratory Services	-	-
Medications	-	-
Office Supplies	-	-
Professional Services-Accounting	-	-
Professional Services-Legal	-	-
Professional Services - Other	-	-
Publications	-	-
Subcontracts (provide detail separately)	-	-
Telecommunications	-	-
Travel/Transportation	-	-
Utilities	-	-
Other (Specify)	-	-
Other (Specify)	-	-
Other (Specify)	-	-
Services & Supplies Expenses Subtotal	\$ -	\$ -
Facilities/Equipment:		
Equipment, Purchase under \$5000	\$ -	\$ -
Equipment, Purchase w/a Unit Value \$5000 or more	-	-
Facilities and/or Improvements w/a Unit Value \$5000 or more	-	-
Facilities/Equipment Expenses Subtotal	\$ -	\$ -
Indirect Administrative Overhead		
Indirect Administrative Overhead	\$ -	\$ -
Indirect Administrative Overhead Expenses Subtotal	\$ -	\$ -
Expense Total	\$ -	\$ -

Agency Verification

I hereby certify that all of the above costs are eligible under the terms and conditions for reimbursement as set forth in the Legal Entity Agreement for UCC Services, Policy No. XXXX, and the guidelines set forth by the State for Crisis Stabilization Center services and are true and correct to the best of my knowledge.

Signature_____
Date_____
Print Name_____
Title**DMH Approval**_____
Signature_____
Date_____
Print Name_____
Title

LE UCC Agreement
Attachment II
EXHIBIT A-3a

Agreement Number : _____

Agreement Term : _____

Program Name: _____

Fiscal Year: _____

Billing Month: _____

Provider Number: _____

Last Name	First Name	Staff Title	Allocated FTE	% of Time Worked at UCC	Salaries	Employee Benefits	Salary and Employee Benefits
Doe	Jane	Staff Nurse	1.00	100%	\$ 50,000.00	\$ 5,500.00	\$ 55,500.00
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
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					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
TOTALS					\$ 50,000.00	\$ 5,500.00	\$ 55,500.00

I hereby certify that all of the above are eligible under the terms and conditions for reimbursement under the Legal Entity Agreement for UCC Services, Policy No. XXX, and the guidelines set forth by the State for Crisis Stabilization Center services and are true and correct to the best of my knowledge.

Date _____

Title

Signature		Date	
Print Name		Title	

Date _____

Title

URGENT CARE CENTER MONTHLY CLIENT CENSUS REPORT

Attachement II
EXHIBIT A-3b

Fiscal Year: _____

Billing Month: _____

Provider Number: _____

Agency Verification	
I hereby certify that all of the above are eligible under the terms and conditions for reimbursement under the Legal Entity Agreement for UCC Services, Policy No. 801.10, and the guidelines set forth by the State for Crisis Stabilization Center services and are true and correct to the best of my knowledge.	
_____	_____
Signature	Date
_____	_____
Print Name	Title

DMH Approval		
	Signature	Date
	Print Name	Title

EXPENDITURE CODING GUIDE ONE-TIME MHSA EXPENSES AND CLIENT SUPPORTIVE SERVICES FOR URGENT CARE CENTER PROGRAMS

DMH has developed reimbursement guidelines for one-time expenses and startup costs associated with starting new Urgent Care Centers (UCC). One-time expenses are allowed during the first year in which a program is initiated. Program startup costs are only permitted during the first two months of the program's initiation unless prior approval is obtained from the DMH Lead Program Manager. Listed below is a coding guide for common expenses and their corresponding Service Function Codes (SFCs).

It is important to remember that client related expenses are unique to each client. Client Support Services (CSS) are client specific and are intended to cover the cost of services directly related to the client. The service provider is responsible for utilizing CSS funds in a manner that is clearly tied to the client's treatment and recovery goals as well as delivered to the recipient in the fiscal year in which they were purchased. Client support service expenses may not necessarily be limited to those listed in the categories below. Expenses that are not listed in this guideline require DMH pre-approval for reimbursement.

ALLOWABLE EXPENSES

SFC 72 – CLIENT/FAMILY/CAREGIVER SUPPORT

- Client clothing
- Client personal hygiene items
- Client food/dietary service
- Client supplies for social/recreational activities
- Transportation, e.g. Bus Passes, Tokens, Taxi Vouchers
- Medical transport /ambulance
- Medical services including prescription drugs and laboratory tests (not covered by other benefits/insurance)

SFC 75 – NON-MEDI-CAL CAPITAL ASSETS

- Capital assets over \$5,000
- Tenant improvements and fixtures
- Construction, rehabilitation or repairs of facilities or buildings (with written DMH pre-approval)
- Related "soft" costs for development, including facilities, buildings or office/meeting spaces.
- Vehicles (with written DMH pre-approval)

SFC 78- OTHER NON-MEDI-CAL CLIENT SUPPORT

- Equipment less than \$5,000
- Program/office supplies and equipment
- Furniture/Appliances/Electronics
- Information Technology, e.g., computers, software, phones, network system, etc.
- Program staff salaries* (staff time dedicated to program development prior to service delivery)
- Staff training and orientation
- Recruitment and advertisement
- Printing and postage
- Utilities, e.g. electricity, gas, water including deposits
- Basic cable TV or bundled services (TV, telephone and internet)
- Housekeeping/cleaning service and supplies
- Furnishings and décor
- Medical supplies & equipment, e.g., OTC stock medications and first aid

**Members of the program's treatment team that bill through the IS cannot request their wages be reimbursed through this mechanism. See Guideline for details.*

NON-ALLOWABLE EXPENSES

- Alcohol
- Tobacco
- Incentives
- Sexually explicit materials
- Illegal substances / activities
- Medi-Cal Share of Cost
- Expenses related to purchasing land or buildings
- Costs for staff to accompany clients to venues such as sporting events, concerts or amusement parks
- Prescription drugs that would otherwise be available via Indigent Medication / Prescription Assistance programs
- Service Extenders (refer to the Older Adults Guidelines Manual for directions on submitting invoices for Service Extenders)
- Units of Service or any other service costs that are reported under Modes 05, 10, 15, or 45

CONTRACTOR NAME: Exodus Recovery, Inc.LEGAL ENTITY NO.: 00527PERIOD: July 1, 2018- June 30, 2019

PROVIDER NUMBER	SERVICE EXHIBIT NUMBER(S)	SERVICE DELIVERY SITE ADDRESS	MENTAL HEALTH SERVICE AREA(S)	SITE SUPERVISORIAL DISTRICT
TBA		1000 W. Carson Street, Bldg. 2 Torrance, CA. 90502 (Harbor)	8	2
7796		Exodus Recovery, Inc. 1920 Marengo Street, 1st floor, Los Angeles, CA 90033	4	1
7797		Westside Urgent Community Services Program (WUCSP), 11444 W. Washington Blvd., Suite D, Culver City, CA 90066	5	2
TBA		12021 S. Wilmington Ave. Los Angeles. CA 90059	6	2

**CRISIS STABILIZATION UNITS
PSYCHIATRIC URGENT CARE CENTER SERVICES
STATEMENT OF WORK**

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STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

Psychiatric Urgent Care Centers (UCCs) are Medi-Cal certified and Lanterman-Petris-Short (LPS) designated crisis stabilization units that provide rapid access to mental health evaluation and assessment, crisis intervention and medication support, 24 hours per day, 7 days per week (24/7), as well as case management for individuals experiencing psychological distress and/or psychiatric crisis. UCC services, including integrated services for co-occurring substance use disorders, are focused on stabilization and linkage to recovery-oriented community based resources.

UCCs serve those individuals whose presenting problems can be met with short-term (less than 24 hours), immediate care and linkage to on-going community services and supports, who would otherwise be taken to emergency rooms or incarcerated. Each individual served shall participate in the development of an individualized plan, focused on recovery and wellness principles that will promote successful re-integration into the community.

2.0 ADDITION AND/OR DELETION OF FACILITIES, SPECIFIC TASKS AND/OR WORK HOURS

- 2.1 Contractor shall provide County with the facility address where services are to be provided.
- 2.2 All changes must be made in accordance with sub-paragraph 8.1 Amendments of the Contract.

3.0 QUALITY MANAGEMENT PLAN

Contractor shall establish and utilize a comprehensive Quality Management Plan (Plan) in accordance with DMH's Quality Improvement Program Policy No. 1100.01, to ensure the required UCC services are provided at a consistently high level throughout the term of the Contract for UCC Services

- 3.1 The Plan shall include an identified monitoring system covering all the services listed in this statement of work (SOW). The system of monitoring to ensure that these services being met includes:
 - 3.1.1 The activities to be monitored, frequency of monitoring, samples of forms to be used in monitoring, title/level and qualifications of personnel performing monitoring functions;
 - 3.1.2 Ensuring the services, deliverables, and requirements defined in this SOW are being provided at or above the level of quality agreed upon by the County and the Contractor;

- 3.1.3 Assuring that professional staff rendering services under this SOW meets the necessary prerequisites;
 - 3.1.4 Identifying and preventing deficiencies in the quality of service before the level of performance becomes unacceptable;
 - 3.1.5 Taking any corrective action needed, providing to County upon request a record of all inspections, the corrective action taken, the time the problem is first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action.
 - 3.1.6 Continuing to provide services in the event of a strike or other labor action of the Contractor's employees; and
 - 3.1.7 Timely notification to County by the Contractor of community complaints and concerns, including indication of the corrective actions taken to address/resolve the complaint or concern.
- 3.2 Contractor shall have the ability to collect, manage and submit the data specified by DMH to demonstrate client outcomes. Contractor shall work with DMH to develop and implement client tracking systems that include client characteristics and demographics, collection and reporting of data on the outcomes and objectives, method of monitoring the quality of services provided by the UCC, and survey instruments. Contractor shall perform data entry to support these activities. Contractor shall use this outcome data to assess the program's design and implementation and make any mid-course corrections necessary to ensure the achievement of positive outcomes.

4.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in this Contract, Paragraph 8, Standard Terms and Conditions, Paragraph 8.15, County's Quality Assurance Plan.

4.1 Quarterly Meetings

Contractor is required to attend a scheduled quarterly meeting.

4.2 Contract Discrepancy Report (SOW Exhibit C1 of Exhibit C)

Verbal notification of a Contract discrepancy will be made to the Contract Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The County Contract Project Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document, the

Contractor is required to respond in writing to the County Contract Project Monitor within ten (10) workdays, acknowledging the reported discrepancies or presenting

contrary evidence. To the extent that Contractor acknowledges the reported discrepancies, a plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be included in the response.

Contractor will further be required to correct the deficiency within 30 calendar days following service of the notice of deficiency, unless the County Contract Project Monitor determines that the deficiency cannot be completely corrected within 30 calendar days. If the date for correcting the deficiency is more than 30 calendar days following the service of the notice of deficiency, Contractor will work with the County Contract Project Monitor to develop a plan that identifies corrective action beginning and completion dates. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

4.3 County Observations

In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

4.4 Program Goals

The goals of services provided by Crisis Stabilization Units (CSUs) are to improve the following metrics related to outcomes for individuals and the County's systems of care:

- 4.1 Reduce the utilization of hospital emergency rooms and psychiatric inpatient units; and, reduce incarceration;
- 4.2 Reduce law enforcement involvement in mental health crisis calls, contacts, custodies and/or transports for assessment;
- 4.3 Improve participation rates in outpatient mental health services, case management programs, crisis and other supportive residential programs and intensive services programs;
- 4.4 Ensure clients' and/or their family members' satisfaction with the crisis stabilization services received; and
- 4.5 Increase the percentage of individuals who, within 15 and 30 days have not returned for crisis services at a County or private hospital emergency department.

5.0 DEFINITIONS

The headings herein are for convenience and reference only and are not intended to define the scope of any provision thereof. The words used herein shall be construed to have the meanings described in this section, unless otherwise apparent from the context in which they are used.

- 5.1 “Chair” means comfortable furniture authorized by DMH for use in the UCC for clients admitted for treatment. The chair is able to recline to allow clients to rest comfortably during their stay in the UCC.
- 5.2 “Crisis Stabilization” means a service as described in California Code of Regulations (CCR) Title 9 Section §1810.210 lasting less than 24 hours, to or on behalf of a beneficiary for a condition that requires more timely response than a regularly scheduled visit. Service activities include but are not limited to one or more of the following: assessment, collateral and therapy. Crisis stabilization is distinguished from crisis intervention by being delivered by providers who do meet the crisis stabilization contact, site, and staffing requirements described in Sections §1840.338 and 1840.348.
- 5.3 “Fiscal Year (FY)” means a 12 month budget and financial reporting period beginning on July 1 and ending on June 30 of the following calendar year.
- 5.4 “Immediately” means within four (4) hours of the incident time.
- 5.5 “Legal Entity” means a corporation, partnership, or agency providing specialty mental health services under contract with DMH, exclusive of individual or group providers, Fee-for-Service/Medi-Cal hospitals or psychiatric nursing facilities (ref. CCR Title 9 Section 1840.100(c)).
- 5.6 “Maximum capacity” means the maximum number of clients each UCC can treat at any one time. This maximum client capacity is specified on the Medi-Cal certification issued to the UCC.
- 5.7 “Psychiatric Urgent Care Center (UCC)” means a freestanding outpatient crisis stabilization unit that provides up to 24 hours, intensive crisis services composed of immediate care and linkage to community-based services and supports for individuals who would otherwise be brought to emergency rooms. UCCs must be Medi-Cal certified to provide crisis stabilization services, including integrated services for co-occurring substance abuse disorders and must be Lanterman - Petris – Short designated to evaluate and treat individuals detained pursuant to Welfare and Institutions Code, Sections 5150 and 5585.

6.0 RESPONSIBILITIES

The County's and the Contractor's responsibilities are as follows:

COUNTY

6.1 Contract Administration

The County will administer the Contract accordingly. Specific duties may include:

- 6.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.
- 6.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 6.1.3 Preparing Amendments in accordance with the Contract, Paragraph 8.1, Amendments.
- 6.1.4 Facilitating client enrollment with a mental health services provider.
- 6.1.5 Referring/assigning clients to Contractor.
- 6.1.6 Reviewing and verifying monthly billing claims submitted by the Contractor.
- 6.1.7 Ensuring that clients who are financially able to pay for services do not have such services billed to the County.
- 6.1.8 Consulting with Contractor to determine whether the general program of services at the facility is sufficient for a particular client's needs.

CONTRACTOR

6.2 Project Manager

Contractor will designate a Program Manager, or County-approved alternate, that is responsible for the over-all administration and day-to-day management of the UCC. The Program Manager will be responsible for communicating with the County and State representatives on any contract – related activities concerns.

- 6.2.1 Contractor's Program Manager, or County-approved alternate, shall have full authority to act on behalf of the Contractor on all matters relating to the daily operation of the UCC, and must be available Monday through Friday, from 8:00 a.m. through 5:00 p.m., to respond to County inquiries and address UCC-related issues.

6.3 Personnel

- 6.3.1 Contractor shall assign a sufficient number of employees to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.

- 6.3.2 Contractor shall be required to background check their employees as set forth in sub-paragraph 7.5 – Background and Security Investigations, of the Contract.
- 6.3.3 Contractor shall ensure that UCC staffing patterns meet or exceed the minimum requirements for qualified staff and staffing ratios, as specified in the California Code of Regulations (CCR) Title 9, Sections 1840.338 and 1840.348. Contractor, Subcontractor(s), and any business affiliate(s) hired to complete a task(s), shall ensure that the following staff and volunteer requirements are met:
 - 6.3.3.1 UCC staff shall include a consulting psychiatrist, other professionals, paraprofessionals, and peer support/advocates.
 - 6.3.3.2 UCCs shall maintain a staffing ratio of at least one licensed/waivered/registered mental health professional on site for every four clients 24/7, with a peak staffing ratio of one staff to two-three clients (8:00 a.m. to 6:00 p.m. daily).
 - 6.3.3.3 UCCs shall develop a policy for physician accessibility during and after normal business hours to ensure adequate coverage for client care.
 - 6.3.3.4 UCCs shall maintain a minimum of one registered nurse, psychiatric technician or licensed vocational nurse on site at all times.
 - 6.3.3.5 UCCs shall have the capacity for flexible staffing above the required minimum based on individualized needs of the clients.
 - 6.3.3.6 The UCC Project Manager and consulting psychiatrist may provide additional coverage when on site.
- 6.3.4 Documentation: Contractor shall maintain documentation in the personnel files of all professional and paraprofessional staff, interns, and volunteers of: (1) all training hours and topics; (2) copies of résumés, degrees, and professional licenses; and (3) current criminal clearances.
- 6.3.5 Rosters: Contractor shall provide County, at the beginning of each fiscal year and within 30 days of any staff change(s), a roster of all staff that includes: (1) names and titles/positions; (2) work schedules.
- 6.3.6 Changes: Contractor shall advise the County in writing of any change in Contractor's key personnel, consisting of management staff and the project manager, at least 24 hours before proposed change takes effect,

including names and qualifications of new personnel. Contractor shall ensure that no interruption of services occurs as a result of the change in personnel.

- 6.3.7 Linguistic and Cultural Capacity: Any staff performing services under the LE Agreement for UCC services shall be able to read, write, speak, and understand English in order to conduct business with County. Additionally, Contractor shall ensure there is a sufficient number of ethnically and linguistically diverse staff to meet the cultural and language needs of the community served.
- 6.3.8 Service Delivery: Contractor shall ensure that all professional and paraprofessional staff and volunteers are able to provide services in a manner that effectively responds to differences in cultural beliefs, behaviors and learning, and communication styles within the community in which the Contractor will provide services.
- 6.3.9 Driver's License: Contractor shall maintain copies of current driver's licenses, including current copies of proof of auto insurance, of staff providing transportation for clients.
- 6.3.10 Driving Record: Contractor shall maintain copies of driver's Department of Motor Vehicles (DMV) printouts for all Contractors' drivers providing services under this Agreement. Reports shall be available to County upon request. County reserves the right to conduct a DMV check on Contractor's drivers.
- 6.3.11 Experience: Contractor shall be responsible for securing and maintaining staff that have sufficient experience and expertise necessary to provide the services required under this Agreement. Contractor shall obtain written verification for staff with foreign degrees that the degrees are recognized as meeting established standards and requirements of an accrediting agency authorized by the U.S. Secretary of Education.

6.4 Uniforms/Identification Badges

6.5.1 Intentionally Omitted

6.5.2 Contractor shall ensure their employees are appropriately identified as set forth in sub-paragraph 7.4 – Contractor's Staff Identification, of the Contract.

6.5 Materials and Equipment

Contractor is responsible for the purchase of all materials/equipment to provide the needed services. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

6.6 Training

6.7.1 Contractor shall provide orientation to all professional and paraprofessional staff, interns and volunteers providing UCC services prior to their beginning service and shall complete initial training within thirty (30) business days from their start date. Training shall continue throughout an employee's provision of services.

6.7.2 All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All employees must wear safety and protective gear according to OSHA standards.

7.0 HOURS/DAY OF WORK

7.1 Contractor shall ensure that the services offered by the UCC are available 24/7. Contractor shall notify DMH of the names and phone numbers of primary contact persons for all hours of the program's operation. In addition, the Contractor's Project Manager or County approved alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the UCC, and shall be available during the County's regular business hours of Monday through Friday, from 8:00 a.m. until 5:00 p.m., to respond to County inquiries and to discuss problem areas. When the office is closed, an answering service shall be provided to receive calls. The Contractor shall answer calls received by the answering service within 24- hours of receipt of the call.

8.0 WORK SCHEDULES

8.1 Contractor shall submit for review and approval a work schedule for each facility to the County Project Director within 30 days prior to starting work. Said work schedules shall be set on an annual calendar identifying all the required on-going maintenance tasks and task frequencies. The schedules shall list the time frames by day of the week, morning, and afternoon the tasks will be performed.

8.2 Contractor shall submit revised schedules when actual performance differs substantially from planned performance. Said revisions shall be submitted to the County Project Manager for review and approval within 14 working days prior to scheduled time for work.

9.0 INTENTIONALLY OMITTED

10.0 SPECIFIC WORK REQUIREMENTS

10.1 ADMINISTRATIVE TASKS

10.1.1 Record Keeping: Contractor shall keep a record of services that were provided, as well as the dates, agendas, sign-in sheets, and minutes of all UCC and Subcontractor staff meetings.

- 10.1.2 Evaluation Tools: Contractor shall provide clients and their families a tool by which to evaluate the services rendered by the UCC. Contractor shall ensure the tool addresses the performance of the UCC and the satisfaction of the clients and, when appropriate, their families. Contractor shall make this tool and related information available to County upon request.
- 10.1.3 Data Entry: Contractor shall be responsible for collecting and entering data via the data collection instrument developed by County and the State on all clients referred to the agency. Contractor shall ensure the data is entered electronically at network sites and downloaded at the County centralized database (IS). At a minimum, data collection shall include demographic data, the number of case openings, the number of case closings, and the services recommended and received.
- 10.1.4 Project Manager: Contractor shall designate a Project Manager and County-approved alternate responsible for the over-all administration and day-to-day management of the UCC. This manager shall be responsible for ongoing communication about the status of the Project with County and State and for addressing any community concerns.
- 10.1.5 Computer and Information Technology Requirements: Contractor shall acquire a computer system within 30 days of commencement of the contract with sufficient hardware and software, and an agreement for its on-site maintenance to comply with the terms of the contract.
- 10.1.6 Cooperation: Contractor shall work cooperatively with DMH Information Technology Services staff and any contracted program evaluator, if applicable. Contractor shall provide data entry staff to process electronic/fully automated invoices for DMH web-based IS implemented by DMH. Contractor shall electronically invoice County on a monthly basis.

10.2 PROGRAM REQUIREMENTS

Contractor, in the provision of all UCC services, shall comply with the following services requirements:

- 10.2.1 Provides a safe and pleasant environment that meets Medi-Cal certification and LPS requirements, including the appropriate building use and occupancy requirements;
- 10.2.2 Accepts admissions 24/7;
- 10.2.3 Notifies and requests approval from the DMH Program Manager as soon as it is anticipated that the UCC's capacity has been reached and it is not feasible to admit an additional client;

- 10.2.4 Maintains and follows policies and procedures which will govern the Contractor's actions in the event the UCC's capacity for individuals in need of UCC services has been reached. Such policies and procedures shall cover coordinating services and finding appropriate resources to address the clients' needs, among other tasks;
- 10.2.5 Provides a daily census report to the DMH Program Manager or designee. The daily census report shall, each day, identify the number of clients seen during the prior day that begins at 12:00 a.m. and ends at 11:59 p.m. The census report shall also identify for each client the length of stay, client identifiers, and disposition;
- 10.2.6 Maintains and follows written protocols for responding to suicide risks, threats, acts of violence, and refusal to participate in treatment;
- 10.2.7 Maintains twelve (12) adult and six (6) adolescent chairs in the UCC facility unless additional chairs are approved by the DMH Program Manager;
- 10.2.8 Develops and follow policies for working with local law enforcement agencies to accept appropriate referrals of individuals with mental illness;
- 10.2.9 Develops and follows policies for working with emergency medical service providers to access services for clients found to have critical medical problems;
- 10.2.10 Accesses all available funding, including Medi-Cal, Medicare and other third party revenue, and assist clients and families to access the most cost efficient services and supports possible;
- 10.2.11 Shall not refuse to provide care to any person who requires UCC services, unless UCC is at its maximum capacity;
- 10.2.12 Develops and follows procedures for the delivery of required ancillary services including laboratory tests and X-rays and when necessary, food for special dietary requirements and linens;
- 10.2.13 Cooperates with DMH Countywide Resource Management (CRM) staff to ensure that, prior to discharge, clients are linked to appropriate services that will address mental health and substance use needs and supports, housing, education and employment on an ongoing basis;
- 10.2.14 Does not discriminate against individuals with a mental illness who have co-occurring disorders and can be safely treated at a UCC;
- 10.2.15 Collaborates with other County departments or entities (e.g., Regional Center, Department of Health Services) in order to ensure clients access the services most appropriate for their needs to which they are entitled;

- 10.2.16 Adheres to DMH policy and procedures regarding admissions and discharges, risk management and participation in quality improvement activities;
- 10.2.17 Shall be Medi-Cal certified as a Crisis Stabilization Unit by the California Department of Health Care Services (DHCS) pursuant to CCR, Title 9, Sections 1840.338 and 1840.348 within seven (7) days of initiating services for an executed contract, including fire clearance from the local fire department and handicapped accessibility and be LPS designated. If Contractor does not meet this timeline and an extension has not been granted by DMH, Contract could be subject to termination;
- 10.2.18 Shall be LPS designated by DHCS to evaluate and treat individuals involuntarily detained pursuant to Welfare and Institutions Code (W&I Code), Sections 5150 and 5585;
- 10.2.19 Ensures that a person brought to a designated 5150/5585.50 UCC DOES NOT remain in that facility beyond 23 hours and 59 minutes and must be released if assessed and determined not to meet 5150/5585.50 criteria, or must be transferred to an LPS designated inpatient hospital within that time, except that persons who are assessed and determined not to meet 5150/5585.50 criteria during night time may be discharged from the Urgent Care Center but given the option to remain in the facility until they can be safely transported to their residence;
- 10.2.20 Ensures that if a client has already been detained pursuant to W&I Code 5150/5585.50 and is transferred to a UCC, the client's detention in the UCC MUST occur within the 72-hour period authorized by the initial W&I Code 5150/5585.50 detention and the client may not remain in the UCC for more than 23 hours and 59 minutes;
- 10.2.21 Ensures that a UCC client IS NOT certified pursuant to W&I Code Sections 5250 (14-day hold), 5270.15 (additional 30-day hold), 5270.19 (additional intensive treatment for suicidal persons) or 5300 (additional 180 days hold for imminently dangerous individuals) while in a UCC; and
- 10.2.22 MAY be required to obtain additional certification(s) that are deemed appropriate and necessary for addressing the needs of the population to be served. DMH shall notify the Contractor of any additional requirements and provide assistance to obtain the appropriate certification(s).

10.3 POPULATION TO BE SERVED

Contractor shall deliver services, to the following populations, among others:

- 10.3.1 Adolescents, ages 13-17; adults 18 years of age or older, including older adults (60+); and families in mental health crisis;
- 10.3.2 Individuals with a primary diagnosis of mental illness, including those who have co-occurring substance use, developmental, medical and/or cognitive disorders;
- 10.3.3 Frequent users of psychiatric emergency and inpatient services;
- 10.3.4 Mentally ill individuals referred by specially trained law enforcement personnel or DMH Law Enforcement Teams because of contact with the criminal justice system for low-level offenses resulting from or associated with their mental illness;
- 10.3.5 Individuals with an urgent need for mental health services who are unable to access services in a timely manner, thereby risking decompensation and the need for a higher level of care;
- 10.3.6 Individuals who need psychiatric medication management;
- 10.3.7 Individuals at high risk for suicide; and
- 10.3.8 Individuals referred and/or diverted from County and private hospital emergency departments.

10.4 SERVICES TO BE PROVIDED

Contractor provides UCC services directly or when appropriate through referrals to agencies with which the Contractor has established relationships, as follows:

- 10.4.1 Culturally and Linguistically Appropriate Services: These are services delivered by professional and paraprofessional staff with similar cultural and linguistic backgrounds to those of the population(s) being served. Service providers understand and utilize the strengths of culture in service delivery, and incorporate the languages and cultures of their clients into the services that provide the most effective outcomes.
- 10.4.2 Assessment and Mental Health Services: Assessment refers to an analysis of the history and current status of mental, emotional or behavioral disorder. Mental Health Services refers to individual and group therapies and interventions designed to provide reduction of mental disability and improvement or maintenance of functioning consistent with the goals of learning, development, independent living and enhanced self-sufficiency. Contractor designs, supports and implements services that are client and family-driven, when appropriate, and strength-focused.

- 10.4.3 Crisis Intervention: These are services rendered to or on behalf of a client for a condition that requires a more timely response than a regularly scheduled visit and include activities such as assessment, collateral services, therapy and case management and linkage.
- 10.4.4 Co-Occurring Services: These are services for individuals with a primary diagnosis of mental illness who have co-occurring disorders such as substance use, physical health difficulties, cognitive disorders and/or developmental disabilities.
- 10.4.5 Medication Evaluation and Support: These are services provided by physicians and nurses to evaluate an individual's need for psychiatric medication and administer medications, monitoring clients' status as appropriate. Medication Evaluation and Support Services are provided by staff persons who can, within the scope of practice of their professions, prescribe, administer, dispense and monitor the psychiatric medications necessary to alleviate the symptoms of mental illness.
- 10.4.6 Case Management and Linkage: These services are consistent with the Medicaid/Medicare definition for Targeted Case Management: services that assist a client to access needed medical, education, social, pre-vocational, vocation, rehabilitative, or other community services. Multidisciplinary staff provides linkage and transition to necessary community supports, based on assessments conducted at the time of admission to the program.
- 10.4.7 Transportation Services: These services consist of arrangements for transportation to crisis residential facilities or emergency, transitional or permanent housing when appropriate to ensure that successful linkage takes place.
- 10.4.8 Housing Services: These services assist clients to access emergency, transitional, temporary, and permanent housing. Services may include helping homeless individuals link with emergency shelter bed program(s), and/or assisting individuals who require crisis residential or longer-term transitional residential program(s) to access such services.
- 10.4.9 Physical Health Care: These services are composed of basic physical health assessment, including assessment of symptoms related to co-occurring mental health and substance use disorders, arrangements to ensure rapid access to emergency medical care for individuals in a health crisis and referrals to ensure follow-up treatment.
- 10.4.10 Interagency Collaboration: These are formal or informal relationships with other community agencies and/or resources that serve mentally ill individuals and share accountability for achieving outcomes on their behalf in the community served by the Contractor.

- 10.4.11 Community Partnerships: These are formal or informal arrangements with an array of community-based organizations and collaboratives that meet regularly to promote the well-being of clients and their families.
- 10.4.12 Referrals and Coordination of Care: These are linkages to services necessary to meet the needs of clients and their families. This includes linkage with intensive mental health services programs, community mental health centers in the client's community of choice and/or clients' existing service providers; Wellness Centers and client-run support programs; and/or other public agencies, private agencies, or other community resources to ensure coordination of services that support wellness and recovery.
- 10.4.13 Benefits Establishment and Services to the Uninsured: These are services designed to assess individuals' financial status, identify all benefits to which they may be entitled (e.g., Medicaid, Medicare) and perform all actions with or on behalf of clients who do not have entitlements, insurance, or income at the time of admission to initiate benefits establishment processes while clients receive services.

11. INFORMATION TECHNOLOGY REQUIREMENTS

11.1 Functional Requirements

- 11.1.1 Contractor shall admit individuals in DMH's claims processing information system and provide basic clinical and demographic information, services detail, assessment and outcomes data, and report all allowable crisis stabilization services.
- 11.1.2 Throughout the duration of the contracted services, Contractor shall obtain, certify, submit, and review comprehensive information on client status and the outcomes of the service in accordance with DMH requirements. Contractor shall comply with all DMH deadlines for time-specific processes for the submittal and delivery of information. These include:
- 11.1.2.1 Comprehensive admission-time information about the status of clients; and
- 11.1.2.2 Assessment information at admission and discharge, and ports of key event indicators during the period of service.
- 11.1.3 For reporting units of service, Contractor shall submit information to the DMH claims processing system by one of two methods: 1) Electronic Data Interchange (EDI), which is electronically submitting Health Insurance Portability and Accountability Act (HIPAA) compliant claims transactions, or 2) Direct Data Entry (DDE), which is reporting

data directly into the DMH claims processing system. EDI is strongly preferred by DMH.

- 11.1.4 Reporting of units of service in DMH's claims processing information system must take place within the time frames set forth in Financial Exhibit A and the related DMH policies and procedures and must contain all of the information required for DMH claims reimbursement from the appropriate payor source.
- 11.1.5 Contractor shall provide status and outcomes information by:
 - 11.1.5.1 Transmitting the information electronically to DMH from the provider, billing company, or clearinghouse systems using an XML format that DMH will provide that is substantially similar to what the State requires DMH to submit; or
 - 11.1.5.2 Using DDE as above into a web-based DMH Outcomes Measurement System.
- 11.1.6 For units of service reporting, status and outcomes information, an Internet connection shall be required and broadband shall be essential.

11.2 Privacy And Electronic Security

- 11.2.1 Contractor shall comply with federal and state laws as they apply to protected health information (PHI), individually identifiable health information (IIHI), and electronic information security. Any communication containing PHI or IIHI to DMH via an electronic mailing system shall be done through the use of DMH's Email Encryption Solution.
- 11.2.2 Any Contractor that is deemed a "Covered Entity" under HIPAA shall comply with HIPAA privacy and security regulations independently of any activities or support of DMH or the County.
- 11.2.3 Any Contractor that is deemed a HIPAA "Business Associate" of County shall enter into a Business Associate Agreement with the County of Los Angeles to ensure compliance with privacy and electronic security standards.

11.3 Technology Requirements

- 11.3.1 Contractor shall acquire, manage, and maintain its own information technology and systems in order to meet the functional, workflow, and privacy/security requirements listed above. For units of service reporting, status and outcomes information, an Internet connection

shall be required; broadband shall be essential unless the provider is a very small agency.

- 11.3.2 A Contractor who elects to connect to County systems for DDE shall maintain an Internet Connection and use a Web browser at the level of Internet Explorer 6.0 or better. Neither the IS nor the Outcomes Measurement System has been tested using a Macintosh, and DDE using a Macintosh, while theoretically possible, is not supported by DMH. The most effective systems for this purpose will be Microsoft Windows-based PCs equipped with Internet Explorer 6.0 or better.
- 11.3.3 A Contractor who elects to submit internally generated electronic information to DMH shall use Secure Internet File Transfer protocol to do so. DMH will provide the XML specifications for the outcomes data. Claiming, remittance advice, enrollment, eligibility, and other financial transactions shall comply with the HIPAA standard for transactions and code sets. The applicable trading partner agreements and specifications are available at the DMH web site and will be provided at the time the Contract is approved. DMH does not maintain and will not support a private network of any kind.
- 11.3.4 Contractor shall be solely responsible for complying with all applicable state and federal regulations affecting the maintenance and transmittal of electronic information.

12.0 GREEN INITIATIVES

- 12.1 Contractor shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.
- 12.2 Contractor shall notify County's Project Manager of Contractor's new green initiatives prior to the contract commencement.

13.0 PERFORMANCE REQUIREMENTS SUMMARY

- 13.1 A Performance Requirements Summary (PRS) chart, Exhibit 2 of Appendix B (SOW Exhibits), listing required services that will be monitored by the County during the term of this Contract is an important monitoring tool for the County. The chart should:
- reference section of the contract
 - list required services
 - indicate method of monitoring

All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the SOW, and are not

meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent

inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.

**CRISIS STABILIZATION UNITS
PSYCHIATRIC URGENT CARE CENTER SERVICES
STATEMENT OF WORK**

**ATTACHMENTS
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2 PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART	2

CONTRACT DISCREPANCY REPORT

TO:

FROM:

DATES: **Prepared:** _____
 Returned by Contractor: _____
 Action Completed: _____

DISCREPANCY PROBLEMS: _____

Signature of County Representative

Date

CONTRACTOR RESPONSE (Cause and Corrective Action): _____

Signature of Contractor Representative

Date

COUNTY EVALUATION OF CONTRACTOR RESPONSE: _____

Signature of Contractor Representative

Date

COUNTY ACTIONS: _____

CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature and Date _____

Contractor Representative's Signature and Date _____

UCC Contracts FY 2018-19

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

PERFORMANCE-BASED CRITERIA	METHOD OF DATA COLLECTION	PERFORMANCE TARGETS
1. Agency has ethnic parity of staff to clients served.	Review of staffing pattern and personnel records.	Ethnic staff is in proportion to the percentage of ethnic minority clients to be served.
2. Agency has linguistic capability sufficient to meet the needs of clients to be served.	Review of staffing pattern and personnel records.	Staff is available to meet the linguistic needs of clients served.
3. Contractor offers immediate access to mental health services for clients in crisis.	Sample review of client records; client satisfaction surveys.	100% of clients entering the Program are seen in a timely fashion, ensuring client satisfaction as measured by self-reports that are included in a client satisfaction survey.
4. Agency has sufficient number of LPS designated staff to serve clients.	Review of staffing records.	LPS designated staff on each shift.
5. Agency identifies clients with co-occurring mental health and substance use disorders and provides appropriate services.	Integrated Behavioral Health Information System (IBHIS) report of clients who have substance use diagnosis; sample review of client records.	100% of clients identified as having co-occurring mental health and substance use disorders are provided appropriate services.
6. Agency provides (or arranges access to) peer support and self-help groups.	Sample review of client records.	A minimum of 50% of clients will be referred to peer support and self-help groups.
7. Agency has paid staff who are clients/peer advocates and/or family members.	Review of personnel records.	Approximately 10% of staff will be persons with lived experience.
8. Agency serves uninsured clients.	IBHIS reports.	Approximately 20% of clients served were uninsured at the time of admission.

PERFORMANCE-BASED CRITERIA	METHOD OF DATA COLLECTION	PERFORMANCE TARGETS
9. UCC reduces hospital admissions for clients served.	IBHIS report and analysis.	Clients using UCC demonstrate decreased use of hospital services compared with baseline period.
10. Contractor must meet the program goals identified for the UCC program.	Data and reports	100% compliance with program goals.
11. Contractor will adhere to the staffing requirements as specified in the CCR Title 9, Section 1840.348	Inspection and Observation	100% coverage for staffing requirements with no gaps in staffing or service.
12. Contractor is required to maintain a clinical staffing ratio of at least one staff to two clients between the hours of 8:00 am – 6:00 p.m. daily.	Inspection and Observation	100% compliance with clinical staffing ratio.
13. Contractor must ensure that medications are available on an as needed basis, and the staffing pattern must reflect this availability in accordance with CCR Title 9, Section 1840.338. Preferably, Contractor is to assign an on-site, licensed prescriber to meet this requirement with telephonic supervision, as necessary. Contractor may utilize tele-psychiatry services when the on-site, licensed prescriber is not available	Inspection and Observation	100% compliance with medication availability and delivery.

CONTRACTOR'S EEO CERTIFICATIONExodus Recovery, Inc

Contractor Name

9808 Venice Blvd., Suite 700, Culver City, CA., 90232-6824

Address

Internal Revenue Service Employer Identification Number**GENERAL CERTIFICATION**

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | | |
|----|---|------------------------------|-----------------------------|
| 1. | The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

Luana Murphy, Chief Executive Officer

Authorized Official's Printed Name and Title

Authorized Official's SignatureDate

COUNTY'S ADMINISTRATION

CONTRACTOR'S NAME: Exodus Recovery, Inc

CONTRACT NO: MH190154

DIRECTOR OF MENTAL HEALTH:

Name: Jonathan E. Sherin, M.D., Ph.D.

Title: Director

Address: 550 S. Vermont Avenue

Los Angeles, CA., 90020

Telephone: (213) 738-4601

E-Mail Address: Director@dmh.lacounty.gov

COUNTY MONITORING MANAGER:

Name: Terri Boykins, LCSW

Title: Deputy Director

Address: 550 S. Vermont Avenue, 4th Floor

Los Angeles, CA., 90020

Telephone: (213) 738-2408

E-Mail Address: TBoykins@dmh.lacounty.gov

CONTRACT LEAD:

Name: _____

Title: _____

Address: 550 S. Vermont Avenue

Los Angeles, CA., 90020

Telephone: _____

E-Mail Address: _____

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: Exodus Recovery, Inc**CONTRACT NO:** MH190154**CONTRACTOR'S CONTRACT MANAGER:** _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Notices to Contractor shall be sent to the following:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR: Exodus Recovery, Inc Contract No. MH190154

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: Luana Murphy _____

POSITION: Chief Executive Officer _____

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: for Contractor's record; shall be made available within three (3) business days upon DMH request)

Contractor Name: Exodus Recovery, Inc Contract No. MH190154

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: for Contractor's record; shall be made available within three (3) business days upon DMH request)

Contractor Name Exodus Recovery, Inc Contract No. MH190154

Non-Employee Name _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

SAFELY SURRENDERED BABY LAW

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

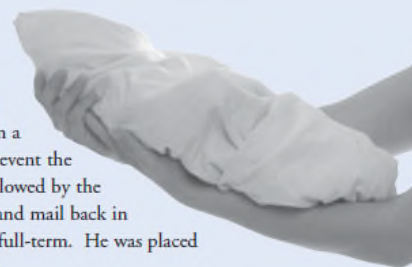
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal
de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



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2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

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- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

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2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

DEFINITIONS

The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

1. **“ACA”** means the Patient Protection and Affordable Care, Public Law 111–148, comprehensive health care reform passed by Congress and then signed into law by the President on March 23, 2010;
2. **“Board of Supervisors” (“Board”)** means the Board of Supervisors of the County of Los Angeles acting as governing body;
3. **“Cal MediConnect”** means the Centers for Medicare & Medicaid Services (CMS) and the State of California's three-year demonstration project to promote coordinated health care delivery to seniors and people with disabilities who are dually eligible for both of the State Medi-Cal program and the federal Medicare program;
4. **“CalWORKs”** means California Work Opportunities and Responsibilities to Kids Act, which under California Welfare and Institutions Code Section 11200 et seq. provides for mental health supportive services to eligible welfare recipients. CalWORKs funding consists of both federal and State funds;
5. **“Cash Flow Advance”** means County General Funds (CGF) furnished by County to Contractor for cash flow purposes in expectation of Contractor repayment pending Contractor's rendering and billing of eligible services/activities;
6. **“CCR”** means the California Code of Regulations;
7. **“CDSS”** means California Department of Social Services;
8. **“CGF”** means County General Funds;
9. **“Contract”** means this contract executed between County and Contractor. Included are all supplemental contracts amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work;
10. **“Contractor”** means the person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an contract with the County to perform or execute the work covered by this contract;
11. **“Contractor Project Manager”** means the person designated by the Contractor to administer the Contract operations under this Contract;
12. **“Cost Reimbursement” or “CR”** means the arrangement for the provision of mental health services based on the reasonable actual and allowable costs of services provided under this Contract, less all fees paid by or on behalf of

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patients/clients and all other revenue, interest and return resulting from the same services;

13. **“County”** means the Board of Supervisors of the County of Los Angeles acting as governing body.
14. **“County Contract Project Monitor”** means person with responsibility to oversee the day to day activities of this contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the contractor;
15. **“County Project Manager”** means person designated by County’s Project Director to manage the operations under this contract;
16. **“County Project Director”** means person designated by County with authority for County on contractual or administrative matters relating to this contract that cannot be resolved by the County’s Project Manager;
17. **“County’s Claims Processing Information System”** means the current system employed by the Department of Mental Health to submit and process claims;
18. **“Countywide Maximum Allowances”** or **“CMA”** means County established maximum reimbursement rates for specialty mental health services provided by the Los Angeles County Department of Mental Health Legal Entity Contractors;
19. **“CPT”** means Physicians’ Current Procedural Terminology as referenced in the American Medical Association standard edition publication;
20. **“CSS”** means Client Support Services
21. **“Day(s)”** means calendar day(s) unless otherwise specified;
22. **“DCFS”** means County Department of Children and Family Services;
23. **“DHCS”** means California Department of Health Care Services;
24. **“Director”** means County's Director of Mental Health or his authorized designee;
25. **“DMH”** means County's Department of Mental Health;
26. **“DPSS”** means County’s Department of Public Social Services;
27. **“EOB”** means **‘Explanation of Balance’** for Title XIX Short-Doyle/Medi-Cal services which is the State Department of Health Services adjudicated claim data and **‘Explanation of Benefits’** for Medicare which is the Federal designated Fiscal Intermediary’s adjudicated Medicare claim data;
28. **“EPSDT”** means the Early and Periodic Screening, Diagnosis, and Treatment program, which is a requirement of the Medicaid program to provide

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comprehensive health care. Such State funds are specifically designated for this program;

29. **“FFP”** means Federal Financial Participation for Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities as authorized by Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
30. **“Fiscal Intermediary”** means County acting on behalf of the Contractor and the Federally designated agency in regard to and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities;
31. **“Fiscal Year”** means the twelve (12) month period beginning July 1st and ending the following June 30th;
32. **“Funded Program”** means a set of services paid through a particular funding source for the benefit of a specific beneficiary (e.g., Medi-Cal/Healthy Families or Non-Medi-Cal/Non-Healthy Families). The Funded Program Amount is the basis for the provisional payment to the Contractor per Paragraph E of the Financial Exhibit A of the LAC-DMH LE Contract. A Funded Program is made up of one or more Subprograms;
33. **“Gross Program Budget”** is the sum total of the Net Program Budget and all “Third Party Revenues” shown in the Financial Summary;
34. **“GROW”** means General Relief Opportunities for Work;
35. **“HITECH”** means The Health Information Technology for Economic and Clinical Health Act. Subtitle D of the HITECH Act addresses the privacy and security concerns associated with the electronic transmission of health information, in part, through several provisions that strengthen the civil and criminal enforcement of the HIPAA rules.
36. **“HIPAA”** means Health Insurance and Portability Act. HIPAA Privacy Rule provides federal protections for personal health information held by covered entities (or a Business Associate of a “Covered Entity”) and gives patients an array of rights with respect to that information. At the same time, the Privacy Rule is balanced so that it permits the disclosure of personal health information needed for patient care and other important purposes.
37. **“IMD”** means Institutions for Mental Disease and includes hospitals, nursing facilities or other institutions of more than 16 beds that are primarily engaged in providing diagnosis, treatment or care of persons with mental disease, including medical attention, nursing care and related services;
38. **“Legal Entity”** means a provider of mental health services as is described in Title 9 CCR section 1840.100;

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- 39. **“Master Agreement List”** means a list of contractors who have submitted a Statement of Qualifications (SOQ) in response to County’s Request for Statement of Qualifications (RFSQ), and have met the minimum qualifications listed in the RFSQ, and who have an executed Master Agreement;
- 40. **“Maximum Contract Amount”** is the sum total of all “Allocations” shown in the Financial Summary; except that the “Maximum Contract Amount” shall not include “Third Party Revenue” shown in the Financial Summary;
- 41. **“Medicaid Expansion under ACA in California”** means expansion of Medi-Cal eligibility to additional low-income adults;
- 42. **“Mental Health Services Act” (“MHSA”)** means the initiative originally adopted by the California electorate on November 2, 2004, and as subsequently amended, which creates a new permanent revenue source, administered by the State, for the transformation and expanded delivery of mental health services provided by State and County agencies and which requires the development of integrated plans for prevention, innovation, and system of care services;
- 43. **“MHRC”** means Mental Health Rehabilitation Centers certified by the DHCS;
- 44. **“Organizational Provider’s Manual”** is the Los Angeles County DMH Organizational Provider’s Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services;
- 45. **“PATH”** means Projects for Assistance in Transition from Homelessness Federal grant funds;
- 46. **“PHF”** means a Psychiatric Health Facility. A Psychiatric Health Facility is a health facility licensed by the State Department of Mental Health, that provides 24 hour acute inpatient care on either a voluntary or involuntary basis to mentally ill persons; such care includes the following basic services: psychiatry, clinical psychology, psychiatric nursing, social work, rehabilitation, drug administration, and appropriate food services for those persons whose physical health needs can be met in an affiliated hospital or in outpatient settings;
- 47. **“PHI”** means Protected Health Information. PHI is defined in Health Insurance Portability and Accountability Act of 1996 (HIPAA), and implementing regulations.
- 48. **“PII”** means Personally Identifiable Information. Any information that identifies a person, including, but not limited to, name, address, email address, passwords, account numbers, social security numbers, credit card information, personal financial or healthcare information, personal preferences, demographic data, marketing data, credit data, or any other identification data. For the avoidance of doubt, Personally Identifiable Information shall include, but not be limited to, all “nonpublic personal information,” as defined under the Gramm-Leach-Bliley Act (15 United States Code (“U.S.C.”) §6801 et seq.).

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49. **“Request for Services” (“RFS”)** is a second solicitation process to Contractors on a pre-qualified Master Agreement that requests specific and detailed services as defined in a Statement of Work at a time when such services are needed;
50. **“Request for Statement of Qualifications” (“RFSQ”)** means a solicitation based on establishing a pool of qualified vendors/contractors to provide services through a Master Agreement;
51. **“SAMHSA”** means Substance Abuse and Mental Health Services Administration Federal block grant funds;
52. **“Sensitive Position”** means, per Resolution of the Board of Supervisors of the County, any position involving duties which pose a potential threat or risk to the County or to the public when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of the County or perform those services pursuant to contract;
53. **“Service Exhibit” (SE)** means the directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the contract services;
54. **“SDMH”** means State Department of Mental Health; – Assembly Bill 102, signed by Governor Brown on June 28, 2011, directs the transfer of Medi-Cal related mental health services to DHCS therefore any reference to SDMH in Contract should mean DHCS; unless otherwise specifically stated to mean “SDMH”;
55. **“SFC”** means Service Function Code, as defined by Director, for a particular type of mental health service, and/or Title XIX Medi-Cal administrative claiming activity;
56. **“SNF-STP”** mean Skilled Nursing Facility licensed by the DHCS, with an added Special Treatment Program certified by the California Department of Public Health;
57. **“State”** means the State of California;
58. **“Statement of Qualifications” (“SOQ”)** means a contractor’s response to an RFSQ;
59. **“Statement of Work” (“SOW”)** means the directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the contract services;
60. **“Subcontract”** means a contract by the contractor to employ a subcontractor to provide services to fulfill this contract;
61. **“Subcontractor”** means any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies,

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services of any nature, equipment, and/or materials, to contractor in furtherance of contractor's performance of this contract, at any tier, under oral or written contract;

- 62. **“Subprogram”** means a set of services for a specific purpose. The Subprogram Amounts are allocated and/or awarded based on Contractors’ areas of expertise and their ability to provide specific services and/or serve specific populations. The Subprogram Amounts will be used to monitor the provision of mental health services within the Funded Program and will not be used at cost settlement;
- 63. **“Title IV”** means Title IV of the Social Security Act, 42 United States Code Section 601et seq.;
- 64. **“Title XIX”** means Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
- 65. **“Title XXI”** means Title XXI of the Social Security Act, 42 United States Code Section 1396 et seq.;
- 66. **“UMDAP”** means DHCS's Uniform Method of Determining Ability to Pay;
- 67. **“WIC”** means the California Welfare and Institutions Code; and
- 68. **“Work Order”** means a document, which includes a Statement of Work, requesting Bids for specific services from a pre-qualified pool of Contractors that have Master Agreements. An executed Work Order becomes part of the Master Agreement.

ATTESTATION REGARDING FEDERALLY FUNDED PROGRAMS

In accordance with the DMH Legal Entity Contract's Paragraph 9.11 (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM):

I, the undersigned certify that I am not presently excluded from participation in federally funded health care programs, nor is there an investigation presently pending or recently concluded of me which is likely to result in my exclusion from any federally funded health care program, nor am I otherwise likely to be found by a federal or state agency to be ineligible to provide goods or services under the federally funded health care programs.

I further certify as the official responsible for the administration of Exodus Recovery, Inc (hereafter "Contractor") that all of its officers, employees, agents and/or sub-contractors are not presently excluded from participation in any federally funded health care programs, nor is there an investigation presently pending or recently concluded of any such officers, employees, agents and/or sub-contractors which is likely to result in an exclusion from any federally funded health care program, nor are any of its officers, employees, agents and/or sub-contractors otherwise likely to be found by a federal or state agency to be ineligible to provide goods or services under the federally funded health care programs.

I understand and certify that I will notify DMH within thirty (30) calendar days, in writing of:

- Any event that would require Contractor or any of its officers, employees, agents and/or sub-contractors exclusion or suspension under federally funded health care programs, or
- Any suspension or exclusionary action taken by an agency of the federal or state government against Contractor, or one or more of its officers, employees, agents and/or sub-contractors, barring it or its officers, employees, agents and/or sub-contractors from providing goods or services for which federally funded healthcare program payment may be made.

Name of authorized official (Official Name) Luana Murphy

Please print name

Signature of authorized official _____ Date _____

REQUIRED SUPPLEMENTAL DOCUMENTS**INSTRUCTIONS ON SUBMISSION OF DOCUMENTS**

For Contracts up for renewal (submit every three years): All the documents listed below must be submitted to DMH's Contracts Development Administration Division at 550 S. Vermont Ave., 5th Floor, Los Angeles, CA 90020, at the time of execution of Contract, but no later than ten (10) business days after July 1st of the fiscal year in which Contract is being executed (for new Contracts with an effective date other than July 1st, these documents must be submitted ten (10) business days after the effective date of the Contract). Documents must be submitted in a one-subject binder in sequence as listed below. Contractor must give a good cause justification, in writing, for not submitting the documents in the time period described above. The written justification must be addressed to the DMH lead District Chief overseeing the Contract.

For Contracts that will be amended (submit annually if necessary): The following documents must be resubmitted annually during the term of the contract, Financial Responsibility Requirements, Indemnification and Insurance, Contractor Acknowledgement and Confidentiality Agreements, Contractor's Compliance with Encryption Requirements, and the Confidentiality Oath unless there are updates or revisions and then all documents listed below must be resubmitted.

1. Corporation Documents

Provide a copy of the following:

- a. List of Authorized Persons: Board minutes authorizing the person(s) and identifying her/his job title that is (are) legally empowered to sign legal documents on behalf of the organization;
 - b. Articles of Incorporation and Corporate Seal: The imprint/copy of the Corporate Seal if the organization is a corporation is to be **affixed to the copy of the Articles of Incorporation. The Corporate Seal must read the same as the organization's name. An explanation for any difference, if any, between the Corporate Seal and the organization's name as used in the Negotiation Package is to be provided; and**
 - c. By-Laws/Amendments.
- 2. Organizational Chart** – Attach a current/proposed organizational chart, showing all existing and proposed mental health and substance abuse programs/subprograms irrespective of DMH funding.

3. **Financial Responsibility Requirements**

The Contractor must comply with Department's Policy No. 813.04 - **Financial Responsibility Requirements for Contracting with the County of Los Angeles Department of Mental Health**. This DMH Policy can be accessed in its entirety at the following website:
http://lacdmh.lacounty.gov/ContractorsPolicies/Documents/800/813_04.pdf

4. **Rent and Lease Agreements** specifying all Terms and Conditions **shall be made available within three (3) business days should DMH or its representative request the documents.**

Such agreements if requested are to include: term of Agreement; monetary consideration; other leasing consideration; full names and addresses of leaser; and any family/related party relationship between leaser and the organization and its officers and Board of Directors including a full listing of full names of officers, directors, etc. who have any family/related party relationship with leaser.

5. **Fully Executed Contracts** (e.g., Consultants, professional services, etc.) **shall be made available within three (3) business days should DMH or its representative request the documents.**

6. **Equipment Lease(s)** copies for equipment, including automobiles, photocopiers, etc. **shall be made available within three (3) business days should DMH or its representative request the documents.**

7. **Maintenance Agreement(s)** for equipment and other items **shall be made available within three (3) business days should DMH or its representative request the documents.**

8. **Subcontract(s)** – List of all subcontractors.

Contractors must have **prior written approval** from DMH in order to enter a particular subcontract.

PERFORMANCE STANDARDS AND OUTCOME MEASURES EXHIBIT

CONTRACTOR: Exodus Recovery, Inc

Legal Entity Number: 00527

Pursuant to Paragraph 8.15 COUNTY'S QUALITY ASSURANCE PLAN Contractor shall be subject to the following standards and outcomes that have been checked in the last column titled "Required Outcome" and which will be used by County as part of the determination of the effectiveness of services delivered by Contractor. Also, as stated in Paragraph 3.0, Contractor may be subjected to other specific performance outcomes that are required for Mental Health Service Act (MHSA) programs. MHSA performance outcomes are separately identified from this Attachment M and are instead provided in the respective MHSA service exhibits that are part of this Legal Entity Contract, if applicable.

Line ID	Outcomes Domains	Performance Outcomes Targets	Method of Data Collection	Required Outcome (check)
1		State mandated (California Welfare and Institutions Code (WIC) § 5612 and WIC § 5613)	California Consumer's Perception Survey - MHSIP ¹ , YSS ² and YSS-F ³ survey instruments.	P

Performance Outcomes Project:

2	Access to Services	Client received continuity of care by being seen within 5 business days of discharge from an acute psychiatric hospital. (System wide benchmark is 75% or more of the clients are seen within the five (5) days).	County DMH's claims processing information system data repository.	
3		80% or more of responding clients were able to receive services at convenient times and location.	MHSIP, YSS and YSS - F survey instruments.	
4		Client received continuity of care by being seen within 14 calendar days of discharge from mental health residential treatment program/institutional setting. (Only applicable to residential/institutional service providers. Unplanned discharges are excepted from the 14 day requirement). (System wide benchmark is 59% or more of the clients are seen within the seven (7) days).	County DMH's claims processing information system data repository.	
5	Client Satisfaction	80% or more of responding child/youth and families report that they had someone to talk to when they were troubled.	YSS and YSS-F survey instruments.	
6		80% or more of responding clients reported that staff were sensitive to the client's cultural/ethnic background.	MHSIP, YSS and YSS-F surveys.	
7	Clinical Effectiveness	70% or more of responding families of child/youth and child/youth get along better with family members.	YSS and YSS-F surveys instruments.	
8		80% or more of responding families of child/youth and child/youth in a crisis, have the support they need from family or friends.	YSS and YSS-F survey instruments.	
9		70% or more of responding families report child/youth are doing better in school and/or work.	YSS-F survey	
10		65% or more of responding Transitional Age Youth are doing better in school and/or work.	YSS	
11		60% or more of responding adult/older adult clients are doing better in school and/or work.	MHSIP.survey	
12		75% or more of responding adult/older adult clients report they deal more effectively with daily problems and/or 60% report that their symptoms are not bothering them as much.	MHSIP, YSS and YSS-F survey	

¹ MHSIP -- Mental Health Statistics Improvement Program and is used for adult and older adult surveys.

² YSS s - Youth Services Survey for Youth.

³ YSS-F - Youth Services Survey for Families.

BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement ("Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

1. DEFINITIONS

- 1.1 "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.
- 1.2 "Business Associate" has the same meaning as the term "business associate" at 45 C.F.R. § 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement "Business Associate" shall mean Contractor.
- 1.3 "Covered Entity" has the same meaning as the term "covered entity" at 45 CFR § 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" shall mean County.

- 1.4 "Data Aggregation" has the same meaning as the term "data aggregation" at 45 C.F.R. § 164.501.
- 1.5 "De-identification" refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.
- 1.7 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)
- 1.8 "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S. C. § 17921.)
- 1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.
- 1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.
- 1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).

- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 162.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.
- 1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.
- 1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations. (See 45 C.F.R § 164.103.)
- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the applicable Covered Entity's Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law.
- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.
 - 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.
 - 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
 - 5.1.3 Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
 - 5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **Chief HIPAA Privacy Officer at: Chief HIPAA Privacy Officer, Kenneth Hahn Hall of Administration, 500 West Temple Street, Suite 525, Los Angeles, California 90012, HIPAA@auditor.lacounty.gov**, that includes, to the extent possible:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;
- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;

- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
 - (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and
 - (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.
- 5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.
- 5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.
- 5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.
- 5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

- 6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.
- 6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.

- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the

Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.
- 9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:
- (a) The date of the Disclosure;
 - (b) The name, and address if known, of the entity or person who received the Protected Health Information;
 - (c) A brief description of the Protected Health Information Disclosed; and
 - (d) A brief statement of the purpose of the Disclosure.
- 9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.
- 9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in

accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528

- 9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

- 10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

12. MITIGATION OF HARMFUL EFFECTS

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

13. BREACH NOTIFICATION TO INDIVIDUALS

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
- (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
- (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
- (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.

13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

14. INDEMNIFICATION

14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or

connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.

- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF COVERED ENTITY

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

16. TERM

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 18.1 to 18.4 shall survive the termination or expiration of this Business Associate Agreement.

17. TERMINATION FOR CAUSE

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which

shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.

- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.
- 18.2 Destruction for purposes of Section 18.2 and Section 6.1.2 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.
- 18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.

- 18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

19. AUDIT, INSPECTION, AND EXAMINATION

- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose of determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in Section 17.
- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement,

Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 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 Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

CHARITABLE CONTRIBUTIONS CERTIFICATION

Exodus Recovery, Inc.

Company Name

9808 Venice Blvd., Suite 700, Culver City, CA. 90232-6824

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Check the Certification below that is applicable to your company.

- ☐ Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

OR

- ☐ Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

Signature

Date

Name and Title of Signer (Official Name, Official Title)

Please print

**Los Angeles County Department of Mental Health**
OWNERSHIP/CONTROLLING INTEREST DISCLOSURE

Completion of this form is mandated by the Centers for Medicare and Medicaid Services, Department of Health and Human Services and applicable regulation as found at 42 CFR 455.101 and 42. CFR 455.104. Disclosure must be made at the time of enrollment or contracting with Los Angeles County Department of Mental Health, at the time of survey, or within 35 days of a written request from Los Angeles County Department of Mental Health. It is the provider's responsibility to ensure all information is accurate and to report any changes as required by law by completing a new Ownership/Controlling Interest Disclosure form. Please add additional disclosures on the back of form.

Part 1. Applicant/Vendor Information

Name of Entity (Legal name as it appears on tax identification form)		Provider # (if currently enrolled in CA Medicaid)		NPI Number	
Doing Business As		Street Address	City	State	Zip Code
Telephone Number		Fax Number		E-mail Address	

Part 2. Ownership, indirect ownership, and managing employee interests☐ If Non-Profit Organization, Please check this Box

Does any person have an ownership or controlling interest of 5% or more in the entity?

☐ NO (If No, please sign below)☐ YES (If yes, please completed A, B, C, D and sign below)

A. Lists the name, address, Federal Employer Identification Number (FEIN) or Social Security Number (SSN), Date of Birth (DOB) and percentage of interest of each person with an ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has direct or indirect ownership of 5% or more. Add additional disclosures on back of form.

Name	Add Name	Delete Name	Street Address	City	State	Zip Code	FEIN/SSN	DOB	% Interest

B. Are any of the above mentioned persons related to one another as a spouse, parent, child, or sibling? Add additional disclosures on back of form.

☐ No☐

Yes (If yes, please complete below)

Name	Add Name	Delete Name	FEIN/SSN	DOB	Name of Person Related To	Relationship

C. List any person who holds a position of managing employee within the disclosing entity. Add additional disclosures on back of form.

Name	FEIN/SSN	DOB	Position Title

D. Does any person, business, organization or corporation with an ownership or control interest (identified in A and/or B) have an ownership or controlling interest of 5% or more in any other California Medicaid Provider? Add additional disclosures on back of form.

☐ No (if No, please sign below)☐ Yes (If yes, please name and show information)

Name	Other Provider Name	FEIN/SSN	DOB	%Interest

Provider Statement

I certify that information provided on this form is true, accurate and complete. I will notify Los Angeles County Department of Mental Health in writing within 35 days of any additions/changes to the information.

Signature of Provider/Authorized Representative/Agent
(Stamped signatures NOT accepted)

Title

Date

Print Name

Telephone Number

Effective 7/1/2017



ADDENDUM

Los Angeles County Department of Mental Health
OWNERSHIP/CONTROLLING INTEREST DISCLOSURE

ADDENDUM INFORMATION FOR ADDITIONAL OWNERSHIP/CONTROLLING DISCLOSURE

OWNERSHIP, INDIRECT OWNERSHIP, AND MANAGING EMPLOYEE INTEREST

PLEASE COMPLETE A, B, C, D AND SIGN BELOW

Continued from Page 1.

A. Lists the name, address, Federal Employer Identification Number (FEIN) or Social Security Number (SSN), Date of Birth (DOB) and percentage of interest of each person with an ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has direct or indirect ownership of 5% or more.

Name	Add Name	Delete Name	Street Address	City	State	Zip Code	FEIN/SSN	DOB	% Interest

B. Are any of the above mentioned persons related to one another as a spouse, parent, child, or sibling? Continued from Page 1.

☐ No☐

Yes (If yes, please complete below)

Name	Add Name	Delete Name	FEIN/SSN	DOB	Name of Person Related To	Relationship

C. List any person who holds a position of managing employee within the disclosing entity. Continued from Page 1.

Name	FEIN/SSN	DOB	Position Title

D. Does any person, business, organization or corporation with an ownership or control interest (identified in A and/or B) have an ownership or controlling interest of 5% or more in any other California Medicaid Provider? Continued from Page 1.

☐ No (if No, please sign below)☐ Yes (If yes, please name and show information)

Name	Other Provider Name	FEIN/SSN	DOB	%Interest

Provider Statement

I certify that information provided on this form is true, accurate and complete. I will notify Los Angeles County Department of Mental Health in writing within 35 days of any additions/changes to the information.

Signature of Provider/Authorized Representative/Agent
(Stamped signatures NOT accepted)

Title

Date

EXHIBIT Q**Protection of Electronic County PI, PHI and MI
Data Encryption**

Contractor and Subcontractors that electronically transmit or store personal information (PI), protected health information (PHI) and/or medical information (MI) shall comply with the encryption standards set forth below. PI is defined in California Civil Code Section 1798.29(g). PHI is defined in Health Insurance Portability and Accountability Act of 1996 (HIPAA), and implementing regulations. MI is defined in California Civil Code Section 56.05(j).

1. Stored Data

Contractors' and Subcontractors' workstations and portable devices (e.g., mobile, wearables, tablets, thumb drives, external hard drives) require encryption (i.e. software and/or hardware) in accordance with: (a) Federal Information Processing Standard Publication (FIPS) 140-2; (b) National Institute of Standards and Technology (NIST) Special Publication 800-57 Recommendation for Key Management — Part 1: General (Revision 3); (c) NIST Special Publication 800-57.

Recommendation for Key Management — Part 2: Best Practices for Key Management Organization; and (d) NIST Special Publication 800-111 Guide to Storage Encryption Technologies for End User Devices. Advanced Encryption Standard (AES) with cipher strength of 256-bit is minimally required.

2. Transmitted Data

All transmitted (e.g. network) County P1, PHI and/or MI require encryption in accordance with: (a) NIST Special Publication 800-52 Guidelines for the Selection and Use of Transport Layer Security Implementations; and (b) NIST Special Publication 800-57 Recommendation for Key Management — Part 3: Application-Specific Key Management Guidance. Secure Sockets Layer (SSL) is minimally required with minimum cipher strength of 128-bit.

3. Certification

The County must receive within ten (10) business days of its request, a certification from Contractor (for itself and any Subcontractors) that certifies and validates compliance with the encryption standards set forth above. In addition, Contractor shall maintain a copy of any validation/attestation reports that its data encryption product(s) generate and such reports shall be subject to audit in accordance with the Contract. Failure on the part of the Contractor to comply with any of the provisions of this Exhibit (Data Encryption) shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

4. Compliance

The Proposer shall provide information about its encryption practices by completing Exhibit R "Contractor's Compliance with Encryption Requirements" questionnaire. By submitting, Proposer certifies that it will be in compliance with Los Angeles County Board of Supervisors Policy 5.200, Contractor Protection of Electronic County Information, at the commencement of any contract and during the term of any contract that may be awarded pursuant to this solicitation. The completed forms must be returned to DMH DISO within ten (10) business days to certify compliance.

LACDMH CONTRACTOR'S COMPLIANCE WITH ENCRYPTION REQUIREMENTS EXHIBIT

Contract Agency Name: _____ **Contract Number:** _____

Contractor shall provide information about its encryption practices by completing this Exhibit. By submitting this Exhibit, Contractor certifies that it will be in compliance with Los Angeles County Board of Supervisors Policy 5.200, Contractor Protection of Electronic County Information, at the commencement of any contract and during the term of any contract that may be awarded pursuant to this solicitation.

COMPLIANCE QUESTIONS

			DOCUMENTATION AVAILABLE		
	YES	NO	N/A	YES	NO
1 Will County data stored on your workstation(s) be encrypted? <i>If "NO", or N/A please explain.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Will County data stored on your laptop(s) be encrypted? <i>If "NO", or N/A please explain.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Will County data stored on removable media be encrypted? <i>If "NO", or N/A please explain.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Will County data be encrypted when transported? <i>If "NO", or N/A please explain.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Will Contractor maintain a copy of any validation / attestation reports generated by its encryption tools? <i>If "NO", or N/A please explain.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Will County data be stored on remote servers*? <small>*Cloud storage, Software-as-a-Service or SaaS</small> <i>Please provide public URL and hosting information for the server.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorized Signatory Name (Print)

Authorized Signatory Official Title

Authorized Signatory Signature

Date

COUNTY OF LOS ANGELES
AGREEMENT FOR ACCEPTABLE USE
AND
CONFIDENTIALITY OF

COUNTY INFORMATION TECHNOLOGY RESOURCES

(Note: Authorized signatory must sign at time of contract execution. For employee(s) and non-employee(s), Contractor shall make available within three (3) business days upon DMH request)

ANNUAL

As a County of Los Angeles (County) employee, contractor, subcontractor, volunteer, or other authorized user of County information technology (IT) resources, I understand that I occupy a position of trust. Furthermore, I shall use County IT resources in accordance with my Department's policies, standards, and procedures. I understand that County IT resources shall not be used for:

- For any unlawful purpose;
- For any purpose detrimental to the County or its interests;
- For personal financial gain;
- In any way that undermines or interferes with access to or use of County IT resources for official County purposes;
- In any way that hinders productivity, efficiency, customer service, or interferes with a County IT user's performance of his/her official job duties;

I shall maintain the confidentiality of County IT resources (e.g., business information, personal information, and confidential information).

This Agreement is required by Board of Supervisors Policy No. 6.101 – Use of County Information Technology Resources, which may be consulted directly at website <http://countypolicy.co.la.ca.us/6.101.htm>.

As used in this Agreement, the term "County IT resources" includes, without limitation, computers, systems, networks, software, and data, documentation and other information, owned, leased, managed, operated, or maintained by, or in the custody of, the County or non-County entities for County purposes. The definitions of the terms "County IT resources", "County IT user", "County IT security incident", "County Department", and "computing devices" are fully set forth in Board of Supervisors Policy No. 6.100 – Information Technology and Security Policy, which may be consulted directly at website <http://countypolicy.co.la.ca.us/6.100.htm>. The terms "personal information" and "confidential information" shall have the same meanings as set forth in Board of Supervisors Policy No. 3.040 – General Records Retention and Protection of Records Containing Personal and Confidential Information, which may be consulted directly at website <http://countypolicy.co.la.ca.us/3.040.htm>.

As a County IT user, I agree to the following:

1. Computer crimes: I am aware of California Penal Code Section 502(c) – Comprehensive Computer Data Access and Fraud Act (set forth, in part, below). I shall immediately report to my management any suspected misuse or crimes relating to County IT resources or otherwise.
2. No Expectation of Privacy: I do not expect any right to privacy concerning my activities related to County IT resources, including, without limitation, in anything I create, store, send, or receive using County IT resources. I understand that having no expectation to

any right to privacy includes, for example, that my access and use of County IT resources may be monitored or investigated by authorized persons at any time, without notice or consent.

3. Activities related to County IT resources: I understand that my activities related to County IT resources (e.g., email, instant messaging, blogs, electronic files, County Internet services, and County systems) may be logged/stored, may be a public record, and are subject to audit and review, including, without limitation, periodic monitoring and/or investigation, by authorized persons at any time. I shall not either intentionally, or through negligence, damage, interfere with the operation of County IT resources. I shall neither, prevent authorized access, nor enable unauthorized access to County IT resources responsibly, professionally, ethically, and lawfully.
4. County IT security incident reporting: I shall notify the County Department's Help Desk and/or Departmental Information Security Officer (DISO) as soon as a County IT security incident is suspected.
5. Security access controls: I shall not subvert or bypass any security measure or system which has been implemented to control or restrict access to County IT resources and any related restricted work areas and facilities. I shall not share my computer identification codes and other authentication mechanisms (e.g., logon identification (ID), computer access codes, account codes, passwords, SecurID cards/tokens, biometric logons, and smartcards).
6. Passwords: I shall not keep or maintain any unsecured record of my password(s) to access County IT resources, whether on paper, in an electronic file, or otherwise. I shall comply with all County and County Department policies relating to passwords. I shall immediately report to my management any compromise or suspected compromise of my password(s) and have the password(s) changed immediately.
7. Business purposes: I shall use County IT resources in accordance with my Department's policies, standards, and procedures.
8. Confidentiality: I shall not send, disseminate, or otherwise expose or disclose to any person or organization, any personal and/or confidential information, unless specifically authorized to do so by County management. This includes, without limitation information that is subject to Health Insurance Portability and Accountability Act of 1996, Health Information Technology for Economic and Clinical Health Act of 2009, or any other confidentiality or privacy legislation.
9. Computer virus and other malicious devices: I shall not intentionally introduce any malicious device (e.g., computer virus, spyware, worm, key logger, or malicious code), into any County IT resources. I shall not use County IT resources to intentionally introduce any malicious device into any County IT resources or any non-County IT systems or networks. I shall not disable, modify, or delete computer security software (e.g., antivirus software, antispware software, firewall software, and host intrusion prevention software) on County IT resources. I shall notify the County Department's Help Desk and/or DISO as soon as any item of County IT resources is suspected of being compromised by a malicious device.

10. Offensive materials: I shall not access, create, or distribute (e.g., via email) any offensive materials (e.g., text or images which are sexually explicit, racial, harmful, or insensitive) on County IT resources (e.g., over County-owned, leased, managed, operated, or maintained local or wide area networks; over the Internet; and over private networks), unless authorized to do so as a part of my assigned job duties (e.g., law enforcement). I shall report to my management any offensive materials observed or received by me on County IT resources.
11. Internet: I understand that the Internet is public and uncensored and contains many sites that may be considered offensive in both text and images. I shall use County Internet services in accordance with my Department's policies and procedures. I understand that my use of the County Internet services may be logged/stored, may be a public record, and are subject to audit and review, including, without limitation, periodic monitoring and/or investigation, by authorized persons at any time. I shall comply with all County Internet use policies, standards, and procedures. I understand that County Internet services may be filtered, but in my use of them, I may be exposed to offensive materials. I agree to hold County harmless from and against any and all liability and expense should I be inadvertently exposed to such offensive materials.
12. Electronic Communications: I understand that County electronic communications (e.g., email, text messages, etc.) created, sent, and/or stored using County electronic communications systems/applications/services are the property of the County. All such electronic communications may be logged/stored, may be a public record, and are subject to audit and review, including, without limitation, periodic monitoring and/or investigation, by authorized persons at any time, without notice or consent. I shall comply with all County electronic communications use policies and use proper business etiquette when communicating over County electronic communications systems/applications/services.
13. Public forums: I shall only use County IT resources to create, exchange, publish, distribute, or disclose in public forums (e.g., blog postings, bulletin boards, chat rooms, Twitter, Facebook, MySpace, and other social networking services) any information (e.g., personal information, confidential information, political lobbying, religious promotion, and opinions) in accordance with Department's policies, standards, and procedures.
14. Internet storage sites: I shall not store County information (i.e., personal, confidential (e.g., social security number, medical record), or otherwise sensitive (e.g., legislative data)) on any Internet storage site in accordance with Department's policies, standards, and procedures.
15. Copyrighted and other proprietary materials: I shall not copy or otherwise use any copyrighted or other proprietary County IT resources (e.g., licensed software and documentation, and data), except as permitted by the applicable license agreement and approved by designated County Department management. I shall not use County IT resources to infringe on copyrighted material.
16. Compliance with County ordinances, rules, regulations, policies, procedures, guidelines, directives, and agreements: I shall comply with all applicable County ordinances, rules, regulations, policies, procedures, guidelines, directives, and agreements relating to County IT resources. These include, without limitation, Board of Supervisors Policy No. 6.100 – Information Technology and Security Policy, Board of Supervisors Policy No.

6.101 – Use of County Information Technology Resources, and Board of Supervisors Policy No. 3.040 – General Records Retention and Protection of Records Containing Personal and Confidential Information.

17. Disciplinary action and other actions and penalties for non-compliance: I understand that my non-compliance with any provision of this Agreement may result in disciplinary action and other actions (e.g., suspension, discharge, denial of access, and termination of contracts) as well as both civil and criminal penalties and that County may seek all possible legal redress.

**CALIFORNIA PENAL CODE SECTION 502(c)
"COMPREHENSIVE COMPUTER DATA ACCESS AND FRAUD ACT"**

Below is a section of the "Comprehensive Computer Data Access and Fraud Act" as it pertains specifically to this Agreement. California Penal Code Section 502(c) is incorporated in its entirety into this Agreement by reference, and all provisions of Penal Code Section 502(c) shall apply. For a complete copy, consult the Penal Code directly at website www.leginfo.ca.gov/.

502(c) Any person who commits any of the following acts is guilty of a public offense:

- (1) Knowingly accesses and without permission alters, damages, deletes, destroys, or otherwise uses any data, computer, computer system, or computer network in order to either (A) devise or execute any scheme or artifice to defraud, deceive, or extort, or (B) wrongfully control or obtain money, property, or data.
- (2) Knowingly accesses and without permission takes, copies, or makes use of any data from a computer, computer system, or computer network, or takes or copies any supporting documentation, whether existing or residing internal or external to a computer, computer system, or computer network.
- (3) Knowingly and without permission uses or causes to be used computer services.
- (4) Knowingly accesses and without permission adds, alters, damages, deletes, or destroys any data, computer software, or computer programs which reside or exist internal or external to a computer, computer system, or computer network.
- (5) Knowingly and without permission disrupts or causes the disruption of computer services or denies or causes the denial of computer services to an authorized user of a computer, computer system, or computer network.
- (6) Knowingly and without permission provides or assists in providing a means of accessing a computer, computer system, or computer network in violation of this section.
- (7) Knowingly and without permission accesses or causes to be accessed any computer, computer system, or computer network.

- (8) Knowingly introduces any computer contaminant into any computer, computer system, or computer network.
- (9) Knowingly and without permission uses the Internet domain name of another individual, corporation, or entity in connection with the sending of one or more electronic mail messages, and thereby damages or causes damage to a computer, computer system, or computer network.

I HAVE READ AND UNDERSTAND THE ABOVE AGREEMENT:

County IT User's Name

County IT User's Signature

County IT User's Employee/ID Number

Date

Manager's Name

Manager's Signature

Manager's Title

Date

INFORMATION SECURITY AND PRIVACY REQUIREMENTS

This Exhibit (Information Security and Privacy Requirements) sets forth information security procedures to be established by Contractor and maintained throughout the term of the Purchase Order. These procedures are in addition to the requirements of the Purchase Order between the Parties. They present a minimum standard only. It is Contractor's sole obligation to: (i) implement appropriate administrative, physical and technical measures to secure its systems and data to protect and ensure the privacy, confidentiality, integrity and availability of County Data (consisting of but not limited to County Confidential Information, Personally Identifiable Information, and Protected Health Information) against internal and external threats, vulnerabilities and risks; and (ii) continuously review and revise those measures to address ongoing threats, vulnerabilities and risks. Failure to comply with the minimum standards set forth in this Exhibit (Information Security and Privacy Requirements) will constitute a material, non-curable breach of the Purchase Order by Contractor, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under the Purchase Order, to immediately terminate the Purchase Order.

1. **Security Policy.** Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards and procedures (collectively "**Information Security Policy**"). The Information Security Policy will be communicated to all Contractor personnel, agents and subcontractors in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks.
2. **Personnel and Contractor Protections.** Contractor shall screen and conduct background checks on all Contractor personnel exposed to County Confidential Information and require all employees and contractors to sign an appropriate written confidentiality/non-disclosure agreement. All agreements with third-parties involving access to Contractor's systems and data, including all outsourcing arrangements and maintenance and support agreements (including facilities maintenance), shall specifically address security risks, controls, and procedures for information systems. Contractor shall supply each of its Contractor personnel with appropriate, ongoing training regarding information security procedures, risks, vulnerabilities and threats. Contractor shall have an established set of procedures to ensure Contractor personnel promptly report actual and/or suspected breaches of security.
3. **Removable Media.** Except in the context of Contractor's routine back-ups or as otherwise specifically authorized by County in writing, Contractor shall institute strict administrative, physical and logical security controls to prevent transfer of County information to any form of Removable Media. For purposes of this Exhibit (Information Security and Privacy Requirements), "**Removable Media**" means portable or removable hard disks, floppy disks, USB memory drives, zip disks, optical disks, CDs, DVDs, digital film, digital cameras, memory cards (e.g., Secure Digital (SD), Memory Sticks (MS), CompactFlash (CF), Smart Media (SM), Multimedia Card (MMC), and xD-Picture Card (xD)), magnetic tape, and all other removable data storage media.
4. **Storage, Transmission, and Destruction of Personally Identifiable Information and Protected Health Information.** All Personally Identifiable Information and Protected Health Information

shall be rendered unusable, unreadable, or indecipherable to unauthorized individuals in accordance with HIPAA, as amended and supplemented by the HITECH Act and the California Civil Code section 1798 et seq. Without limiting the generality of the foregoing, Contractor shall encrypt (i.e., National Institute of Standards and Technology (NIST) Special Publication (SP) 800-111 Guide to Storage Encryption Technologies for End User Devices¹) all Personally Identifiable Information and electronic Protected Health Information (stored and during transmission) in accordance with HIPAA and the HITECH Act, as implemented by the U.S. Department of Health and Human Services. If Personally Identifiable Information and Protected Health Information is no longer required to be retained by Contractor under the Agreement and applicable law, Contractor shall destroy such Personally Identifiable Information and Protected Health Information by: (a) shredding or otherwise destroying paper, film, or other hard copy media so that the Personally Identifiable Information and Protected Health Information cannot be read or otherwise cannot be reconstructed; and (b) clearing, purging, or destroying electronic media containing Personally Identifiable Information and Protected Health Information consistent with National Institute of Standards and Technology (NIST) Special Publication (SP) 800-88, Guidelines for Media Sanitization² and US Department of Defense (DOD) 5220.22-M data sanitization and clearing directive³ such that the Personally Identifiable Information and Protected Health Information cannot be retrieved.

5. **Data Control, Media Disposal and Servicing.** Subject to and without limiting the requirements under Section 4 (Storage, Transmission and Destruction of Personally Identifiable Information and Protected Health Information), County Data (i) may only be made available and accessible to those parties explicitly authorized under the Agreement or otherwise expressly Approved by County in writing; (ii) if transferred across the Internet, any wireless network (e.g., cellular, 802.11x, or similar technology), or other public or shared networks, must be protected using industry standard encryption technology in accordance with the NIST SP 800-52 Guidelines for the Selection and use of Transport Layer Security Implementations⁴; and (iii) if transferred using Removable Media (as defined above) must be sent via a bonded courier or protected using industry standard encryption technology in accordance with NIST SP 800-111 Guide to Storage Encryption Technologies for End User Devices⁵. The foregoing requirements shall apply to back-up data stored by Contractor at off-site facilities. In the event any hardware, storage media, or Removable Media must be disposed of or sent off-site for servicing, Contractor shall ensure all County Confidential Information, including Personally Identifiable Information and Protected Health Information, has been cleared, purged, or scrubbed from such hardware and/or media using industry best practices in accordance with NIST SP 800-88, Guidelines for Media Sanitization⁶).
6. **Hardware Return.** Upon termination or expiration of the Agreement or at any time upon County's request, Contractor will return all hardware, if any, provided by County containing Personally Identifiable Information, Protected Health Information, or County Confidential Information to County. The Personally Identifiable Information, Protected Health Information, and County Confidential Information shall not be removed or altered in any way. The hardware

¹ Available at <http://www.csrc.nist.gov/>

² Available at <http://www.csrc.nist.gov/>

³ Available at <http://www.dtic.mil/whs/directives/corres/pdf/522022MSup1.pdf>

⁴ Available at <http://www.csrc.nist.gov/>

⁵ Available at <http://www.csrc.nist.gov/>

⁶ Available at <http://www.csrc.nist.gov/>

should be physically sealed and returned via a bonded courier or as otherwise directed by County. In the event the hardware containing County Confidential Information or Personally Identifiable Information is owned by Contractor or a third-party, a notarized statement, detailing the destruction method used and the data sets involved, the date of destruction, and the company or individual who performed the destruction will be sent to a designated County security representative within fifteen (15) days of termination or expiration of the Agreement or at any time upon County's request. Contractor's destruction or erasure of Personal Information and Protected Health Information pursuant to this Section shall be in compliance with industry Best Practices (e.g., NIST Special Publication 800-88, Guidelines for Media Sanitization⁷).

7. **Physical and Environmental Security.** Contractor facilities that process County Data will be housed in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.
8. **Communications and Operational Management.** Contractor shall: (i) monitor and manage all of its information processing facilities, including, without limitation, implementing operational procedures, change management and incident response procedures; and (ii) deploy adequate anti-viral software and adequate back-up facilities to ensure essential business information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures will be adequately documented and designed to protect information, computer media, and data from theft and unauthorized access.
9. **Access Control.** Contractor shall implement formal procedures to control access to its systems, services, and data, including, but not limited to, user account management procedures and the following controls:
 - a. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of properly configured firewalls;
 - b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, authentication, authorization, and event logging;
 - c. Applications will include access control to limit user access to information and application system functions; and
 - d. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. Contractor shall record, review and act upon all events in accordance with incident response policies set forth below.
10. **Security Incident.** A "Security Incident" shall have the meaning given to such term in 45 C.F.R. § 164.304.
 - a. Contractor will promptly notify (but in no event more than twenty-four (24) hours after the detection of a Security Incident) the designated County security contact by

⁷ Available at <http://www.csrc.nist.gov/>

telephone and subsequently via written letter of any potential or actual security attacks or Security Incidents.

- b. The notice shall include the approximate date and time of the occurrence and a summary of the relevant facts, including a description of measures being taken to address the occurrence. A Security Incident includes instances in which internal personnel access systems in excess of their user rights or use the systems inappropriately.
 - c. Contractor will provide a monthly report of all Security Incidents noting the actions taken. This will be provided via a written letter to the County security representative on or before the first (1st) week of each calendar month. County or its third-party designee may, but is not obligated, perform audits and security tests of Contractor's environment that may include, but are not limited to, interviews of relevant personnel, review of policies, procedures and guidelines, and other documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of County Data.
 - d. In the event County desires to conduct an unannounced penetration test, County shall provide contemporaneous notice to Contractor's Vice President of Audit, or such equivalent position. Any of County's regulators shall have the same right upon request. Contractor shall provide all information reasonably requested by County in connection with any such audits and shall provide reasonable access and assistance to County or its regulators upon request. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes. County reserves the right to view, upon request, any original security reports that Contractor has undertaken on its behalf to assess Contractor's own network security. If requested, copies of these reports will be sent via bonded courier to the County security contact. Contractor will notify County of any new assessments.
11. **Contractor Self Audit.** Contractor will provide to County a summary of: (1) the results of any security audits, security reviews, or other relevant audits listed below, conducted by Contractor or a third-party as applicable; and (2) the corrective actions or modifications, if any, Contractor will implement in response to such audits.

Relevant audits conducted by Contractor as of the Effective Date include:

- a. ISO 27001:2013 (Information Security Management) or FDA's Quality System Regulation, etc. – Contractor-Wide. A full recertification is conducted every three (3) years with surveillance audits annually.
 - i. **External Audit** – Audit conducted by non-Contractor personnel, to assess Contractor's level of compliance to applicable regulations, standards, and contractual requirements.
 - ii. **Internal Audit** – Audit conducted by qualified Contractor Personnel (or contracted designee) not responsible for the area of review, of Contractor organizations, operations, processes, and procedures, to assess compliance to

and effectiveness of Contractor's Quality System ("**CQS**") in support of applicable regulations, standards, and requirements.

- iii. **Supplier Audit** – Quality audit conducted by qualified Contractor Personnel (or contracted designee) of product and service suppliers contracted by Contractor for internal or Contractor client use.
 - iv. **Detailed findings**- are not published externally, but a summary of the report findings, and corrective actions, if any, will be made available to County as provided above and the ISO certificate is published on Contractor's website.
- b. SSAE-16 (formerly known as SAS -70 II) – As to the Hosting Services only:
- i. Audit spans a full twelve (12) months of operation and is produced every six (6) months (end of June, end of December) to keep it "fresh".
 - ii. The resulting detailed report is available to County.

Detailed findings are not published externally, but a summary of the report findings, and corrective actions, if any, will be made available to County as provided above.

12. **Security Audits.** In addition to the audits described in Section 10 (Contractor Self Audit), during the term of the Agreement, County or its third-party designee may annually, or more frequently as agreed in writing by the Parties, request a security audit (e.g., attestation of security controls) of Contractor's data center and systems. The audit will take place at a time mutually agreed to by the Parties, but in no event on a date more than ninety (90) days from the date of the request by County. County's request for security audit will specify the areas (e.g., Administrative, Physical and Technical) that are subject to the audit and may include but not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal vulnerability scans, penetration tests results, evidence of code reviews, and evidence of system configuration and audit log reviews. County shall pay for all third-party costs associated with the audit. It is understood that summary data of the results may filtered to remove the specific information of other Contractor customers such as IP address, server names, and others. Contractor shall cooperate with County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. Any of the County's regulators shall have the same right upon request, to request an audit as described above. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.



COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
CHIEF INFORMATION OFFICE BUREAU
Information Security Division
CONFIDENTIALITY OATH
Non-LAC-DMH Workforce Members

(Note: Authorized signatory must sign at time of contract execution. For employee(s) and non-employee(s), Contractor shall make available within three (3) business days upon DMH request)

The intent of this Confidentiality Form is to ensure that all County Departments, Contractors, LAC-DMH Non-Governmental Agencies (NGA), Fee-For-Service Hospital (FFS1), Fee-For-Service Outpatient (FFS2) and Pharmacy users are aware of their responsibilities and accountability to protect the confidentiality of clients' sensitive information viewed, maintained and/or accessed by any DMH on-line systems.

Further, the Department's Medi-Cal and MEDS access policy has been established in accordance with Federal and State laws governing confidentiality.

The California Welfare and Institutions (W&I) Code, Section 14100.2, cites the information to be regarded confidential. This information includes applicant/beneficiary names, addresses, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data. (See also 22 California Code of Regulations (C.C.R.), Sections 50111 and 51009)

The Medi-Cal Eligibility Manual, Section 2-H, titled "Confidentiality of Medi-Cal Case Records," referring to Section 14100.2, a, b, f, and h, W&I Code, provides in part that:

- “(a) All types of information, whether written or oral, concerning a person, made or kept by any public office or agency in connection with the administration of any provision of this chapter *... shall be confidential, and shall not be open to examination other than for purposes directly connected with administration of the Medi-Cal program.”
- “(b) Except as provided in this section and to the extent permitted by Federal Law or regulation, all information about applicants and recipients as provided for in subdivision (a) to be safeguarded includes, but is not limited to, names and addresses, medical services provided, social and economic conditions or circumstances, agency evaluation or personal information, and medical data, including diagnosis and past history of disease or disability.”
- “(f) The State Department of Health Services may make rules and regulations governing the custody, use and preservation of all records, papers, files, and communications pertaining to the administration of the laws relating to the Medi-Cal program **”
- “(h) Any person who knowingly releases or possesses confidential information concerning persons who have applied for or who have been granted any form of Medi-Cal benefits ***... for which State or Federal funds are made available in violation of this section is guilty of a misdemeanor.”

* , ** , *** The State of California's Statute for Medicaid Confidentiality can be found at the following web address: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/Medicaidstatute.aspx>

The signed copy of this agreement must be maintained by DMH Facilitators

I understand that County Departments, Contractors, LAC-DMH Non-Governmental Agencies (NGA), Fee-For-Service Hospital (FFS1), Fee-For-Service Outpatient (FFS2) and Pharmacy users are prohibited from sharing their unique Logon I.D. and password with co-worker or other agencies.

Further, I understand that County Departments, Contractors, LAC-DMH Non-Governmental Agencies (NGA), Fee-For-Service Hospital (FFS1), Fee-For-Service Outpatient (FFS2) and Pharmacy users are prohibited from obtaining, releasing, or using confidential client information from case records or computer records for purposes not specifically related to the administration of services and authorized by the California Welfare and Institutions Code (Section 14100.2).

1. A civil action under the provision of the Welfare and Institutions Code 5330 Sections:
 - a) Any person may bring an action against an individual who has willfully and knowingly released confidential information or records concerning him or her in violation of this chapter, or of Chapter 1 (commencing with Section 11860) of Part 3 of Division 10.5 of the Health and Safety Code, for the greater of the following amounts:
 1. Ten thousand Dollars (\$10,000)
 2. Three times the amount of actual damages, if any sustained by the plaintiff.
 - b) Any person may bring an action against an individual who has negligently released confidential information or records concerning him or her in violation of this chapter, or of Chapter 1 (commencing with Section 11860) of Part 3 of Division 10.5 of the Health and Safety Code, for both of the following:
 1. One thousand dollars (\$1,000) In order to recover under this paragraph, it shall not be a prerequisite that the plaintiff suffer or be threatened with actual damages.
 2. The amount of actual damages, if any, sustained by the plaintiff
 - c) Any person may, in accordance with Chapter 3(commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, bring an action to enjoin the release of confidential information or records in violation of this chapter, and may in the same action seek damages as provided in this section.
 - d) In addition to the amounts specified in subdivisions (a) and (b), the plaintiff shall recover court costs and reasonable attorney's fees as determined by the court.
2. Disciplinary action including suspension or termination of employment.

I hereby certify that I have read this form and I have knowledge of the requirements of State and Federal confidentiality laws and will comply with all applicable provisions of same.

I, the undersigned, hereby agree not to divulge any information or records concerning any client except in accordance with W&I Code, Section 5328 et seq. and the Health Insurance Portability and Accountability Act of 1996 (HIPAA). I acknowledge that the unauthorized release of confidential information as described in this document may result in disciplinary action up to and including termination of any office of employment. I further agree I have read as described in this document that a person may make me subject to a civil action under the provisions of the W&I Code for the unauthorized release of confidential information.

Phone #: () _____ **Ext:** _____

Pharmacy, FFS, NGA Legal Entity No. or
Provider #: _____ Provider Name: _____

Address: _____ / _____ / _____ / _____
City Zip Code Service Area

LIST OF OTHER GOVERNMENT CONTRACTS

OTHER GOVERNMENT CONTRACTS

Contracts with other County (other than DMH), State, Federal Agencies/Departments, and School Districts
(Within the past three (3) years):

[illegible]



Los Angeles County
DEPARTMENT OF MENTAL HEALTH

JONATHAN E. SHERIN, M.D., Ph.D.
 DIRECTOR

May 21, 2018

TO: Supervisor Sheila Kuehl, Chair
 Supervisor Hilda L. Solis
 Supervisor Mark Ridley-Thomas
 Supervisor Janice Hahn
 Supervisor Kathryn Barger

FROM: Jonathan E. Sherin, M.D., Ph.D.
 Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY FOR A PERCENTAGE INCREASE EXCEEDING TEN PERCENT OF THE TOTAL CONTRACT AMOUNT FOR THE LEGAL ENTITY CONTRACTS**

In accordance with Los Angeles County Board of Supervisors' (Board) Policy No. 5.120, the Department of Mental Health (DMH) is notifying your Board of our department's intent to request delegated authority for a percentage increase exceeding 10 percent of the total contract amount. More specifically, DMH will request delegated authority for a 25 percent increase of the total contract amount for all Fiscal Year (FY) 2018-19 Legal Entity (LE) Agreements.

JUSTIFICATION

On June 6, 2018, the Department of Mental Health will present your Board a letter for approval to execute 133 new Legal Entity (LE) Contracts, including nine contracts with Institutions for Mental Disease (IMD) providers. For Fiscal year 2018-19, DMH may implement a number of programs through the 124 LE Contracts that are either mandated by new State legislation or required as either an overarching County initiative or a strategic departmental priority that may require expansion beyond the customary 10 percent delegated authority (DA). Approval of this request will enhance DMH's ability to expeditiously respond to contracted service needs through its network of LE providers. Should there be a need to exceed the 25 percent delegated authority, DMH will return to your Board with a request to amend the contracts accordingly. Certain LE Contracts' Maximum Contract Amounts will include funding for Short Term Residential Therapeutic Program (STRTP) services. On May 1, 2018, your Board approved the

Each Supervisor
May 21, 2018
Page 2

exclusion of Short Term Residential Therapeutic Program (STRTP) funding from the 25% DA for FY 2018-19.

NOTIFICATION TIMELINE

Board Policy No. 5.120 requires departments to provide written notice to your Board, with a copy to the Chief Executive Officer, at least two weeks prior to the Board Meeting at which the request to exceed 10 percent of the total contract amount will be presented. In compliance with this policy, DMH is notifying your Board of our intent to request DA for a percent increase of up to 25 percent of the total contract amount through a Board Letter to be presented at the June 6, 2018, Board Hearing.

If you have any questions or concerns, please contact me at (213) 738-4601, or your staff may contact Stella Krikorian, Interim Chief, Contracts Development and Administration Division, at (213) 738-4023.

JES:GP:SK:rlr

c: Executive Office, Board of Supervisors
 Chief Executive Office
 County Counsel
 Gregory Polk
 Kimberly Nall
 Stella Krikorian
 Lynn Robnett