



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

October 2, 2012

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

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

14 October 2, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**REQUEST TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE
REPLACEMENT AGREEMENT WITH THE CALIFORNIA HEALTH AND HUMAN
SERVICES AGENCY TO ACCEPT GRANT FUNDS TO EXPAND HEALTH
INFORMATION EXCHANGE SERVICES IN LOS ANGELES COUNTY
(ALL DISTRICTS AFFECTED) (3 VOTES)**

SUBJECT

Authorization for the Chief Executive Officer to execute an Agreement with the California Health and Human Services Agency for remaining Health Information Exchange Expansion Grant funds to support the Los Angeles Network for Enhanced Services Health Data Highway Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Chief Executive Officer, as Chair of the Los Angeles Network for Enhanced Services Board, to execute and implement the terms of the California Health and Human Services Agency Health Information Exchange Expansion Grant Cooperative Agreement, on behalf of Los Angeles Network for Enhanced Services, and accept remaining grant funds of \$222,998.91 for the Health Data Highway Project, effective September 1, 2012 through August 31, 2013.
2. Delegate authority to the Chief Executive Officer to execute future amendments for modifications needed to comply with changes in State or federal laws or regulations, changes to line items in the budget and/or the timeline/deliverables as required for project implementation, and no-cost extensions if needed for project completion, in consultation with County Counsel, and prior notification to the Board.

"To Enrich Lives Through Effective And Caring Service"

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On May 31, 2011, the Board authorized the Chief Executive Officer (CEO), on behalf of Los Angeles Network for Enhanced Services (LANES), to enter into the original grant agreement with Cal eConnect (CeC), the then-State designated entity to administer the State's Cooperative Grant Agreement with the federal Office of the National Coordinator for Health Information Technology.

On May 16, 2012, California Health and Human Services Agency (CHHS) announced that it had recruited the Institute for Population Health Improvement (IPHI) at the University of California, Davis, to assume the administration of the federal grant funds. Following this transition in administration, CHHS determined that it would contract directly with the grantees to award the balance of the funding.

Approval of the recommended actions will authorize the CEO to execute and implement, on behalf of LANES, the replacement Expansion Grant Cooperative Agreement (Agreement) with CHHS (Attachment), to accept the remaining \$222,998.91 in grant funds for Health Information Exchange (HIE) expansion, via the LANES Health Data Highway Project (HDHP), and to execute further amendments, modifications, extensions, and augmentations to the Agreement consistent with this purpose.

The current status of the LANES HDHP is being provided separately in our quarterly report on the project.

FISCAL IMPACT/FINANCING

As with the original grant award, the remaining grant funds of \$222,998.91 will be administered by the LANES fiscal intermediary, Public Health Foundation Enterprises, Inc. (PHFE). In a separate action, your Board authorized the CEO, as a member of LANES, to enter into an agreement with PHFE.

As reflected in the budget included in the Agreement, the current grant funds will be used for interface development/integration resources and project management services for the LANES HDHP.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On August 29, 2012, County of Los Angeles (County) received the notice of termination of the agreement with CeC effective August 31, 2012, and simultaneous with the termination, CHHS was offering a replacement Agreement to foster further expansion of HIE, to be effective September 1, 2012. Grantees were advised to continue the project work while the process was followed to approve and execute the replacement agreements.

The Honorable Board of Supervisors
October 2, 2012
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The replacement Agreement was received from CHHS on September 5, 2012. The terms of the Agreement have been reviewed by County Counsel and approved as to form.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This grant will benefit the County in its efforts to expand the infrastructure for legally permissible data sharing in the Los Angeles County region and support partnerships with private providers in order to provide improved healthcare to County residents.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SAS
MM:hd

Attachment

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Chief Information Office
Health Services

STATE OF CALIFORNIA-California Health and Human Services Agency

GRANT AGREEMENTHEALTH INFORMATION EXCHANGE COOPERATIVE AGREEMENT
PROGRAM—Phase 2

AGREEMENT NUMBER

09042012

AWARD NUMBER

90HT0029/01

CFDA NUMBER

93.719

1. The California Health and Human Services Agency hereby makes a grant award of funds to the Grantee named below:

Grantee's Name: Los Angeles Network for Enhanced Services (LANES), County of Los Angeles

Telephone number: (213) 974-1101

Grantee's Address: 500 W. Temple Street, Room 713, Los Angeles, CA 90012

Project Director and Telephone Number: Sheila Shima, Deputy Chief Executive Officer, Health & Mental Health Services,
County of Los Angeles Executive Office, (213) 974-1160, sshima@ceo.lacounty.gov

2. The term of this Agreement is: September 1, 2012 through August 31, 2013

3. The maximum amount of this Agreement is: \$ 222,998.91
Dollars and 00/100

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Scope of Work	7 pages
Exhibit A, Attachment 1 – Table of Deliverables	5 pages
Exhibit B - Budget Detail and Payment Provisions	6 pages
Attachment 1, Budget and Expenditure Plan	1 page
Exhibit C - General Terms and Conditions	3 pages
Exhibit D - Special Terms and Conditions	22 pages
Exhibit E – Supplemental Terms and Conditions for Agreements Using ARRA Funds	3 pages
Exhibit F—Information Integrity and Security	8 pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**GRANTEE**

GRANTEE'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

Los Angeles Network for Enhanced Services, County of Los Angeles

BY (Authorized Signature)

DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

William T Fujioka, Chief Executive Officer, County of Los Angeles and Chair, LANES Board of Directors

ADDRESS

500 W. Temple Street, Room 713, Los Angeles, CA 90012

STATE OF CALIFORNIA

AGENCY NAME

California Health and Human Services Agency (CHHS)

BY (Authorized Signature)

DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Scott Christman, Assistant Director, CHHS/ Office of Health Information Integrity

ADDRESS

1600 Ninth Street, Room 460, Sacramento, CA 95814

Exempt from DGS
review per AG
Opinions

SCOPE OF WORK – Exhibit A

ARTICLE I. DEFINITIONS, AS USED THROUGHOUT THIS AGREEMENT

- A. ARRA or the Recovery Act means the American Recovery and Reinvestment Act of 2009. This statute includes The Health Information Technology for Economic and Clinical Health Act of 2009 (the HITECH Act) that sets forth a plan for advancing the appropriate use of health information technology to improve quality of care and establish a foundation for health care reform.
- B. The term "Agreement" shall mean the Standard Agreement (Std.215), any Exhibits and all subsequent amendments.
- C. CalPSAB means the California Privacy and Security Advisory Board.
- D. CFR means the Code of Federal Regulations.
- E. CHHS means the California Health and Human Services Agency.
- F. CHITA means the California Health Information Technology Act, commencing with Section 130250.1 of the Health and Safety Code.
- G. "Grantee" or "Contractor" means the nonprofit entity to which funds are awarded under this Agreement and which is accountable to CHHS and the federal government for use of these funds.
- H. Electronic Health Record (EHR) means an electronic record of health-related information regarding an individual that conforms to nationally recognized interoperability standards and that can be created, managed, and consulted by authorized clinicians and staff across more than one health care organization.
- I. Health Information Exchange (HIE) means the electronic movement of health-related information among organizations according to nationally recognized standards. For purposes of this Agreement and program, organization is synonymous with healthcare providers, public health agencies, payors and entities offering patient engagement services (such as Patient Health Records).
- J. HHS means the federal Department of Health and Human Services.
- K. HIPAA means Health Insurance Portability and Accountability Act.
- L. LANES means Los Angeles Network for Enhanced Services.
- M. NHIN means the National Health Information Network.
- N. OMB means the federal Office of Management and Budgets.

- O. ONC means the federal Office of the National Coordinator for Health Information Technology, housed in the federal Department of Health and Human Services.

- P. "State" and "Agency" mean the State of California and the California Health and Human Services Agency (CHHS). These terms may be used interchangeably.

- Q. "Subcontractor" or "sub-recipient" means the entity awarded funds by grantee to provide services under this Agreement.

ARTICLE II. HIE COOPERATIVE AGREEMENT

- A. Grantee agrees to provide services, as specified in this Agreement, to the California Health and Human Services Agency (CHHS) to implement the "State Cooperative Agreements to Promote Health Information Technology" program, created as part of the American Recovery and Reinvestment Act of 2009 (ARRA, the HITECH Act) and any related provisions in California's Health Information Technology Act. CHHS acknowledges that this Agreement is for a specific set of deliverables.

- B. Grantee shall provide services, and shall expend all funds received under this Agreement in accordance with this Agreement and any subsequent guidance, directives or changes issued by CHHS, and agreed to by both parties. CHHS shall discuss in advance with the Grantee any changes to this Agreement, or interpretations implementing this Agreement or applicable State or federal requirements, in order to identify and resolve potential issues or concerns prior to formal implementation.

- C. This Agreement incorporates by reference the applicable terms and conditions contained in California's Notice of Award (State Health Information Exchange Cooperative Agreement Program; Cooperative Agreement Number 90HT0029) as those terms and conditions apply to the Grantee (or to subcontractors). Some, but not all, of those federal conditions, including applicable policies, procedures and/or requirements, are reiterated in this Agreement. Reiterating the terms of the federal grant is for emphasis and does not in any way limit the effect of the grant provisions not set forth herein.

- D. LANES will expand the technical and business operations of HIE in Los Angeles County. This project aims to connect of the largest populations of safety net providers in the country to critical HIE services that will improve healthcare delivery and outcomes for the most vulnerable citizens in Los Angeles County.

E. Corporate Status

1. Grantee shall be a private non-profit corporation. Grantee shall be in good standing with the Secretary of State of California and shall maintain that status throughout the term of the Agreement.
2. Failure of a corporation to maintain good standing with the Secretary of the State of California shall result in suspension or termination of this Agreement, when such standing cannot be fully restored in 30 calendar days. Failure to maintain good standing by a subcontracting corporation shall result in suspension or termination of the subcontract agreement. The CHHS may reinstate this Agreement, and/or any subcontractor agreements, at its discretion if satisfactory status is restored.

F. Reimbursement, during the term of this Agreement, shall be contingent upon the Grantee meeting the agreed upon project milestones, satisfactory completion of project deliverables, compliance with all applicable statutory and regulatory requirements, and demonstrated organizational capacity to accomplish the goals enumerated in this Agreement. Specific project milestones, deliverables and/or performance metrics will be agreed upon which will be the basis for reimbursement of expenditures. In identifying and reaching agreement on program deliverables and performance metrics, CHHS shall use applicable federal benchmarks, metrics and/or requirements, including those contained in California's Strategic, Operational and Implementation Plans and any required performance evaluation metrics, while also assuring compliance with any applicable State standards, as applicable. This provision does not prohibit CHHS from reimbursing the Grantee for fixed monthly costs or advancing funding as specified in this Agreement.

G. Grantee also acknowledges that Section 3013(h) of the HITECH Act requires the Secretary of Health and Human Services (HHS) to complete annual evaluations of the activities conducted under this program, and implement improvements or changes as necessary. These evaluations will take into account necessary progress which needs to be made to assure HIE is sufficient to meet the HIE meaningful use criteria to be established by the Secretary through the rulemaking process.

H. The primary project representative during the term of this agreement will be:

Christine Schmoeckel
Chief Information Officer, Office of Health Information Integrity
California Health and Human Services Agency
(916) 654-2660
cschmoec@ohi.ca.gov

ARTICLE III. PROGRAM OPERATIONS: GRANTEE RESPONSIBILITIES AND DELIVERABLES

- A. Grantee shall comply with applicable provisions of the federal HITECH Act, commencing at Section 3013 of Title XXX of the Public Health Service Act, and applicable federal policies, guidance and requirements. These provisions include but are not limited to the requirement that funds be used to conduct activities to facilitate and expand the electronic movement and use of health information among organizations according to nationally recognized standards through activities that include, but are not limited to:
1. Identifying State or local resources available towards a nationwide effort to promote health information technology;
 2. Complementing other Federal grants, programs, and efforts toward the promotion of health information technology;
 3. Developing plans that will assist patients in utilizing health information technology;
 4. Developing plans for use of quality improvement measurement and reporting;
 5. Developing plans that will support public health agencies' authorized use of and access to electronic health information;
 6. Implementing other activities and developing plans which support developing HIE capability and demonstrating progress across the five essential domains specified by ONC; namely, Governance, Finance, Technical Infrastructure, Business and Technical Operations, and Legal/Policy.
 7. Participating as necessary in federal HIE Forum and Leadership Training, NHIN Governance Training or other necessary federal forums, and review updates to the HIE toolkit modules.
- B. Inter-state and Intra-State Exchange. Grantee shall address legal and policy barriers and enablers related to the electronic use and exchange of intra-state or inter-state health information. These mechanisms and structures may include but are not limited to: policy frameworks, privacy and security requirements for system development and use, data sharing agreements, laws and regulations needed and, generally, recommendations for creation of a common set of rules and agreements to enable inter-organizational and intra-state and inter-state HIE while protecting consumer interests.
- C. Approved Work Plan and Budget. Exhibit A, Attachment 1 is a Summary Table of the currently approved deliverables for this Agreement. As necessary, CHHS will use the Implementation Plan to more fully define each deliverable, including associated timeframes, specific deliverable requirements, required processes to be employed to achieve desired outcomes, etc. The cost of the deliverables

specified in Exhibit A, Attachment 1 are identified in Exhibit B for budgeting purposes. As such, these deliverables will also be the basis for invoicing by the Grantee and reimbursement by CHHS, as specified in Exhibit B.

- D. All deliverables are subject to acceptance by CHHS. CHHS reserves the right to review, comment and return any product or deliverable, or portion of product or deliverable, that CHHS believes does not adequately meet federal and/or State requirements. CHHS reserves the right to withhold full or partial payment of invoices based on this review.

ARTICLE IV. MONITORING, ASSESSMENT, AND EVALUATION

- A. Grantee is responsible for managing the day-to-day operation of this Agreement and any subcontract or sub-grant supported activities. The Grantee shall not delegate or contract these responsibilities to any other entity. Grantee must monitor to ensure compliance with applicable federal requirements and to ensure that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.
- B. The Grantee will be subject to comprehensive monitoring, review and oversight by CHHS, ONC and their designated representatives. This review includes but is not limited to the following:
 - 1. A review and evaluation of Grantee's performance in relation to agreed upon deliverables and goals;
 - 2. Evaluation of expenditures against budgeted costs;
 - 3. An evaluation of project management protocols to determine if protocols are being implemented, reviewed and updated as necessary;
 - 4. Adherence to established policies and procedures;
 - 5. A determination as to whether the Grantee is monitoring and reporting on required program evaluation metrics;
 - 6. Maintaining oversight of HIE services, and assuring that HIE is operating effectively and within the appropriate regulatory environment;
 - 7. Grantee's use of tools necessary to track and maintain project information expected to be required for CHHS to conduct a self-evaluation of the project and to inform a national program-level evaluation.
 - 8. Participating as necessary in the nationwide program evaluation.
- C. CHHS will conduct the monitoring and evaluation through required reports as well as onsite visits. CHHS reserves the right to require Grantee to implement a corrective action plan that identifies specific action and timeframes to address any deficiencies identified through program compliance monitoring and evaluation activities. This oversight will include, but not be limited to: onsite monitoring, performance reporting, review and evaluation of status and progress reports,

review of expenditures and deliverables (projected versus delivered), and evaluation as part of the coordinated State and national program evaluation, as specified below.

- D. Authorized State representatives shall have the right to monitor, assess, and evaluate Grantee's performance pursuant to this Agreement. This monitoring, assessment, and evaluation may include, but is not limited to, audits, and inspections of project premises, as appropriate, and interviews of project staff and subcontractors.
- E. Grantee shall cooperate with the monitoring, assessment, and evaluation processes, which includes making any program and administrative staff available during any scheduled process.

ARTICLE V. PERFORMANCE REPORTING

- A. Federal performance reporting requirements (found at 45 CFR Part 92) are placed on CHHS. Annual reports by CHHS to ONC are due 90 days after the grant year, and semi-annual reports are due 30 days after the reporting period. The final performance report will be due 90 days after the expiration or termination of grant support. If a justified request is submitted by CHHS, ONC agency may extend the due date for any performance report. Additionally, requirements for unnecessary performance reports may be waived by the Federal agency. These federal reporting requirements and any additional similar requirements are hereby incorporated and applied to the Grantee, to the extent that CHHS requires information from the Grantee in order to meet these requirements.
- B. Grantee shall submit performance reports to CHHS in the manner, frequency and format specified by CHHS, which will allow CHHS to meet its federal reporting responsibilities. CHHS reserves the right to place additional conditions on the Grantee, through policy directives or by other means, based on these reports or other factors such as national or state evaluations.
- C. CHHS may waive any performance report when not needed. CHHS may extend the due date for any performance report if CHHS determines it will still be able to meet its performance reporting obligations to ONC. Performance reports will include, but not be limited to, information on at least the following:
 - 1. A comparison of actual accomplishments to the objectives established for the period. Where the output of the project can be quantified, a computation of the cost per unit of output may be required.
 - 2. The reasons for slippage if established objectives were not met.
 - 3. Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

- D. Events may occur between the scheduled performance reporting dates, which have significant impact upon grant activities or sub-grant supported activities. In such cases, the Grantee shall inform the CHHS as soon as the following types of conditions become known:
1. Problems, delays, or adverse conditions, which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
 2. Favorable developments, which enable meeting time schedules and objectives sooner or at less cost than anticipated, or producing more beneficial results than originally planned.
- E. Grantee shall submit other written reports, in a format, manner and frequency prescribed by the CHHS, which may include but not be limited to: (1) progress and status reports, (2) financial reports, (3) annual and final close out (financial status) reports, (4) management information reports, and (5) ad hoc and special reports.

ID	% Comp	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
1	0%	1	LANES Project View-Based Plan	0 days	Tue 4/17/12	Tue 4/17/12		
2								
3	28%	2	LANES	480 days	Wed 8/31/11	Mon 7/15/13		
4	28%	2.1	Project Planning	436 days	Tue 11/1/11	Mon 7/15/13		
5	100%	2.1.1	Approval from Cal eConnect on Changes	19 days	Tue 4/17/12	Fri 5/11/12		LANES
6	50%	2.1.2	Reconcile Budget w/ Matching Funds	60 days	Tue 4/17/12	Wed 7/11/12		LANES
7	100%	2.1.3	Technical Project Manager Hired	0 days	Tue 4/17/12	Tue 4/17/12		LANES
8	100%	2.1.4	Project Manager Hired	0 days	Mon 4/16/12	Mon 4/16/12		LANES
9	100%	2.1.5	Technical Resources Hired	0 days	Mon 5/14/12	Mon 5/14/12		LANES
10	100%	2.1.6	Create Gap Document	3 days	Tue 4/17/12	Thu 4/19/12		LANES
11	0%	2.1.7	Timeline Sign Off	0 days	Mon 7/16/12	Mon 7/16/12		LANES
12	0%	2.1.8	DHS Data Participation Agreement Approved	0 days	Mon 9/17/12	Mon 9/17/12		LANES, DHS
13	0%	2.1.9	DHS Privacy and Security Policy Approved	0 days	Mon 9/17/12	Mon 9/17/12		LANES, DHS
14	75%	2.1.10	Budget Line Items Updated w/ Vendor and Contract Resources	0 days	Mon 5/14/12	Mon 5/14/12		LANES
15	0%	2.1.11	Budget Finalized	0 days	Mon 7/16/12	Mon 7/16/12		LANES
16	100%	2.1.12	Cal eConnect Letter Sent	0 days	Mon 7/2/12	Mon 7/2/12		LANES
17	0%	2.1.13	Vendor Management	122 days	Mon 5/14/12	Thu 11/1/12		LANES
18	100%	2.1.13.1	IBM Software Version Decision	0 days	Mon 5/14/12	Mon 5/14/12		LANES
19	100%	2.1.13.2	IBM Approach Decision	0 days	Mon 5/21/12	Mon 5/21/12		LANES
20	0%	2.1.13.3	Vendor Contracts Completed	66 days	Thu 5/31/12	Sat 9/1/12		LANES
21	75%	2.1.13.3.1	IBM	0 days	Sun 7/15/12	Sun 7/15/12		LANES
22	100%	2.1.13.3.2	Mirth	0 days	Thu 5/31/12	Thu 5/31/12		LANES
23	90%	2.1.13.3.3	Consulting Resources	0 days	Sat 9/1/12	Sat 9/1/12		LANES
24	50%	2.1.13.3.4	Hosting Site (Vendor TBD)	0 days	Tue 9/25/12	Tue 9/25/12		LANES, DHS
25	0%	2.1.13.4	Temporary-Hosting Site Implementation Complete	0 days	Thu 11/1/12	Thu 11/1/12		LANES
26	0%	2.1.13.5	Hosting Site (Vendor TBD) Implementation Complete	60 days	Tue 4/17/12	Wed 7/11/12		LANES
27	100%	2.1.14	Revise LANES/Project Charter	60 days	Tue 4/17/12	Wed 7/11/12		LANES
28	100%	2.1.15	Revise LANES/ Project Plan	60 days	Tue 4/17/12	Wed 7/11/12		LANES
29	100%	2.1.16	High level timeline for Board	1 day	Thu 7/12/12	Thu 7/12/12		LANES
30	73%	2.1.17	Revise LANES/ Project Documentation	60 days	Tue 4/17/12	Wed 7/11/12		LANES
31	0%	2.1.17.1	Communication Plan	60 days	Tue 4/17/12	Wed 7/11/12		LANES
32	100%	2.1.17.2	Risk Register	45 days	Tue 4/17/12	Tue 6/19/12		LANES
33	100%	2.1.17.3	Issues Log	60 days	Tue 4/17/12	Wed 7/11/12		LANES
34	100%	2.1.17.4	Organizational Chart	60 days	Tue 4/17/12	Wed 7/11/12		LANES
35	100%	2.1.18	Working meeting w/ vendors to verify new timeline	1 day	Tue 4/17/12	Tue 4/17/12		ALL
36	11%	2.1.19	Weekly Status Meetings (Project Team)	320 days	Tue 4/17/12	Mon 7/15/13		ALL
37	0%	2.1.20	Monthly Status Meetings (Project Stakeholders)	320 days	Tue 4/17/12	Mon 7/15/13		LANES
38	7%	2.1.21	Monthly Status Update to the Board	194 days	Tue 11/1/11	Mon 8/6/12		LANES
39	11%	2.1.22	Establish Work Groups	1 day	Tue 11/1/11	Tue 11/1/11		LANES
40	100%	2.1.22.1	Policy	1 day	Tue 4/17/12	Tue 4/17/12		LANES
41	100%	2.1.22.2	Sustainability	25 days	Mon 7/2/12	Mon 8/6/12		LANES
42	0%	2.1.22.3	Clinical Advisory	1 day	Tue 5/15/12	Tue 5/15/12		LANES
43	100%	2.1.22.4	Technical	480 days	Wed 8/31/11	Mon 7/15/13		LANES
44	0%	2.2	Quarterly Reports	469 days	Wed 8/31/11	Mon 7/15/13		LANES
45	0%	2.2.1	Q1	0 days	Wed 11/30/11	Wed 11/30/11		LANES
46	100%	2.2.1.1	Q1	0 days	Wed 8/31/11	Wed 8/31/11		LANES
47	100%	2.2.1.2	Q2	0 days	Wed 2/29/12	Wed 2/29/12		LANES
48	100%	2.2.1.3	Q3	0 days	Thu 5/31/12	Thu 5/31/12		LANES
49	100%	2.2.1.4	Q4	0 days	Fri 8/31/12	Fri 8/31/12		LANES
50	0%	2.2.1.5	Q5	0 days	Fri 11/30/12	Fri 11/30/12		LANES
51	0%	2.2.1.6	Q6	0 days	Thu 2/28/13	Thu 2/28/13		LANES
52	0%	2.2.1.7	Q7	0 days	Fri 5/31/13	Fri 5/31/13		LANES
53	0%	2.2.1.8	Q8	0 days	Mon 7/1/13	Mon 7/1/13		LANES
54	0%	2.2.1.9	Q9	469 days	Wed 8/31/11	Mon 7/15/13		LANES
55	0%	2.2.2	Budget w/ Actuals	0 days	Wed 8/31/11	Wed 8/31/11		LANES
56	100%	2.2.2.1	Q1	0 days	Wed 11/30/11	Wed 11/30/11		LANES
57	100%	2.2.2.2	Q2	0 days	Wed 2/29/12	Wed 2/29/12		LANES
58	100%	2.2.2.3	Q3	0 days	Thu 5/31/12	Thu 5/31/12		LANES
59	100%	2.2.2.4	Q4	0 days	Fri 8/31/12	Fri 8/31/12		LANES
60	0%	2.2.2.5	Q5	0 days	Fri 11/30/12	Fri 11/30/12		LANES

ID	% Comp	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
61	0%	2.2.2.6	Q6	0 days	Fri 11/30/12	Fri 11/30/12		LANES
62	0%	2.2.2.7	Q7	0 days	Thu 2/28/13	Thu 2/28/13		LANES
63	0%	2.2.2.8	Q8	0 days	Fri 5/31/13	Fri 5/31/13		LANES
64	0%	2.2.2.9	Q9	0 days	Mon 7/1/13	Mon 7/1/13		LANES
65	0%	2.2.3	Provide Metrics for Call Connect Evaluation Team	21 days	Fri 5/31/13	Mon 7/1/13		LANES
66	0%	2.2.3.1	Q8	0 days	Fri 5/31/13	Fri 5/31/13		LANES
67	0%	2.2.3.2	Q9	0 days	Mon 7/1/13	Mon 7/1/13		LANES
68	0%	2.2.4	Provide Metrics for CHHS Evaluation Team	0 days	Mon 7/15/13	Mon 7/15/13		LANES
69	0%	2.2.5	Final Project Report	31 days	Mon 5/20/13	Mon 7/15/13	68	LANES
70	0%	2.3	MPI Analysis (no Q1-Q4)	10 days	Mon 5/20/13	Fri 5/31/13		MPI Analysts [30%]
71	0%	2.3.1	Q8	10 days	Mon 5/20/13	Fri 5/31/13		MPI Analysts [30%]
72	0%	2.3.2	Q9	10 days	Tue 6/18/13	Mon 7/1/13		MPI Analysts [30%]
73								
74	26%	3	LANES Infrastructure Implementation	168 days	Mon 7/16/12	Mon 3/11/13		
75	100%	3.1	LANES Mirrith Infrastructure	20 days	Mon 7/16/12	Fri 8/10/12		
76	100%	3.1.1	Establish Root Dev Mirrith Server	10 days	Mon 7/16/12	Fri 7/27/12		Mirrh
77	100%	3.1.2	Establish Root Prod Mirrith Server	20 days	Mon 7/16/12	Fri 8/10/12		Mirrh
78	4%	3.2	LANES Initiate Infrastructure	126 days	Mon 9/3/12	Fri 3/1/13		
79	100%	3.2.1	Implement Development Server	2 days	Mon 9/3/12	Tue 9/4/12		
80	100%	3.2.1.1	Place Initiate Dev Instance	2 days	Mon 9/3/12	Tue 9/4/12		IBM
81	0%	3.2.2	Implement Production Server	316 days	Mon 9/17/12	Fri 3/1/13		
82	0%	3.2.2.1	Place Initiate Prod Instance	10 days	Mon 9/17/12	Fri 9/28/12		IBM
83	0%	3.2.2.2	Define Initial Rules in Prod	20 days	Sun 9/30/12	Tue 10/25/12	82	IBM
84	0%	3.2.2.3	Validate/Tune Rules in Prod	20 days	Fri 3/1/13	Fri 3/1/13		IBM
85	0%	3.2.2.4	Final LANES Sign-Off of Initiate rules	30 days	Thu 1/17/13	Wed 2/27/13		LANES
86	0%	3.3	Integrate Mirrith and Initiate Infrastructures	25 days	Thu 1/17/13	Wed 2/20/13		
87	0%	3.3.1	Integrate Dev Mirrith with Dev Initiate	5 days	Thu 1/17/13	Wed 1/23/13	76,80	Mirrh
88	0%	3.3.1.1	Point Mirrith to Dev Initiate	15 days	Thu 1/24/13	Wed 2/13/13	88	Mirrh
89	0%	3.3.1.2	Test/Validate Integration	5 days	Thu 2/14/13	Wed 2/20/13	89	LANES
90	0%	3.3.1.3	LANES UAT/Sign-Off	5 days	Thu 2/21/13	Mon 3/11/13	89,84	Mirrh, IBM
91	0%	3.3.2	Integrate Prod Mirrith with Prod Initiate	7 days	Fri 3/1/13	Mon 3/11/13		
92	0%	3.4	Final Root Infrastructure Deployment	7 days	Fri 3/1/13	Mon 3/11/13		
93	0%	3.4.1	Dev LANES Root Environment	2 days	Fri 3/1/13	Mon 3/11/13		IBM
94	0%	3.4.1.1	Roll Final Initiate Rules from Prod back into Dev	5 days	Tue 3/5/13	Mon 3/11/13	94	IBM
95	0%	3.4.1.2	Final Rules and Environment Prep	0 days	Mon 3/11/13	Mon 3/11/13	95	IBM
96	0%	3.4.1.3	Dev Environment Established	5 days	Mon 3/11/13	Mon 3/11/13	95	IBM
97	0%	3.4.2	Prod LANES Root Environment	5 days	Fri 3/1/13	Thu 3/7/13		IBM
98	0%	3.4.2.1	Final Rules and Environment Prep	0 days	Thu 3/7/13	Thu 3/7/13	98	IBM
99	0%	3.4.2.2	Prod Environment Established	0 days	Thu 3/7/13	Thu 3/7/13	98	IBM
100								
101	0%	4	LA County DHS	201 days	Mon 7/2/12	Mon 4/15/13		
102	0%	4.1	County IBM Initiate eMPI Licenses Available	0 days	Fri 2/15/13	Fri 2/15/13		County
103	0%	4.2	Reestablish BAA/DPA	0 days	Mon 9/3/12	Mon 9/3/12		LANES, DHS
104	100%	4.3	MPI Clean Up Complete	0 days	Mon 7/2/12	Mon 7/2/12		
105	0%	4.4	Develop Direct Integration with DHS	83 days	Mon 9/17/12	Tue 3/15/13		
106	0%	4.4.1	Hold Technical Design Meeting	1 day	Mon 9/17/12	Mon 9/17/12		
107	0%	4.4.2	Finalize Specifications for Channel Development	5 days	Tue 9/18/12	Mon 9/24/12	106	DHS Tech Lead [30%], Technical Project Mgr
108	0%	4.4.3	Finalize Design Solution for DHS	5 days	Tue 9/25/12	Sun 9/30/12	107	Tech Lead [10%]
109	0%	4.4.4	Acquire Test Data	5 days	Tue 9/25/12	Sun 9/30/12	107	
110	0%	4.4.5	Develop Channels	44 days	Mon 10/1/12	Fri 11/30/12	109,108	
111	0%	4.4.6	Direct Integration LANES-DHS Complete	0 days	Fri 11/30/12	Fri 11/30/12		
112	0%	4.4.7	Matching Algorithm Complete	0 days	Tue 1/15/13	Tue 1/15/13		
113	0%	4.5	Algorithm Configuration	84 days	Mon 9/17/12	Tue 1/15/13		
114	0%	4.6	Testing and Training	70 days	Mon 12/3/12	Wed 3/13/13		Channel Dev [1] [25%]
115	0%	4.6.1	Create Test Plans	20 days	Wed 1/2/13	Tue 1/29/13	107	
116	0%	4.6.2	Create Training Materials	20 days	Wed 1/2/13	Tue 1/29/13		
117	0%	4.6.3	DHS HIE Interface Functional Testing	10 days	Mon 12/3/12	Fri 12/14/12	110,109	
118	0%	4.6.4	DHS HIE Interface Integration Testing	20 days	Mon 12/17/12	Wed 1/16/13	117	
119	0%	4.6.5	DHS HIE Interface UAT	10 days	Thu 1/17/13	Wed 1/30/13	118	Channel Dev [1] [25%]
120	0%	4.6.6	Interface Testing and Refining Complete	0 days	Wed 1/30/13	Wed 1/30/13		

ID	% Comp	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
121	0%	4.6.7	Super User Training	5 days	Thu 1/31/13	Wed 2/6/13		
122	0%	4.6.8	End User Training	25 days	Thu 2/7/13	Wed 3/13/13 115,121		
123	0%	4.6.9	Training Complete	3 days	Wed 3/13/13	Wed 3/13/13 122		
124	0%	4.7	DHS Ready for Prod	3 days	Wed 3/13/13	Wed 3/13/13		
125	0%	4.8	DHS Prod Deployment	3 days	Wed 3/13/13	Fri 3/15/13		
126	0%	4.8.1	Go/No Go Decision	2 days	Wed 3/13/13	Thu 3/14/13 124		
127	0%	4.8.2	Final Prod LANES Environment Preparation	2 days	Wed 3/13/13	Thu 3/14/13 124		
128	0%	4.8.3	Final review DHS Channels in Prod	2 days	Wed 3/13/13	Thu 3/14/13 124		
129	0%	4.8.4	Final Review DHS Historical Load Channels in Prod	2 days	Wed 3/13/13	Thu 3/14/13 124		
130	0%	4.8.5	Point DHS Prod Interfaces to LANES	2 days	Wed 3/13/13	Thu 3/14/13 124		
131	0%	4.8.6	Point DHS Historical Load Data to LANES	1 day	Wed 3/13/13	Thu 3/14/13 124		
132	0%	4.8.7	Turn on DHS interfaces in Prod	3 days	Fri 3/15/13	Fri 3/15/13 127,128,130		
133	0%	4.8.8	DHS Go-live	10 days	Mon 3/18/13	Fri 3/29/13 133		
134	0%	4.9	Transition to Support	1 day	Mon 4/1/13	Mon 4/1/13 134		
135	0%	4.10	Lessons Learned	82 days	Mon 12/17/12	Mon 4/15/13		DHS Tech Lead(30%),
136	0%	4.11	Data Loads Preparation	5 days	Mon 12/17/12	Fri 12/21/12		DHS
137	0%	4.11.1	Determine Data Load Implementation Strategy	5 days	Wed 12/26/12	Wed 1/2/13 137		DHS Tech Lead
138	0%	4.11.2	Finalize Data Load Channel Design	15 days	Thu 1/3/13	Wed 1/23/13 138		DHS
139	0%	4.11.3	Develop/build batches in deployment order	10 days	Thu 1/24/13	Wed 2/6/13 139		DHS Tech Lead(50%),
140	0%	4.11.4	Develop Channels for Historical Loads	10 days	Thu 2/7/13	Wed 2/20/13 140		DHS
141	0%	4.11.5	Data load Test Runs in Test	10 days	Thu 2/21/13	Wed 3/6/13 141		DHS
142	0%	4.11.6	Validation of Data Loads	5 days	Thu 3/7/13	Wed 3/13/13 142		DHS
143	0%	4.11.7	Identify reporting needs	20 days	Thu 3/7/13	Wed 4/3/13 142		DHS
144	0%	4.11.8	Run Data Load in Prod	3 days	Mon 4/15/13	Mon 4/15/13 144		
145	0%	4.11.9	DHS Data Load complete in Prod	193 days	Mon 10/2/12	Tue 7/2/13		
146	0%	5	Quest	3 days	Mon 10/1/12	Mon 10/1/12		B.S Analyst(10%)
147	0%	5.1	Obtain 3AA/DPA	1 day	Mon 10/15/12	Mon 10/15/12 148FS+10 days		Technical Project Mgr
148	0%	5.2	Schedule First Meeting	5 days	Tue 10/16/12	Mon 10/22/12 149		
149	0%	5.3	Finalize documentation with Quest	2 days	Tue 10/23/12	Wed 10/24/12 150		
150	0%	5.4	Obtain access to Development portal	3 days	Thu 10/25/12	Mon 10/29/12 151		Tech Lead(10%)
151	0%	5.5	Obtain Specs	2 days	Tue 10/30/12	Wed 10/31/12 152		Development(25%)
152	0%	5.6	Review Specs	5 days	Thu 11/1/12	Wed 11/7/12 153		Technical Project Mgr
153	0%	5.7	Determine Development Approach	5 days	Thu 11/1/12	Wed 11/7/12 153		Tech Lead(10%)
154	0%	5.8	Acquire Test Data	3 days	Fri 6/28/13	Tue 7/2/13 169		Tech Lead(10%)
155	0%	5.9	Confirm connectivity with test portal	10 days	Mon 10/15/12	Fri 10/26/12		
156	0%	5.10	Obtain -M from Quest	60 days	Thu 11/8/12	Tue 2/5/13 154,153,155		
157	0%	5.11	Develop Channels	30 days	Tue 2/5/13	Tue 2/5/13 158		
158	0%	5.12	Development Complete	35 days	Wed 2/6/13	Tue 3/26/13 159,157		
159	0%	5.13	Functional Testing	40 days	Wed 3/27/13	Tue 5/21/13 160		Tester(25%), Developm
160	0%	5.14	Integration Testing	2 days	Wed 5/22/13	Thu 5/23/13 161		B.S Analyst(50%), Tes
161	0%	5.15	Prepare for UA	15 days	Thu 6/13/13	Thu 6/13/13 162		
162	0%	5.16	UA	5 days	Fri 6/13/13	Thu 6/13/13 163		
163	0%	5.17	Testing Complete	5 days	Fri 6/14/13	Thu 6/20/13 164		
164	0%	5.18	Training	3 days	Thu 6/20/13	Thu 6/20/13 164,165		Release Mgmt(50%)
165	0%	5.19	Go/No Go Decision	1 day	Fri 6/21/13	Fri 6/21/13 166		Development(25%), T
166	0%	5.20	Migrate to Production	1 day	Mon 6/24/13	Mon 6/24/13 167		
167	0%	5.21	Validate Production	3 days	Fri 6/28/13	Fri 6/28/13 168		
168	0%	5.22	Quest Go-Live	183 days	Tue 8/14/12	Tue 4/30/13		
169	0%	6	LA Care Interface	3 days	Mon 9/17/12	Mon 9/17/12		B.S Analyst(10%)
170	0%	6.1	Obtain 3AA/DPA	1 day	Tue 8/14/12	Tue 8/14/12		Technical Project Mgr
171	100%	6.2	Schedule First Meeting	5 days	Mon 9/3/12	Fri 9/7/12		Tech Lead(10%)
172	0%	6.3	Obtain Specs	10 days	Mon 9/10/12	Fri 9/21/12 174		Development(25%)
173	0%	6.4	Review Specs	10 days	Mon 9/24/12	Thu 10/18/12 175		Technical Project Mgr
174	0%	6.5	Determine Development Approach	60 days	Fri 10/19/12	Wed 1/16/13 175,176,177		Tech Lead(10%)
175	0%	6.6	Acquire Test Data	3 days	Wed 1/16/13	Wed 1/16/13 178		
176	0%	6.7	Develop Channels (EDT Messages)	20 days	Thu 1/17/13	Wed 2/13/13 179		
177	0%	6.8	Development Complete					
178	0%	6.9	Functional Testing					

Cooperative Agreement
CHHS/LANES

Exhibit A, Attachment I
Agreement 09042012

ID	% Comp	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
181	0%	6.10	Integration Testing	30 days	Thu 2/14/13	Wed 3/27/13 183		
182	0%	6.11	Prepare for UAT	2 days	Thu 1/17/13	Fri 1/18/13 179		Tester(25%), Developp
183	0%	6.12	UAT	10 days	Thu 3/28/13	Wed 4/10/13 182,181		Bus Analyst(50%), Tes
184	0%	6.13	Testing Complete	0 days	Wed 4/10/13	Wed 4/10/13 183		
185	0%	6.14	Training	10 days	Thu 4/11/13	Wed 4/24/13 184		
186	0%	6.15	Migrate to Production	1 day	Thu 4/25/13	Thu 4/25/13 185,184		Release Mgmt(50%)
187	0%	6.16	Validate Production	1 day	Fri 4/26/13	Tue 4/30/13 185		Development(25%), T
188	0%	6.17	LA Care Go-Live	0 days	Tue 4/30/13	Tue 4/30/13 187		
189								
190	0%	7	Community Clinics	207 days	Mon 8/3/12	Fri 6/7/13		
191	0%	7.1	i2i Clinics Phase 1 (Total of 14 Clinics)	207 days	Mon 8/3/12	Fri 6/7/13		
192	0%	7.1.1	Marketing Initiatives	40 days	Mon 8/3/12	Thu 10/25/12		LANES and CCAALAC
193	0%	7.1.1.1	Develop Materials	10 days	Mon 8/3/12	Fri 9/14/12		CCAALAC
194	0%	7.1.1.2	Schedule and Meet w/ Clients	30 days	Mon 9/17/12	Thu 10/25/12 193		
195	0%	7.1.2	Revised Data Participation Agreement	0 days	Mon 10/1/12	Mon 10/1/12		
196	0%	7.1.3	Acquire i2i Interface Specifications	0 days	Mon 10/1/12	Mon 10/1/12		
197	0%	7.1.4	Initial Design Meeting with i2i	5 days	Mon 10/1/12	Fri 10/5/12 195		Technical Project Mgr
198	0%	7.1.5	Determine Approach to Deployment	10 days	Mon 10/1/12	Fri 10/12/12 195		Technical Project Mgr
199	0%	7.1.6	Develop Encompassing Design Strategy with i2i	10 days	Mon 10/15/12	Fri 10/26/12 198		Tech Leac(40%)
200	0%	7.1.7	Activation Planning Including Backout Strategy	15 days	Mon 10/29/12	Fri 11/9/12 198,199		
201	0%	7.1.8	Create Test Plans	15 days	Tue 11/20/12	Mon 12/10/12 201		
202	0%	7.1.9	Create Training Materials	147 days	Tue 9/25/12	Mon 4/22/13		
203	0%	7.1.10	Develop Integration solution (using Site 1)	5 days	Tue 9/25/12	Sun 9/30/12		Bus Analyst(10%)
204	0%	7.1.10.1	Finalize BAA	5 days	Mon 10/1/12	Fri 10/5/12 204		
205	0%	7.1.10.2	Participation of Clinic Confirmed	0 days	Mon 10/15/12	Mon 10/15/12		
206	0%	7.1.10.3	Readiness Assessment	3 days	Tue 10/16/12	Thu 10/18/12 205		
207	0%	7.1.10.4	Acquire Test Data	10 days	Mon 10/16/12	Fri 10/19/12 197		Bus Analyst(10%)
208	0%	7.1.10.5	Develop Channels (Site 1 as model for 14 clinics)	10 days	Thu 11/1/12	Thu 11/15/12		Development(50%)
209	0%	7.1.10.6	Direct Integration LANES-i2i Complete	0 days	Thu 11/15/12	Thu 11/15/12 209		
210	0%	7.1.10.7	Testing and Training	78 days	Wed 1/2/13	Fri 4/19/13		Channel Dev 11(25%)
211	0%	7.1.10.8	Functional Testing	10 days	Wed 1/2/13	Tue 1/15/13 210		
212	0%	7.1.10.8.1	Integration Testing	10 days	Wed 1/16/13	Tue 1/29/13 212		Development, Tester,
213	0%	7.1.10.8.2	Prepare for UAT	10 days	Wed 1/30/13	Tue 2/12/13 213		Channel Dev 11(25%)
214	0%	7.1.10.8.3	UAT	5 days	Wed 2/13/13	Tue 2/19/13 214		
215	0%	7.1.10.8.4	Super User Training	5 days	Wed 2/20/13	Tue 2/26/13 215		
216	0%	7.1.10.8.5	End User Training	5 days	Wed 2/27/13	Tue 3/5/13 215		
217	0%	7.1.10.8.6	Interface Testing and Refining Complete	0 days	Tue 2/19/13	Tue 2/19/13 215		
218	0%	7.1.10.8.7	Training Complete	0 days	Tue 3/5/13	Tue 3/5/13 217		Release Mgmt
219	0%	7.1.10.8.8	Go/No Go Decision	0 days	Fri 3/29/13	Fri 3/29/13		Clinic Analyst, Tester
220	0%	7.1.10.9	Migrate to Production	1 day	Mon 4/1/13	Tue 4/2/13 221		
221	0%	7.1.10.10	Validate Production	1 day	Mon 4/1/13	Tue 4/2/13 221		
222	0%	7.1.10.11	Site 1 Go-Live	0 days	Tue 4/2/13	Tue 4/2/13		
223	0%	7.1.10.12	Lessons Learned	1 day	Mon 4/22/13	Mon 4/22/13 223		
224	0%	7.1.10.13	Finalize BAA	169 days	Tue 9/25/12	Wed 5/22/13		
225	0%	7.1.11	Finalize BAA	5 days	Tue 9/25/12	Sun 9/30/12		Bus Analyst(10%)
226	0%	7.1.11.1	Final DUA	5 days	Mon 10/1/12	Fri 10/5/12 226		
227	0%	7.1.11.2	Participation of Clinic Confirmed	0 days	Fri 10/5/12	Fri 10/5/12 227		
228	0%	7.1.11.3	Readiness Assessment for Each Clinic/Site	3 days	Mon 10/8/12	Wed 10/10/12 227		Bus Analyst(10%)
229	0%	7.1.11.4	Acquire Test Data	3 days	Mon 10/8/12	Wed 10/10/12 227		Development(50%)
230	0%	7.1.11.5	Determine Any Design Variation	5 days	Mon 10/1/12	Fri 10/5/12 226		Development(50%)
231	0%	7.1.11.6	Tune Channels - Sites 2, 3, 4 & 5	20 days	Fri 11/16/12	Thu 12/13/12 231		Development(50%)
232	0%	7.1.11.7	Develop Channels	0 days	Thu 12/13/12	Thu 12/13/12 233		
233	0%	7.1.11.8	Direct Integration LANES-i2i Complete	63 days	Wed 1/30/13	Fri 4/26/13		Channel Dev 11(25%)
234	0%	7.1.11.9	Testing and Training	15 days	Wed 1/30/13	Tue 2/12/13		
235	0%	7.1.11.10	Functional Testing	15 days	Wed 2/13/13	Tue 3/5/13 235		Development, Tester,
236	0%	7.1.11.10.1	Integration Testing	3 days	Wed 3/6/13	Fri 3/8/13 237		Channel Dev 11(25%)
237	0%	7.1.11.10.2	Prepare for UAT	10 days	Mon 3/11/13	Fri 3/22/13 238		
238	0%	7.1.11.10.3	UAT	10 days	Mon 3/25/13	Fri 4/5/13 239		
239	0%	7.1.11.10.4	Super User Training	10 days	Mon 3/25/13	Fri 4/5/13 239		
240	0%	7.1.11.10.5						

ID	% Comp	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
241	0%	7.1.11.10	End User Training	15 days	Mon 4/8/13	Fri 4/25/13 240		
242	0%	7.1.11.10	Interface Testing and Refining Complete	0 days	Tue 3/5/13	Tue 3/5/13 237		
243	0%	7.1.11.10	Training Complete	0 days	Fri 4/26/13	Fri 4/25/13 241		
244	0%	7.1.11.11	Go/No Go Decision	0 days	Fri 4/26/13	Fri 4/26/13 243,242		
245	0%	7.1.11.12	Migrate to Production	1 day	Mon 4/29/13	Mon 4/29/13 244		Release Mgmt Clinic Analyst, Tester,
246	0%	7.1.11.13	Validate Production	1 day	Tue 4/30/13	Tue 4/30/13 245		
247	0%	7.1.11.14	Site 2, 3, 4 & 5 Go Live	0 days	Tue 4/30/13	Tue 4/30/13 246		
248	0%	7.1.11.15	Lessons Learned	2 days	Tue 5/13/13	Wed 5/14/13 247FS-14 days		
249	0%	7.1.12	Sites 6, 7, 8 & 9	376 days	Mon 10/1/12	Fri 6/7/13		
250	0%	7.1.12.1	Finalize BAA	5 days	Mon 10/1/12	Fri 10/5/12		Bus Analyst(10%)
251	0%	7.1.12.2	Final DUA	5 days	Mon 10/8/12	Fri 10/12/12 250		
252	0%	7.1.12.3	Participation of Clinic Confirmed	0 days	Fri 10/12/12	Fri 10/12/12 251		
253	0%	7.1.12.4	Readiness Assessment for Each Clinic/Site	3 days	Mon 10/15/12	Wed 10/17/12 251		
254	0%	7.1.12.5	Acquire Test Data	5 days	Mon 10/18/12	Fri 10/19/12 250		Bus Analyst(10%)
255	0%	7.1.12.6	Determine Any Design Variation	3 days	Mon 10/15/12	Wed 10/17/12 254		Development(50%)
256	0%	7.1.12.7	Tune Channels - Sites 6, 7, 8 & 9	20 days	Thu 10/18/12	Thu 11/15/12 255		Development(50%)
257	0%	7.1.12.8	Develop Channels	20 days	Mon 12/17/12	Wed 1/15/13		Development(50%)
258	0%	7.1.12.9	Direct Integration LANES-421 Complete	0 days	Wed 1/16/13	Wed 1/16/13 257		Channel Dev 11(25%)
259	0%	7.1.12.10	Testing and Training	63 days	Fri 2/15/13	Tue 5/14/13		
260	0%	7.1.12.10	Functional Testing	10 days	Fri 2/15/13	Thu 2/28/13		
261	0%	7.1.12.10	Integration Testing	15 days	Fri 3/1/13	Thu 3/21/13 260		Development, Tester,
262	0%	7.1.12.10	Prepare for UAT	5 days	Fri 3/22/13	Tue 3/26/13 261		Channel Dev 11(25%)
263	0%	7.1.12.10	UAT	10 days	Wed 3/27/13	Tue 4/9/13 262		
264	0%	7.1.12.10	Super User Training	10 days	Wed 4/10/13	Tue 4/23/13 263		
265	0%	7.1.12.10	End User Training	15 days	Wed 4/24/13	Tue 5/14/13 264		
266	0%	7.1.12.10	Interface Testing and Refining Complete	0 days	Thu 3/21/13	Thu 3/21/13 261		
267	0%	7.1.12.10	Training Complete	0 days	Tue 5/14/13	Tue 5/14/13 265		
268	0%	7.1.12.11	Go/No Go Decision	0 days	Tue 5/14/13	Tue 5/14/13 266,267		
269	0%	7.1.12.12	Migrate to Production	1 day	Thu 5/16/13	Thu 5/16/13 269		Release Mgmt
270	0%	7.1.12.13	Validate Production	1 day	Thu 5/16/13	Thu 5/16/13 270		Clinic Analyst, Tester,
271	0%	7.1.12.14	Site 6, 7, 8 & 9 Go Live	0 days	Thu 5/16/13	Thu 5/16/13 270		
272	0%	7.1.12.15	Lessons Learned	2 days	Thu 6/6/13	Fri 6/7/13 271FS-14 days		
273	0%	7.1.13	Sites 10, 11, 12, 13 & 14	179 days	Wed 10/10/12	Fri 6/21/13		
274	0%	7.1.13.1	Finalize BAA	5 days	Wed 10/10/12	Tue 10/16/12		
275	0%	7.1.13.2	Final DUA	5 days	Wed 10/17/12	Tue 10/23/12 274		Bus Analyst(10%)
276	0%	7.1.13.3	Participation of Clinic Confirmed	0 days	Tue 10/23/12	Tue 10/23/12 275		
277	0%	7.1.13.4	Readiness Assessment for Each Clinic/Site	3 days	Wed 10/24/12	Fri 10/26/12 275		
278	0%	7.1.13.5	Acquire Test Data	5 days	Wed 10/17/12	Tue 10/23/12 274		Bus Analyst(10%)
279	0%	7.1.13.6	Determine Any Design Variation	3 days	Wed 10/24/12	Fri 10/26/12 278		Development(50%)
280	0%	7.1.13.7	Tune Channels - Sites 10, 11, 12, 13 & 14	3 days	Mon 10/29/12	Wed 10/31/12 279		Development(50%)
281	0%	7.1.13.8	Develop Channels	20 days	Thu 1/17/13	Wed 2/13/13		Development(50%)
282	0%	7.1.13.9	Direct Integration LANES-421 Complete	0 days	Wed 2/13/13	Wed 2/13/13 281		Channel Dev 11(25%)
283	0%	7.1.13.10	Testing and Training	63 days	Fri 3/1/13	Tue 5/28/13		
284	0%	7.1.13.10	Functional Testing	10 days	Fri 3/1/13	Thu 3/14/13		
285	0%	7.1.13.10	Integration Testing	15 days	Fri 3/15/13	Thu 4/4/13 284		Development, Tester,
286	0%	7.1.13.10	Prepare for UAT	5 days	Fri 4/5/13	Tue 4/9/13 285		Channel Dev 11(25%)
287	0%	7.1.13.10	UAT	10 days	Wed 4/10/13	Tue 4/23/13 286		
288	0%	7.1.13.10	Super User Training	15 days	Wed 4/24/13	Tue 5/7/13 287		
289	0%	7.1.13.10	End User Training	0 days	Thu 4/4/13	Tue 5/28/13 288		
290	0%	7.1.13.10	Interface Testing and Refining Complete	0 days	Tue 5/28/13	Tue 5/28/13 289		
291	0%	7.1.13.10	Training Complete	0 days	Tue 5/29/13	Tue 5/29/13 290,291		
292	0%	7.1.13.11	Go/No Go Decision	1 day	Wed 5/29/13	Wed 5/29/13 292		
293	0%	7.1.13.12	Migrate to Production	1 day	Thu 5/30/13	Thu 5/30/13 293		Release Mgmt
294	0%	7.1.13.13	Validate Production	0 days	Fri 5/31/13	Fri 5/31/13 294		Clinic Analyst, Tester,
295	0%	7.1.13.14	Sites 10, 11, 12, 13 & 14 Go Live	2 days	Thu 6/20/13	Fri 6/21/13 295FS-14 days		
296	0%	7.1.13.15	Lessons Learned	0 days	Thu 6/20/13	Fri 6/21/13 295FS-14 days		
297	0%	7.2	All 14 421 Clinics Complete/Live	0 days	Fri 5/31/13	Fri 5/31/13 297,296,295,294,293,292,291,290		

BUDGET DETAILS AND PAYMENT PROVISIONS - Exhibit B

ARTICLE I. ADVANCE PAYMENT

- A. The Grantee may request an advance payment to create a revolving cash fund. The advance payment amount shall be no more than one quarter's projected expenditures. A request for advance payment, and a short narrative justification should be sent to:

Elaine Scordakis
Escorda1@ohi.ca.gov
1600 9th Street, Rm. 460
Sacramento, CA 95814
(916) 651-8066

The request must also show the budgeted amount by item, advance request amount by item, any previously advanced amount (cumulative) received by item, and the balance available by item if the advance request is approved.

- B. The Grantee shall submit monthly invoices for expenditures as required in Article II below. Payment of these invoices, after review and approval by CHHS, will serve to replenish the revolving cash fund.
- C. At any particular point in time, the Grantee shall not have more than one quarter of available grant funding on hand, determined by the calendar quarter in which expenditures are being incurred. CHHS shall reduce or deny advance payment requests by the amount of the projected excess, when projected cash on hand exceeds calendar quarter expenditures.
- D. The Grantee has the option of requesting adjustment to their advance balance based on their projected expenditure and cash needs. Notwithstanding Section C above, CHHS may make additional advance payments, provided the requested adjustment is consistent with the Grantee's budget and expenditure plan, and the Grantee has submitted monthly invoices to date, as determined by CHHS. Failure to submit invoices and/or baseline adjustment requests may result in delay or denial of the requests.
- E. The Grantee will receive payment for all approved invoices until the balance of the agreement is exhausted. In the event all deliverables are completed and there is a balance remaining from the original advance payment, in accordance with federal grant requirements, the amount will be returned to the state.

- F. CHHS is authorized to modify its advance payment and invoicing requirements, or withhold payment, when necessary due to audit findings or other federal or state requirements.

ARTICLE II. INVOICING AND PAYMENT

- A. Funding for this Agreement comes from federal grant agreement award number 90HT0029 and CFDA Nbr. 93.719. The maximum amount payable under this agreement shall not exceed \$222,998.91. These funds are one-time only funds. Shown below is the amount that cannot be exceeded for the state fiscal year:

2012-2013: \$222,998.91

- B. The Grantee shall submit monthly invoices for expenditures. Invoicing and payment shall be consistent with federal requirements.
- C. Invoices will be reviewed and evaluated against agreed upon costs and deliverables, timeframes and consistency with budget line items.
- D. The Grantee must provide in its request for authorization all particulars necessary, as specified by CHHS, for evaluating the reimbursement request. Receipts, invoices and other source documents supporting all costs shall be available for review when requested and retained for verification and audit, as specified in the records retention and audit sections of this Agreement. In special circumstances, as determined by CHHS, CHHS may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount.
- E. CHHS reserves the right to either deny claims for reimbursement or to request repayment for any Grantee and/or subcontractor purchase that CHHS determines to be unnecessary in carrying out performance under this Agreement.
- F. Submission of Invoices
 1. The Grantee will cooperate with CHHS in submitting timely status reports that contain estimated percentages of completion for all deliverables, based on work completed and remaining to be done, and shall justify and support their determinations as necessary or requested.
 2. The Grantee shall submit monthly invoices to CHHS. All invoices shall contain: the invoice date; identification of the deliverable associated with the invoice; principal NCHIN contact; subcontractor's or sub-grantee name and address, as applicable; period covered by invoice; associated line item budget information identifying the source of budgeted funds, including subcontractor or sub-grant funds; available cash from advance payments after payment of invoice and other information as requested by CHHS.

3. All submitted invoices shall have supporting documentation for all expenditures.
4. CHHS may request at any time that the supporting documentation be included before any invoice is processed. Supporting documentation includes but is not limited to personnel and financial records, receipts and billings from contractors and vendors, proof of purchase and delivery, etc.
5. Supporting documentation for expenses incurred must be kept and retained in accordance with state and federal requirements.
6. Invoices shall be for actual expenses incurred.
7. Invoices for the HIE Cooperative Agreement shall include the Agreement Number 08152012 PCA 05020 and shall be submitted in arrears to:

Elaine Scordakis
1600 9th St. Rm 460
Sacramento, CA 95814

Office (916) 651-8066
FAX (916) 653-9588

Invoices can be submitted electronically or by fax. Any invoices submitted without the above referenced information may be returned to Grantee for further re-processing.

- G. For services satisfactorily rendered, in compliance with this Agreement, and upon receipt and approval of the invoice(s), CHHS agrees to pay Grantee for said services in accordance with the approved budget contained in Exhibit B.
- H. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, California Government Code, Chapter 4.5, commencing with Section 927.

ARTICLE III. BUDGET AND BUDGET REVISION

- A. Limitation of State Liability

Funding for this Agreement is dependent upon the availability of future appropriations by the Legislature or Congress for the purposes of this Agreement. No legal liability on the part of the State for any payment may arise under this Agreement until funds are made available and until Grantee has received notice of funding availability, which will be confirmed in writing. It is mutually agreed that if the Budget Act for the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CHHS shall have

no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.

If funding for any State fiscal year is reduced or deleted by the Legislature, Congress, or Executive Branch of State Government, or is otherwise insufficient, CHHS shall have the option to either terminate this Agreement with no liability occurring to the State, or offer an agreement amendment to Grantee to reflect the reduced amount.

- B. Grantee shall be reimbursed for expenses only as itemized in the approved Budget, which is attached and hereby incorporated by reference into this Exhibit. This does not prohibit budget revisions, as may be necessary during the period of the Agreement, and which shall be agreed to by both parties, in writing, before being incorporated into this Agreement.

Category amounts stipulated in the Budget, a part of Exhibit B, are the maximum amounts that may be reimbursed by CHHS under this Agreement.

- C. Grantee must obtain prior written approval from CHHS to transfer funds from one budget category to another, or to change the budget plan's anticipated expenditure timeframes. This request and approval shall be in a format specified by CHHS. Grantee must provide justification and supporting documentation for each budget transfer request submitted.
- D. Grantee agrees to comply with any federal and state budgeting and reimbursement instructions and procedures issued to the Grantee.

ARTICLE IV. FUNDS

- A. Expenditure of Funds

- 1. The Grantee shall develop and maintain financial policies and implement procedures to effectively manage funding by monitoring spending and providing appropriate financial controls.
- 2. Grantee shall expend all funds received hereunder in accordance with the Scope of Work, Exhibit A, Exhibit B, Budget Summary and Budget Detail, and applicable other sections of this Agreement.
- 3. Reimbursement for necessary travel expenses shall be made from funds within this Agreement. Any reimbursement for authorized travel shall be at rates not to exceed those amounts paid by the State in accordance with Department of Personnel Administration's rules and regulations (<http://www.dpa.ca.gov/textdocs/freepmls/PML2008019.pdf>) including rates for per diem (meal and incidentals) (<http://www.dpa.ca.gov/personnel->

policies/travel/meals-and-incidentals.htm) and lodging (<http://www.dpa.ca.gov/personnel-policies/travel/short-term-travel.htm>).

This is not to be construed as limiting Grantee from paying any differences in costs between the Department of Personnel Administration rates and any rates Grantee is obligated to pay under other contractual agreements; however, these payments must be made from funds other than those provided by this Agreement. Travel expenses must be itemized and submitted, along with supporting receipts and expense documentation, in a format approved by CHHS. The Grantee agrees to certify and maintain the documents substantiating travel and per diem for a period of three years after final payment of this Agreement. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.

4. Grantee agrees to include the travel reimbursement requirements above in all agreements it enters into with subcontractors to provide services pursuant to this Agreement.
 5. CHHS reserves the right to refuse payment to Grantee or later disallow costs for any expenditure, when CHHS determines that the costs are not in compliance with this Agreement or are unrelated or inappropriate to this Agreement; or when inadequate supporting documentation is presented, or where prior approval was required but was either not requested or not granted.
 6. Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to, or received by Grantee under this Agreement, shall be paid by Grantee to CHHS, to the extent that they are properly allocable to costs for which Grantee has been reimbursed by CHHS under this Agreement.
- B. Grantee shall maintain accounting records for funds received under the terms and conditions of this Agreement. These records shall be separate from those for any other funds administered by Grantee, and shall be kept in accordance with Generally Accepted Accounting Principles and Procedures.
- C. Funds are to be used in a manner consistent with program policies developed by ONC. Allowable administrative costs include usual and recognized overhead, including indirect rates for all consortium organizations that have an approved indirect cost rate by a federal cognizant agency. Allowable budget categories for costs include:
1. Personnel
 2. Fringe Benefits
 3. Travel
 4. Property or Equipment
 5. Supplies
 6. Contractual

7. Other, e.g., printing, postage, conference registration fees, non-contractual fees paid directly to individual consultants, local travel not requiring per diem, training and staff development costs, etc.
8. Indirect Charges
9. Program Income, as applicable

D. Funds under this Agreement cannot be used for any of the following:

1. To supplant on-going activities or usual activities of any organization involved in the project;
2. To supplant or replace current public or private funding;
3. To purchase or improve land, or to purchase, construct, or make permanent improvement to any building except for minor remodeling;
4. To reimburse pre-award costs.

E. Unexpended Funds

1. Upon termination, cancellation, or expiration of this Agreement, or dissolution of the entity, Grantee, upon written demand, shall immediately return to CHHS, any unobligated funds, which are not payable for goods or services delivered prior to the termination, cancellation, or expiration of this Agreement, or the dissolution of the entity.
2. Unobligated funds are restricted, and are to be reported on the final Close Out report submitted at the end of the project or Agreement period, or upon dissolution of the entity or Agreement.

Budget Detail - September 1, 2012 to July 31, 2013

	Q6	Q7	Total
Consulting/Contractual:			
Operations Staff:			
Tatum - I. Smith	\$27,999.00	\$22,188.00	\$50,187.00
LANES Project manager			\$0.00
Interface Development Staff:			
TBD	\$60,645.00	\$34,205.18	\$94,850.18
Integration Resources (all inclusive via	\$26,400.00	\$8,800.00	\$35,200.00
StrataVation - J. Marsden			
Integration Technical Lead	\$17,500.00	\$5,833.33	\$23,333.33
StrataVation - L. Egan			
Integration Staff			
Other:			
Public Health Foundation Enterprises (PHFE)	\$11,266.17	\$8,162.23	\$19,428.40
Fiscal Intermediary (8.5%)			
Quarterly Totals:	\$143,810.17	\$79,188.74	

Total Agreement Amount: **\$222,998.91**

GENERAL TERMS AND CONDITIONS: Exhibit C

This exhibit reiterates for ease of reference the State of California General Terms and Conditions, which can also be found on the Department of General Services website:
<http://www.ols.dgs.ca.gov/Standard+Language/default.htm>

The Certification document described in K below can be found at this website and is not repeated in this Agreement.

- A. APPROVAL: This Agreement is of no force or effect until signed by both parties. Grantee may not commence performance until such approval has been obtained.
- B. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
- C. ASSIGNMENT: This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of the State in the form of a formal written amendment.
- D. AUDIT: Grantee agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
- E. INDEMNIFICATION: Grantee agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Grantee in the performance of this Agreement.
- F. DISPUTES: Grantee shall continue with the responsibilities under this Agreement during any dispute.

- G. **TERMINATION FOR CAUSE:** The State may terminate this Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Grantee under this Agreement and the balance, if any, shall be paid to the Grantee upon demand.
- H. **INDEPENDENT CONTRACTOR:** Grantee, and the agents and employees of Grantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
- I. **RECYCLING CERTIFICATION:** The Grantee shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).
- J. **NON-DISCRIMINATION CLAUSE:** During the performance of this Agreement, Grantee and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Grantee and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). 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 Agreement by reference and made a part hereof as if set forth in full. Grantee 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 Agreement. Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.
- K. **CERTIFICATION CLAUSES:** The CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

NOTE: This form represents only the certification portion of the Contractor Certification Clauses (CCC). Additional information about contracting with the State appears in the full text of the applicable CCC. Visit this web site to view the entire document: <http://www.ols.dgs.ca.gov/Standard+Language/default.htm>.

- L. **TIMELINESS:** Time is of the essence in this Agreement.
- M. **COMPENSATION:** The consideration to be paid Grantee, as provided herein, shall be in compensation for all of Grantee expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.
- N. **GOVERNING LAW:** This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- O. **CHILD SUPPORT COMPLIANCE ACT:** "For any Agreement in excess of \$100,000, the grantee acknowledges in accordance with Public Contract Code 7110, that:
 - 1. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and,
 - 2. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- P. **UNENFORCEABLE PROVISION:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provision of this Agreement have force and effect and shall not be affected thereby.
- Q. **PRIORITY HIRING CONSIDERATIONS:** If this Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

SPECIAL TERMS AND CONDITIONS: Exhibit D

ARTICLE I: General Assurances and Staffing

A. Nondiscrimination

Grantee shall comply with all federal statutes relating to nondiscrimination, including but not limited to the Americans with Disabilities Act, referred to in Exhibit C, and the Equal Access to Federally-Funded Benefits, Programs and Activities (Title VI of the Civil Rights Act of 1964.). Grantee shall ensure compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d; 45 C.F.R. Part 80), which prohibits recipients of federal financial assistance from discriminating against persons based on race, color, religion, or national origin.

B. Law, Policy and Procedure, Licenses, Certificates and Standards of Work

1. Grantee agrees to administer this Agreement and require any subcontractors to administer their contracts in accordance with this Agreement.
2. Grantee agrees to comply with all applicable local, State, and federal laws including, but not limited to, discrimination, wages and hours of employment, occupational safety; and to fire, safety, health, and sanitation regulations, directives, and/or guidelines related to this Agreement, and resolve all issues using good administrative practices and sound judgment. Grantee shall keep in effect all licenses, permits, notices, and certificates that are required by law.
3. Grantee agrees to comply with applicable State and federal laws, regulations, policies and other requirements relating to the implementation and administration of the "State Cooperative Agreements to Promote Health Information Technology" program, including HHS grant administration regulations, as applicable, unless they conflict or are superseded by the terms and conditions implementing ARRA. This includes, but is not limited to, federal policies contained in the HHS Grants Policy Statement which provides the general terms and conditions of HHS discretionary grant and cooperative agreement awards, including those requirements applicable to subcontractors.
4. Grantee agrees that the performance of work and services pursuant to the requirements of this Agreement shall conform to accepted professional standards.
5. This Agreement is subject to the federal Department of Health and Human Services Administrative requirements, which can be found at 45 CFR Part 74 and the Standard Terms and Condition implemented

through the HHS Grants Policy Statement located at <http://www.hhs.gov/grantsnet/adminis/gpd/index.htm> .

C. Fraud and Abuse

1. Grantee shall report immediately to CHHS, in writing, any incidents of alleged fraud and/or abuse either by the Grantee or by any of the Grantee's subcontractors. Grantee shall maintain any records, documents, or other evidence of fraud and abuse until otherwise notified by CHHS.
2. Grantee shall promptly refer to the HHS Office of Inspector General any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. The HHS Office of Inspector General can be reached at <http://www.oig.hhs.gov/fraud/hotline/>.

D. Conflict of Interest

1. The Grantee shall prevent employees, consultants, or members of governing bodies from using their positions for purposes including, but not limited to, the selection of subcontractors, that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as family, business, or other ties. The Grantee shall comply with specific requirements for Conflict of Interest, as specified by CHHS. CHHS reserves the right to request that the Grantee provide reports and/or analysis of required disclosure statements, and other supporting information.
2. In the event that the State determines that a conflict of interest exists, any increase in costs associated with the conflict of interest may be disallowed by CHHS and such conflict may constitute grounds for termination of the Agreement.

E. Covenant Against Contingent Fees

1. Grantee warrants that no person or selling agency has been employed or retained to solicit this Agreement. There has been no agreement to make commission payments in order to obtain this Agreement.
2. For breach or violation of this warranty, CHHS shall have the right to void this Agreement without liability, or at its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingency fee.

F. Payroll Taxes and Deductions

Grantee shall promptly forward payroll taxes, insurances, and contributions, including State Disability Insurance, Unemployment Insurance, Old Age Survivors Disability Insurance, and federal and State Income taxes withheld, to designated governmental agencies as required by law.

G. Grantee shall comply with all applicable orders or requirements issued under the following laws:

1. Clean Air Act, as amended (42 USC 1857).
2. Clean Water Act, as amended (33 USC 1368).
3. Federal Water Pollution Control Act, as amended (33 USC 1251 et seq.).
4. Environmental Protection Agency Regulations (40 CFR, Part 15 and Presidential Executive Order 11738).
5. Public Contract Code Section 10295.3, concerning discrimination.

H. Debarment, Suspension, and Other Responsibility Matters

1. Grantee certifies to the best of its knowledge and belief, that it he/she and their principals or affiliates or any subcontractors used under this agreement:
 - a. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - b. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State, or local) transaction or contract under a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this Agreement had one or more public transactions (federal, State, or local) terminated for cause or default.
 - e. Grantee also certifies that it or any of its sub-contractors are not listed on the Excluded Parties Listing System

(<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17).

2. Grantee agrees to timely execute any and all amendments to this Agreement or other required documentation relating to their subcontractors' debarment or suspension status.

I. Grantee's Staff

1. Grantee shall maintain adequate staff to meet the Grantee's obligations under this Agreement.
2. The staff shall be available to the State for training and meetings, which the State may find necessary from time to time.

J. Lobbying Certification. Grantee, by signing this Agreement, hereby certifies to the best of his or her knowledge and belief, that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. Grantee shall require that the language of this certification above be included in the award documents for all subcontracts (including subgrants, and contracts under grants, loans, and cooperative agreements which exceed \$100,000) and that all subcontractors shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. This certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ARTICLE II. SUBCONTRACTS OR SUB-RECIPIENT AWARDS

- A. Grantee is responsible for carrying out the terms of the Agreement, including the satisfaction, settlement, and resolution of all administrative, programmatic, fiscal aspects of the program, and issues that arise out of any subcontracts. Grantee shall not delegate or contract these responsibilities to any other entity. This includes, but is not limited to, disputes, claims, protests of award, or other matters of a contractual nature.
- B. Nothing contained in this Agreement shall create any contractual relationship between CHHS and any subcontractors, and no subcontractor shall relieve Grantee of its responsibilities and obligations hereunder.
1. Grantee agrees to be fully responsible to CHHS for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Grantee.
 2. Any subcontractors used by the Grantee are accountable to Grantee but must meet the requirements of this Agreement when performing services funded by this Agreement.
 3. Grantee's obligation to pay its subcontractors is an independent obligation from the obligation of CHHS to make payments to the Grantee. CHHS shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.
- C. Notwithstanding Section B above, the Grantee shall include the following provision in all subcontracts or sub-recipient awards:
- “California Health and Human Services Agency (CHHS), may upon Grantee's approval, not to be unreasonably withheld, after receipt of thirty days-notice to the Grantee and its subcontractor or sub-recipient, have the Grantee assign any contract or sub-recipient award to the State, including but not limited to CHHS, or a successor non-profit or government agency as the CHHS may specify.”
- D. In accordance with federal procurement regulations, all procurement transactions shall be conducted in a manner to provide, to the maximum extent practicable, open and free competition, in accordance with federal regulations, CFR, Sec. 74.44, which are repeated in subsection E below for reference.
- E. Grantee shall establish written procurement procedures which adhere to the following:

1. The Grantee avoids purchasing unnecessary items;
2. The Grantee shall ensure that solicitations for goods and services provide for all of the following:
 - a. A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
 - b. Requirements, which the bidder/offeror must fulfill, and all other factors to be used in evaluating bids or proposals.
 - c. A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
 - d. The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation.
 - e. The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.
 - f. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
3. Positive efforts shall be made by recipients to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. The Grantee shall take all of the following steps to further this goal:
 - a. Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
 - b. Make information on forthcoming opportunities available and arrange timeframes for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
 - c. Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
 - d. Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
 - e. Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

5. The type of procuring instruments used (e.g., fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts) shall be determined by the Grantee, in consultation with CHHS, but shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved. The "cost-plus-a-percentage-of-cost" method of contracting shall not be used.
 6. Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources. In certain circumstances, contracts with certain parties are restricted by agencies' implementation of E.O.s 12549 and 12689, "Debarment and Suspension." (See 45 CFR Part 76.)
 7. Grantee shall, upon request, make available for CHHS and/or ONC, pre-award review, procurement documents such as requests for proposals or invitations for bids, independent cost estimates, or other materials or tools, when any of the following conditions apply:
 - a. Grantee's procurement procedures or operation fails to, or appears to fail to, comply with the procurement standards in this Section.
 - b. The procurement is expected to exceed the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently \$100,000) and is to be awarded without competition or only one bid or offer is received in response to a solicitation.
 - c. The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product.
 - d. The proposed award over the simplified acquisition threshold is to be awarded to other than the apparent low bidder under sealed bid procurement.
 - e. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the simplified acquisition threshold
 8. Awards to subcontractors shall be made to the bidder whose bid or offer is responsive to the solicitation and is the most advantageous to the Grantee, price quality and other factors being considered.
- F. Notwithstanding federal requirements specified in seven (7) above, all of the following shall apply to proposed subcontracts awards:
1. Grantee shall request and must receive in writing prior authorization from CHHS for any proposed sole source subcontract award that is to be awarded without competition, regardless of the amount of the proposed award.

2. The Grantee shall notify CHHS of any proposed subcontract award over \$25,000, regardless of the method of procurement.
 3. Prior to submitting for approval and/or notification proposed awards that exceed \$100,000, the Governing Board shall approve the recommended award and evidence of this Board action shall accompany the approval or notification request or documentation.
 4. The approval request and/or notification documentation shall be accompanied by information described in the federal regulations, CFR, Sec. 74.44, as applicable to the proposed subcontract award, and other information as may be requested by CHHS, in addition to the following:
 - a. Name of Contractor: Identify the name of the proposed contractor and Indicate whether the contract is with an Institution or organization.
 - b. Method of Selection: Include an explanation as to why this institution or organization is the only able to perform contract services.
 - c. Period of Performance: Specify the beginning and ending dates of the proposed contract or sub-grant award.
 - d. Scope of Work: Describe in outcome terms, the specific services/tasks to be performed by the contractor as related to the accomplishment of program objectives. Deliverables should be clearly defined.
 - e. Method of Accountability: Describe how the progress and performance of the contractor will be monitored during and on close of the contract period. Identify who will be responsible for supervising the contract.
 - f. Itemized budget and justification: Provide an itemized budget with appropriate justification. Include the line item(s) in the approved budget from which the funds are being drawn, including any indirect cost being proposed. Provide a copy of the negotiated indirect cost rate agreement if applicable.
- G. The Grantee shall provide CHHS with a proposed sub-grant plan that conforms to the requirements as specified by CHHS.
- H. Funds for this Agreement shall not be obligated in agreements for services beyond the end date of this Agreement.
- I. Grantee shall have no authority to contract for, or enter into any other agreement, or on behalf of, or incur obligations on behalf of the State of California.
- J. Grantee agrees to ensure that all subcontractors are properly licensed, certified, or have valid permits for the services being provided. Copies of

subcontracts, Memorandums and/or Letters of Understanding shall be on file with the Grantee and shall be made available for review at the request of CHHS.

- K. Grantee shall require language in all subcontracts to require all subcontractors to indemnify, defend, and save harmless the Grantee, its officers, agents, and employees from any and all claims and losses accruing or resulting to any subcontractors, vendors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with any activities performed for which funds from this Agreement were used and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the subcontractor in the performance of this Agreement.
- L. Grantee shall require all subcontractors to report immediately in writing to Grantee any incidents of fraud or abuse.
- M. Grantee shall require language in all subcontracts to require the subcontractors to comply with all applicable state and federal laws, including but not limited to the Americans with Disabilities Act (ADA) of 1990 (42 USC 12101 et. seq.) and California Government Code Sections 11135-11139.5.
- N. California Health and Human Services Agency (CHHS), may upon Grantee's approval, not to be unreasonably withheld, after receipt of thirty days-notice to the Grantee and its subcontractor or sub-recipient, have the grantee assign any contract or sub-recipient award to the State, including but not limited to CHHS, or a successor non-profit or government agency as the CHHS may specify.

ARTICLE III. RECORDS

- A. Grantee shall maintain complete records of its activities and expenditures hereunder in a form satisfactory to CHHS and shall make all such records available for inspection and audit by the State or federal government, and their duly authorized agents, at any time during normal business hours. These records include but are not limited to accounting records, contracts, agreements, reconciliation of the "Final Accounting Reconciliation" to the audited financial statements, letters of agreement, insurance documentation, statistical records, supporting documents, and other financial and programmatic records required to be maintained by the terms of this Agreement, or other requirements or which can reasonably be considered as pertinent to program regulations or this Agreement.

- B. Length of retention period. Except as otherwise provided, records must be retained for three years from the starting date specified in paragraph (E) of this section and longer if necessary to meet one or more of the following conditions: (1) until an audit has occurred and an audit resolution has been issued or unless otherwise authorized in writing by CHHS, or its designee; or (2) for such longer period as may be required by applicable statute or as CHHS, or its designee deems necessary.
- C. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 3-year period, the records must be retained until completion of the action and resolution of all issues which arise from it to the satisfaction of CHHS and so stated in writing to Grantee, or until the end of the regular 3-year period, whichever is later.
- D. To avoid duplicate record keeping, CHHS may make special arrangements with the grantee and subcontractors to retain any records which are continuously needed for joint use. CHHS will request transfer of records to its custody when it determines that the records possess long-term retention value. When the records are transferred to or maintained by the Federal government, the 3-year retention requirement is not applicable to the grantee or subcontractor.
- ~~E. Starting date of retention period. The retention period for the records of each funding period starts on the day the Grantee or subcontractor submits to CHHS its single or last expenditure report for that period.~~
- F. Real property and equipment records. The retention period for real property and equipment records starts from the date of the disposition or replacement or transfer at the direction of CHHS.
- G. Adequate source documentation of each transaction shall be maintained relative to the allowability of expenditures reimbursed by CHHS under this Agreement. If the allowability of expenditures cannot be determined because records or documentation of the Grantee are nonexistent or inadequate according to Generally Accepted Accounting Principles and Procedures, the expenditures will be questioned in the audit and may be disallowed during the audit resolution process.
- H. Substitution of microfilm. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records.
- I. If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for the same periods as specified in above. Upon termination of this Agreement, Grantee shall ensure materials, equipment, supplies, resource directories, or other

intellectual property produced under this Agreement are returned to CHHS or transferred to another grantee or contractor as directed by CHHS.

- J. Grantee agrees that CHHS or its designee will have the right to review, obtain, and copy all records pertaining to the performance of this Agreement. Grantee agrees to provide CHHS or its designee with any relevant information requested and shall permit CHHS or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with Government Code, Section 8546.7 et seq.

ARTICLE IV. PROPERTY

- A. Unless otherwise provided for in this Article, property refers to all assets, capitalized or non-capitalized, used in operation of this Agreement. Property includes equipment.
1. All purchases of property not listed in the budget require prior written approval from CHHS.
 2. All property purchases must meet requirements concerning the appropriate use of grant funds, including those listed in Exhibit B of this Agreement.
 3. Property includes buildings, improvements, machinery, vehicles, furniture, tools, and intangibles, etc.
 4. Property does not include consumable office supplies such as paper, pencils, typing ribbons, file folders, etc.
 5. Equipment to be purchased with federal funds must be justified as necessary for the conduct of the project. The equipment must be used for project-related functions; the equipment or a reasonable facsimile must not be otherwise available to the Grantee or its subcontractors.
- B. Property meeting all of the following criteria is subject to the capitalization requirements and is referred to as property or equipment. Property that is capitalized must:
1. Have a normal useful life of at least 1 year;
 2. Have a unit acquisition cost of at least \$5,000 (e.g., four identical assets which cost \$3,000 each, for a \$12,000 total would not meet this capitalization requirement). Actual cost includes the purchase price plus all costs to acquire, install and prepare the equipment for its intended use; and
 3. Be used to conduct business under this Agreement.

- C. Property referred to in B above includes:
1. Furniture -- Standard office furnishings including desks, chairs, bookcases, credenzas, tables, coat racks, etc.
 2. Portable Assets -- Items considered "highly desirable" because of their portability and value; e.g., calculators, typewriters, cameras, etc.
 3. Electronic Data Processing (EDP) Equipment - All computerized and auxiliary automated information handling equipment including those for system design and analysis, conversion of data, computer programming, information storage and retrieval, voice, video and data communications, requisite system controls, simulation and all related interactions between people and machines.
- D. Non-capitalized properties are those items that do not meet all three requirements in this Article, Section B above.
- E. Intangibles are property which lack physical substance but give valuable rights to the owner and can be capitalized or non-capitalized. Examples of intangible property include patents, copyrights, leases, and computer software. By contrast, hardware consists of tangible equipment (e.g., computer, printer, terminal, etc.). Costs include all amounts incurred to acquire and to ready the intangible asset for its intended use. Typical intangible property costs include the purchase price, legal fees, and other costs incurred to obtain title to the asset.
- F. Grantee shall keep track of property purchased with funds from this Agreement, whether capitalized or not. Grantee shall maintain an inventory record for each piece of property purchased or built with funds provided under the terms of this Agreement in a format and manner specified by CHHS. The inventory record shall include the date acquired; property description; property identification number (e.g., serial number, model identification for purchased equipment); total cost or other basis for valuation; and any other information or description necessary to identify the property. Grantee shall submit this inventory annually to CHHS along with the annual Closeout.
- G. Grantee shall maintain and submit to CHHS, annually with the Closeout, a current inventory of property furnished or purchased by either Grantee with funds awarded under the terms of this Agreement. Grantee shall use a format and/or format for this inventory report, as specified by CHHS.
- H. In the event of Grantee's dissolution or at the termination of this Agreement, the Grantee shall provide a final inventory to CHHS in a format specified by CHHS, and shall query CHHS as to the State's requirements for returning said property. Prior to disposal of any property, Grantee must obtain approval

from CHHS, regardless of the acquisition value. Disposition, which includes sale, trade-in, discarding, or transfer to another entity, or to CHHS, may not occur until approval is received from CHHS. No later than 120 days after termination of the Agreement or notification of Grantee's dissolution, CHHS will issue specific written disposition instructions to Grantee. Grantee shall follow instructions from CHHS regarding final disposition of such property.

- I. Grantee shall immediately investigate and within five (5) days fully document the loss, destruction, or theft of property.
- J. CHHS reserves title to all State-purchased or financed property not fully consumed in the performance of this Agreement, unless otherwise required by federal law or regulations, or as otherwise agreed by the parties.
- K. Grantee shall exercise due care in the use, maintenance, protection, and preservation of property during the period of this Agreement, and shall assume responsibility for replacement or repair of property until Grantee has complied with all written instructions from CHHS regarding the final disposition of the property.
- L. Grantee may share use of the property and equipment or allow use by other agencies, upon written approval of CHHS. As a condition of the approval, CHHS may require reimbursement under this Agreement for its use.
- M. Grantee shall not use equipment or supplies acquired under this Agreement for personal gain or to usurp the competitive advantage of a privately owned business entity.

ARTICLE V. ACCESS

- A. Grantee shall provide access to CHHS, the Office of the National Coordinator, Department of Health and Human Services, the Controller General of the United States, or any of their duly authorized federal or State representatives to any books, documents, papers, and records of Grantee or its subcontractors which are directly pertinent to this specific Agreement for the purpose of making an audit, examination, excerpts, and transcriptions. Grantee assures CHHS that it will include this requirement in its subcontracts. Pursuant to federal regulations, the right of access in this section shall not be limited to the required record retention period but shall last as long as the records are retained.
- B. Grantee agrees that CHHS or their designated representative shall, at all times, have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement.

ARTICLE VI. AUDIT

- A. Pursuant to Office of Management and Budget (OMB) Circular A-133 §___.200 "Audit Requirements", non-federal entities that expend \$500,000 or more in a year in Federal awards from all sources combined shall have a single or program-specific audit conducted each year in accordance with the provisions of OMB Circular A-133 and the Single Audit of 1984, Public Law 98-502, as amended. All OMB Circular A-133 audit reports shall meet the reporting requirements established in OMB §___.320 "Report Submission". Grantee agrees to include on their Schedule of Expenditures of Federal Awards (SEFA), and other pertinent documents required by OMB Circular A - 133, information to specifically identify ARRA funding.
- B. All audits shall be performed in accordance with and address all issues contained in any federal OMB Compliance Supplement or other federal audit requirements that apply to this Agreement.
- Audits to be performed shall be, minimally, financial and compliance audits, and may include economy and efficiency and/or program results audits.
- ~~D. The Grantee shall maintain adequate source documentation relative to the allowability of expenditures reimbursed by CHHS under this Agreement. If the allowability of expenditures cannot be determined because records or documentation of the Grantee are nonexistent or inadequate according to Generally Accepted Accounting Principles and Procedures, the expenditures will be questioned in the audit and may be disallowed during the audit resolution process.~~
- E. Grantee agrees to allow duly authorized auditor(s) access to any and all of its records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of CHHS and its designees to audit records and interview staff in any subcontract agreement related to performance of this Agreement. Grantee shall include in its contract with an independent auditor a clause permitting access by the State to the work papers of the independent auditor.
- F. A copy of all audits performed pursuant to the above provisions shall be submitted within the earlier of 30 days after receipt of the auditor's report or nine months after the end of the audit period, unless a longer period is agreed to in advance by CHHS.
- G. Grantee shall perform a reconciliation of the "Final Accounting Reconciliation"

to the audited financial statements. The reconciliation shall be maintained and made available for review by CHHS or its designee.

- H. Unless prohibited by law, the cost of audits completed in accordance with provisions of Single Audit Act Amendments of 1996, are allowable charges to Federal Awards. The costs may be considered a direct cost, or an allocated indirect cost, as determined in accordance with provisions of applicable OMB cost principle circulars. Grantee may not charge to federal awards the cost of any audit under the Single Audit Act Amendments of 1996, not conducted in accordance with the Act.
- I. CHHS and its designee shall have the option to perform audits and/or additional work, as needed.

ARTICLE VII. INSURANCE

- A. Prior to commencement of any work under this Agreement, Grantee shall provide for the term of this agreement the following insurance:

General liability of not less than \$1,000,000 per occurrence for bodily injury and property damage combined. Higher limits may be required by CHHS in cases of higher than usual risks.

Automobile liability including non-owned auto liability, of not less than \$1,000,000 per occurrence for volunteers and paid employees providing services supported by this Agreement.

If applicable, Grantee and its subcontractors shall comply with the Public Utilities Commission (PUC) General Order No. 115-E which requires higher levels of insurance for charter-party carriers of passengers and is based on seating capacity as follows:

- \$750,000 if seating capacity is under 8;
- \$1,500,000 if seating capacity is 8 – 15;
- \$5,000,000 if seating capacity is over 15;
- unless otherwise amended by future regulation.

Professional liability of not less than \$1,000,000 as it appropriately relates to the services rendered. Coverage shall include medical malpractice and/or errors and omissions.

- B. The insurance will be obtained from an insurance company acceptable to the Department of General Services, Office of Risk and Insurance Management,

or be provided through partial or total self-insurance acceptable to the Department of General Services.

Evidence of insurance shall be in a form and content acceptable to the Department of General Services, Office of Risk and Insurance Management. Insurance obtained through commercial carriers shall meet the following requirements:

1. The Certificate of Insurance shall provide that the insurer will not cancel the insured's coverage without thirty (30) days prior written notice to the State, or ten (10) days written notice if the reason for cancellation is for non-payment of insurance premium.
 2. The Certificate of Insurance shall provide that the "California Health and Human Services Agency", State of California, its officers, agents, employees, and servants are included as additional insureds, with respect to work performed for the State of California under this Agreement. Professional liability coverage is exempt from this requirement.
 3. CHHS shall be named the certificate holder and the address must be listed on the certificate.
- C. The insurance provided herein shall be in effect at all times during the term of this Agreement. In the event the insurance coverage expires during the term of this Agreement, Grantee agrees to provide CHHS, at least thirty (30) days prior to the expiration date, a new certificate of insurance evidencing insurance coverage as provided herein for a period not less than the remaining Agreement term or for a period not less than one (1) year. In the event Grantee fails to keep in effect at all times said insurance coverage, CHHS may, in addition to any other remedies it may have, terminate this Agreement.
- D. Grantee shall require its subcontractors under this Agreement, other than units of local government which are similarly self-insured, to maintain adequate insurance coverage for general liability, workers' compensation liabilities, and if appropriate, auto liability including non-owned auto and/or professional liability, and further, Grantee shall require all of its subcontractors to hold Grantee and CHHS harmless. The subcontractors' Certificate of Insurance shall also have the Grantee, not the State, as the certificate holder and additional insured. Grantee shall maintain certificates of insurance for all its subcontractors and monitor its subcontractors to ensure the insurance requirements are met.
- E. Grantee shall submit to CHHS a copy of each appropriate Certificate of Insurance referencing this Agreement Number, or letter of self-insurance.

- F. Grantee shall be insured against liability for workers' compensation or undertake self-insurance in accordance with the provisions of the Labor Code, and Grantee affirms to comply with such provisions before commencing the performance of the work of this Agreement.

ARTICLE VIII. COPYRIGHTS AND RIGHTS IN DATA AND OTHER MATERIALS

- A. In addition to any requirements specified in federal or state law, and as required by CHITA, the Grantee shall comply with the following:
1. All deliverables as defined in the Scope of Work originated or prepared by the Grantee pursuant to this agreement including papers, reports, charts, and other documentation, but not including Grantee's administrative communications and records relating to this Agreement, shall upon delivery and acceptance by CHHS become the exclusive property of CHHS and may be copyrighted by CHHS.
 2. All inventions, discoveries or improvements of the techniques or programs or materials developed pursuant to this agreement shall be the property of CHHS. CHHS agrees to grant a nonexclusive royalty-free license for any such invention, discovery, or improvement to the Grantee and further agrees that the Grantee may sublicense additional persons on the same royalty-free basis.
 3. Grantee certifies that it has appropriate systems and controls in place to ensure that grant funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
 4. If any material funded by this Agreement is subject to copyright, CHHS reserves the right to copyright such material, and Grantee agrees not to copyright such material without prior written approval from the Secretary of CHHS. The Secretary shall consent to or give the reason for denial to Grantee in writing within sixty (60) days of receipt of the request.
 5. If the material is copyrighted with the consent of CHHS, CHHS reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, prepare derivative works, publish, distribute and use such materials, in whole or in part, and to authorize others to do so, provided written credit is given the author.
 6. The Federal awarding agency also reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or

otherwise use, and to authorize others to use, for federal government purposes:

- a. The copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant; and
- b. Any rights of copyright to which a state (grantee), sub-grantee or a contractor purchases ownership with grant support.

B. Rights in Data, Publications or Other Materials

1. Grantee shall not spend or encumber funds covered by this Agreement on research or publications; or any activities, staff, products, or materials, including analysis and services, supporting research, and publications, unless expressly authorized by the terms of this Agreement. Grantee shall not publish any document or materials produced or resulting from activities supported by this Agreement unless the copy of the final draft for publication has been sent to the Secretary of CHHS, for approval, at least sixty (60) days before it is to be printed.
2. As used in this Agreement, the term "subject data" means writings, sound recordings, pictorial reproductions, drawings, designs or graphic representations, procedural manuals, forms, diagrams, workflow charts, equipment descriptions, data files and data processing or computer programs, and works of any similar nature (whether or not copyrighted or copyrightable) which are first produced or developed under this Agreement. The term does not include financial reports, cost analyses, and similar information incidental to administration of this Agreement.
3. The State may use, duplicate, or disclose in any manner and have or permit others to do so, subject to State and federal law, all subject data delivered under this Agreement.
4. Grantee is required to acknowledge the support of the federal Department of Health and Human Services and CHHS, in writing, whenever publicizing the work under this Agreement in any media. As appropriate to the materials being published or distributed, the following statement shall be included on the materials: "The conclusions and opinions expressed may not be those of the California Health and Human Services Agency, and that the publication may not be based upon or inclusive of all raw data."

ARTICLE IX. TERMINATION

A. Termination for Convenience

1. Without limiting any rights which it may otherwise have, CHHS may, at its discretion and upon written notice to the Grantee, terminate performance of work and withhold further payments under this Agreement and/or demand immediate repayment of the unliquidated balance of any payment hereunder for its convenience in whole or, in part, if CHHS determines that a termination is in the State's interest. If pursued, CHHS shall terminate this Agreement by delivering to Grantee a Notice of Termination specifying the action being taken, the reason for such action, the extent of termination, any conditions of the termination, and the effective date thereof. The Parties agree that, as to the terminated portion of the Agreement, the Agreement shall be deemed to remain in effect until such time as the termination settlement, if any, is concluded and the Agreement. The notice shall also inform Grantee of any right to appeal such decision to the State and of the procedure for doing so.
2. After receipt of a Notice of Termination, and except as directed by the CHHS, Grantee shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any funds due under this clause. The Grantee shall:
 - a. Stop work as specified in the Notice of Termination;
 - b. Place no further subcontracts for materials, or services, except as necessary to complete the continued portion of this Agreement;
 - c. Terminate all subcontracts to the extent they relate to the work terminated; and
 - d. Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts (the approval or ratification of which will be final for purposes of this clause).

B. Termination for Default

1. Without limiting any rights, which it may otherwise have, CHHS may, at its discretion and upon written notice to the Grantee, terminate performance of work and withhold further payments under this Agreement and/or demand immediate repayment of the unliquidated balance of any payment hereunder, as a consequence of any of the circumstances listed below. If pursued, CHHS shall terminate this Agreement by delivering to Grantee a Notice of Termination specifying the action being taken, the reason for such action, the extent of termination, any conditions of the termination, and the effective date

thereof. Parties agree that, as to the terminated portion of the Agreement, the Agreement shall be deemed to remain in effect until such time as the termination settlement, if any, is concluded and the Agreement. The notice shall also inform Grantee of any right to appeal such decision to the State and of the procedure for doing so.

- a. Failure to observe applicable covenants, conditions, or warrants.
 - b. Violation of the law.
 - c. Failure to comply with any condition of this Agreement.
 - d. Inadequate performance or failure to make progress so as to endanger performance of this Agreement.
 - e. Failure to comply with Federal program standards and reporting requirements.
 - f. Evidence that Grantee is in an unsatisfactory financial condition as determined CHHS or evidence of a financial condition that endangers performance of this Agreement and/or the loss of other funding sources.
 - g. Delinquency in payment of taxes or payment of costs for performance of this Agreement in the ordinary course of business.
 - h. Appointment of a trustee, receiver, or liquidator for all or a substantial part of Grantee's property, or institution of bankruptcy, reorganization or the arrangement of liquidation proceedings by or against Grantee.
 - i. Service of any writ of attachment, levy of execution, or commencement of garnishment proceedings against Grantee's assets or income.
 - j. Finding of debarment or suspension.
 - k. Grantee's organizational structure has materially changed.
 - l. CHHS determines that Grantee may be considered a "high risk" agency as described in 45 CFR 74.14 for non-profit organizations. If such a determination is made, Grantee may be subject to special conditions or restrictions.
 - m. Failure to continually meet conditions as determined by the Secretary of CHHS, as required by Health and Safety Code, Section 130251(g).
2. After receipt of a Notice of Termination, and except as directed by the CHHS. Grantee shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting and funds due under this clause. Grantee shall:
- a. Stop work as specified in the Notice of Termination
 - b. Place no further subcontracts for materials, or services, except as necessary to complete the continued portion of this Agreement.

- c. Terminate all subcontracts to the extent they relate to the work terminated.
 - d. Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts (the approval or ratification of which will be final for purposes of this clause).
- C. Grantee must give CHHS written Notice of Intent to Terminate this Agreement at least 120 days prior to the proposed effective date of the proposed termination. Such notification alone does not authorize the Grantee to terminate work. The notice shall include the reason for such action and the anticipated last day of work. Upon receipt of such notice, CHHS will work with the Grantee to orderly terminate the Agreement, which will include resolution of all financial and reporting obligations of the Grantee.

ARTICLE X. REMEDIES

Grantee agrees that any remedy provided in this Agreement is in addition to, and not in derogation of, any other legal or equitable remedy available to CHHS as a result of breach of this Agreement by Grantee, whether such breach occurs before or after completion of the project.

ARTICLE XI. DISSOLUTION OF ENTITY

Grantee shall notify CHHS immediately of any intention to discontinue existence of the entity, and/or to dissolve the entity and to no longer continue operations, and/or to cease negotiations with CHHS regarding future awards. If the Grantee so notifies CHHS, Grantee shall cooperate with CHHS to implement an orderly cessation of responsibilities and to close out the financial, audit, inventory, corrective action activities and other duties under this Agreement.

ARTICLE XII. APPEAL PROCESS

- A. If Grantee disputes a decision of the State's designated representative regarding the performance of this Agreement or other issues for which the representative is authorized by this Agreement to make a binding decision, Grantee shall provide written dispute notice to the State's representative within 15 calendar days after the date of the action. The written dispute notice shall contain the following information:
1. The decision or issue under dispute;
 2. The reason(s) Grantee believes the decision of the State representative is in error (if applicable, by referencing applicable Agreement provisions);

3. Identification of all documents and substance of all oral communication which support the Grantee's position;
 4. If applicable, the dollar amount under dispute.
- B. Upon receipt of the written dispute notice, State program management will examine the matter and issue a written decision to the Grantee within 15 calendar days. The decision of the representative shall contain the following information:
1. A description of the dispute;
 2. Reference to pertinent Agreement provisions, if applicable;
 3. A statement of the factual areas of agreement or disagreement; and
 4. A statement of the representative's decision with supporting rationale.
- C. The decision of the representative shall be final unless, within 30 days from the date of receipt of the representative's decision, Grantee files with the California Health and Human Services Agency a Notice of Appeal addressed to:
- California Health and Human Services Agency
1600 9th Street, Room 460
Sacramento, CA 95814
Attention: CHHS Secretary
- D. The Notice of Appeal shall be in writing and state the reasons why the decision is unacceptable. It shall include the original complaint, the decision that is the subject of appeal, and all supporting documents.
- E. A neutral third party as designated by the CHHS Secretary will make the decision on the appeal. Within twenty (20) working days of receipt of Grantee's notice of appeal, the State's representative hearing the appeal shall meet with the Grantee to review the issues raised on appeal or shall provide an opportunity for the Grantee to provide additional supporting documentation. The designated appeal representative shall issue a final written decision within fifteen (15) calendar days of such meeting.
- F. Pending resolution of any dispute, Grantee shall diligently continue all work in this Agreement and comply with all of the representative's orders and directions.

SUPPLEMENTAL TERMS AND CONDITIONS FOR
AGREEMENTS USING ARRA FUNDS—Exhibit E

- A. All contractors, including both the Grantee and subcontractors, are subject to audit by appropriate federal and State entities. The State has the right to cancel, terminate, or suspend this Agreement if the grantee or subcontractor fails to comply with the reporting and operational requirements contained herein.
- B. ENFORCEABILITY: Grantee agrees that if it or one of its subcontractors fails to comply with all applicable federal and/or State requirements governing the use of ARRA funds, the State may withhold or suspend, in whole or in part, funds awarded under the program, or recover misspent funds following an audit. This provision is in addition to all other remedies available to the State under all applicable State and federal laws.
- C. PROHIBITION ON USE OF ARRA FUNDS: Grantee agrees in accordance with ARRA, Section 1604, that none of the funds made available under this Agreement may be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pools.
- D. REQUIRED USE OF AMERICAN IRON, STEEL AND OTHER MANUFACTURED GOODS: Grantee agrees that in accordance with ARRA, Section 1605, neither Grantee nor its subcontractors will use ARRA funds for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel and manufactured goods used in the project are produced in the United States in a manner consistent with United States obligations under international agreements. Grantee understands that this requirement may only be waived by the applicable federal agency in limited situations as set out in ARRA, Section 1605.
- E. WAGE RATE REQUIREMENTS: In accordance with ARRA, Section 1606, Grantee assures that it and its sub-recipients shall fully comply with said Section and notwithstanding any other provision of law and in a manner consistent with other provisions of ARRA, all laborers and mechanics employed by Grantee and subcontractors on projects funded directly by or assisted in whole or in part by and through the federal government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the United States Secretary of Labor in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code (Davis-Bacon Act). It is understood that the Secretary of Labor has the authority and functions set forth in Reorganization Plan Numbered 14 or 1950 (64 Stat. 1267; 5 U.S.C. App.) and Section 3145 of Title 40, United States Code.
- F. INSPECTION OF RECORDS: In accordance with ARRA Sections 902, 1514 and 1515, Grantee agrees that it shall permit the State of California, the United States Comptroller General or his representative or the appropriate Inspector General appointed under

Section 3 or 8G of the United States Inspector General Act of 1978 or his representative to: (1) examine any records that directly pertain to, and involve transactions relating to, this Agreement; and (2) interview any officer or employee of Grantee or any of its subcontractors regarding the activities funded with funds appropriated or otherwise made available by the ARRA. Grantee shall include this provision in all of its agreements with its subcontractors from whom Grantee acquires goods or services in its execution of the ARRA funded work.

- G. **WHISTLEBLOWER PROTECTION:** Grantee agrees that both it and its subcontractors shall comply with Section 1553 of the ARRA, which prohibits all non-federal Contractors or grantees, including the State, and all contractors or grantees of the State, from discharging, demoting or otherwise discriminating against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract relating to ARRA funds; (2) a gross waste of ARRA funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of ARRA funds; (4) an abuse of authority related to implementation or use of ARRA funds; or (5) a violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) awarded or issued relating to ARRA funds. Grantee agrees that it and its subcontractors shall post notice of the rights and remedies available to employees under Section 1553 of Title XV of Division A of the ARRA.
- H. **FALSE CLAIMS ACT:** Grantee agrees that it shall promptly notify the State and shall refer to an appropriate federal inspector general any credible evidence that a principal, employee, agent, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving ARRA funds.
- I. **REPORTING REQUIREMENTS:** Pursuant to Section 1512 of the ARRA, in order for state agencies receiving ARRA funds to prepare the required reports, Grantee agrees to provide the awarding state agency with information on a quarterly basis which includes but is not limited to the following:
1. The total amount of ARRA funds received by Grantee during the Reporting Period;
 2. The amount of ARRA funds that were expended or obligated during the Reporting Period;
 3. A detailed list of all projects or activities for which ARRA funds were expending or obligated, including:
 - a. The name of the project or activity;
 - b. A description of the project or activity;
 - c. An evaluation of the completion status of the project or activity; and
 - d. An estimate of the number of jobs created and /or retained by the project or activity;
 - e. The name of the entity receiving the contract;
 - f. The amount of the contract;

- g. The transaction type;
 - h. The North American Industry Classification System (NAICS) code or Catalog of Federal Domestic Assistance (CFDA) number;
 - i. The Program source;
 - j. An award title descriptive of the purpose of each funding action;
 - k. The location of the entity receiving the contract;
 - l. The primary location of the contract, including the city, state, congressional district and country;
 - m. The DUNS number, or name and zip code for the entity headquarters;
 - n. A unique identifier of the entity receiving the contract and the parent entity of Grantee, should the entity be owned by another; and
 - o. The names and total compensation of the five most highly compensated officers of the company if it received: 1) 80% or more of its annual gross revenues in Federal awards; 2) \$25M or more in annual gross revenue from Federal awards and; 3) if the public does not have access to information about the compensation of senior executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 or section 6104 of Internal Revenue Code of 1986;
- J. Any other information reasonably requested by the State or required by State or federal law or regulation.
- K. In a format, manner and timeframe specified by CHHS, Grantee shall file a timely and accurate ARRA report each calendar quarter that will, in turn, enable timely and accurate federal reporting by the State. State reports are due no later than 10 days after the end of each calendar quarter.
- L. Standard data elements and federal instructions for use in complying with reporting requirements under Section 1512 of the ARRA, are to be provided online at www.FederalReporting.gov. Any additional or amended reporting requirements are hereby added to this Agreement by this reference.

INFORMATION INTEGRITY AND SECURITY—Exhibit F

ARTICLE I: DEFINITIONS AS USED IN THIS EXHIBIT

- A. Public Information means information that is not exempt from disclosure under the provisions of the California Public Records Act (Government Code sections 6250-6265) or other applicable state or federal laws.
- B. Confidential Information means information that is exempt from disclosure under the provisions of the California Public Records Act (Government Code sections 6250-6265) or other applicable state or federal laws.
- C. Sensitive Information means information that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive Information may be either Public Information or Confidential Information. It is information that requires a higher than normal assurance of accuracy and completeness. Thus, the key factor for Sensitive Information is that of integrity. Typically, Sensitive Information includes records of agency financial transactions and regulatory actions.
- D. Personal Information means information that identifies or describes an individual, including, but not limited to, their name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It is CHHS' policy to consider all information about individuals private unless such information is determined to be a public record. This information must be protected from inappropriate access, use, or disclosure and must be made accessible to data subjects upon request.
- E. Notice-triggering Personal Information means specific items of personal information (name plus Social Security number, driver license/California identification card number, or financial account number) that may trigger a requirement to notify individuals if it is acquired by an unauthorized person. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph. See Civil Code sections 1798.29 and 1798.82.

ARTICLE II. INFORMATION INTEGRITY AND SECURITY

- A. Nondisclosure. Grantee and its employees, agents, or subcontractors shall protect from unauthorized disclosure any Personal Information, Sensitive Information, or Confidential Information (hereinafter identified as PSCI).

- B. Grantee and its employees, agents, or subcontractors shall not use any PSCI for any purpose other than carrying out the Grantee's obligations under this Agreement.
- C. Grantee and its employees, agents, or subcontractors shall promptly transmit to the CHHS all requests for disclosure of any PSCI not emanating from the person who is the subject of PSCI.
- D. Grantee shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the person who is the subject of PSCI, any PSCI to anyone other than CHHS without prior written authorization from CHHS, except if disclosure is required by State or Federal law.
- E. Grantee shall observe the following requirements:
 - Security. Grantee shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PSCI, including electronic PSCI that it creates, receives, maintains, uses, or transmits on behalf of CHHS. Grantee shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Grantee's operations and the nature and scope of its activities, including at a minimum the following safeguards:
 - 1. General Security Controls include:
 - a. Confidentiality Statement. All persons that will be working with PSCI must sign a confidentiality statement. The statement must include at a minimum, General Use, Security and Privacy safeguards, Unacceptable Use, and Enforcement Policies. The employee prior to access to PSCI must sign the statement. The statement must be renewed annually. Grantee shall retain each person's written confidentiality statement for CHHS inspection for a period of three (3) years following termination of this Agreement.
 - b. Background check. Before a member of Grantee's workforce may access PSCI, Grantee must conduct a thorough background check of that worker and evaluate the results to assure that there is no indication that the worker may present a risk for theft of confidential data. Grantee shall retain each employee's background check documentation for a period of three (3) years following termination of this Agreement.
 - c. Workstation/Laptop encryption. All workstations and laptops that process and/or store PSCI must be encrypted with a CHHS approved solution, such as a solution using a vendor product specified on the California Strategic Sourcing Initiative (CSSI) located at the following link: www.pd.dgs.ca.gov/masters/EncryptionSoftware.html. The encryption solution must be full disk.

- d. Only the minimum necessary amount of PSCI may be downloaded to a laptop or hard drive when absolutely necessary for current business purposes.
 - e. Removable media devices. All electronic files that contain PSCI data must be encrypted when stored on any removable media type device (i.e. USB thumb drives, floppies, CD/DVD, etc.) with a CHHS approved solution, such as a solution using a vendor product specified on the CSSI.
 - f. Email security. All emails that include PSCI must be sent in an encrypted method using a CHHS approved solution, such as a solution using a vendor product specified on the CSSI.
 - g. Antivirus software. All workstations, laptops and other systems that process and/or store PSCI must have a commercial third-party anti-virus software solution with a minimum daily automatic update.
 - h. Patch Management. All workstations, laptops and other systems that process and/or store PSCI must have security patches applied and up-to-date.
 - i. User IDs and Password Controls. All users must be issued a unique user name for accessing PSCI. Passwords are not to be shared, must be at least eight characters, must be a non-dictionary word, must not be stored in readable format on the computer, must be changed every 60 days, must be changed if revealed or compromised, and must be composed of characters from at least three of the following four groups from the standard keyboard:
 - Upper case letters (A-Z)
 - Lower case letters (a-z)
 - Arabic numerals (0-9)
 - Non-alphanumeric characters (punctuation symbols)
 - j. Data Destruction. All PSCI must be wiped from systems when the data is no longer necessary. The wipe method must conform to Department of Defense standards for data destruction. All PSCI on removable media must be returned to CHHS when the data is no longer necessary. Once data has been destroyed, CHHS must be notified.
 - k. Remote Access. Any remote access to PSCI must be executed over an encrypted method approved by CHHS using a vendor product specified on the CSSI. All remote access must be limited to minimum necessary and least privilege principles.
2. System Security Controls
- a. System Timeout. The system must provide an automatic timeout after no more than 20 minutes of inactivity.

- b. **Warning Banners.** All systems containing PSCI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only. The user must be directed to log off the system if they do not agree with these requirements.
 - c. **System Logging.** The system must log successes and failures of user authentication at all layers. The system must log all system administrator/developer access and changes if the system is processing and/or storing PSCI. The system must log all user transactions at the database layer if processing and/or storing PSCI.
 - d. **Access Controls.** The system must use role based access controls for all user authentications, enforcing the principle of least privilege.
 - e. **Transmission encryption.** All data transmissions must be encrypted end-to-end using a CHHS approved solution, such as a solution using a vendor product specified on the CSSI, when transmitting PSCI.
 - f. **Host Based Intrusion Detection.** All systems that are accessible via the Internet or store PSCI must actively use a comprehensive third-party real-time host based intrusion detection and prevention solution
3. **Audit Controls**
- a. **System Security Review.** All systems processing and/or storing PSCI must have at least an annual system security review. Reviews must include administrative and technical vulnerability scanning tools.
 - b. **Log Reviews.** All systems processing and/or storing PSCI must have a routine procedure in place to review system logs for unauthorized access.
 - c. **Change Control.** All systems processing and/or storing PSCI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.
4. **Business Continuity / Disaster Recovery Controls**
- a. **Emergency Mode Operation Plan.** Grantee must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic PSCI in the event of an emergency. An emergency is an interruption of business operations for more than 24 hours.
 - b. **Data Backup Plan.** Grantee must have established documented procedures to backup PSCI to maintain retrievable exact copies of PSCI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and the amount of time to restore PSCI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of data.

5. Paper Document Controls
 - a. Supervision of Data. PSCI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that an employee authorized to access the information is not observing the information. PSCI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
 - b. Escorting Visitors. Visitors to areas where PSCI is contained shall be escorted and PSCI shall be kept out of sight while visitors are in the area.
 - c. Confidential Destruction. PSCI must be disposed of through confidential means, such as cross cut shredding and pulverizing.
 - d. Removal of Data. PSCI must not be removed from the premises of the Grantee except with express written permission of CHHS.
 - e. Faxing. Faxes containing PSCI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending.
 - f. Mailing. PSCI shall only be mailed using secure methods. Large volume mailings of PSCI shall be by a secure, bonded courier with signature required on receipt. Disks and other transportable media sent through the mail must be encrypted with a CHHS approved solution, such as a solution using a vendor product specified on the CSSI.

- F. Security Officer. Grantee shall designate a Security Officer to oversee its data security program who will be responsible for carrying out its privacy and security programs and for communicating on security matters with CHHS.

- G. Training. Grantee shall provide training on its data privacy and security policies, at least annually, at its own expense, to all its employees and volunteers who assist in the performance of functions or activities on behalf of CHHS under this Agreement and use or disclose PSCI.
 1. Grantee shall require each employee and volunteer who receives data privacy and security training to sign a certification, indicating the employee's/volunteer's name and the date on which the training was completed.
 2. Grantee shall retain each employee's/volunteer's written certifications for CHHS inspection for a period of three years following termination of this Agreement.

- H. Discovery and Notification of Breach. Grantee shall notify CHHS immediately by telephone call plus email or fax upon the discovery of breach of security of PSCI in computerized form if the PSCI was, or is reasonably believed to have been, acquired by an unauthorized person, or within twenty-four (24) hours by email or fax of the discovery of any suspected security incident, intrusion or unauthorized use or disclosure of PSCI in violation of this Agreement, this provision, the law, or potential

loss of confidential data affecting this Agreement. Notification shall be provided to CHHS, Elaine Scordakis, Escorda1@ohi.ca.gov. Email notification should also be made to Infosecurity@chhs.ca.gov. If the incident occurs after business hours or on a weekend or holiday and involves electronic PSCI, notification shall be provided by calling Elaine Scordakis at (916) 651-8066. Grantee shall take:

1. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment and
 2. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- I. Investigation of Breach. Grantee shall immediately investigate such security incident, breach, or unauthorized use or disclosure of PSCI and within twenty-four (24) hours of the discovery, shall notify the CHHS Privacy and Security Officer of:
1. What data elements were involved and the extent of the data involved in the breach,
 2. A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PSCI,
 3. A description of where the PSCI is believed to have been improperly transmitted, sent, or utilized,
 4. A description of the probable causes of the improper use or disclosure; and
 5. Whether Civil Code sections 1798.29 or 1798.82 or any other federal or state laws requiring individual notifications of breaches are triggered.
- J. Written Report. Grantee shall provide a written report of the investigation to CHHS, Privacy and Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall include, but not be limited to, the information specified above, as well as a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure.
- K. Notification of Individuals. Grantee shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law and shall pay any costs of such notifications, as well as any costs associated with the breach. CHHS including the CHHS primary contact for this Agreement, Elaine Scordakis, the CHHS Privacy and Information Security Officer and Crystal Cooper (crystal.cooper@osi.ca.gov), the CHHS Chief Information Officer, shall approve the time, manner and content of any such notifications.
- L. Affect on lower tier transactions. The terms of this Exhibit shall apply to all contracts, subcontracts, and sub-awards, regardless of whether they are for the acquisition of services, goods, or commodities. Grantee shall incorporate the contents of this Article

into each subcontract or sub-award to its agents, subcontractors, or independent consultants.

- M. **Contact Information.** To direct communications to the above referenced CHHS staff, the Grantee shall initiate contact as indicated herein. CHHS reserves the right to make changes to the contact information below by giving written notice to the Grantee. Said changes shall not require an amendment to this Exhibit or the Agreement to which it is incorporated.

CHHS Program Grant Manager	CHHS Privacy Officer	CHHS Information Security Officer
See information in the Scope of Work exhibit for Primary Project Representative	Privacy Officer Elaine Scordakis 1600 9 th Street, Room 460 Sacramento, CA 95818 Email: Escorda1@ohi.ca.gov Infosecurity@chhs.ca.gov Telephone: (916) 651-8066 office (916) 952-7863 cell	Information Security Officer Elaine Scordakis 1600 9 th Street, Room 460 Sacramento, CA 95818 Email: Escorda1@ohi.ca.gov Infosecurity@chhs.ca.gov Telephone: (916) 651-8066 (916) 952-7863 cell

- N. **Audits and Inspections.** From time to time, CHHS may inspect the facilities, systems, books and records of the Grantee to monitor compliance with the safeguards required in this Article. Grantee shall promptly remedy any violation of any provision of this Article. The fact that CHHS inspects, or fails to inspect, or has the right to inspect, Grantee facilities, systems and procedures does not relieve Grantee of its responsibility to comply with this Article.
- O. If Grantee has a relationship with subcontractors or other entities which constitutes a business associate relationships under HIPAA and its implementing privacy and security regulations at 45 CFR Parts 160 and 164, then the Grantee shall have appropriate prior written agreements in place with such business associates, in a format and with terms and conditions specified by CHHS. To be a business associate, a subcontractor or other entity meets the following criteria:
1. The entity performs or assists in performing a function or activity that involves the access, use, or disclosure of individually identifiable health information; and
 2. The entity performs activities, such as claims processing or administration; data analysis, processing or administration; utilization review; quality assurance; billing benefit management; practice management, and re-pricing on behalf of a health plan or health provider; or
 3. The entity performs activities, such as claims processing or administration; data analysis, processing or administration; utilization review; quality assurance;

billing benefit management; practice management, and re-pricing on behalf of a health plan or health provider.

- P. Grantee shall also collect and maintain contact information and consent forms for consumer participation in research as required by Section 1798.24 of the California Civil Code, Information Practices Act, the California Committee for the Protection of Human Subjects.

STATE OF CALIFORNIA-California Health and Human Services Agency

GRANT AGREEMENTHEALTH INFORMATION EXCHANGE COOPERATIVE AGREEMENT
PROGRAM—Phase 2

AGREEMENT NUMBER

09042012

AWARD NUMBER

90HT0029/01

CFDA NUMBER

93.719

1. The California Health and Human Services Agency hereby makes a grant award of funds to the Grantee named below:

Grantee's Name: Los Angeles Network for Enhanced Services (LANES), County of Los Angeles

Telephone number: (213) 974-1101

Grantee's Address: 500 W. Temple Street, Room 713, Los Angeles, CA 90012

Project Director and Telephone Number: Sheila Shima, Deputy Chief Executive Officer, Health & Mental Health Services,
County of Los Angeles Executive Office, (213) 974-1160, sshima@ceo.lacounty.gov

2. The term of this Agreement is: September 1, 2012 through August 31, 2013

3. The maximum amount of this Agreement is: \$ 222,998.91
Dollars and 00/100

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Scope of Work	7 pages
Exhibit A, Attachment 1 – Table of Deliverables	5 pages
Exhibit B - Budget Detail and Payment Provisions	6 pages
Attachment 1, Budget and Expenditure Plan	1 page
Exhibit C - General Terms and Conditions	3 pages
Exhibit D - Special Terms and Conditions	22 pages
Exhibit E – Supplemental Terms and Conditions for Agreements Using ARRA Funds	3 pages
Exhibit F—Information Integrity and Security	8 pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**GRANTEE**

GRANTEE'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

Los Angeles Network for Enhanced Services, County of Los Angeles

BY (Authorized Signature)

DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

William T Fujioka, Chief Executive Officer, County of Los Angeles and Chair, LANES Board of Directors

ADDRESS

500 W. Temple Street, Room 713, Los Angeles, CA 90012

STATE OF CALIFORNIA

AGENCY NAME

California Health and Human Services Agency (CHHS)

BY (Authorized Signature)

DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Scott Christman, Assistant Director, CHHS/ Office of Health Information Integrity

ADDRESS

1600 Ninth Street, Room 460, Sacramento, CA 95814

Exempt from DGS
review per AG
Opinions