



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

CONTRACTOR

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACT

Contract Number

Legal Entity Number

Contractor Headquarters Address

Vendor Number

Contractor Headquarters' Supervisorial District _____

Mental Health Service Area(s) _____

OR Countywide _____

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Exhibits:

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

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACT

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

RECITALS

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

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

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

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

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

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

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

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

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

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

1 APPLICABLE DOCUMENTS

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

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

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

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

2 DEFINITIONS/HEADINGS

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

3 WORK

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this contract, the same shall be deemed to be a gratuitous effort on the part of the contractor, and the contractor shall have no claim whatsoever against the County.

3.3 Description of Services/Activities

- 3.3.1 Contractor shall provide those mental health services identified on the Financial Summary and Service Exhibit(s) of this Contract and as described in the Contractor's Negotiation Package for this Contract, as approved in writing by the Director. The quality of services provided by Contractor shall be the same regardless of the patient's/client's ability to pay or source of payment.

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

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

3.4 Maintenance Standards for Service Delivery Sites

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

3.5 Nondiscrimination in Services

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

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

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

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

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

3.6 Patients'/Clients' Rights

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

3.7 Reporting of Patient/Client Abuse and Related Personnel Requirements

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

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

3.7.3 Contractor Staff:

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

3.8 Staffing

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

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

3.8.1.2 If, at any time during the term of this Contract, the Contractor has a sufficient number of vacant staff positions that would impair its ability to perform any services under the Contract, Contractor shall promptly notify Director of such vacancies.

3.8.1.3 At all times during the term of this Contract, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of all persons by name, title, professional degree, language capability(ies), and experience, who are providing any services under this Contract.

3.9 Staff Training and Supervision

3.9.1 Contractor shall institute and maintain an in-service training program of treatment review and case conferences in which all its professional, para-professional, intern, student, and clinical volunteer personnel shall participate.

3.9.2 Contractor shall institute and maintain appropriate supervision of all persons providing services under this Contract with particular emphasis on the supervision of para-professionals, interns, students, and clinical volunteers in accordance with Departmental clinical supervision policy.

3.9.3 Contractor shall be responsible for the provision of mandatory training for all staff at the time of initial employment and on an ongoing basis as required by federal and State law, including but not limited to Health Insurance Portability and Accountability Act (HIPAA) and Sexual Harassment, and for the training of all appropriate staff on the Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services, and other State and County

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

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

3.10 Program Supervision, Monitoring and Review

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

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

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

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

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

3.11 Reports

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

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

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

3.11.3 County Claims Processing Information System:

- (1) Notwithstanding any other provision of this Contract, only units of service submitted by Contractor into the County's claims processing information system shall be counted as delivered units of service.
- (2) Notwithstanding any other provision of this Contract, the only units of service which shall be considered valid and reimbursable at Annual Cost Report Reconciliation and Settlement, Cost Report Audit Settlement, or at any other time otherwise shall be those units of service that are

submitted by Contractor into the County's claims processing information system by the County's year-end cutoff date in accordance with the terms of this Contract and its exhibits thereto, including but not limited to Exhibit A (FINANCIAL PROVISIONS), and which are not voided, replaced and/or denied for any reason, except due to the fault of the County. Notwithstanding any other provision of this Contract, claims entered into the County's claim processing information system shall be attributed to a specific Funded Program and Subprogram based upon the plan identified by Contractor when submitting the claim into the County's claims processing information system.

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

4 TERM OF CONTRACT

4.1 TERM:

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

4.1.2 Automatic Renewal Period(s): After the Initial Period, this Agreement shall be automatically renewed two (2), additional periods without further action by the parties hereto unless either party desires to terminate this Contract in accordance with provision 8.42 (Termination for Convenience).

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

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

4.1.3 The County maintains databases that track/monitor contractor performance history. Information entered into such

databases may be used for a variety of purposes, including determining whether the County will exercise a Contract term extension option.

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

5 FINANCIAL PROVISIONS

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

5.2 **Default Method of Payment: Direct Deposit or Electronic Funds Transfer**

5.2.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/ contract with the County shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.2.2 The Contractor shall submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

5.2.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments.

5.2.4 At any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and

an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

6 ADMINISTRATION OF CONTRACT - COUNTY

6.1 County Department of Mental Health Administration

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

6.2 Director of Mental Health

6.2.1 The role of the Director

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

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

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

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

6.3 Contract Monitoring Manager

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

- 6.3.1.1 Meeting with the Director or his designee on an as needed basis; and
- 6.3.1.2 Inspecting any and all tasks, deliverables, services, or other work provided by or on behalf of the Contractor; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.
- 6.3.1.3 The Contracts Monitoring Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.4 Contract Lead

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

7 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor Administration

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

7.2 Contractor's Contract Manager

- 7.2.1 Contractor shall designate in writing a Contract Manager who shall function as liaison with County regarding Contractor's performance hereunder.
- 7.2.2 The Contractor's Contract Manager is designated in Exhibit F- Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Manager.
- 7.2.3 The Contractor's Contract Monitor shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall meet and coordinate with County's Contract Monitor on an as needed basis.

7.3 Approval of Contractor's Staff

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

7.4 Contractor's Staff Identification

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

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

7.4.2 Contractor shall notify the County within one (1) business day when staff is terminated from working under this Contract. Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has terminated employment with the Contractor.

7.4.3 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has been removed from working on the County's Contract.

7.5 Background and Security Investigations

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

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

- 7.5.2 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.
- 7.5.3 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

- 7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.6.2 Contractor shall maintain the confidentiality of all records and information, including, but not limited to, claims, County records, patient/client records and information, and County claims processing information system records, in accordance with WIC Sections 5328 through 5330, inclusive, and all other applicable County, State, and federal laws, ordinances, rules, regulations, manuals, guidelines, and directives, relating to confidentiality and privacy.
- 7.6.3 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.6, as

determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under this Paragraph 7.6 shall be conducted by contractor and performed by counsel selected by Contractor unless objected to by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- 7.6.4 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.5 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Contract", Exhibit G-1.
- 7.6.6 Contractor shall require all contractor employees and non-employees; including sub-contractors performing services under this Contract to sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Contract", Exhibits G-2 and G-3. Such Acknowledgments shall be executed by each such employee and non-employee, including sub-contractors on or immediately after the commencement date of this Contract but in no event later than the date such employee first performs services under this Contract.

8 STANDARD TERMS AND CONDITIONS

8.1 Amendments

- 8.1.1 For any change which affects the scope of work, term, Financial Summary, maximum contract amount, payments, or any term or condition included under this Contract, an amendment to the Contract shall be prepared and executed by the contractor and by Director or his designee.

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

8.2 Assignment and Delegation/Mergers or Acquisitions

- 8.2.1 The contractor shall notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 8.2.2 The contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the contractor may have against the County.
- 8.2.3 Shareholders, partners, members, or other equity holders of contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the

time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.4 Any assumption, assignment, delegation, or takeover of any of the contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against contractor as it could pursue in the event of default by contractor.

8.3 Authorization Warranty

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

8.4 Intentionally Omitted

8.5 Complaints

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

8.5.2 Complaint Procedures

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

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

8.5.2.3 If the County requests changes in the contractor's policy, the contractor shall make such changes and

resubmit the plan within 30 business days for County approval.

- 8.5.2.4 If, at any time, the contractor wishes to change the contractor's policy, the contractor shall submit proposed changes to the County for approval before implementation.
- 8.5.2.5 The contractor shall preliminarily investigate all complaints and notify the County's Contract Monitoring Manager of the status of the investigation within 10 business days of receiving the complaint.
- 8.5.2.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.2.7 Copies of all written responses shall be sent to the County's Contract Monitoring Manager within five (5) business days of mailing to the complainant.

8.6 Compliance with Applicable Law

- 8.6.1 In the performance of this Contract, contractor shall comply with all applicable federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by contractor, its officers, employees, agents, or subcontractors, to comply with any such federal, State, or local laws, rules, regulations, ordinances, ADA standards, directives, guidelines, manuals, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) shall be conducted by contractor and performed by counsel selected by contractor unless objected to by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense,

except that in the event contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.6.3 Contractor shall comply with all federal laws, including, but not limited to, Title XIX of the Social Security Act, State, and local laws, ordinances, rules, regulations, manuals, guidelines, ADA standards, and directives applicable to its performance hereunder. Further, all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.4 Contractor shall be governed by and comply with all contractual obligations of the DHCS' Mental Health Plan Contract with the County.

8.6.5 Contractor shall maintain in effect an active compliance program in accordance with the recommendations set forth by the Department of Health and Human Services, Office of the Inspector General.

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

8.6.7 Licenses, Permits, Registrations, and Certificates

8.6.7.1 Contractor shall obtain and maintain in effect during the term of this Contract, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Short-Doyle/Medi-Cal and/or Medicare provider if Title XIX Short-Doyle/Medi-Cal and/or Medicare services are provided hereunder), as required by all federal,

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

- 8.6.7.2 If Contractor is a participant in the Short-Doyle/Medi-Cal and/or Medicare program, Contractor shall keep fully informed of all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal and Medicare certifications of all its facilities.
- 8.6.7.3 Contractor shall ensure that any independent contractors (i.e., individuals who are not employees but who are contracted by Contractor to perform services hereunder) who prescribe medications, in addition to obtaining and maintaining all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder, are credentialed by DMH and maintain such credentialing in effect during the term of this Contract.

8.6.8 Unlawful Solicitation

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

8.7 Compliance with Civil Rights Laws

8.7.1 The contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The contractor shall comply with Exhibit D - Contractor's EEO Certification.

8.8 Compliance with the County's Jury Service Program

8.8.1 Jury Service Program:

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

8.8.2 Written Employee Jury Service Policy

1. Unless the contractor has demonstrated to the County's satisfaction either that the contractor is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the contractor

qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the contractor shall have and adhere to a written policy that provides that its Employees shall receive from the contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this paragraph, "contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any 12 month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12 month period are not considered full-time for purposes of the Jury Service Program. If the contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this paragraph. The provisions of this paragraph shall be inserted into any such subcontract contract and a copy of the Jury Service Program shall be attached to the contract.
3. If the contractor is not required to comply with the Jury Service Program when the Contract commences, the contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the contractor shall immediately notify the County if the contractor at any time either comes within the Jury Service Program's definition of "contractor" or if the contractor no longer qualifies for an exception to the Jury Service Program. In either event, the contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract

and at its sole discretion, that the contractor demonstrate, to the County's satisfaction that the contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that the contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 Conflict of Interest

8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

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

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

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

8.11 Consideration of Hiring GAIN-GROW Participants

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

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

8.12 Contractor Responsibility and Debarment

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

8.12.1 Responsible Contractor

A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily

perform the contract. It is the County's policy to conduct business only with responsible contractors.

8.12.2 Chapter 2.202 of the County Code

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

8.12.3 Non-responsible contractor

The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the contractor has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County, 2) committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, 3) committed an act or offense which indicates a lack of business integrity or business honesty, or 4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

8.12.4.1 If there is evidence that the contractor may be subject to debarment, the Department will notify the contractor in writing of the evidence which is the basis for the proposed debarment and will advise the contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The contractor and/or the contractor's representative shall be given an

opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.4.4 If a contractor has been debarred for a period longer than five (5) years, that contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the contractor has adequately demonstrated one (1) or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.

8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where: 1) the contractor has been debarred for a period longer than five (5) years; 2) the debarment has been in effect for at least five (5) years; and 3) the request is in writing, states one (1) or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate

request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

8.12.5 Subcontractors of Contractor

These terms shall also apply to subcontractors of County contractors.

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

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

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

8.14.1 The contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family and spousal

support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

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

8.15 County's Quality Assurance Plan

The County or its agent(s) will monitor the contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Contract terms and conditions and applicable federal, State, and County policies and procedures relating to performance standards and outcome measures including but not limited to those performance standards and outcome measures required by specific federal, State, and/or County rules, directive, and guidelines for entities receiving their funding. Examples of such performance standards and/or outcome measures include, but are not limited to, those identified in Exhibit M- and those reflected in County and/or program Service Exhibits/SOWs and practice parameters; as well as performance standards and/or outcomes measures related to the Patient Protection and Affordable Care Act (ACA) and Cal MediConnect Program.

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

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

consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

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

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

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

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

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

Additionally, per the Federal Managed Care Network Adequacy Final Rule requirements, 100% of direct service

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

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

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

8.16 Damage to County Facilities, Buildings or Grounds

8.16.1 The contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the contractor or employees or agents of the contractor performing in-kind services as referenced in Exhibit A, FINANCIAL PROVISIONS, Section T. PAYMENTS BY CONTRACTOR TO COUNTY. Such repairs shall be made immediately after the contractor has become aware of such damage, but in no event later than 30 days after the occurrence.

8.16.2 If the contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the contractor by cash payment upon demand.

8.17 Employment Eligibility Verification

8.17.1 The contractor warrants that it fully complies with all federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in federal and State statutes and regulations. The contractor shall obtain, from

all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The contractor shall retain all such documentation for all covered employees for the period prescribed by law.

- 8.17.2 The contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the contractor or the County or both in connection with any alleged violation of any federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 Facsimile Representations

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

8.19 Fair Labor Standards

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

8.20 Force Majeure

- 8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if

such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").

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

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

8.21 Governing Law, Jurisdiction, and Venue

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

8.22 Independent Contractor Status

8.22.1 This Contract is by and between the County and the contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

- 8.22.2 The contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the contractor.
- 8.22.3 The contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the contractor and not employees of the County. The contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the contractor pursuant to this Contract.
- 8.22.4 Contractor shall adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.23 Indemnification

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

8.24 General Provisions for all Insurance Coverage

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

protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.2 Evidence of Coverage and Notice to County

- 8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.
- 8.24.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required contractor and/or sub-contractor insurance policies at any time.
- 8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.
- 8.24.2.4 Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

8.24.2.5 Certificates and copies of any required endorsements shall be sent to:

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

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

8.24.3 Additional Insured Status and Scope of Coverage

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

8.24.4 Cancellation of or Changes in Insurance

Contractor shall provide County with, or contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in

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

8.24.5 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to contractor, deduct the premium cost from sums due to contractor or pursue contractor reimbursement.

8.24.6 Insurer Financial Ratings

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

8.24.7 Contractor's Insurance Shall Be Primary

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

8.24.8 Waivers of Subrogation

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

8.24.9 Subcontractor Insurance Coverage Requirements

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

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

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

8.24.11 Claims Made Coverage

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

8.24.12 Application of Excess Liability Coverage

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

8.24.13 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services

Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.14 **Alternative Risk Financing Programs**

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

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

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

8.25 **Insurance Coverage**

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

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

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

8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self- insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an

employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than 30 days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.25.4 Unique Insurance Coverage

8.25.4.1 Sexual Misconduct Liability

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

8.25.4.2 Professional Liability-Errors and Omissions

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

8.25.4.3 Intentionally Omitted

8.25.4.4 Intentionally Omitted

8.25.4.5 Intentionally Omitted

8.25.4.6 Privacy/Network Security (Cyber) Liability

Insurance coverage providing protection against liability for (1) privacy breaches [liability arising from the loss or disclosure of confidential information no matter how it occurs]; (2) system

breach; (3) denial or loss of service; (4) introduction, implantation, or spread of malicious software code; (5) unauthorized access to or use of computer systems with limits of not less than \$2 million. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

8.26 Intentionally Omitted

8.27 Intentionally Omitted

8.28 Nondiscrimination and Affirmative Action

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

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

8.28.3 The contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, gender, sexual orientation, age (over 40), marital status, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era in compliance with all applicable federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment,

upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, and granting or denying family care leave. Contractor shall not discriminate against or harass, nor shall it permit harassment of, its employees during employment based upon race, color, religion, national origin, ancestry, gender, age (over 40), marital status, sexual orientation, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment, and will comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.).

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

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

under this Contract or under any project, program, or activity supported by this Contract.

- 8.28.6 The contractor shall allow County representatives access to the contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.
- 8.28.7 If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the contractor has violated federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the contractor has violated the anti-discrimination provisions of this Contract.
- 8.28.8 The parties agree that in the event the contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.
- 8.28.9 Contractor shall include the provisions of this Paragraph 8.28 in every subcontract or purchase order unless otherwise expressly exempted.

8.29 Non Exclusivity

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

8.30 Notice of Delays

- 8.30.1 Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within three (3)

business days, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 Notice of Disputes

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

8.32 Notice to Employees Regarding the Federal Earned Income Credit

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

8.33 Notice to Employees Regarding the Safely Surrendered Baby Law

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

8.34 Notices

8.34.1 All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E - County's Administration and F - Contractor's Administration. Contractor's headquarters addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The Director or his designee shall have the authority to execute all notices or demands required or

permitted by the County under this Contract. Including but not limited to:

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

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

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

8.35 Intentionally Omitted

8.36 Public Records Act

8.36.1 Any documents submitted by the contractor; all information obtained in connection with the County's right to audit and inspect the contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection-Audit Settlement) of this Contract become the exclusive property of the County. All such documents

become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

8.37 Publicity

- 8.37.1 The contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the contractor from publishing its role under this Contract within the following conditions:
 - 8.37.1.1 The contractor shall develop all publicity material in a professional manner; and
 - 8.37.1.2 During the term of this Contract, the contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Monitoring Manager. The County shall not unreasonably withhold written consent.
- 8.37.2 The contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los

Angeles, provided that the requirements of this Paragraph 8.37 (Publicity) shall apply.

8.38 Record Retention and Inspection-Audit Settlement

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

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

- 8.38.3.1.1 Ten (10) years following discharge of the patient/client or termination of services.
- 8.38.3.1.2 For minors, one (1) year after the minor reaches the age of 18, but not less than ten (10) years and/or from the final date of the contract period between DMH and Contractor, the date of completion of any audit, or the date the service was rendered, whichever is later.
- 8.38.3.1.3 Ten (10) years after completion of all County, State and/or federal audits.
- 8.38.3.1.4 Ten (10) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.
- 8.38.3.1.5 During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8.38.6 Audits:

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

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

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

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

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

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

8.39 Recycled Bond Paper

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

8.40 Subcontracting

8.40.1 The requirements of this Contract may not be subcontracted by the contractor **without the advance approval of the County**. Any attempt by the contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.40.2 If the contractor desires to subcontract, the contractor shall provide the following information promptly at the County's request:

8.40.2.1 The reasons for the particular subcontract.

8.40.2.2 A detailed description of the services to be performed by the subcontractor;

8.40.2.3 Identification of the proposed subcontractor.

8.40.2.4 A description of the proposed subcontract amount and manner of compensation, together with Contractor's cost or price analysis thereof.

8.40.2.5 A draft copy of the proposed subcontract which shall include the following provisions:

"This contract is a subcontract under the terms of the prime contract with the County of Los Angeles

and shall be subject to all of the provisions of such prime contract, including those related to ensuring high quality of service and outcomes”.

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

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

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

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

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

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

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

8.40.6 The Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract

by the County, contractor shall forward a fully executed subcontract to the County for their files.

8.40.7 The contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

8.40.8 The contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. Before any subcontractor employee may perform any work hereunder, contractor shall ensure delivery of all such documents to:

Los Angeles Count

y Department of Mental Health

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

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

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

8.42 Termination for Convenience

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

8.42.2 After receipt of a notice of termination and except as

otherwise directed by the County, the contractor shall:

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

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

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

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

8.43 Termination for Default

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

8.43.1.1 Contractor has materially breached this Contract; or

- 8.43.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- 8.43.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.
- 8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this paragraph.
- 8.43.3 Except with respect to defaults of any subcontractor, the contractor shall not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the contractor and subcontractor, and without the fault or negligence of either of them, the contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the contractor to meet the required performance schedule. As used in this paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.

- 8.43.4 If, after the County has given notice of termination under the provisions of Paragraph 8.43 (Termination for Default) it is determined by the County that the contractor was not in default under the provisions of Paragraph 8.43 (Termination for Default) or that the default was excusable under the provisions of subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).
- 8.43.5 The rights and remedies of the County provided in this Paragraph 8.43 (Termination for Default) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 Termination for Improper Consideration

- 8.44.1 The County may, by written notice to the contractor, immediately terminate the right of the contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the contractor as it could pursue in the event of default by the contractor.
- 8.44.2 The contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.45 Termination for Insolvency

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

- 8.45.1.1 Insolvency of the contractor. The contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least 60 days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the contractor is insolvent within the meaning of the Federal Bankruptcy Code;
 - 8.45.1.2 The filing of a voluntary or involuntary petition regarding the contractor under the Federal Bankruptcy Code;
 - 8.45.1.3 The appointment of a Receiver or Trustee for the contractor; or
 - 8.45.1.4 The execution by the contractor of a general assignment for the benefit of creditors.
- 8.45.2 The rights and remedies of the County provided in this Paragraph 8.45 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 Termination for Non-Adherence of County Lobbyist Ordinance

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

8.47 Termination for Non-Appropriation of Funds

- 8.47.1 Notwithstanding any other provision of this Contract, the County shall not be obligated for the contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30th of the last fiscal year for which funds were appropriated. The County shall notify the contractor in writing of any such non-allocation of funds at the earliest possible date.

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

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

8.49 Time Off for Voting

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

8.50 Validity

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

8.51 Waiver

8.51.1 No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this paragraph 8.53 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.52 Warranty Against Contingent Fees

8.52.1 The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract

upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

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

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

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

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

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

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

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

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

8.55 Compliance with Fair Chance Employment Practices

Contractor shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

8.56 Compliance with the County Policy of Equity

The contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). The contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject the contractor to termination of contractual agreements as well as civil liability.

9 UNIQUE TERMS AND CONDITIONS

9.1 Third Party Beneficiaries

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

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

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

including the training of its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA and HITECH.

- 9.2.2 The parties acknowledge their separate and independent obligations with respect to HIPAA and HITECH and that such obligations relate to *transactions and code sets, privacy, and security*. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA and HITECH in all these areas and that County has not undertaken any responsibility for compliance on contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to contractor's obligations under HIPAA and HITECH but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.
- 9.2.3 Contractor and County understand and agree that each is independently responsible for HIPAA and HITECH compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA and HITECH laws and implementing regulations related to transactions and code sets, privacy, and security.
- 9.2.4 Each party further agrees that, should it fail to comply with its obligations under HIPAA and HITECH, it shall indemnify and hold harmless the other party (including the other party's officers, employees, and agents), for damages to the other party that are attributable to such failure.
- 9.2.5 Contractor and County understand and agree that HIPAA has imposed additional requirements in regards to changes in DMH's County's information system.
- (1) County has a Guide to Procedure Codes available at <http://lacdmh.lacounty.gov/hipaa/index.html> which includes a "crosswalk" of DMH activity codes to Current Procedural Terminology (CPT) and Health Care Procedure Coding System (HCPCS) codes.
 - (2) County has electronic Data Interchange (EDI) Contract forms available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm which includes information about the

applicable HIPAA transactions that can be processed in the Integrated Behavioral Health Information System (IBHIS).

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

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

implement each revised interface, unless earlier effective dates(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual contract between County and Contractor.

(a) 90 days for existing interfaces requiring major development and testing;

(b) 60 days for existing interfaces that requiring moderate development and testing; and

(c) 30 days for existing interfaces requiring minimal development and testing.

(5) Contractor agrees to comply with the exchange of all required interfaces specified by County and the method by which these transactions are to be exchanged between Contractor and County as of the effective date(s) specified by County.

(6) County has Trading Partner Agent Authorization Contracts available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS EDI_homepage.htm which includes the Contractor's authorization to its Agent(s) to submit HIPAA-compliant transactions on behalf of Contractor to the IBHIS.

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

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

9.2.8 Contractor further understands and agrees that the terms and conditions of the current IBHIS Trading Partner Contract (TPA) available at

http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDl_homepage.htm respectively, shall apply to this Contract and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

- 9.2.9 Contractor acknowledges that County participates in the Meaningful Use of Electronic Health Records Incentive Program (MU Program) under the HITECH Act which requires the annual submission of data documenting the compliance of eligible professionals with certain MU measures.
- 9.2.10 County and Contractor further understand and agree that mutual cooperation in the collection and reporting of MU Program measures may be required in cases in which both County and Contractor have employed or contracted the professional medical services of the same eligible professional during any calendar year in which the MU Program is in effect. In such cases, the requesting party shall deliver to the receiving party a letter on agency letterhead indicating the specific information requested, the format in which the information is to be delivered to the requesting party, and the required date of delivery of the information requested. The receiving party shall have 30 days from receipt of the request to deliver the requested information to the requesting party in the format specified by the requester.

9.3 Contractor Protection of Electronic County Information

- 9.3.1 The Board has recognized that the County must ensure that appropriate safeguards are in place to protect public data and avoid the penalties and fines that may be imposed when unprotected confidential/sensitive information is disclosed inappropriately. The County Policy 5.200 "Contractor Protection of Electronic County Information" for specific details on this policy reference the following link: https://library.municode.com/ca/la_county_bos/codes/board_policy?nodeId=CH5COPU_5.200COPRELCOIN was adopted to protect personal information (PI); protected health information (PHI) and medical information (MI) electronically stored and/or transmitted by County Contractors. Contractor agrees that it will comply with County Policy 5.200, as it now exist or as it might be modified in the future, as it relates to information acquired in the course of providing services during the term of this Contract.
- 9.3.2 Contractor shall comply with the encryption standards set forth in Exhibit Q, Protection of Electronic County PI, PHI and

MI (Data Encryption) and submit Required Forms Exhibit R, LACDMH Contractor's Compliance with Encryption Requirements. Encryption requirements shall apply to all County PI, PHI and MI electronically stored or transmitted by Contractors and subcontractors, irrespective of storage and/or transmission methodology.

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

9.4 Technology Requirements

- 9.4.1 Contractor shall acquire, manage, and maintain Contractor's own information technology, infrastructure, platforms, systems and/or services in order to meet all requirements specified by County for interoperability (as stated in section 9.2.5).
- 9.4.2 Contractor shall ensure that each individual using electronic methods to sign electronic health records in the performance of work specified under this Contract completes an Electronic Signature Agreement annually. The Electronic Signature Agreement shall be substantially similar to the sample available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html.
 - 9.4.2.1 Contractor shall maintain a copy of each Electronic Signature Contract and make them available for inspection by County upon request.
 - 9.4.2.2 Contractor shall submit to County a Legal Entity Electronic Signature Certification to certify compliance with this provision of this Contract. Contractors who implement electronic methods to sign electronic health records subsequent to the execution of this Contract shall submit to County a Legal Entity Electronic Signature Certification

immediately upon implementation. The Legal Entity Electronic Signature Certification to be used by Contractor is found at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html. Nothing in this requirement is intended to imply that Contractor qualifies as a Legal Entity, as that term is generally understood by Department.

9.5 Contractor's Charitable Activities Compliance

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

9.6 Data Destruction

Contractor(s) and Vendor(s) that have maintained, processed, or stored the County of Los Angeles' ("County") data and/or information, implied or expressed, have the sole responsibility to certify that the data and information have been appropriately destroyed consistent with the National Institute of Standards and Technology (NIST) Special Publication SP 800-88 titled Guidelines for Media Sanitization. Available at: <http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88>
Rev.%201

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

Vendor shall certify that any County data stored on purchased, leased, or rented electronic storage equipment and electronic

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

9.7 Local Small Business Enterprise (LSBE) Preference Program

9.7.1 This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

9.7.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a LSBE.

9.7.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a LSBE.

9.7.4 If the Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

9.8 Social Enterprise (SE) Preference Program

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

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

9.9 Disabled Veteran Business Enterprise (DVBE) Preference Program

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

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

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

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

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

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

9.11.1 Contractor hereby warrants that neither it nor any of its staff members is restricted, excluded or suspended from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within 30 calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion or suspension from participation in a federally funded health care program; and (2) any exclusionary or suspension action taken by any agency of the federal or State governments against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part. This warranty and notice requirements apply equally to suspensions from the Medi-Cal

program as well as any other federally funded health care programs including but not limited to Medicare and Healthy Families.

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

its staff members from such participation in a federally funded health care program. Contractor shall provide the certification set forth in Exhibit K (Attestation Regarding Federally Funded Program) as part of its obligation under this Paragraph 9.11.

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

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

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

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

either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Contract upon which the County may immediately terminate or suspend this Contract.

9.13 Restrictions On Lobbying

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

9.14 Disclosures

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

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

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

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

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

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

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

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

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

9.15 Certification Of Drug-Free Work Place

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

9.16 Purchases

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

9.16.2 Proprietary Interest of County: In accordance with all applicable federal, State and County laws, ordinances, rules, regulations, manuals, guidelines and directives, County shall

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

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

9.16.4 Protection of Property in Contractor's Custody: Contractor shall maintain vigilance and take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and

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

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

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

COUNTY OF LOS ANGELES

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

CONTRACTOR

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

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

By _____

ATTESTATION REGARDING FEDERALLY FUNDED PROGRAMS

In accordance with your agreement with the County of Los Angeles Department of Mental Health under Paragraph (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM):

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

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

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

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

Name of authorized official _____
Please print name

Signature of authorized official _____ Date _____