



**LOS ANGELES COUNTY  
DEPARTMENT OF MENTAL HEALTH**

JONATHAN E. SHERIN, M.D., Ph.D., Director  
ROBIN KAY, Ph.D., Chief Deputy Director  
RODERICK SHANER, M.D., Medical Director



February 28, 2017

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

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

28 March 8, 2017

LORI GLASGOW  
EXECUTIVE OFFICER

**APPROVAL OF STAFFING ADJUSTMENTS AND APPROVAL TO AMEND EXISTING LEGAL ENTITY AGREEMENTS AND ENTER INTO NEW LEGAL ENTITY AGREEMENTS TO SUPPORT CONTINUUM OF CARE REFORM IMPLEMENTATION (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**SUBJECT**

Request approval to add positions, amend existing Legal Entity Agreements, and enter into new Legal Entity Agreements with group home providers for services to support the Continuum of Care Reform implementation as required by Assembly Bill (AB) 403.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Department of Mental Health (DMH or Department) to add and fill 25 full-time equivalent (FTE) positions for Fiscal Year (FY) 2016-17 as detailed in Attachment I, pursuant to Section 6.06.020 of the County Code and subject to allocation by the Chief Executive Office (CEO), to allow DMH to provide staffing for the implementation of Continuum of Care Reform (CCR).
2. Approve and authorize the Director of DMH (Director), or his designee, to prepare, sign, and execute amendments, substantially similar to the amendment format in Attachment II, to amend 22 existing Short Doyle Medi-Cal Agreements ("Legal Entity Agreement") (LE) listed in Attachment III to add the "Short Term Residential Therapeutic Program (STRTP) and STRTP Aftercare Services" service exhibit (Attachment IV) as needed for the transformation of existing group homes to STRTPs.
3. Delegate authority to the Director, or his designee, to prepare, sign, and execute new LE Agreements, substantially similar to Attachment V, with 45 newly qualified agencies listed in

Attachment III for the transformation of group homes to STRTPs, and to add the “STRTP and STRTP Aftercare Services” service exhibit (Attachment IV).

4. Delegate authority to the Director, or his designee, to prepare, sign, and execute new LE Agreements, substantially similar to Attachment V, with additional group homes to establish new STRTPs and STRTP Aftercare services, for up to three (3) fiscal years, following receipt of approval by DCFS for STRTP status, or until DCFS awards new STRTP contracts based on their open and continuous STRTP solicitation process.

5. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to 22 existing LE Agreements, listed in Attachment III to establish new MCAs, provided that: (1) the County’s total payment to each contract provider for each fiscal year does not exceed an increase of 25 percent from the applicable MCA, which includes the aggregate of the original agreement and amendments; (2) any such increase is used to provide additional services or to reflect program and/or policy changes; (3) your Board has appropriated sufficient funds for all changes; (4) approval as to form by County Counsel, or designee, is obtained prior to any such amendment; and (5) the Director, or his designee, notifies your Board and the CEO of Agreement changes in writing within 30 days after execution of each amendment.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of CCR is to augment existing intensive mental health services provided to children/youth involved with Los Angeles County Department of Children and Family Services (DCFS) and/or the Probation Department (Probation), while residing in STRTPs and STRTP Aftercare placements. CCR mandates providers to follow these children/youth as they reintegrate into communities to ensure successful transition and continued access to needed ongoing Specialty Mental Health Services (SMHS). SMHS provided under CCR implementation are meant to stabilize youth requiring placement in a STRTP and support these clients as they move into community placements.

Passed in 2015, AB 403 mandated a comprehensive redesign of the services and supports provided to children and youth involved in the DCFS and Probation systems in California. The legislation provides a mandate for the delivery of non-specialty and SMHS to which these children/youth are entitled under Early and Periodic Screening, Diagnosis and Treatment (EPSDT). The State mandates CCR implementation to begin January 1, 2017 and that services are delivered in the context of the Core Practice Model (CPM). CCR establishes STRTPs, a new community care facility category. STRTPs are residential facilities licensed by California Department of Social Services (CDSS) to provide short-term, specialized and intensive treatment, and 24-hour care and supervision.

Implementation of CCR will improve California’s child welfare system and outcomes by reducing the use of congregate care placement settings, increasing the number and use of home-based family care placements, and shortening the length of time for youth to achieve permanency. These goals will be accomplished through a variety of efforts led by Child and Family Teams (CFT). CFT members share the responsibility of assessing, intervening, and refining services provided to the target population, over time. CCR further requires the establishment of an Interagency Placement Committee (IPC) to ensure children and youth receive residential placements in STRTP and/or Intensive Services Foster Care settings, as appropriate.

For FY 2016-17, DMH is requesting approval to hire 25 staff, listed in Attachment I, needed to begin

performing clinical and administrative tasks associated with initial CCR implementation. To fully implement CCR, DMH estimates up to 181 total positions may be needed, which includes the 25 staff requested for FY 2016-17. DMH will request the remaining positions as needed in future budget phases. Under CCR, DMH will ensure performance monitoring and oversight of all providers, services and service sites, including conformity with federal and state laws, program, fiscal, health and safety audits and reviews. Staff hired as a part of CCR implementation will perform tasks related to training, coaching, outcomes development and evaluation, and will participate in IPCs and CFTs.

In addition to hiring staff, DMH will need to amend 22 existing Legal Entity agreements with group home providers, listed in Attachment III, to continue providing SMHS and to add new services, including STRTP Aftercare Services required by CCR legislation, as detailed in Attachment IV.

Lastly, DMH will need to enter into 45 new agreements with additional group homes, listed in Attachment III, that currently have established contracts with DCFS and/or Probation that are now required to enter into agreements with the Local Mental Health Plan (LMHP) to establish Medi-Cal certified mental health programs. DMH will enter into additional new agreements, as needed, with qualified agencies in the event that DCFS implements future STRTP Agreements.

### **Implementation of Strategic Plan Goals**

The recommended actions support the County's Strategic Plan Goal 2, Community Support and Responsiveness and Goal 3, Integrated Services Delivery.

### **FISCAL IMPACT/FINANCING**

The annual estimated cost to implement CCR is \$263.4 million, comprised of \$240.3 million for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Medi-Cal services to be provided by LE Contractors and \$23.1 million for clinical and administrative positions, fully funded by 2011 Realignment - EPSDT, Federal Financial Participation (FFP) Medi-Cal, and one-time sales tax realignment revenue from the Sales Tax Realignment Trust account. The annual plan includes contracting with 22 existing and 45 new LE Contractors and the addition of an estimated 181 new positions.

In FY 2016-17, DMH estimates spending approximately \$77.9 million for EPSDT Medi-Cal services to be provided by LE Contractors and approximately \$0.7 million for 25 clinical and administrative positions.

Sufficient appropriation is included in the FY 2016-17 Adopted Budget for this action. DMH will utilize one-time sales tax realignment revenue from the Sales Tax Realignment Trust account to fund the 25 new positions until the Medi-Cal services revenue increases sufficiently to allow the receipt of additional administrative overhead revenue to fund the positions.

DMH will request approval for the remaining 156 positions in future budget phases based on the number of STRTPs, the level of EPSDT Medi-Cal services provided and the available related administrative overhead revenue.

There is no impact on net County cost for this action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Board approval of the recommended actions will ensure DMH is in compliance with State

requirements for CCR by amending existing LE Agreements to transform group homes into STRTPs and by entering into new LE Agreements with group homes determined to be eligible, by DCFS, for STRTP status.

New agreements and amendments to existing agreements will be effective upon the date of Board approval and upon confirmation of provisional and/or permanent STRTP licensure by the California Department of Social Services (CDSS). Although the number of children/youth in each STRTP may vary due to the size of the facility, the annual estimated cost per client for SMHS while placed in each STRTP is \$64,000. Additional funding will be allocated for clients receiving STRTP Aftercare services.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Board approval of the recommendations will allow DMH to implement AB 403, which is mandated by the California State legislature.

Respectfully submitted,



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

Director

JS:SLD:DKH;jh

Enclosures

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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
CONTINUUM OF CARE REFORM IMPLEMENTATION (CCR)  
LIST OF ITEMS

ITEM NO.	ITEM DESCRIPTION	FY 2016-17	Total Estimated Positions
8697A	CLINICAL PSYCHOLOGIST II	2.0	6.0
4727A	HEALTH PROGRAM ANALYST I	1.0	1.0
4729A	HEALTH PROGRAM ANALYST II	-	2.0
2214A	INTERMEDIATE TYPIST-CLERK	-	13.0
4741A	MENTAL HEALTH CLINICAL PROG MGR II	2.0	3.0
4742A	MENTAL HEALTH CLINICAL PROG MGR III	1.0	1.0
9038A	MENTAL HEALTH CLINICAL SUPERVISOR	3.0	15.0
9035A	PSYCHIATRIC SOCIAL WORKER II	11.0	130.0
2096A	SECRETARY III	-	2.0
2102A	SENIOR SECRETARY III	1.0	1.0
2216A	SENIOR TYPIST-CLERK	1.0	2.0
0907A	STAFF ASSISTANT I	1.0	1.0
8712A	SUPERVISING PSYCHOLOGIST	1.0	2.0
1865A	TRAINING COORDINATOR, MH	1.0	2.0
TOTAL		<u>25.0</u>	<u>181.0</u>

CONTRACT NO. MH \_\_\_\_\_

AMENDMENT NO.   

THIS AMENDMENT is made and entered into this “   ” day of “       ”, 2016, by and between the COUNTY OF LOS ANGELES (hereafter “County”) and “                   ” (hereafter “Contractor”).

WHEREAS, County and Contractor have entered into a written Agreement, dated July 1, 2015 **OR** July 1, 2016, **(choose whichever is applicable)**, identified as County Agreement No. MH \_\_\_\_\_, amended (hereafter “Agreement”) **OR** as subsequently amended (hereafter collectively “Agreement”) **(choose whichever is applicable)**; and

WHEREAS, for Fiscal Year (FY) 2016-17 only, County and Contractor intend to amend this Agreement only as described hereunder; and

WHEREAS, on October 11, 2015, Assembly Bill (AB) No. 403, which allows California to implement provisions of the Continuum of Care Reform (CCR) beginning January 1, 2015, was signed into law; and

WHEREAS, the County recognizes the implementation of CCR will further improve California’s child welfare system and its outcomes by reducing the use of congregate care placement settings; and

WHEREAS, County intends to include the Short Term Residential Therapeutic Program (STRTP) and STRTP Aftercare Services Service Exhibit for the provision of

specialized mental health services for children and youth involved in the foster care and probation systems and residing in congregate care; and

WHEREAS, County and Contractor intend to amend Agreement to increase the Maximum Contract Amount (MCA) to enable Contractor to implement CCR services to children/youth and their caregivers; and

WHEREAS, for FY 2016-17 only, as a result of the above changes in funded programs, the Maximum Contract Amount (MCA) will increase.

NOW, THEREFORE, County and Contractor agree that this Agreement shall be amended only as follows:

1. For FY 2016-17, and any subsequent fiscal years during the term of this Agreement, County and Contractor amend Agreement to add Short Term Residential Therapeutic Program (STRTP) and STRTP Aftercare Services Service Exhibit.
2. For FY 2016-17 only, DMH Mental Health Services County General Funds (CGF) Medi-Cal Funded Program funds are increased by \$ \_\_\_\_\_ to \$ \_\_\_\_\_.
3. **For FY 2016-17 only, the MCA will increase by \$ \_\_\_\_\_ to \$ \_\_\_\_\_.**
4. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph C (REIMBURSEMENT FOR INITIAL PERIOD), and Paragraph D (REIMBURSEMENT FOR FIRST AUTOMATIC RENEWAL PERIOD) shall be deleted in **its/their** entirety and the following substituted therefor: **(choose what's appropriate)**

C. REIMBURSEMENT FOR INITIAL PERIOD

(1) The MCA for the Initial Period of this Agreement as described in Paragraph 1 (TERM) of the Legal Entity Agreement shall not exceed X MILLION DOLLARS (\$\_\_\_\_\_) and shall consist of Funded Programs as shown on the Financial Summary. **(if applicable)**

D. REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED

(1) Reimbursement For First Automatic Renewal Period: The MCA for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed X MILLION DOLLARS (\$\_\_\_\_\_) and shall consist of Funded Programs as shown on the Financial Summary. **(if applicable)**

(2) Reimbursement For Second Automatic Renewal Period: The MCA for the Second Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed X MILLION DOLLARS (\$\_\_\_\_\_) and shall consist of Funded Programs as shown on the Financial Summary. **(if applicable)**

5. Financial Summary (Attachment III) – “\_\_\_” for FY 2016-17, shall be deleted in its entirety and replaced with Financial Summary (Attachment III) – “\_\_\_” for FY 2016-17 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary (Attachment III) for FY 2016-17, shall be deemed amended to state “Financial Summary (Attachment III) – “\_\_\_” for FY 2016-17.”
6. Attachment IV, Service Delivery Site Exhibit – “\_\_\_” shall be deleted in its entirety and replaced with Attachment IV, Service Delivery Site Exhibit – “\_\_\_” attached hereto and incorporated herein by reference. All references in Agreement to



Attachment IV, Service Delivery Site Exhibit shall be deemed amended to state “Attachment IV, Service Delivery Site Exhibit – “\_\_\_”.

6. Attachment V, Service Exhibits shall be deleted in its entirety and replaced with Attachment V, Service Exhibits – “\_\_\_” attached hereto and incorporated herein by reference. All references in Agreement to Attachment V, Service Exhibits shall be deemed amended to state “Attachment V, Service Exhibits – “\_\_\_.”
7. Service Exhibit – “\_\_\_”, shall be added and is attached hereto and incorporated herein by reference.
8. Contractor shall provide services in accordance with Contractor’s FY 16-17 Negotiation Package for this Agreement and any addenda thereto approved in writing by the County’s Director of Mental Health or his designee.
9. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
JONATHAN E. SHERIN, M.D., Ph.D.  
Director of Mental Health

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Administrative Deputy

County of Los Angeles - Department of Mental Health  
 Children's Systems of Care - Countywide Services Division  
 CCR BOARD LETTER -ATTACHMENT III

**LIST OF EXISTING AND NEW STRTP PROVIDERS**

LE #	Sup. District	Agency		
			Total Bed Capacity STRTP*	Estimated # Clients* (Yr)
01227	5	David & Margaret Youth & Family Svs.	30	60
01853	1	Eggleston	46	92
00647	5	Five Acres (GH & RBS)	56	112
00870	OC	Florence Crittenton Services of Orange County Inc.	54	108
00174	3	Hamburger Home Inc. (Aviva Center)	36	72
00192	5	Hathaway-Sycamores (GH & RBS)	18	36
00321	5	Hillsides Home for Children (GH & RBS)	42	84
01798	2	Junior Blind of America Foundation	32	64
00697	5	Leroy Haynes Center	36	72
01034	1	Maryvale	48	96
00971	5	McKinley Children's Center	28	56
00518	4	Olive Crest	6	12
00781	1, 2, 3	Optimist Boy's Home	109	218
01204	3	Pacific Lodge Youth Services	51	102
00201	3	Penny Lane Centers	105	210
00805	3	Phoenix House Academy	60	120
00198	3	Project Six	17	34
00848	5	Rosemary Children's Svs.	39	78
00320	1	San Gabriel Children's Ctr	18	36
01186	1	St. Anne's Maternity	32	64
01026	OC & 1	Trinity Children Family	135	270
00196	2	Vista Del Mar	24	48
<b>Total Agencies Contracted w/DMH:</b>			<b>1,022</b>	<b>2,044</b>
TBD	1	B & I Group Home	12	24
TBD	5	Bourne Inc	12	24
TBD	OC	Boys Town of California	16	32
TBD	1, 3, 5	Boys/Girls Republic	38	76
TBD	1	Careprovider Org Foundation	12	24
TBD	5	Casa Editha Foundation/Ava Lyns Group Home	6	12
TBD	OC	Center for Positive Changes	18	36
TBD	OC	CFPC 3, 5	12	24
TBD	OC	CFPC First Step	6	12
TBD	OC	Childhelp	102	204

LE #	Sup. District	Agency	Total Bed Capacity	
			STRTP*	Estimated # Clients* (Yr)
TBD	3	Children's Homes of So California (DCFS/Prob)	42	84
TBD		Community Youth Sports & Arts Found.	6	12
TBD	2	Dangerfield Group Home	18	36
TBD	2	Deliann Lucile Corporation/Delilu GH (DCFS/Prob)	8	16
TBD	OC	Diakonia (DCFS/Prob)	18	36
TBD	2	Dream Catcher Foundation	24	48
TBD	2	Dream Home Care, Inc.	18	36
TBD	OC	Fields Comprehensive Youth Services (DCFS/Prob)	12	24
TBD	2,4,5	Fleming & Barnes Dimondale (DCFS/Prob)	30	60
TBD	2	Fred Jefferson Memorial Home	12	24
TBD	OC	Future Stars Youth Services	6	12
TBD	1	Garces Residential/Bright Horizons	6	12
TBD	5	Heritage Group Homes	30	60
TBD	5	Homes of Hope Grp Hm/Casa Esperanza	6	12
TBD	2	Humanistic Foundation/New Concept	8	16
TBD	3	Lifecircles Group Home	6	12
TBD	3	Los Angeles Youth Network	12	24
TBD	1	Luvlee's Residential Care/New Dawn GH	12	24
TBD	OC	Mary's Shelter Dependent Program	18	36
TBD	5	Murrell's Farm Boys Home	18	36
TBD	OC	New Beginnings	18	36
TBD	OC	Orange County Children's Fndn	18	36
TBD	OC	Paragon Center	6	12
TBD	5	Rancho San Antonio Boys Home	101	202
TBD	4	South Bay Bright Future Youth Center	18	36
TBD	OC	South Coast Children's Society	24	48
TBD	OC	Starshine Treatment Center	24	48
TBD	2	T & T Home For Boys	6	12
TBD	2	The House of Bethesda	6	12
TBD	OC	West Covina Grp Hm	12	24
TBD	2	You Are the Difference Foundation/Loving Life	8	16
TBD	5	Youth Services Network/Human Services Network	18	36
<b>Total Non DMH Agencies:</b>			<b>803</b>	<b>1,606</b>

Contractor No. \_\_\_\_\_

SERVICE EXHIBIT \_\_\_\_\_ *(revised 1/04/2017)*SHORT TERM RESIDENTIAL THERAPEUTIC PROGRAM (STRTP) and  
STRTP AFTERCARE SERVICES**1. GENERAL**

Los Angeles County Department of Mental Health (DMH) Countywide Services Division (CSD) is dedicated to improving the availability and quality of mental health services to all children in placement under the custody of the County of Los Angeles Department of Children and Family Services (DCFS), and/or Department of Probation (Probation), the school districts or the regional centers. To this end, DMH seeks to provide specialty mental health services to children and youth that have been assessed as meeting Medical Necessity and screened as requiring the services of a Short-Term Residential Therapeutic Program (STRTP) to meet their behavioral and mental health needs.

Passed in October 2015, Assembly Bill (AB) No. 403, referred to as the Continuum of Care Reform (CCR) creates the framework for a comprehensive redesign of the services and supports provided to probation and child welfare foster care youth, including the medically necessary specialty mental health services (SMHS) to which these youth are entitled under Early Periodic Screening, Diagnostic and Treatment (EPSDT). The fundamental principles of CCR are to reduce the use of congregate care placements by increasing the number of home-based settings in the community, and defining criteria youth must meet, requiring a STRTP placement recommendation by the Child and Family Team (CFT), and necessitating placement agreement by members of the Interagency Placement Committee (IPC) prior to placing youth in an STRTP. In addition, the CCR emphasizes the importance of continuity of SMHS as the youth transitions from STRTP placement to a less restrictive, home-based family care setting in the community.

- A. Based on broad stakeholder input, CCR will reduce the reliance on group homes as a foster care placement and utilize STRTPs to provide short-term, intensive interventions and 24-hour care and supervision to children/youth. STRTPs will be one part of the continuum of care of services available to children/youth in foster care. STRTPs must be able to provide SMHS, and provide or have a plan to ensure access to the other core services defined in CCR. SMHS provided within the STRTP must be trauma-informed, culturally relevant, and medically necessary.

As determined by a comprehensive and individualized mental health assessment, the child/youth's behavioral/mental health needs will determine when he/she may safely transition back home or to an appropriate home like setting in the community.

- B. Within two years of licensure as a STRTP, contractor must obtain national accreditation by one of the approved agencies identified in the CCR legislation.
- C. Placement in an STRTP will be based upon the recommendation of the Child and Family Team (CFT) and review by the Interagency Placement Committee (IPC). All youth placed in an STRTP will require a placement review at intervals no greater than six months.
- D. CCR implementation requires the development of new plans of operations, training, and program statements that reflect the new requirements for operating as an STRTP. To appropriately serve the STRTP population, CDSS and DHCS support the implementation of the California Child Welfare Core Practice Model (CPM) , which is described in the CPM Guide, published by the California Department of Social Services. The CPM provides a framework for child welfare, mental health and community-based partners to provide culturally competent and trauma-informed care in a cross-system (i.e. DMH, DCFS, Probation), team oriented environment.
- E. Utilizing the CPM, STRTPs will work in partnership with the child to establish CFTs to engage the family and develop a team approach to assess, plan, and deliver appropriate services and supports needed for the family's success in keeping children safe while promoting well-being. CFTs emphasize permanency planning for children in out-of-home care and ensure that case plans for the child, youth, and family are tailored toward the ultimate goal of maintaining a stable permanent family.
- F. In addition, to the medically necessary SMHS the youth receives, DMH supports the use of two (2) specialty mental health services, Intensive Care Coordination (ICC) and Intensive Home Based Services (IHBS) when appropriate. These intensive services as described in the Medi-Cal Manual for Intensive Care Coordination and Intensive Home Based Services, published by the California Department of Health Care Services, are intended to preserve the family's integrity and minimize inpatient psychiatric hospitalizations, out of home placements, and/or placements in juvenile detention centers.

## **2. PRIMARY PRINCIPLES OF CCR**

The CCR (AB-403 and AB-1997) provides the statutory and policy framework to ensure reliance on congregate care is limited to short-term, therapeutic interventions in settings that provide upfront and ongoing planning for timely transition to home-based care with adequate supports and services, to strengthen cross-agency networks of services and supports that are coordinated through an effective CFT process, which supports the ultimate goal of finding and maintaining a stable, permanent family. To this end, the primary principles of CCR include the following;

- The child/youth and family voice is important in assessment, placement, and service planning. Child and Family Team (CFT) meetings will be the foundation for ensuring these perspectives are incorporated through the duration of the case.
- Child/youth and their families shall have access to appropriate services and supports, including medically necessary specialty mental health services, regardless of his/her placement.
- Agencies serving children and youth (i.e. DCFS, Probation, DMH, School, and other community service providers) need to collaborate to effectively provide the family services and supports, reducing the need to navigate multiple systems.
- The goal for children and youth in foster care is normalcy in development while establishing permanent life-long family relationships.

## **3. PERSONS TO BE SERVED**

In general, the recommendation to place a child/youth in STRTP shall come from the CFT and must be agreed upon by IPC. However, with emergency placements, CCR allows a child/youth to be placed into a certified STRTP prior to IPC's determination that the placement is deemed appropriate. The IPC team shall ensure that a child or youth to be placed in an STRTP has been appropriately assessed, and the child/youth meets one of the following criteria:

- A. He or she meets the medical necessity criteria for Medi-Cal SMHS, as the criteria are described in Section 1830.205 or 1830.210 of Title 9 of the California Code of Regulations.

- B. He or she is assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3.
- C. His or her individual behavioral or treatment needs can only be met by the level of care provided in a short-term residential therapeutic program.

#### **4. PROGRAM ELEMENTS AND SERVICES**

Children/youth placed in STRTP(s) and their caregiver(s) shall receive medically necessary Short Doyle/Medi-Cal SMHS while placed in a STRTP and medically necessary Short Doyle/Medi-Cal SMHS as part of, the youth's aftercare services (i.e. when the child/youth transitions to a lower level of care). Contractor shall ensure the services are compliant with CCR's core provisions. The following SMHS provided to youth residing i and aftercare services targeted for the child/youth and caregiver shall include:

- A. Medically necessary SMHS delivered by qualified staff who are trained in integrating the principles of CPM and trauma-informed care and providing culturally relevant services. At minimum, specific SMHS may include the following: initial assessment, medication support, individual / group therapy, collateral, and targeted case management;
- B. Intensive Care Coordination (ICC) and Intensive Home Based Services (IHBS) as described by the Medi-Cal Manual for Intensive Care Coordination and Intensive Home Based Services, published by the California Department of Health Care Services;
- C. CPM and CFT through which the individualized SMHS, core services, and supports are defined. Services provided to each client must be documented in progress notes maintained in the clinical record, which shall reflect the client's individual needs for one (1) or more SMHS;
- D. The development of a plan to transition the child/youth from STRTP back into the community, and provide the necessary supports and medically necessary SMHS to safely sustain the child/youth in a less restrictive environment;
- E. Community Aftercare, a commitment of CCR that access to services should not depend on placement, rather that children/youth should be able to access medically necessary SMHS regardless of the setting in which child/youth is placed. To this end, STRTPs will be expected to



provide the full array of SMHS for both continuity of care and to maintain and stabilize the child/youth in a community home-like setting;

- F. 24/7 crisis assessment and response services by Lanterman-Petris-Short (LPS) designated staff; acting in accordance with LAC DMH Policy; and Procedures.
- G. Contractor shall adhere to Los Angeles County DMH's Provider's Manual and Guide to Procedure Codes related to the respective program's service delivery, which includes guidelines related to ICC and IHBS.

## 5. **CONTRACT AGENCY ELIGIBILITY REQUIREMENTS**

Contractor shall meet the following requirements to provide SMHS as a STRTP:

- A. Contractor must have a current DCFS and Probation master contract for Group Home or STRTP Foster Care Services to provide 24 hour care and supervision to children and youth in a structured environment.
- B. Contractor must be licensed STRTP by the Community Care Licensing Division (CCLD) of the California Department of Social Services (CDSS) pursuant to Health and Safety Code (HSC) section 1562.01 and other applicable laws.
- C. Contractor must have a DMH Legal Entity (LE) Agreement to provide Short-Doyle / Medi-Cal / SMHS that are medically necessary, trauma-informed and culturally relevant to children/youth placed in and/or transitioning out of a STRTP placement.
- D. Contractor must have STRTP program approval and Medi-Cal certification by DMH.
- E. Use this for pg 2B

## 6. **MINIMUM REQUIRED STAFFING**

- A. Contractor shall comply with all applicable regulations and requirements detailed in DCFS and Probation's master contract for Group Home Foster Care Services or STRTP, including but not limited to, staffing levels/hours and qualifications.

- B. Contractor shall comply with all applicable regulations and requirements detailed in DMH's Organizational Provider's Manual.
1. Program staffing is multi-disciplinary and reflects the cultural, linguistic, ethnic, age, gender, sexual orientation and other social characteristics of the community that the program serves.
  2. All covered services must be provided under the direction (CCR §1840.314) of an Authorized Mental Health Discipline (AMHD) and as designated by the Contractor's Program Manager.
  3. Services shall be provided within the scope of practice of the staff person delivering the service, if professional licensure is required for the service (CCR §1840.314), and his/her employer's job description/responsibility. The contractor's local mental health director shall be responsible for assuring that services provided are commensurate with the professionalism and experience of the staff utilized.
  4. Services shall incorporate a client's culture/language and other special needs – documentation must show that services took into account the client's cultural considerations and unique needs.

C. **Trauma-Informed Care Training**

Contractor shall ensure sufficient staff is appropriately trained to provide evidence-based and culturally relevant services for STRTP residential and STRTP aftercare SMHS clients placed within their facility. Contractor shall verify that clinical staff is practicing trauma-informed strategies on children/youth who have experienced trauma and helping these clients achieve overall safety, permanency, and well-being. Contractor's staff shall also provide trauma education and support to the caregivers of these clients. Services shall be focused on helping caregivers to identify strategies on how to effectively support and promote positive and stable relationships with the children/youth in their care.

D. **The Child and Family Team (CFT)**

1. **CFT Definition and Purpose:** The CFT is a group of individuals that include the child/youth, family members, professionals, involved in the child/youth care and other individuals identified by the family who are invested in the child/youth and family's success.

In addition to mandated participation of involved public agency representatives (e.g., mental health, child welfare, probation, etc.), the composition of the team is driven by family members' preferences. Successful CFTs include persons with natural supportive relationships with the family, so that the family's support system will continue to exist after formal services are completed. The CFT's role is to include family members in defining and reaching identified goals for the child. The individuals on the team work together to identify each family member's strengths and needs based on relevant life domains, to develop a child, youth and family-centered case plan. It is important to recognize, however, that the CFT and the CFT meeting are not the same. The CFT is a group of people; a CFT meeting is a functional structure and process of engaging the family and their service teams in thoughtful and effective planning.

- A strength-based, collaborative engagement with families is fundamental to the CFT process.
- The CFT process reflects a belief that families typically have the capacity to address their problems and achieve success if given the opportunity and supports to do so. In practice, this means working with the child/youth and family as partners so that plans are developed collaboratively and decision-making is shared.
- The CFT process must also honor and reflect culture and the preferences of the child/youth and family, building upon their unique values and capacities, and eliciting the participation of everyone on the team.
- Professionals should help the child/youth and family to recognize their strengths, and encourage and support them to develop solutions that match their preferences.

2. **CFT Composition:** In addition to mandated participation of involved public agency representatives, the composition of the CFT is driven by family members' preferences. Successful CFTs include persons with natural supportive relationships with the family, such that the family's support system will continue to exist

after formal services are completed. The CFT structure and composition will be based upon the individual needs of the STRTP client. In some situations, the particular expertise of a team member may not be required on a full-time basis. The CFT must ensure the expertise of various disciplines are available within the team and that all members meet on a regular basis to plan, evaluate, and monitor a client's response to treatment.

- The CFT composition may vary. In addition to the client and his/her family(when available), it is the expectation of DMH that most treatment teams will include the individuals identified as members of the family's informal support system, and an array of formal supports such as, professional and paraprofessional staff across DMH, DCFS and Probation.

3. **Professional and paraprofessional staff on CFTs may include the following:**

- Children's Social Worker: Los Angeles County DCFS social worker assigned to the STRTP client and his/her family; the social worker is responsible for overseeing child welfare cases;
- ICC Coordinator: responsible for working within the CFT to ensure that plans from any of the system partners (DCFS, Probation, education, etc.) are integrated to comprehensively address the identified goals and objectives;
- Licensed or License Waivered Mental Health Professional: responsible for providing direct clinical services including assessment and therapy;
- Therapeutic Behavioral Services (TBS) Specialist: responsible for providing one-on-one, short term interventions to address target behavior(s) or symptom(s);

- Probation Officer: Los Angeles County Probation Officer responsible for overseeing the STRTP client's probation requirements;
- School Related Participant/Partner: include teachers, school counselors, or Individualized Education Plan (IEP) representatives responsible for providing educational services to STRTP clients, instructing and/or facilitating client learning experiences and supporting the development of social skills needed for success in school;
- IHBS Worker: paraprofessionals under clinical supervision who provide rehabilitation services; and
- Parent Partner: individuals with lived experiences who provide collateral services and support to caregivers.

#### **7. SERVICE DELIVERY SITE:**

Contractor shall deliver services at site(s) as identified on the Service Delivery Site Exhibit and in the Contractor's Negotiation Package/Addenda. Contractor shall ensure that a minimum of sixty-five percent (65%) of the STRTP Aftercare Services are delivered in field (i.e. home, family setting or the most homelike setting appropriate to the client's needs) and/or community-based settings.

#### **6. EMERGENCY MEDICAL / MENTAL HEALTH TREATMENT**

STRTP clients who receive services under this LE Agreement and require emergency medical care for a physical illness or accident shall be transported to an appropriate medical facility. The cost of such transportation, as well as the cost of any emergency medical care shall not be a charge to nor reimbursable under the Agreement; however, Contractor shall assure that such transportation and emergency medical care are provided. Contractor shall establish and post written procedures describing appropriate action to be taken in the event of a medical emergency. Contractor shall also post and maintain a disaster and mass casualty plan of action in accordance with CCR Title 22, Section 80023.

Each STRTP shall have a minimum of one Lanterman-Petris-Short (LPS) designated staff member for every 24 licensed beds within a 15 mile radius including holidays, weekends, and vacations. An LPS designated staff member

is a staff member trained to assess a client and write a 5585/5150, or 72-hour hold, for a client who is in serious need of mental health treatment. The client can then be transported to a designated psychiatric inpatient facility for evaluation and treatment for up to 72-hours, against their will.

**8. ENSURING WELLNESS AND SAFETY**

Contractor shall make every effort to ensure the wellness and safety of the STRTP clients that they serve. This includes following practices that are consistent with the standard of care, specifically if a client's safety or well-being are compromised due to mental health concerns. This would require either direct provision of the appropriate level of intervention, or contacting the necessary agencies to provide the appropriate level of intervention (e.g. contacting Psychiatric Mobile Response Team (PMRT) to assess risk, as needed). In addition, if the client's wellness and safety are compromised due to concerns that are beyond the scope of mental health, the Contractor shall notify the appropriate authorities (e.g. law enforcement or child welfare protection agencies).

**9. NOTIFICATION OF DEATH**

Contractor shall immediately notify Director upon becoming aware of the death of any STRTP client provided services hereunder. Notice shall be made by Contractor immediately by telephone and in writing upon learning of such a death. The verbal and written notice shall include the name of the deceased, the date of death, a summary of the circumstances thereof, and the name(s) of all Contractor's staff with knowledge of the circumstances.

**10. QUALITY IMPROVEMENT AND QUALITY ASSURANCE**

The Contractor shall establish and utilize a comprehensive Quality Improvement Program, including a Quality Assurance process, to ensure the required intensive services are provided at a consistently high level of service throughout the term of the Agreement. The Quality Improvement and Assurance expectations are detailed below.

**A. Quality Improvement:**

- The Quality Improvement Program shall include an identified monitoring system covering all the services provided under this Contract. To the extent possible, the Quality Improvement Program shall be in keeping with the Department's Quality Improvement Work

Plan and focus on monitoring the agency's service delivery capability, accessibility to services, beneficiary satisfaction, and clinical issues.

- Contractor shall submit a written description of its Quality Improvement Program to DMH for review and approval. The Quality Improvement Program shall be effective on the Contract start date. Contractor's written description shall be updated and re-submitted for DMH approval as changes occur.

**B. Quality Assurance actions shall consist of all of the following:**

- Identifying activities to be monitored, frequency of monitoring, samples of forms to be used in monitoring, title/level and qualifications of personnel performing monitoring functions;
- Ensuring that services, deliverables, and requirements defined in the contract are provided at or above the level of quality agreed upon by the County and the Contractor;
- Assuring that professional staff rendering services under this contract have received the necessary training(s) required to provide services;
- Identifying and preventing deficiencies in the quality of service before the level of performance becomes unacceptable; and
- Taking any corrective action, if needed, including a commitment to provide to the County, upon request, a record of all inspections, the corrective action taken, the time the problem is first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action.

**11. QUALITATIVE PROGRAM REVIEW PROCESS**

The County will utilize a standardized and qualitative program review process to evaluate quality of service provision and to assess fidelity to the CPM. This review process will be consistent with the state and county requirements for CCR and may include but, is not limited to:

- Site Visitations

- Random Selection of Cases to be Reviewed
- Child and Family Team Interviews
- Chart reviews to ensure that Informal and formal supports (e.g., Mental Health Clinician, DCFS worker, Probation Officer) are engaged in CFTs.
- Consumer and Caregiver Feedback
- Clinical Record Reviews
- Observation of a Child and Family Team

Upon completion of the qualitative program review process Contractor will be given written feedback that summarizes strengths and areas of improvement for implementation of the program and providing SMHS consistent with CCR, state and county requirements. If improvements are required, the Contractor may be subject to a Corrective Action Plan.

## 12. **INFORMATION TECHNOLOGY REQUIREMENTS**

### A. Contractor must have an Electronic Health Record (EHR) system.

Contractor shall provide at a minimum but not limited to, the following for STRTP clients to DMH electronically by a method specified by DMH:

- Clinical Care Coordination information
- Demographic information
- Admission/Intake information
- Service delivery information
- Initial and ongoing assessment including outcomes data
- Claims for services

Contractor shall maintain an electronic copy of all submitted data in their respective Electronic Health Record information system.

### B. Throughout the duration of the contracted services, Contractor shall obtain, certify, submit, and review comprehensive information on STRTP client status and the outcomes of the service in accordance with policies and procedures established by DMH. Contractor shall comply with all deadlines, to be specified by DMH, for time-specific processes for the



submittal and delivery of information. Each Contractor shall meet certain time-specific processes for the submittal and delivery of information, including assessment information at admission, quarterly assessment updates, and reports of key event indicators during the period of service.

**13. OUTCOME DATA REQUIREMENTS**

The Contractor shall have the ability to collect, manage and submit data as directed by DMH to demonstrate STRTP client outcomes inclusive of new guidelines set forth by DMH and the State. Contractor shall work with DMH to develop and implement client tracking systems which include client characteristics and demographics, collection and reporting of data on the outcomes and objectives, a method of monitoring the quality of services provided by Contractors, and survey instruments. Contractor shall perform data entry to support these activities.

**14. PERFORMANCE-BASED CRITERIA**

- A. The Agreement shall include nine (9) Performance-based Criteria that shall measure the Contractor's performance related to program and operational measures and are indicative of quality mental health services. These measures assess the Contractor's ability to provide the mandated services as well as the operation's ability to monitor the quality of services and ensure that the services are delivered in accordance with CPM.
- B. Contractor shall provide processes for systematically involving families, key stakeholders, and direct service staff in defining, selecting, and measuring quality indicators at the program and community levels. Should there be a change in federal, State and/or County policies/regulations, DMH, at its sole discretion, will advise Contractor of the revised Performance-based Criteria within 30-days of notice.

C. The Performance-based Criteria are as follows:

<b>PERFORMANCE BASED CRITERIA</b>	<b>METHOD OF DATA COLLECTION</b>	<b>PERFORMANCE TARGETS</b>
1. Language parity between staff and clients	Staff Roster with language capacity	Multi-lingual staff in direct proportion to the percentage of multi-lingual clients served.
2. When youth transition from an STRTP to a community placement, contractor shall provide the majority of SMHS in field- and/or community-based settings	Integrated System (IS) and/or Integrated Behavioral Health Information System (IBHIS) reports on services provided in field-based and/or community-based settings	A minimum of 65% of the aggregated aftercare services will be provided in the home and/or community.
3. Contractor shall have appropriate staffing ratio to ensure timely access to contracted services.	Staff Roster	100% compliance of the required staffing to provide services as outlined in the DMH approved negotiation package.
4. Contractor shall directly provide Trauma-Informed Care services.	Sample review of records including staff training curriculum and sign In sheets for Trauma-Informed Care trainings.	100% of staff should be trained in Trauma-Informed Care within 60 days of hire and annually.

<b>PERFORMANCE BASED CRITERIA</b>	<b>METHOD OF DATA COLLECTION</b>	<b>PERFORMANCE TARGETS</b>
5. Contractor shall provide ICC and IHBS in accordance with the CPM.	IS and IBHIS reports on Intensive Home Based Services provided.  Standardized and qualitative DMH protocols and tools used to measure quality assurance and fidelity with the CPM.	At least 20% of total services delivered are ICC and IHBS.  100% of services provided are provided in accordance with CPM, CFT and client treatment plan.
6. Contractor maintains adequate number of staff trained in CPM and CFT process to effectively participate in every CFT for clients placed in their STRTP and STRTP Aftercare program.	Staff rosters, Staff training rosters, & training protocols approved by DMH.	Contractor hires staff as stipulated. Contractor staff are available and accessible to families to participate in CFTs.

<b>PERFORMANCE BASED CRITERIA</b>	<b>METHOD OF DATA COLLECTION</b>	<b>PERFORMANCE TARGETS</b>
<p>7. Contractor shall engage the child/youth and their family throughout the treatment process. In addition, the agency shall engage other relevant informal (e.g., additional family members, friends, clergy) and formal supports (e.g. DCFS CSW, mental health clinician, Probation and school staff) in the Child and Family Team Process.</p>	<p>Standardized and qualitative DMH protocols and tools used to measure quality assurance and fidelity with the CPM.</p> <p>Monitoring and programmatic review of agency program statement, client treatment plan and chart documentation to ensure services are consistent with CCR requirements.</p>	<p>100% of the CFTs will engage the child/youth and family and as well as appropriate formal and informal support systems.</p>
<p>8. Contractor shall have a current transition plan, developed through the CFT process, in place for all children and youth residing in the STRTP to help facilitate transition to a lower level of care.</p>	<p>Standardized and qualitative DMH protocols and tools used to measure quality assurance and fidelity with the CPM.</p> <p>Monitoring and programmatic review of agency program statement, client treatment plan and chart documentation to ensure services are consistent with CCR core services requirements.</p>	<p>100% of children and youth placed in the STRTP will have a transition plan that includes transition goals as documented on the Client Treatment Plan, which support the transition to a lower level of care.</p>

PERFORMANCE BASED CRITERIA	METHOD OF DATA COLLECTION	PERFORMANCE TARGETS
<p>9. Contractor shall provide transition services designed to support Transition Age Youth (TAY) and Non Minor Dependents (NMD) in achieving successful Adulthood.</p>	<p>Standardized and qualitative DMH protocols and tools used to measure quality assurance.</p> <p>Monitoring and Programmatic Review of Agency Program Statement to ensure services to be provided are consistent with CCR core services requirements.</p>	<p>100% of TAY and NMD will have goals stated on the Client Treatment Plan that support the client's transition to independent living and successful transition to Adulthood.</p>

D. REQUIRED DOCUMENTS

Contractor shall demonstrate in writing how the services provided impact the performance targets.

Contractor shall maintain, at a minimum, the following documents that indicate whether performance targets have been reached:

- Required statistical reports related to the Contractor's services;
- Required documents such as licenses, certification, etc. related to the services;
- Training schedules and curriculums; and
- List of referrals and formalized partnerships.

15. **CORRECTIVE ACTION PLANS**: When the Contractor does not meet the minimum Performance-Based criteria listed above, the Contractor may be subject to disciplinary action:

Step 1: Corrective Action Plan (CAP) – In order to address any concerns related to Contractor's performance, DMH shall work with the Contractor

to develop a CAP that will outline the areas of concern, the steps necessary to rectify the problem, and a timeframe by which the problem is to be resolved. DMH shall provide technical assistance and support to help bring the Contractor into compliance.

Step 2: Re-Review and Secondary CAP - Upon re-review of performance as outlined in the initial CAP, if the Contractor has failed to make sufficient progress in rectifying the identified problems, they may be subject to further corrective action;

Step 3: Loss of Contract Allocation – If upon failure to meet the expectations outlined in a secondary corrective action, Contractor shall be subject to a loss of total or partial amount of the contract allocation related to CCR funding.

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DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENT

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CONTRACTOR:

\_\_\_\_\_

Contract Number

\_\_\_\_\_

Vendor Number

Business Address:

\_\_\_\_\_

Reference Number(s)

\_\_\_\_\_

Legal Entity Number

Provider Number(s) \_\_\_\_\_

Contractor Headquarters' Supervisorial District \_\_\_\_\_

Mental Health Service Area(s) \_\_\_\_\_ OR Countywide \_\_\_\_\_

**====Below This Line For Official CDAD Use Only====**

DISTRIBUTION

(Please type in the applicable name for each)

Deputy Director \_\_\_\_\_

Lead Manager \_\_\_\_\_

K: S \_\_\_\_\_ --or-- U \_\_\_\_\_

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DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_ day of \_\_\_\_ 201x, by and between the County of Los Angeles (hereafter "County"), and \_\_\_\_\_ (hereafter "Contractor") with the following business address at \_\_\_\_\_

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 Agreement; 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 Opportunities and Responsibilities 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 Parts 160 and 164 and WIC Section 5328 et seq.; California Department of Health Care Services (DHCS) Mental Health Plan Agreement; 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 Agreement is authorized by WIC Section 5600 et seq., California Government Code Sections 23004, 26227 and 53703, and otherwise.

NOW, THEREFORE, Contractor and County agree as follows:

1. **TERM:**

A. **Initial Period:** The Initial Period of this Agreement shall commence on \_\_\_\_\_ and shall continue in full force and effect through \_\_\_\_\_.

B. **Automatic Renewal Period(s):** After the Initial Period, this Agreement shall be automatically renewed two additional periods without further action by the parties hereto unless either party desires to terminate this Agreement at the end of either the Initial Period or First Automatic Renewal Period and gives written notice to the other party not less than 30 calendar days prior to the end of the Initial Period or the end of the First Automatic Renewal Period, as applicable.

(1) **First Automatic Renewal Period:** If this Agreement is automatically renewed, the First Automatic Renewal Period shall commence on \_\_\_\_\_ and shall continue in full force and effect through \_\_\_\_\_.

(2) **Second Automatic Renewal Period:** If this Agreement is automatically renewed, the Second Automatic Renewal Period shall commence on \_\_\_\_\_, and shall continue in full force and effect through \_\_\_\_\_.

C. **Six Months Notification of Agreement Expiration:** Contractor shall notify County when this Agreement is within six (6) months of expiration. Contractor shall send such notice to those persons and addresses which are set forth in Paragraph 70 (NOTICES).

D. **Contractor Alert Reporting Database (CARD):** 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.

2. **TERMINATION WITHOUT CAUSE:** This Agreement may be terminated by either party at any time without cause by giving at least 30 calendar days prior written notice to the other party. Any termination of this Agreement by County pursuant to this Paragraph 2 shall be approved by County's Board of Supervisors.

3. **IMMEDIATE TERMINATION BY COUNTY:**

A. In addition to any other provisions for termination provided in this Agreement, this Agreement may be terminated by County immediately if County determines that:

(1) Contractor has failed to initiate delivery of services within 30 calendar days of the commencement date of this Agreement; or

(2) Contractor has failed to comply with any of the provisions of Paragraphs 18 (NONDISCRIMINATION IN SERVICES), 19 (NONDISCRIMINATION IN EMPLOYMENT), 21 (INDEMNIFICATION AND INSURANCE), 22 (WARRANTY AGAINST CONTINGENT FEES), 23 (CONFLICT OF INTEREST), 28 (DELEGATION AND ASSIGNMENT), 29 (SUBCONTRACTING), 34 (CHILD SUPPORT COMPLIANCE PROGRAM), 48 (CERTIFICATION OF DRUG-FREE WORK PLACE), 54 (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM) and/or 64 (CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM); or

(3) In accordance with Paragraphs 35 (TERMINATION FOR INSOLVENCY), 36 (TERMINATION FOR DEFAULT), 37 (TERMINATION FOR IMPROPER CONSIDERATION), 49 (COUNTY LOBBYISTS), and/or 65 (TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM).

B. In the event that this Agreement is terminated, including termination as provided for in Paragraph 2 (TERMINATION WITHOUT CAUSE), then:

(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.

(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 Agreement 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 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 Agreement, 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 Agreement nor reimbursable in any way under this Agreement; and

(3) If Contractor is in possession of any equipment, furniture, removable fixtures, materials, or supplies owned by County as provided in Paragraph 45 (PURCHASES), the same shall be immediately returned to County.

4. **ADMINISTRATION:** The Director of Mental Health (Director) shall have the authority to administer this Agreement on behalf of the County. All references to the actions or decisions to be made by the County in this Agreement shall be made by the Director unless otherwise expressly provided.

A. The Director may designate one or more persons to act as his/her designee for the purposes of administering this Agreement. Therefore "Director" shall mean "Director and/or his/her designee."

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

5. **DESCRIPTION OF SERVICES/ACTIVITIES:** Contractor shall provide those mental health services identified on the Financial Summary and Service Exhibit(s) of this Agreement and as described in the Contractor's Negotiation Package for this Agreement, as approved in writing by 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.

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.

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.

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 SDMH and/or SDHS.

Contractor may provide mental health services claimable as Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services.

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 Agreement 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 Agreement 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.

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

7. **PRIOR AGREEMENT(S) SUPERSEDED:**

A. Reference is made to the certain document(s) entitled:

TITLE	COUNTY AGREEMENT NUMBER	DATE OF EXECUTION

The parties agree that the provisions of such prior Agreement(s), and all Amendments thereto, shall be entirely superseded \_\_\_\_\_ by the provisions of this Agreement.

B. The parties further agree that all payments made by County to Contractor under any such prior Agreement(s) for services rendered thereunder on and after \_\_\_\_\_, shall be applied to and considered against all applicable federal, State, and/or County funds provided hereunder.

C. Notwithstanding any other provision of this Agreement or the Agreement(s) described in Subparagraph 7.A, the total reimbursement by County to Contractor under all these Agreements for Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_

\_\_\_\_\_

DOLLARS (\$\_\_\_\_\_); and for Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_

\_\_\_\_\_

DOLLARS (\$\_\_\_\_\_); and for Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_

\_\_\_\_\_ DOLLARS (\$\_\_\_\_\_).

The supersession by this Agreement is not intended to replace ongoing programs and/or special provisions (such as, deeds, leases, rentals, or space use) which are implemented by special amendments to the agreement listed in Paragraph 7.A. above with Contractors. Such ongoing programs and special provisions set forth in special amendments can only be affected by a written contract amendment that refers specifically to the provisions set forth in the Amendment.

For information on amendment(s) for special provisions for such ongoing programs and/or special services, see Exhibit(s) \_\_\_\_\_. (If applicable, this attachment has been included under the Table of Contents in the Attachments Section.)

8. **STAFFING:** Throughout the term of this Agreement, Contractor shall staff its operations so that staffing approximates the type and number indicated in Contractor's Negotiation Package for this Agreement and as required by WIC and CCR.

A. Staff providing services under this Agreement 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, SDMH Policy Letters, DHCS Policy Letters, and shall only function within the scope of practice as dictated by licensing boards/bodies.

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

C. At all times during the term of this Agreement, 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 Agreement.



9. **STAFF TRAINING AND SUPERVISION:** 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. Contractor shall institute and maintain appropriate supervision of all persons providing services under this Agreement with particular emphasis on the supervision of para-professionals, interns, students, and clinical volunteers in accordance with Departmental clinical supervision policy. 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 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.

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.

10. **PROGRAM SUPERVISION, MONITORING AND REVIEW:**

A. 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.

B. Upon receipt of any contract monitoring report pertaining to services/activities under this Agreement, 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.

C. In the event of a State audit of this Agreement, if State auditors disagree with County's official written instructions to Contractor in its performance of this Agreement, and if such disagreement 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.

D. To assure compliance with this Agreement and for any other reasonable purpose relating to performance of this Agreement, 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 Agreement 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 Agreement; and elicit information regarding the performance of this Agreement 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.

11. **PERFORMANCE STANDARDS AND OUTCOME MEASURES:** The Contractor shall comply with all 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 Attachment IX and those reflected in County and/or program Service Exhibits 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).

12. **QUALITY MANAGEMENT PROGRAM:**

A. 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. 105.1, 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 Agreement.

B. The Contractor's Quality Management Program shall be consistent with Department's Quality Improvement Program Policy No. 105.1 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. 105.1.

C. The Contractor's Quality Management Program shall be consistent with the Department's Cultural Competency Plan.

D. The Contractor's Quality Management Program shall be consistent with the Department's Quality Assurance requirements for Contract Providers as outlined in Policy 104.09.

E. The Contractor's level of performance under this Agreement shall be evaluated by the County no less than annually. Contractor's failure to meet performance and program outcomes standards may place Contractor's Agreement in jeopardy; performance and outcomes deficits that are not remedied by Contractor will be reported to the Board of Supervisors. The report shall include improvement/corrective action measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Agreement or invoke other remedies such as funding reductions as specified in this Agreement.

13. **RECORDS AND AUDITS:**

A. Records:

(1) 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 Agreement 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 Agreement and during the applicable period of records retention. Records shall be maintained by Contractor at location in Los Angeles County as specified in this Agreement. In the event any records are located outside Los Angeles County, Contractor shall pay County for all travel, per diem, and other costs incurred by County for any inspection, review, and/or audit at such other location. In addition to the general requirements in this Paragraph 13, Contractor shall comply with any additional patient/client record requirements described in the Service Exhibit(s) and shall adequately document the delivery of all services described in the Service Exhibit(s).

(a) 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, 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:

- 1) Seven (7) years following discharge of the patient/client or termination of services;
- 2) For minors, until such time as the minor reaches 25 years of age;
- 3) Three (3) years after completion of all County, State and/or federal audits; or
- 4) Three (3) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

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.

(b) 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 at a location in Los Angeles County for a minimum period that is at least equivalent to the later of any of the following:

- 1) Seven (7) years following the expiration or earlier termination of this Agreement;
- 2) Three (3) years after completion of all County, State and/or federal audits; or
- 3) Three (3) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

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.

(2) Financial Records: Contractor shall prepare and maintain, on a current basis, accurate and complete financial records of its activities and operations relating to this Agreement 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:

(a) Books of original entry and a general ledger.

(b) 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.

(c) 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.

(d) A listing of all County remittances received.

(e) Patient/client financial folders clearly documenting:

1) Contractor's determination of patient's/client's eligibility for Medi-Cal, medical insurance and any other third party payer coverage; and

2) Contractor's reasonable efforts to collect charges from the patient/client, his/her responsible relatives, and any other third party payer.

(f) Individual patient/client ledger cards indicating the type and amount of charges incurred and payments by source and service type.

(g) Employment records.

(3) The entries in all of 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 at a location in Los Angeles County for a minimum period that is at least equivalent to the later of any of the following:

- (a) Seven (7) years following the expiration or earlier termination of this Agreement;
- (b) Three (3) years after completion of all County, State and/or federal audits; or
- (c) Three (3) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

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. In the event any records are located outside Los Angeles County, Contractor shall pay County for all travel, per diem, and other costs incurred by County for any inspection or audit at such other location.

(4) Preservation of Records: If, following termination of this Agreement, Contractor's facility(ies) is (are) closed or if majority ownership of Contractor changes, then within forty-eight 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 13.

B. Audits:

(1) Contractor shall provide County and its authorized representatives 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 Agreement.

(2) County may, in its sole discretion, perform periodic fiscal and/or program review(s) of Contractor's records that relate to this Agreement. 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.

(3) Audit Reports: In the event that any audit of any or all aspects of this Agreement 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 Agreement. Contractor shall promptly notify County of any request for access to information related to this Agreement by any other governmental agency.

(4) **California Department of Health Care Services (DHCS) Access to Records:** Contractor agrees that for a period of seven (7) years following the furnishing of services under this Agreement; three (3) years after final audit is completed including appeals, or seven (7) 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 10 and in this Paragraph 13.

(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 seven (7) years following the furnishing of services under this Agreement, three (3) years after final audit is completed including appeals, or seven (7) years after termination of this Agreement; 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 10 and in this Paragraph 13.

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14. **REPORTS:**

A. 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 Agreement. 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.

B. **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.

C. **County Claims Processing Information System:**

(1) Notwithstanding any other provision of this Agreement, 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 Agreement, 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 Agreement and its attachments thereto, including but not limited to Attachment II, Financial 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 Agreement, 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.

15. **CONFIDENTIALITY:** 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. Contractor shall require all its officers, employees, and agents providing services hereunder to acknowledge, in writing, understanding of, and agreement to fully comply with, all such confidentiality and privacy provisions. Contractor shall indemnify and hold harmless County, its officers, employees, and agents, from and against any and all loss, damage, liability, and expense arising from any disclosure of such records and information by Contractor, its officers, employees, or agents.

Contractor shall sign and adhere to the provisions of the “Contractor Acknowledgement and Confidentiality Agreement”, Attachment X -1.

16. **PATIENTS'/CLIENTS' RIGHTS**: 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.

17. **REPORTING OF PATIENT/CLIENT ABUSE AND RELATED PERSONNEL REQUIREMENTS**:

A. **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.

B. **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.

C. **Contractor Staff**:

(1) Contractor shall assure 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.

(2) Contractor shall assure 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) 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.

(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.

18. **NONDISCRIMINATION IN SERVICES:**

A. 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 18, 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 Agreement 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.

B. Contractor shall establish and maintain written complaint procedures under which any person applying for or receiving any services under this Agreement 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.

C. 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 Agreement, 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 Agreement in a conspicuous place, available and open to the public.

19. **NONDISCRIMINATION IN EMPLOYMENT:**

A. Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally by it without regard to, or because of, 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, 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. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. 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 agreement.

B. Contractor shall certify to, and comply with, the provisions of Attachment XI – Contractor's Equal Employment Opportunity (EEO) Certification.

C. Contractor shall take affirmative steps to ensure that qualified applicants are employed, and that employees are treated during employment without regard to 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, 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. Such treatment shall include, but is not limited to, the following actions: employment, upgrading, promotion, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, 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.).

D. Contractor shall deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, national origin, ancestry, gender, age, 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, 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 19 to labor organizations with which it has a collective bargaining or other agreement.

E. Contractor shall allow State and/or County representative's access to its books, accounts, and records during regular business hours to verify compliance with the provisions of this Paragraph 19 when so requested by Director.

F. If County finds that any of the above provisions has been violated, the same shall constitute a material breach of this Agreement upon which County may immediately terminate, cancel, or suspend this Agreement. The County reserves the right to determine independently that

the anti-discrimination provisions of this Agreement have been violated. In addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or federal anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

G. In the event that Contractor violates any of the anti-discrimination provisions of this Paragraph 19, County shall be entitled, at its option, to the sum of FIVE HUNDRED DOLLARS (\$500) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

H. Contractor shall include the provisions of this Paragraph 19 in every subcontract or purchase order unless otherwise expressly exempted.

20. **FAIR LABOR STANDARDS:** Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees, and agents, 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 services performed by Contractor's employees for which County may be found jointly or solely liable.

21. **INDEMNIFICATION AND INSURANCE:**

A. **Indemnification:** 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.

B. **General Provisions for all Insurance Coverage:** Without limiting Contractor's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Subparagraphs B. and C. of this Paragraph 21. 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 Agreement. 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 Agreement.

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(1) Evidence of Coverage and Notice to County

(a) 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 Agreement.

(b) Renewal Certificates shall be provided to County not less than 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 Subcontractor insurance policies at any time.

(c) Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement 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 Agreement. 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 (\$50,000.00) dollars, and list any County required endorsement forms.

(d) 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.

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

**Los Angeles County - Department of Mental Health  
Contracts Development and Administration Division  
550 S. Vermont Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90020**

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 Sub-Contractors which arises from or relates to this Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

(2) 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.

(3) Cancellation of or Changes in Insurance

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

(4) 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.

(5) 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.

(6) Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Agreement, 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.

(7) 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 Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

(8) 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.

(9) 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.

(10) 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 Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

(11) 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.

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(12) 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.

(13) 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.

(14) 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.

C. Insurance Coverage:

(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

(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 Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

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

operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

(4) Unique Insurance Coverage

(a) 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.

(b) 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 Agreement's expiration, termination or cancellation.

(c) Property Coverage

Contractors given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

22. **WARRANTY AGAINST CONTINGENT FEES:** Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any agreement or understanding for any commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business. For Contractor's breach or violation of this warranty, County may, in its sole discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

23. **CONFLICT OF INTEREST:**

A. No County employee whose position in County enables such employee to influence the award or administration of this Agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any direct or indirect financial interest in this Agreement. No officer or employee of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in

County's approval, or ongoing evaluation, of such services, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

B. Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, without limitation, identification of all persons implicated and complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Agreement.

24. **UNLAWFUL SOLICITATION**: Contractor shall require all of its employees to acknowledge, in writing, understanding of and agreement 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. Contractor shall utilize the attorney referral services of all those bar associations within the County of Los Angeles that have such a service.

25. **INDEPENDENT STATUS OF CONTRACTOR**:

A. This Agreement is by and between County and 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 County and 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.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. 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 Contractor.

C. Contractor understands and agrees that all persons performing services pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. 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 services performed by or on behalf of Contractor pursuant to this Agreement.

D. Contractor shall obtain and maintain on file an executed Contractor Employee Acknowledgement And Confidentiality Agreement, in the form as contained in Attachment X – 2 for this Agreement, for each of its employees performing services under this Agreement. Such Acknowledgments shall be executed by each such employee and non-employee on or immediately after the commencement date of this Agreement but in no event later than the date such employee first performs services under this Agreement.

26. **CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF OR FORMER COUNTY EMPLOYEES ON A REEMPLOYMENT LIST:** Should Contractor require additional or replacement personnel after the effective date of this Agreement to perform the services set forth herein, 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 reemployment list during the term of this Agreement.

27. **CONSIDERATION FOR HIRING GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT:**

A. Should Contractor require additional or replacement personnel after the effective date of this agreement, contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' GAIN Program or GROW Program who meet Contractor's minimum qualifications for the open position. If Contractor decides to pursue consideration of GAIN/GROW participants for hiring, Contractor shall provide information regarding job openings and job requirements to Department of Public Social Services' GAIN/GROW staff at GAINGROW@dpss.lacounty.gov. County will refer GAIN/GROW participants, by job category, to Contractor.

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

28. **DELEGATION AND ASSIGNMENT BY CONTRACTOR:**

A. Contractor shall not assign its rights or delegate its duties under this Agreement, 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 this Agreement, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims which Contractor may have against County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have in Contractor. 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 entity other than the majority controlling interest therein at the time of execution of this Agreement, such disposition shall be deemed an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Agreement which may result in the termination of this Agreement. 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.

29. **SUBCONTRACTING:**

A. No performance of this Agreement, or any portion thereof, shall be subcontracted by Contractor without the prior written consent of County as provided in this Paragraph 29. Any attempt by Contractor to subcontract any performance, obligation, or responsibility under this Agreement, without the prior written consent of County, shall be null and void and shall constitute a material breach of this Agreement. Notwithstanding any other provision of this Agreement, in the event of any such breach by Contractor, this Agreement may be terminated forthwith by County. Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.

B. If Contractor desires to subcontract any portion of its performance, obligations, or responsibilities under this Agreement, Contractor shall make a written request to County for written approval to enter into the particular subcontract. Contractor's request to County shall include:

- (1) The reasons for the particular subcontract.
- (2) A detailed description of the services to be provided by the subcontract.
- (3) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the degree of competition involved.
- (4) A description of the proposed subcontract amount and manner of compensation, together with Contractor's cost or price analysis thereof.
- (5) A copy of the proposed subcontract which shall contain the following provision:

"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 services and outcomes."

(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 seven (7) years from the end of the Fiscal Year in which such services were provided or until final resolution of any audits, whichever occurs later."

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 seven (7) years from the end of the Fiscal Year in which such services were provided or until final resolution of any audits, which ever occurs later.

(7) Any other information and/or certifications requested by County.

C. County shall review Contractor's request to subcontract and shall determine, in its sole discretion, whether or not to consent to such request on a case-by-case basis.

D. Contractor shall indemnify and hold harmless County, its officers, employees, and agents, from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and legal fees, arising from or related to Contractor's use of any subcontractor, including any officers, employees, or agents of any subcontractor, in the same manner as required for Contractor, its officers, employees, and agents, under this Agreement.

E. Notwithstanding any County consent to any subcontracting, Contractor shall remain fully liable and responsible for any and all performance required of it under this Agreement, and no subcontract shall bind or purport to bind County. Further, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations, or responsibilities, to County, nor shall such approval limit in any way any of County's rights or remedies contained in this Agreement. Additionally, County approval of any subcontract shall not be construed in any way to constitute the determination of the allowability or appropriateness of any cost or payment under this Agreement.

F. In the event that County consents to any subcontracting, such consent shall be subject to County's right to give prior and continuing approval of any and all subcontractor personnel providing services under such subcontract. Contractor shall assure that any subcontractor personnel not approved by County shall be immediately removed from the provision of any services under the particular subcontract or that other action is taken as requested by County. County shall

not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any liability, damages, costs or expenses arising from or related to County's exercise of such right.

G. In the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any liability, damages, costs, or expenses arising from or related to County's exercise of such right.

H. In the event that County consents to any subcontracting, each and all of the provisions of this Agreement and any amendment thereto shall extend to, be binding upon, and inure to the benefit of, the successors or administrators of the respective parties.

I. In the event that County consents to any subcontracting, such consent shall apply to each particular subcontract only and shall not be, or be construed to be, a waiver of this Paragraph 29 or a blanket consent to any further subcontracting.

J. In the event that County consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments and/or other compensation to all subcontractors and their officers, employees, and agents. County shall have no liability or responsibility whatsoever for any payment and/or other compensation for any subcontractors or their officers, employees, and agents.

K. Contractor shall deliver to the Chief of DMH's Contracts Development and Administration Division a fully executed copy of each subcontract entered into by Contractor pursuant to this Paragraph 29, on or immediately after the effective date of the subcontract but in no event later than the date any services are performed under the subcontract.

L. In the event that County consents to any subcontracting, Contractor shall obtain and maintain on file an executed Contractor Non-Employee Acknowledgement And Confidentiality Agreement, in the form as contained in Attachment X - 3 of this Agreement, for each of the subcontractor's employees performing services under the subcontract. Such Acknowledgments shall be obtained and maintained on file and made available upon request on or immediately after the commencement date of the particular subcontract but in no event later than the date such employee first performs any services under the subcontract.

M. County shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractor or its officers, employees, and agents.

N. Director or his designee is hereby authorized to act for and on behalf of County pursuant to this Paragraph 29, including, but not limited to, consenting to any subcontracting.

30. **GOVERNING LAW, JURISDICTION AND VENUE:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California. Further, this Agreement shall be governed by, and construed in accordance with, all laws, regulations, and contractual obligations of County under its agreement with the State.

31. **COMPLIANCE WITH APPLICABLE LAW:**

A. 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, Americans with Disabilities Act (ADA) standards, and directives applicable to its performance hereunder. Further, all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

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

C. Contractor shall indemnify and hold harmless County from and against any and all liability, damages, costs or expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of Contractor, its officers, employees, or agents, of any such federal, State or local laws, ordinances, rules, regulations, manuals, guidelines, ADA standards, or directives.

D. 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.

E. 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.

32. **THIRD PARTY BENEFICIARIES:** Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.



33. **LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES:**

A. Contractor shall obtain and maintain in effect during the term of this Agreement, 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 Agreement. 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 Agreement 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 Agreement and during the applicable period of records retention.

B. 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.

C. 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 Agreement.

34. **CHILD SUPPORT COMPLIANCE PROGRAM:**

A. Contractor's Warranty of Adherence to County's Child Support Compliance Program: Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable

provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 United States Code (USC) Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholdings 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).

B. Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program: Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph A (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which County may terminate this Agreement pursuant to Paragraph 36 (TERMINATION FOR DEFAULT) and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

35. **TERMINATION FOR INSOLVENCY:**

A. County may terminate this Agreement immediately in the event of the occurrence of any of the following:

(1) Insolvency of Contractor. 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 Contractor is insolvent within the meaning of the Federal Bankruptcy Code.

(2) The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code.

(3) The appointment of a Receiver or Trustee for Contractor.

(4) The execution by Contractor of a general assignment for the benefit of creditors.

B. The rights and remedies of County provided in this Paragraph 35 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

36. **TERMINATION FOR DEFAULT:**

A. County may, by written notice of default to Contractor, terminate this Agreement immediately in any one of the following circumstances:

(1) If, as determined in the sole judgment of County, Contractor fails to perform any services within the times specified in this Agreement or any extension thereof as County may authorize in writing; or

(2) If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two circumstances, does not cure such failure within a period of five days (or such longer period as County may authorize in writing) after receipt of notice from County specifying such failure.

B. In the event that County terminates this Agreement as provided in Subparagraph A, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County, as determined by County, for such similar services.

C. The rights and remedies of County provided in this Paragraph 36 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

37. **TERMINATION FOR IMPROPER CONSIDERATION**: County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Contractor's performance pursuant to the Agreement. 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 the Contractor.

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.

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

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

39. **CAPTIONS AND PARAGRAPH HEADINGS:** Captions and paragraph headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

40. **ALTERATION OF TERMS:**

A. No addition to, or alteration of, the terms of the body of this Agreement, or the Financial Summary or Service Exhibit(s) hereto, whether by written or oral understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.

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

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

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

41. **ENTIRE AGREEMENT:** The body of this Agreement, all attachments, Financial Exhibit A (Financial Provisions), Financial Summary(ies), Fiscal Years \_\_\_\_\_ Service Delivery Site Exhibit, and Service Exhibit(s) \_\_\_\_\_

\_\_\_\_\_,  
attached hereto and incorporated herein by reference, and Contractor's Negotiation Package for this Agreement, as approved in writing by Director, including any addenda thereto as approved in writing by 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, written or oral, and all other communications between the parties relating to the subject matter of this Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, or schedule, or the contents or description of any service or other work, or otherwise, between the body of this Agreement and the other referenced documents, or between such other documents, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Agreement and its definitions and then to such other documents according to the following priority:

- A. Financial Exhibit A (Financial Provisions)
- B. Financial Summary(ies)
- C. Service Delivery Site Exhibit
- D. Service Exhibit(s)
- E. Required Supplemental Documents
- F. Contractor's Negotiation Package (Subprogram Schedule)

42. **WAIVER**: No waiver by County of any breach of any provision of this Agreement shall constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

43. **EMPLOYMENT ELIGIBILITY VERIFICATION**: Contractor warrants that it fully complies with all federal statutes and regulations regarding employment of aliens and others and that all its employees performing services hereunder meet the citizenship or alien status requirements set forth in federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for the period prescribed by law. Contractor shall indemnify, defend, and hold harmless County, its officers and employees from and against any employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of any federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

44. **PUBLIC ANNOUNCEMENTS AND LITERATURE**: In public announcements and literature distributed by Contractor for the purpose of apprising patients/clients and the general public of the nature of its treatment services, Contractor shall clearly indicate that the services which it provides under this Agreement are funded by the County of Los Angeles.

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45. **PURCHASES:**

A. **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.

B. **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 Agreement, in all furniture, fixtures, equipment, materials, and supplies, purchased or obtained by Contractor using any County funds. Upon the expiration or termination of this Agreement, the discontinuance of the business of Contractor, the failure of Contractor to comply with any of the provisions of this Agreement, 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.

C. **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 Agreement, 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 Agreement, Contractor shall submit to County six copies of the same inventory report updated to the expiration or termination date of the Agreement, 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.

D. **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.

E. Disposition of Property in Contractor's Custody: Upon the termination of the funding of any program covered by this Agreement, or upon the expiration or termination of this Agreement, 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.

46. AUTHORIZATION WARRANTY: Contractor represents and warrants that the person executing this Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of this Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority.

47. RESTRICTIONS ON LOBBYING: If any federal funds are to be used to pay for any of Contractor's services under this Agreement, 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 Agreement also fully complies with all such certification and disclosure requirements.

48. CERTIFICATION OF DRUG-FREE WORK PLACE: 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.

49. **COUNTY LOBBYISTS**: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

50. **MAINTENANCE STANDARDS FOR SERVICE DELIVERY SITES**: Contractor shall assure that all locations where services are provided under this Agreement 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 50.

51. **NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**: 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 1015.

52. **USE OF RECYCLED-CONTENT PAPER PRODUCTS**: 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 the Project.

53. **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 Agreement, except to the extent applicable State and/or federal laws are inconsistent with the terms of the Ordinance.

A. 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.

B. 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 Agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County Agreements for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent



if warranted by the circumstances, and terminate any or all existing Agreements the Contractor may have with the County.

C. 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 an Agreement 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.

D. 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.

E. 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.

F. 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 Hearing Board.

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

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

I. 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.

J. These terms shall also apply to subcontractors of County Contractors.

54. **CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM:** 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.

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.

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.

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.

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 Attachment VI (Attestation Regarding Federally Funded Program) as part of its obligation under this Paragraph 54.

Contractor shall also comply with DMH Policy "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.

Failure by Contractor to meet the requirements of this Paragraph 54 shall constitute a material breach of Agreement upon which County may immediately terminate or suspend this Agreement.

55. **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT:**

A. The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996, its implementing regulations (HIPAA), and subtitle D, Privacy, of the

Health Information Technology for Economic and Clinical Health Act (HITECH). Contractor understands and agrees that it is a “Covered Entity” under HIPAA 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 staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA.

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

C. 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 HIPAA law and implementing regulations related to Transactions and Code Sets, Privacy, and Security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees and agents) for its failure to comply with HIPAA or HITECH.

D. 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) Agreement forms available at [http://lacdmh.lacounty.gov/hipaa/edi\\_homepage.html](http://lacdmh.lacounty.gov/hipaa/edi_homepage.html) and [http://lacdmh.lacounty.gov/hipaa/IBHIS\\_EDI\\_homepage.htm](http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm) which includes information about the applicable HIPAA transactions that can be processed in the County's Integrated System (IS) and the Integrated Behavioral Health Information System (IBHIS) respectively.

(3) Contractor acknowledges that County is transitioning from the IS to 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.

(4) As County defines standard formats for each EDI 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 EDI transaction 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 EDI transaction is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each newly defined EDI transaction, unless earlier effective date(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual agreement between County and Contractor.

(a) 120 days for new EDI transactions requiring major development and testing

(b) 90 days for new EDI transactions requiring moderate development and testing

(c) 60 days for new EDI transactions requiring minimal development and testing.

(5) Contractor acknowledges that County may modify EDI transactions as needed. County shall notify Contractor of the effective dates(s) by which Contractor shall be required to comply with each modified EDI transaction in accordance with County's revised EDI transaction 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 EDI transaction is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each revised EDI transaction, unless earlier effective dates(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual agreement between County and Contractor.

(a) 90 days for moderately modified EDI transactions

(b) 60 days for minimally modified EDI transactions.

(6) Contractor agrees to comply with the exchange of all EDI transactions 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.

(7) County has Trading Partner Agent Authorization Agreements available at [http://lacdmh.lacounty.gov/hipaa/edi\\_homepage.html](http://lacdmh.lacounty.gov/hipaa/edi_homepage.html) and [http://lacdmh.lacounty.gov/hipaa/IBHIS EDI homepage.htm](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 IS and IBHIS respectively.

E. Contractor understands that County operates an informational website <http://dmh.lacounty.gov/wps/portal/dmh> related to the services under this Agreement 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.

F. 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.

G. Contractor further understands and agrees that the terms and conditions of the current IS and IBHIS Trading Partner Agreements (TPA) available at [http://lacdmh.lacounty.gov/hipaa/edi\\_homepage.html](http://lacdmh.lacounty.gov/hipaa/edi_homepage.html) and <http://lacdmh.lacounty.gov/hipaa/IBHIS EDI homepage.htm>

respectively, shall apply to this Agreement and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

H. 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.

I. 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 thirty (30) days from receipt of the request to deliver the requested information to the requesting party in the format specified by the requester.

56. **TECHNOLOGY REQUIREMENTS:**

A. Contractor shall acquire, manage, and maintain Contractor's own information technology and systems and/or services in order to meet all functional and EDI transaction requirements as specified by County.

B. Contractor shall ensure that all individuals using electronic methods to sign electronic health records in the performance of work specified under this Agreement complete an Electronic Signature Agreement annually.

(1) Contractor shall maintain a copy of each Electronic Signature Agreement and make them available for inspection by County upon request.

(2) Contractor shall submit to County a Legal Entity Electronic Signature Certification to certify compliance with this provision of this Agreement. Contractors who implement electronic methods to sign electronic health records subsequent to the execution of this Agreement shall submit to County a Legal Entity Electronic Signature Certification immediately upon implementation.

(3) County has a Legal Entity Electronic Signature Certification and a sample Electronic Signature Agreement available at [http://lacdmh.lacounty.gov/hipaa/edi\\_homepage.html](http://lacdmh.lacounty.gov/hipaa/edi_homepage.html)

57. **COMPLIANCE WITH JURY SERVICE PROGRAM:**

A. Jury Service Program: This Agreement 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.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), 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 Section, "Contractor" means a person, partnership, corporation or other entity which has an Agreement with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County Agreements or subcontracts. "Employee" means any California resident who is a full-time employee of 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 Contractor uses any subcontractor to perform services for the County under the Agreement, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be attached to the Agreement.

(3) If Contractor is not required to comply with the Jury Service Program when the Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Agreement and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

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

58. **NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW:**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby.

The fact sheet is set forth in Attachment VII of this Agreement and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

59. **CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW:**

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 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. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.



60. **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS (45 C.F.R. PART 76):**

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 Agreement, 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 Agreement, 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 Agreement, 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 Agreement upon which the County may immediately terminate or suspend this Agreement.

61. **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 certification in Attachment VIII, 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).

62. **LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:** This Contract is subject to all provisions of the County's ordinance entitled Local Business Enterprise (SBE) Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code. Specifically, Contractor shall pay particular attention to the following provisions in Chapter 2.204:

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 Local Small Business Enterprise.

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 Local Small Business Enterprise.

If Contractor has obtained certification as a Local Small Business Enterprise 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 10 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, the Department of Consumer and Business Affairs and Internal Services Department (ISD) of this information prior to responding to a solicitation or accepting a contract award.

63. **FORCE MAJEURE:**

A. 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 sub-paragraph as "force majeure events").

B. 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 its obligations under this agreement. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

C. 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.

64. **CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM:** 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.

65. **TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM:** Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 64 (CONTRACTOR'S 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 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.

66. **PUBLIC RECORDS ACT:**

A. 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 13 - Record and Audits of this Agreement; as well as those documents which were required to be submitted in response to any solicitation conducted by the County for any services and/or programs for 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.

(1) County shall notify Contractor upon receipt of a request for such marked documents.

B. In the event the County is required to defend an action on a Public Records Act request, following notification to Contractor, 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.

67. **SECURITY AND BACKGROUND INVESTIGATION:**

A. All Contractor staff performing services under this Contract who are 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 if the member of Contractor’s staff passes or fails the background investigation.

B. If a member of Contractor’s staff does not pass the background investigation, County may request that the member of Contractor’s staff be immediately removed from performing services under the Contract 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.

C. 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.

D. Disqualification of any member of Contractor’s staff pursuant to this Paragraph 67 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

68. **AIR OR WATER POLLUTION REQUIREMENTS:** Unless specifically exempted under federal law, any federally funded Legal Entity Agreement and/or any subcontracts in excess of \$100,000 must comply with the following provisions:

A. 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).

B. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the



70. **NOTICES:** All notices or demands required or permitted to be given under this Agreement shall be in writing and shall be delivered with signed receipt or mailed by first class, registered or certified mail, postage pre-paid, addressed to the parties at the following addresses and to the attention of the persons named. Director shall have the authority to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and persons to be notified may be changed by either party by giving ten (10) days prior written notice thereof to the other party.

For the County, please use the following contact information:

County of Los Angeles - Department of Mental Health  
Contracts Development and Administration Division  
550 South Vermont Ave., 5th Floor  
Los Angeles, CA 90020  
Attention: Chief of Contracts

For the Contractor, please use the following contact information:

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\_\_\_\_\_  
Attention: \_\_\_\_\_

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by County's Director of Mental Health or his/her designee, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
ROBIN KAY, Ph.D.  
Acting Director of Mental Health

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Interim Chief, Contracts Development  
and Administration Division