

PERSONAL SERVICES CONTRACT

Health and Human Services Agency
County of Nevada, California

This Personal Services Contract is made between the COUNTY OF NEVADA (herein "County"), and

GRANITE WELLNESS CENTERS

(herein "Contractor"), wherein County desires to retain a person or entity to provide the following services, materials and products generally described as follows:

(§1) **Provision of services related to serving Nevada County adult clients with Co-Occurring Disorders (COD).**

SUMMARY OF MATERIAL TERMS

(§2) **Maximum Contract Price:** \$ 86,465
(§3) **Contract Beginning Date:** 07/01/2019 **Contract Termination Date:** 06/30/2020
(§4) **Liquidated Damages:** N/A

INSURANCE POLICIES

Designate all required policies: Req'd Not Req'd

(§6) Commercial General Liability	(\$2,000,000)	<u>X</u>	<u> </u>
(§7) Automobile Liability		<u>X</u>	<u> </u>
(\$ 300,000) Personal Auto <u> </u>	(\$1,000,000) Business Rated <u>X</u>		
(\$1,000,000) Commercial Policy <u> </u>			
(§8) Workers' Compensation		<u>X</u>	<u> </u>
(§9) Errors and Omissions	(\$1,000,000)	<u>X</u>	<u> </u>

LICENSES

Designate all required licenses:

(§14) All licenses as required for services contemplated under this Agreement.

NOTICE & IDENTIFICATION

(§33) **Contractor: Granite Wellness Centers** **County of Nevada:**
180 Sierra College Drive 950 Maidu Avenue
Grass Valley, California 95945 Nevada City, California 95959
Contact Person: Ariel Lovett Contact Person: Phebe Bell
Phone: (530) 273-9521 Phone: (530) 470-2784
E-mail: alovet@corr.us E-mail: Phebe.Bell@co.nevada.ca.us

Funding: 1589-40110-493-8301/521520; CFDA No.: N/A
1589-40105-493-7831/521520 CFDA Agreement No.: N/A

Contractor is a: (check all that apply)

Corporation: X Calif. Other LLC X Non-profit
Partnership: Calif. Other LLP Limited
Person: Indiv. Dba Ass'n Other

EDD: Independent Contractor Worksheet Required: Yes X No

ATTACHMENTS

Designate all required attachments: Req'd Not Req'd

Exhibit A: Schedule of Services (Provided by Contractor)	<u>X</u>	<u> </u>
Exhibit B: Schedule of Charges and Payments (Paid by County)	<u>X</u>	<u> </u>
Exhibit C: Schedule of Changes (Additions, Deletions & Amendments)	<u>X</u>	<u> </u>
Exhibit D: Schedule of HIPAA Provisions (Protected Health Information)	<u>X</u>	<u> </u>
Exhibit E: Uniform Administrative Requirements (CFDA-Funded)	<u> </u>	<u>X</u>

Terms

Each term of this Contract below specifically incorporates the information set forth in the Summary at page one (1) above as to each respective section (§) therein, as the case may be.

Services

1. Scope of Services:

Contractor shall provide all of the services, materials and products (herein "Services") generally described in **Exhibit "A"**, according to a performance schedule, if applicable, as set forth in said exhibit (herein "Performance Schedule"). If requested, Contractor agrees to serve as an expert witness for County in any third party action or proceeding arising out of this Contract.

Payment

2. Charges and Payments:

The charges (herein "Charges") for furnishing the aforesaid Services under this Contract are set forth in **Exhibit "B"**, including, if applicable, hourly rates, unit pricing, and expense, mileage and cost limits. Said Charges shall be presented monthly by invoice, and shall be due within thirty (30) days of receipt of said invoice unless payment is otherwise set forth in said **Exhibit "B"**, and shall remain in effect for the entire term of this Contract, and any extension hereof. In no event will the cost to County for Services to be provided under this Contract, including direct non-salary expenses, exceed the **Maximum Contract Price** set forth at §2, page one (1), of this Contract. If a Catalog of Federal Domestic Assistance ("CFDA") number is designated at §33, page one (1), of this Contract, then all components of compensation billed to County shall be calculated in accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Chapter I, Chapter II, Part 200, et al (commonly referred to as the "OMB Super Circular" or "Uniform Guidance").

Time for Performance

3. Contract Term:

This Contract shall commence on the **Contract Beginning Date** set forth at §3, page one (1), of this contract. All Services required to be provided by this Contract shall be completed and ready for acceptance no later than the **Contract Termination Date** set forth at §3, page one (1), of this Contract.

4. Liquidated Damages:

County and Contractor agree that damages to County due to delays in timely providing Services in accordance with the aforesaid Performance Schedule and Contract Termination Date are impractical and difficult to ascertain. Therefore, if §4 at page one (1) hereof shall indicate a daily amount as **Liquidated Damages**, County shall have the right to assess said daily sum, not as a penalty, but as and for damages to County due to delays in providing Services not in accordance with the said Performance Schedule, or later than the Contract Termination Date (herein "Delay"). Liquidated Damages shall be offset against amounts owing to Contractor, including retention sums.

To the extent that any Delay is a result of matters or circumstances wholly beyond the control of Contractor, County may excuse said Liquidated Damages; provided however, that County may condition such excuse upon Contractor having given prompt notice to County of such delay immediately by telephone and thereafter by written explanation within a reasonable time. The time for Contractor's performance shall be extended by the period of delay, or such other period as County may elect.

5. Time of the Essence:

Time is of the essence with respect to Contractor's performance under this Contract. Delay in meeting the time commitments contemplated herein will result in the assessment of liquidated damages, if indicated at §4 at page one (1), hereof. If Liquidated Damages are not so indicated, damages shall be as otherwise provided by law.

Insurance

6. Commercial General Liability Insurance: (County Resolution Nos. 90-674, 02-439)

If §6 at page one (1) hereof shall indicate a **Commercial General Liability** insurance policy is required, Contractor shall promptly provide proof of such insurance evidenced by a certificate of insurance with properly executed endorsements attached, which insurance shall include the following:

- (i) Broad form coverage for liability for death or bodily injury to a person or persons, and for property damage, combined single limit coverage, in the minimum amount indicated at said §6;
- (ii) An endorsement naming County as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Contract;
- (iii) A provision that said insurance shall be primary and non-contributory, that other insurance maintained by the County of Nevada shall be excess only and that neither the insured nor the insurer shall seek contribution from any other insurance or self-insurance available to County;
- (iv) A provision that said insurance shall provide for thirty (30) days written notice to County of any termination or change in coverage protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

7. Automobile Liability Insurance: (County Resolution No. 90-676)

If §7 at page one (1) hereof shall require either a Business Rated or a Commercial Automobile Liability insurance policy, for each vehicle used including non-owned and hired automobiles, Contractor shall promptly provide proof of such insurance evidenced by a certificate of insurance with properly executed endorsements attached, which insurance shall include the following provisions:

- (i) Liability protection for death or bodily injury to a person or persons, property damage, and uninsured and underinsured coverage, combined single limit coverage, in the minimum amount indicated at said §7;
- (ii) An endorsement naming County as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Contract;
- (iii) A provision that said insurance shall be primary and non-contributory, that other insurance maintained by the County of Nevada shall be excess only and that neither the insured nor the insurer shall seek contribution from any other insurance or self-insurance available to County;
- (iv) A provision that said insurance shall provide for thirty (30) days written notice to County of any termination or change in coverage protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

If §7 at page one (1) hereof shall require a Personal Auto policy, for each vehicle used including non-owned and hired automobiles, Contractor shall promptly provide proof of such insurance for a minimum of three hundred thousand dollars, (\$300,000), in combined single limits, and naming the County as additionally insured.

8. Workers' Compensation: (County Resolution No. 90-674)

If §8 at page one (1) hereof shall indicate a **Workers' Compensation** insurance policy is required, Contractor shall maintain said policy as required by law, and shall promptly provide proof of such insurance evidenced by a certificate of insurance, or other documentation acceptable to County. The Workers' Compensation insurer shall agree to waive all rights of subrogation against the County, its agents, officers, employees, and volunteers for losses arising from work performed by Contractor for the County.

Before commencing to utilize employees in providing Services under this Contract, Contractor warrants that it will comply with the provisions of the California Labor Code, requiring Contractor to be insured for workers' compensation liability or to undertake a program of self-insurance therefor.

9. Errors and Omissions:

If §9 at page one (1) hereof shall indicate **Errors and Omissions** insurance is required, Contractor shall maintain either a professional liability or errors & omissions policy in the minimum amount indicated, and shall promptly provide proof of such insurance evidenced by a certificate of insurance, or other documentation acceptable to County.

10. Miscellaneous Insurance Provisions: (County Resolution Nos. 90-674, 90-675)

All policies of insurance required by this Contract shall remain in full force and effect throughout the life of this Contract and shall be payable on a "per occurrence" basis unless County specifically consents to "claims made" coverage. If the County does consent to "claims made" coverage and if Contractor changes insurance carriers during the term of this Contract or any extensions hereof, then

Contractor shall carry prior acts coverage. The following additional conditions apply to "claims made" coverage: In order for the acts and omissions of Contractor and all its agents during the term of this Agreement to be "continually covered" there must be insurance coverage for the entire contract period commencing on the effective date of this Agreement and ending on the date that is three (3) years beyond the final date this Agreement is effective, including any extensions or renewals of this Agreement. Contractor acknowledges that the provision of this Section may necessitate the purchase of "tail insurance" if coverage lapses. The requirement to maintain tail insurance shall survive termination of this Agreement.

Insurance afforded by the additional insured endorsement shall apply as primary and non-contributory insurance, and neither the insured nor the insurer shall seek contribution from any other insurance or self-insurance maintained by County, its officers, agents and/or employees. Any insurance or self-insurance maintained by County, its officers, agents and/or employees shall be excess only and not contributing with insurance required or provided under this agreement.

At all times, Contractor shall keep and maintain in full force and effect throughout the duration of this Contract, policies of insurance required by this Contract which policies shall be issued by companies with a Best's Rating of B+ or higher (B+, B++, A-, A, A+ or A++), or a Best's Financial Performance Rating (FPR) of 6 or higher (6, 7, 8 or 9) according to the current Best's Key Rating Guide, or shall be issued by companies approved by the County Risk Manager. In the event the Best's Rating or Best's FPR shall fall below the rating required by this paragraph, Contractor shall be required to forthwith secure alternate policies which comply with the rating required by this paragraph, or be in material breach of this Contract.

Failure to provide and maintain the insurance policies (including Best's ratings), endorsements, or certificates of insurance required by this Contract shall constitute a material breach of this agreement (herein "Material Breach"); and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both. (See §13, ¶2, below, as these provisions additionally apply to subcontractors.)

11. Indemnity:

Nothing herein shall be construed as a limitation of Contractor's liability, and Contractor shall indemnify, defend and hold harmless the County and its officers, officials, employees, agents and volunteers from any and all liabilities, claims, demands, damages, losses and expenses (including, without limitation, defense costs and attorney fees of litigation) which result from the negligent act, willful misconduct, or error or omission of Contractor, except such loss or damage which was caused by the sole negligence or willful misconduct of County or its officers, officials, employees, agents and volunteers.

Personal Services

12. Contractor as Independent:

In providing services herein, Contractor, and the agents and employees thereof, shall act in an independent capacity and as an independent contractor and not as agents or employees of County. Contractor agrees neither its agents nor employees have any rights, entitlement or claim against County for any type of employment benefits or workers' compensation or other programs afforded to County employees. Contractor shall hold County harmless and indemnify County against any such claim by its agents or employees.

13. Assignment and Subcontracting:

Except as specifically provided herein, the rights, responsibilities, duties and Services to be performed under this Contract are personal to the Contractor and may not be transferred, subcontracted, or assigned without the prior written consent of County. Contractor shall not substitute nor replace any personnel for those specifically named herein or in its proposal without the prior written consent of County.

Unless otherwise agreed in writing by the County's Risk Manager, Contractor shall cause and require each transferee, subcontractor and assignee to comply with the insurance provisions set forth herein at §§6, 7, 8, 9 and 10, in the same amounts and subject to the same terms as are required of Contractor under this Contract, unless otherwise provided by County's Risk Manager. Said insurance shall include all upstream parties (including the Contractor and the County) as additional insureds using a Blanket Additional Insured Endorsement (ISO form number CG 20 38 04 13) or coverage at least as broad. Contractor shall verify that all subcontractors provide a policy endorsement in compliance with this Paragraph and shall provide a copy of the same to County at least ten (10) working days prior to commencement of any work by subcontractor. Failure of Contractor to so cause and require such compliance by each transferee, subcontractor and assignee, or to timely provide County with a copy of the required policy endorsement, shall constitute a Material Breach of this agreement, and, in addition to any

other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

14. Licensing and Permits:

Contractor warrants (i) Contractor is qualified and competent to provide all Services under this contract; (ii) Contractor and all employees of Contractor hold all necessary and appropriate licenses therefor, including those licenses set forth at §14, page one (1) hereof; and, (iii) Contractor shall obtain, and remain in compliance with, all permits necessary and appropriate to provide said Services. Contractor shall cause said licenses and permits to be maintained throughout the life of this Contract. Failure to do so shall constitute a Material Breach of this agreement, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

Public Contracts

15. Certificate of Good Standing:

Registered corporations including those corporations that are registered non-profits shall possess a Certificate of Good Standing also known as Certificate of Existence or Certificate of Authorization from the California Secretary of State, and further warrants to shall keep its status in good standing and effect during the term of this Contract.

16. Prevailing Wage and Apprentices:

To the extent made applicable by law, performance of this contract shall be in conformity with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, commencing with Section 1720 relating to prevailing wages which must be paid to workers employed on a public work as defined in Labor Code §§ 1720, et seq.; and shall be in conformity with Title 8 of the California Code of Regulations §§ 200 et seq., relating to apprenticeship. Contractor shall comply with the provisions thereof at the commencement of Services to be provided herein, and thereafter during the term of this Contract. A breach of the requirements of this section shall be deemed a material breach of this contract. A copy of the relevant prevailing wage as defined in Labor Code §1770 et seq. is on file with the Department of Transportation, County of Nevada, 950 Maidu Avenue, Nevada City, California 95959. Copies will be provided upon request.

17. Accessibility (County Resolution No. 00190):

It is the policy of the County of Nevada that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall be in compliance with the provisions of the Americans with Disabilities Act and Title 24, California Code of Regulations. To the extent this Contract shall call for Contractor to provide County contracted services directly to the public, Contractor shall certify that said direct Services are and shall be accessible to all persons.

18. Nondiscriminatory Employment:

In providing Services hereunder, Contractor shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, including the provisions of the Americans with Disabilities Act of 1990, and Fair Employment and Housing Act, and shall not discriminate against any employee, or applicant for employment or client because of race, sex, sexual orientation, color, ancestry, religion or religious creed, national origin or ethnic group identification, political affiliation, mental disability, physical disability, medical condition (including cancer, HIV and AIDS), age (over 40), marital status, or use of Family and Medical Care Leave and/or Pregnancy Disability Leave in regard to any position for which the employee or applicant is qualified.

If applicable, Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Human Services, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.

19. Drug-Free Workplace:

Senate Bill 1120, (Chapter 1170, Statutes of 1990), requires recipients of state grants to maintain a "drug-free workplace". Every person or organization awarded a contract for the procurement of any

property or services shall certify as required under Government Code Section 8355-8357 that it will provide a drug-free workplace.

20. Prior Nevada County Employment (County Resolution No. 03-353):

Effective July 22, 2003, it is the policy of the County of Nevada that former members of the Board of Supervisors, a former CEO, or a former Purchasing Agent, for a period of twelve (12) months following the last day of employment, shall not enter into any relationship wherein that former employee or former Board member receives direct remuneration from a legal entity that, during the last twelve (12) months of said employment or Board member's service, entered into a contract with, or received a grant from the County of Nevada. Provided however, that this prohibition shall not apply to any employee that did not personally approve a contract with or grant to said legal entity during the last twelve (12) months of said employment, and shall not apply when the Board of Supervisors did not approve a contract with or grant to said legal entity during the last twelve (12) months of said Board member's service.

A violation of this policy shall subject Contractor to all of the remedies enumerated in said resolution and as otherwise provided in law, which remedies shall include but not be limited to injunctive relief, cancellation and voiding of this contract by County, a return of grant money, a cause of action for breach of contract, and entitlement to costs and reasonable attorney fees in any action based upon a breach of contract under this provision.

21. Conflict of Interest:

Contractor shall not cause, use or allow any payments, funds or proceeds derived from this Contract to be used, either directly or indirectly, for salary, wages or benefits, for any of its officers, directors, or shareholders. Contractor shall not cause, use nor allow any payments, funds or proceeds derived from this Contract to be used, either directly or indirectly, for salary, wages or benefits for any of its agents, servants, or employees, except those expressly specified in Exhibit "B".

Contractor further certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who performs any function or responsibilities in connection with this contract shall have any personal financial interest or benefit that either directly or indirectly arises from this contract. Contractor shall establish safeguards to prohibit its employees or its officers from using their position for the purpose that could result in private gain or that gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business or other ties.

22. Political Activities:

Contractor shall in no instance expend funds or use resources derived from this Contract on any political activities.

23. Cost Disclosure:

In accordance with Government Code Section 7550, should a written report be prepared under or required by the provisions of this Contract, Contractor agrees to state in a separate section of said report the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of said report.

Default and Termination

24. Termination:

a. A Material Breach of this Contract pursuant to the terms hereof or otherwise, in addition to any other remedy available at law, shall serve as a basis upon which County may elect to immediately suspend payments hereunder, or terminate this contract, or both **without notice**.

b. If Contractor fails to timely provide in any manner the services, materials and products required under this Contract, or otherwise fails to promptly comply with the terms of this Contract, or violates any ordinance, regulation or other law which applies to its performance herein, County may terminate this Contract by giving **five (5) days written notice** to Contractor.

c. County, upon giving **seven (7) calendar days written notice** to Contractor, shall have the right to terminate its obligations under this Contract if the County, the Federal Government or the State of

California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.

d. Either party may terminate this Contract for any reason, or without cause, by giving **thirty (30) calendar days written notice** to the other, which notice shall be sent by certified mail in conformity with the notice provisions. In the event of termination not the fault of the Contractor, the Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Contract. Contractor shall be excused for failure to perform services herein if such performance is prevented by acts of God, strikes, labor disputes or other forces over which the Contractor has no control.

e. Any notice to be provided under this section may be given by the County Executive Officer or Designee or Agency Director.

25. Suspension:

County, upon giving seven (7) calendar days written notice to Contractor, shall have the right to suspend this Contract, in whole or in part, for any time period as County deems necessary due to delays in federal, state or County appropriation of funds, lack of demand for services to be provided under this contract, or other good cause. Upon receipt of a notice of suspension from County, Contractor shall immediately suspend or stop work as directed by County and shall not resume work until and unless County gives Contractor a written notice to resume work. In the event of a suspension not the fault of the Contractor, Contractor shall be paid for services performed to the date of the notice of suspension in accordance with the terms of this Contract.

Miscellaneous

26. Financial, Statistical and Contract-Related Records:

a. **BOOKS AND RECORDS:** Contractor shall maintain statistical records and submit reports as required by County. Contractor shall also maintain accounting and administrative books and records, program procedures and documentation relating to licensure and accreditation as they pertain to this Contract. All such financial, statistical and contract-related records shall be retained for five (5) years or until program review findings and/or audit findings are resolved, whichever is later. Such records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records, including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits.

b. **INSPECTION:** Upon reasonable advance notice and during normal business hours or at such other times as may be agreed upon, Contractor shall make all of its books and records available for inspection, examination or copying, to County, or to the State Department of Health Care Services, the Federal Department of Health and Human Services, the Controller General of the United States and to all other authorized federal and state agencies, or their duly authorized representatives.

c. **AUDIT:** Contractor shall permit the aforesaid agencies or their duly authorized representatives to audit all books, accounts or records relating to this Contract, and all books, accounts or records of any business entities controlled by Contractor who participated in this Contract in any way. All such records shall be available for inspection by auditors designated by County or State, at reasonable times during normal business hours. Any audit may be conducted on Contractor's premises or, at County's option, Contractor shall provide all books and records within fifteen (15) days upon delivery of written notice from County. Contractor shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charge of five percent (5%) or more of the Maximum Contract Price.

27. Non-Profit Provisions:

If Contractor is registered as a non-profit corporation, Contractor shall comply with the following requirements of this section:

a. Reporting Requirements:

Contractor shall submit a report to County no later than thirty (30) days after the aforesaid Contract Termination Date, which report shall identify the status of each service which was provided as described in **Exhibit "A"** (Schedule of Services), and detail all amounts expended as set forth in **Exhibit "B"** (Schedule of Charges and Payments), or otherwise. This report is subject to audit by the Nevada County Auditor/Controller.

b. Supplemental Audit Provisions:

(i) Contractor shall provide the most recent copy of the Contractor's reviewed or audited financial statements. Said financial statements shall be verified by an independent Certified Public Accountant. These financial statements together with the Certified Public Accountant's verification are due to the County within thirty (30) days of execution of the Contract. If Contractor, however, has another County Contract currently in effect and has previously provided this information to the County within the last year, it is not necessary for Contractor to re-submit these statements and verification under this Agreement.

(ii) Non-profit Contractors whose contract with the County includes services that will be reimbursed, partially or in full, with Federal funds are also governed by the OMB Super Circular and are required to have a single or program-specific audit conducted if the Contractor has expended \$500,000 or more in Federal awards made on or before December 26, 2014, or \$750,000 or more in Federal awards made after December 26, 2014, during Contractor's fiscal year. Any Contractor who is required to complete an annual Single Audit must submit a copy of their annual audit report and audit findings to County at the address listed in "Notice & Identification" §33 on page one (1) of the executed contract within the earlier of thirty (30) days after the Contractor's receipt of the auditor's report or nine (9) months following the end of the Contractor's fiscal year.

28. Intellectual Property:

All original photographs, diagrams, plans, documents, information, reports, computer code and all recordable media together with all copyright interests thereto (herein "Intellectual Property"), which concern or relate to this Contract and which have been prepared by, for or submitted to Contractor, shall be the property of County, and upon fifteen (15) days demand therefore, shall be promptly delivered to County without exception. Provided however, for personal purposes only and not for commercial, economic or any other purpose, Contractor may retain a copy of Contractor's work product hereunder.

29. Entire Agreement:

This Contract represents the entire agreement of the parties, and no representations have been made or relied upon except as set forth herein. This Contract may be amended or modified only by written, fully executed agreement of the parties.

30. Jurisdiction and Venue:

This Contract shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Nevada County, California.

31. Compliance with Applicable Laws:

The Contractor shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern or affect the Services to be provided by this Contract. If a CFDA number is designated at §33, page one (1), of this Contract then the applicable CFDA funding agreement requires that this Contract shall also be governed by and construed in accordance with all applicable laws, regulations and contractual obligations set forth in the applicable CFDA funding agreement. Contractor shall comply with all terms and conditions of the applicable CFDA funding agreement and all other applicable Federal, state and local laws, regulations, and policies governing the funding for this Contract. A full copy of the applicable CFDA funding agreement is available for review at the Health and Human Services Agency Administration Office.

32. Confidentiality:

Contractor, its employees, agents and or subcontractors may come in contact with documents that contain information regarding matters that must be kept confidential by the County, including personally identifiable patient or client information. Even information that might not be considered

confidential for the usual reasons of protecting non-public records should be considered by Contractor to be confidential.

Contractor agrees to maintain confidentiality of information and records as required by applicable federal, state, and local laws, regulations and rules and recognized standards of professional practice.

Notwithstanding any other provision of this Agreement, the Contractor agrees to protect the confidentiality of any confidential information with which the Contractor may come into contact in the process of performing its contracted services. This information includes but is not limited to all written, oral, visual and printed patient or client information, including but not limited to: names, addresses, social security numbers, date of birth, driver's license number, case numbers, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data.

The Contractor shall not retain, copy, use, or disclose this information in any manner for any purpose that is not specifically permitted by this agreement. Violation of the confidentiality of patient or client information may, at the option of the County, be considered a material breach of this Agreement.

33. Notices:

This Contract shall be managed and administered on County's behalf by the department and the person set forth at "Notice & Identification" §33 page one (1) of this Contract, and all invoices shall be submitted to and approved by this Department. In addition to personal service, all notices may be given to County and to Contractor by first class mail addressed as set forth at said §33 of page one (1) of this Contract. Said notices shall be deemed received the fifth (5th) day following the date of mailing or the earlier date of personal service, as the case may be.

34. Authority:

All individuals executing this Contract on behalf of Contractor represent and warrant that they are authorized to execute and deliver this Contract on behalf of Contractor.

IN WITNESS WHEREOF, the parties have executed this Contract effective on the Beginning Date, above.

CONTRACTOR:

COUNTY OF NEVADA:

Ariel Lovett
Executive Director / CEO

Richard Anderson
Chair, Board of Supervisors

Dated: _____

Dated: _____

Attest: _____
Julie Patterson-Hunter
Clerk of the Board of Supervisors

**EXHIBIT “A”
SCHEDULE OF SERVICES
GRANITE WELLNESS CENTERS**

Granite Wellness Centers, hereinafter referred to as “Contractor”, shall provide services and programs listed below for the Nevada County Behavioral Health Department, hereinafter referred to as “County”.

Purpose: Contractor agrees to provide services to adult individuals who have a substance abuse problem and a mental illness. The comprehensive program name for all clients to be served under this contract will be the “Co-Occurring Disorders” or “COD” program.

Clients Served: The ongoing caseload of qualified adults to be served under this agreement is estimated to be 15; however, that number may vary in order to better meet community needs and the unique needs of individual clients, with at least 32 clients served within the year.

1. List of Services

- A. Specialty Mental Health Services
- B. Case Management, Brokerage

2. Programs/Client Populations Served

- A. Western Nevada County Adults

3. Staffing and Facilities

The Contractor will maintain positions consistent with the best practice principles of Co-Occurring Disorders treatment, Medi-Cal and other standards of service related to this contract, including but not limited to:

- Medical Director
- Clinical Supervisor
- Licensed Marriage and Family Therapist
- Alcohol and Drug Certified Counselors
- Personal Service Coordinator (Social Worker)

Contractor shall provide and maintain facilities and professional and supportive personnel to provide all necessary services under this Agreement. In addition, Contractor shall maintain sufficient office and IT support as necessary to implement and maintain program services.

4. Program Services – Co-Occurring Disorders

Target Population: Services will include integrated mental health and substance abuse treatment, case management, and ancillary services such as anger management, job skills training, life skills training, and parenting, which pertain to the individual client’s needs. The program is based on a best-practices model of a recovery-oriented system of care and employs evidenced-based approaches to address mental health and substance abuse recovery. Contractor will treat individuals who have a moderate to severe substance abuse problem and have moderate to severe mental health problems that meet Medi-Cal medical necessity, diagnostic and other criteria for Medi-Cal specialty mental health services. Contractor will also treat individuals with mild to moderate mental health problems that do not meet the specialty mental health services criteria but are authorized by the County to utilize grant funding. Contractor will provide

substance abuse treatment, individual and family psychotherapy and evidence based therapy to clients and their families. Therapy modality will be individualized according to client need.

5. Program Description/Services:

Contractor will specifically provide the following services to approximately 32 adult clients with co-occurring mental health and substance abuse disorders.

A. **Intake and Assessment:** Contractor will refer all potential clients who may have moderate to high substance abuse needs and who meet medical necessity as severe mental illness to the County Access Team. If the County Access Team determines that the mental health needs of the client are severe then the Contractor will be authorized to provide services billable to Medi-Cal. If the Access Team determines that a client has moderate mental illness and moderate to severe substance use, then the Contractor will be authorized to use alternative funding, separate from Medi-Cal. Contractor only refers to the County those clients with suspected severe mental illness. If a client appears to have moderate to severe substance use and moderate mental illness then the Contractor can complete an assessment and submit the results to the County for authorization of funding that is separate from Medi-Cal. All planned, routine (non-emergency) mental health services must be pre-authorized in writing by County and must be part of a Treatment Plan for the client. Adult clients will take the BASIS-24 at intake and again in six months to measure progress.

B. **Treatment for individuals with Co-Occurring Disorders** will be provided using evidence-based practices specific to the target population(s). Mental Health treatment will be provided by Licensed Professionals of the Healing Arts (Licensed or licensed waived Clinical Social Workers, Licensed or licensed waived Marriage and Family Therapist, Licensed or licensed waived Professional Clinical Counselor or licensed Clinical Psychologist) and by Personal Service Coordinators pursuant to an Individualized Service/ Treatment Plan prepared by Contractor and the Client.

Psychotherapy is provided to each client, where medically necessary, on a schedule based on assessment and need of the client. Psychotherapy is provided as a support for the overall program and to assist the client in making sustainable changes in their life. Contractor will provide psychotherapy until the client's symptoms have decreased to a degree where services are no longer medically necessary. Psychotherapy may continue beyond the substance abuse treatment. If the client comes to treatment with a therapist who is willing to work with Contractor's Program, Contractor shall encourage the client to retain their therapist.

Motivational Interviewing, Cognitive-Behavioral Therapy (and its derivative Dialectical Behavioral Therapy) and other Evidence Based Practices, which may include addressing trauma exposure, will be utilized according to the individual client's needs. Motivational Interviewing is an evidence-based strategy designed to address ambivalence to change. According to SAMHSA's Center for Substance Abuse Treatment, Motivational Interviewing is a client-centered, directive method for enhancing intrinsic

motivation to change (by exploring and resolving ambivalence) that has proven effective in helping clients clarify goals and commit to change. Treatment will reflect the stages of change as defined by Motivational Interviewing.

Cognitive-Behavioral Therapy is a form of psychotherapy proven in numerous clinical trials to be effective for a wide variety of disorders. The therapist and client work together as a team to identify and solve problems. Therapists help clients to overcome their difficulties by changing their thinking, behavior, and emotional responses.

Contractor will continue to explore other emerging evidence based practices for this specialty population. Treatment goals, objectives, and interventions will be reflected on an Individualized Service Plan, including individual and family strengths and desired results. All clients will be assessed for and placed in the most appropriate treatment group based on gender, age, and presenting issues.

Curriculum: Contractor will utilize the Living in Balance Co-Occurring Disorder Curriculum.

The Curriculum shall have appropriate fidelity and be consistent with the U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA) Evidence-Based Practices Kit entitled “Evaluating Your Program Integrated Treatment for Co-Occurring Disorders.”

- C. Monthly staffing: Contractor staff will meet monthly with Nevada County Behavioral Staff to review the treatment of individuals and their families and participant progress of all clients receiving services under this Agreement. Contractor will meet regularly with any outside providers who may be working with the clients they serve, e.g. wraparound providers.

- D. **Strengths-Based Care Coordination with Service Coordinator:** Care coordination will be used to increase access and appeal of services, and post-treatment monitoring, support, and early re-intervention. Strengths-Based Care Coordination will span from pre-treatment, through primary treatment, to aftercare, providing clients with a single point of access to multiple health, social services, and other basic needs services. Contractor will provide clients support for asserting direct control over their search for resources and help clients examine their own strengths and assets as the vehicle for resource acquisition. Contractor’s care coordination will be provided by a Service Coordinator to assist COD clients in achieving their goals in the areas of stable living, transportation, employment, education, childcare, etc. The Service Coordinator will meet with clients and work with them to establish short- and long-term goals. This will include BASIS-24 which is an assessment and screening tool the client completes every six months. This care coordination can be done by any professional on the team and in conjunction with the treatment plan created by the client, their family or other natural supports and the therapist.

- E. **Aftercare:** Aftercare is an important element to an effective recovery-oriented system of care. Contractor’s after care program includes supportive “recovery check-ins” by phone or email for up to one year. The following additional free after-care supports will be provided:
1. Participation in existing AA and NA groups.
 2. Participation in Contractor’s existing Recovery Alumni Association.
 3. Contractor will provide a “warm hand-off” to clients upon discharge, assuring that they are personally connected to appropriate supports, such as DRA groups, an ongoing counselor, etc.
- F. **Medical (Physical Health) Services:** Medical Services are provided as part of the overall continuum of care and will be provided to COD clients that may benefit from these services. Clients will have access to Western Sierra Medical Clinic (WSMC) services on site at Granite Wellness Center’s facility and/or at other WSMC service sites in the community. The Contractor’s Medical Director will be incorporated into the treatment team on an as needed basis. Contractor will utilize established MOUs with Sierra Nevada Memorial Hospital and WSMC to facilitate smooth and effective cross-referral for clients.

When Psychiatrist services are indicated, Contractor will contact County’s Adult Behavioral Health Access Team. Contractor shall introduce the client to the access worker via telephonic communication and, if the client would like the support, Contractor will attend the first appointment with the Behavioral Health Access Therapist. Contractor will coordinate with Behavioral Health on the treatment plan.

Medical (Physical Health) services provided by Contractor’s Medical Director will not be reimbursed under this contract. These services will be billed under Contractors existing Medical/Physical Health reimbursement process.

- G. **Drug testing:** Drug testing under the Co-Occurring Disorder Program will be on a voluntary and individualized basis. It will not be used as an abstinence tool, nor as a punitive tool, but as a therapeutic and assessment tool. The drug testing will not be performed by the client’s counselor; but by Contractor’s drug testing department. Results are only reported with signed consent and/or when there is a requirement from the clients’ court, probation, or parole orders to report results.

6. SERVICE REQUIREMENTS FOR SPECIALTY MENTAL HEALTH SERVICES

Documenting Services:

Each service listed below requires a progress note, which must meet medical necessity guidelines and meet Medi-Cal requirements as described by service and service code. Contractor agrees to follow county format. Each note must include the Date of Service, Service Code, Location of Service and Duration (minutes) of Service. Progress notes may be computer generated. Documentation time shall be

included as part of the service provided. Documentation must be completed at the time service is provided and should normally not exceed 10 minutes for every hour of service provided. Time used for Progress Note documentation shall be included in “duration of service” time recorded on Event Monitoring Slip, Progress Note and monthly invoice.

Contractor shall keep a copy of original documentation for each service provided to be available upon request by County. Documentation may include but not be limited to assessment, medical necessity form, client service plan, and outpatient services treatment authorization request form.

Plan Development (service code 111) – For clients who meet medical necessity requirements for specialty mental health services, this code would be utilized during the treatment planning that must occur after the assessment is completed and/or when completing an Outpatient Services Treatment Authorization Request form. When used to develop a client plan, documentation should include: diagnosis, psychiatric symptoms present and in what context, treatment goals to be addressed in therapy and planned strategies for treatment. When used in preparation of the Outpatient Services Treatment Request Form, documentation should include presenting problems, strategies employed during treatment, current status of psychiatric symptoms or change in status that represents a critical need for this service and meets medical necessity guidelines, and what additional treatment is necessary.

Therapy – Individual/Group (service code 107 & 108) – A service activity is a therapeutic intervention which focuses primarily on symptom reduction as a means to improve functional impairments. The above code should be used when documenting individual and group therapy for clients in the specialty mental health COD track.

All progress notes shall contain a description of attempted intervention and/or what was accomplished by the client, family (when applicable) and Contractor toward treatment goals or necessary interventions at the time service was delivered and a description of any changes in client’s level of functioning. The notes must reflect any significant new information or changes as they may occur and a follow-up plan. A group progress note must be written for each client attending the group session.

Rehabilitation and Case Management/Brokerage- (service codes 109 & 114) - A progress note must be written for each Rehabilitation or Case Management/Brokerage contact and will contain date of service, service code, location of service, duration (minutes) of service and a description of what was accomplished by the client and/or staff. The note must reflect any new significant information or changes as they may occur. May include any or all of the following: assistance in restoring or maintaining an individual's functional skills, daily living skills, social skills, grooming and personal hygiene skills, meal preparation skills, medication compliance, and support resources; counseling of the individual and/or family; training in leisure activities needed to achieve the individual's goals/desired results/personal milestones; medication education.

Collateral – (service code 105) Contact with one or more significant support persons in the life of the individual which may include consultation and training to assist in better utilization of services and understanding mental illness. Collateral services

include, but are not limited to, helping significant support persons to understand and accept the individual's condition and involving them in service planning and implementation of service plan. Family counseling or therapy which is provided on behalf of the individual is considered collateral

Group Attendance - Contractor shall list all clients attending group on the Service Activity Log Form each time a group session is held, identifying the clients, the group service by service code, date of service and length of group in minute increments including documentation time.

Discharge Planning – shall begin at time of initial assessment, be specified in the treatment goals and plan and is accomplished through collaborative communication with the designated County staff. In case of emergency discharge (i.e. psychiatric hospitalization, removal of client by self, or family, serious illness or accident, etc...) the County staff will be contacted and consulted immediately and at the latest within 24 hours.

Assignment Opening/Closing Form – In conjunction with the Assessment, the County's Access Team shall complete the Client Assignment Form and Diagnosis Review Form for every Client who has had services authorized and shall submit a copy to the Contractor as appropriate. Contractor shall complete the Assignment Closing Form as of the date the last service was provided. The completed form shall be submitted to the County with the monthly invoice.

7. Program Services – Authorization:

The County Utilization Review Coordinator (URC) will oversee all service authorizations. All planned, routine (non-emergency) services must be pre-authorized by County licensed staff.

Requirements for Mental Health Services: To authorize a Medi-Cal service, the County Access Team must review the Assessment, Medical Necessity determination and Client Plan (if available) and conclude that medical necessity for outpatient Mental Health Services for severe mental illness exists. The County Access Team will also authorize services for those with moderate mental illness using a funding source separate from Medi-Cal. The County Access team or designee must enter all service authorizations into a data base which shows the authorization expiration date and the County Access Team shall be responsible for insuring that all services are pre-authorized. In conjunction with the billing of services, Contractor shall confirm on the billing statement that all services billed have been properly authorized in accord with these requirements.

8. Performance Measures and Outcomes Reports:

Contractor will serve approximately 32 individuals with co-occurring disorders. Measurable outcomes will fall under two elemental outcome arenas that demonstrate overall program efficacy. These two elemental arenas are: increase health and wellness of our clients and increase overall community health, safety and stability by decreasing crime and burden on public services. All measurable outcomes falling under these two arenas will be tracked through comprehensive client case records maintained by Contractor. All records will be maintained in accordance with the Commission on Accreditation of Rehabilitation Facilities (CARF) and Medi-Cal standards. Outcomes are continually measured as part of program treatment

requirements and a quarterly report is provided to County discussing the previous quarter's outcomes, successes and challenges. The quarterly report will be due on the last day of the month following the end of each quarter.

Measurable Outcomes:

- Up to one-year engagement in the program and achievement of individual goals.
- 75% of clients will meet their current treatment goals.
- 35% of clients will show symptom reduction on 60% of items reflecting symptoms on numbers 10-20 on BASIS-24.
- 75% of clients will report decreased involvement with law enforcement, measured by self and staff reports. 80% of clients will demonstrate decreased substance use measured by counselor records and drug test results upon program completion as measured in the CalOMS data reporting system.
- 35% of clients will show a decrease in difficulty on items marked 1 or above for items 1-3.
- 80% of clients will say they are satisfied (i.e., 2 or below) with the services they received. Contractor will follow up with clients that are dissatisfied - Measured by the DHCS "Consumer Satisfaction Survey", conducted in Spring and Fall of each calendar year.
- Client will reduce the number of days of homelessness by 75% as measured by self and staff report.
- Clients will reduce Emergency Department visits by 75% as measured by self and staff report.
- Clients will increase the number of days of employment by 75% as measured by self and staff report.

9. Medi-Cal Certification and Goals:

Contractor shall provide services at Medi-Cal certified sites from which business operations for Nevada County services will be stationed. Contractor shall obtain and maintain certification as an organizational provider of Medi-Cal specialty mental health services for all new locations. Contractor shall follow all Medi-Cal Final Rule (CFR 438) requirements, as applicable.

Performance Measurement Goals:

Contractor shall maintain productivity standards sufficient to generate service levels as specified in contract.

- Objective a. Contractor's shall have the goal of 90% of all clients being served as being Medi-Cal eligible.
- Objective b. Contractor shall have less than 5% denial rate for all billed and audited services.
- Objective c. Each Medi-Cal service provided must meet medical necessity guidelines, be part of a Client Plan, and meet Medi-Cal requirements as described by service and service code.
- Objective d. Contractor shall document and maintain all clients' records to comply with all Medi-Cal regulations.

10. Documentation

- Treatment Plan - will be submitted by Contractor to County according to County documentation guidelines during the contract period, and in accordance with all applicable regulations. When requested, Contractor will allow County to review Treatment Plan, including requested level of services for each service type.
- Discharge Planning - will begin at time of initial assessment, be specified in the treatment goals and plan and is accomplished through collaborative communication with the designated County Staff. In the case of an emergency discharge (i.e. psychiatric hospitalization, removal of client by self, or family, serious illness or accident, etc...) the County Staff will be contacted and consulted with immediately within 24 hours at the latest.
- Retention of Records - Contractor shall maintain and preserve all clinical records related to this contract for seven (7) years from the date of discharge for adult clients. Contractor shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the seven year period, if any audit involving such records is then pending, until the audit findings are resolved. The obligation to insure the maintenance of the records beyond the initial seven year period shall arise only if the County notifies Contractor of the commencement of an audit prior to the expiration of the seven year period.

11. Drug Medi-Cal Organized Delivery System:

Nevada County opted into the 1115 waiver during the Fiscal Year 2017- 2018 and submit an implementation plan to the California Department of Health Care Services and the federal Center for Medicare and Medicaid Services. Contractor must have an active Department of Health Care Service's certification and license including an American Society of Addiction Medicine (ASAM) level designation that meets the requirements of the approved implementation plan.

12. Additional Contractor's Responsibilities:

- Comply and cooperate with County for any data/ statistical information related to services and may be required to meet mandated reporting requirements
- Complete required reporting forms.
- Ensure that services are provided to eligible populations only
- Maintain effective program planning
- Maximize billable units of service, maintain adherence to all billing standards, and submit monthly claims in a timely manner.
- Function as part of Nevada County's Quality Improvement System. Maintain a system of quality assurance and utilization review that conforms to state and federal requirements pertaining to consumer/beneficiary rights, consumer access to services, and quality of care to services and quality of care.
- Ensure services will be culturally competent and culturally responsive
- Be grounded in the Community: Promoting community involvement, mutual support relationships and increased self-reliance. The program services will promote collaboration with the support of consumer, family and service and support providers
- As the department utilizes the Cerner Behavioral Health Solution for an Electronic Health Records System, the Contractor shall be required to use the Cerner Behavioral Health Solution functionality that is relevant to the scope of work of this contract, as requested by the County. This may include the following Cerner Behavioral Health Solution functionality: use of the Billing System,

Doctors HomePage, E-Prescribing, Medication Notes, and other Electronic Health Record data collection necessary for the County to meet billing and quality assurance goals. The Contractor shall receive training as needed to be able to comply with this requirement.

- Contractor agrees to abide by the provisions of Attachment 1 hereto attached and incorporated herein as required of “contractors” and “subcontractors” under the current State Department of Health Care Services (DHCS) Standard Agreement by and between DHCS and the County.

**EXHIBIT “B”
SCHEDULE OF CHARGES AND PAYMENT
GRANITE WELLNESS CENTERS**

Subject to the satisfactory performance of services required of Contractor pursuant to this contract, and to the terms and conditions as set forth, the County shall pay Contractor a maximum amount not to exceed \$86,465 for fiscal year 2019/20.

Contract maximum is based on the estimated project budget attached hereto as Attachment “A”

Service and Rate Table	
Type of Service	Interim Rate
Psychiatric/Med Support	4.82
Mental Health Services	2.61
Rehabilitation	2.61
Case Management/Brokerage	2.02
Crisis Intervention	3.88
MHSA/Other Non-Billable Mental Hlth Svc	2.02
MHSA/Other Non-Billable Case Management	2.02
Target Annual Billable Svc \$	82,142
Target Annual Billable Units	31,812
Target Monthly Billable Svc \$	6,845
Target Monthly Billable Units	2,651
Target Annual Non-Billable Svc \$	4,323
Target Annual Non-Billable Units	2,140
Target Monthly Non-Billable Svc \$	360
Target Monthly Non-Billable Units	178
Total Contract Amount	86,465

Billing and Service Documentation

The table above shows the expected number of billable units and revenue to be produced under this contract. Interim Payment rates shall be at the County Maximum Allowance (CMA) rate or Negotiated Rate effective on the day the service is rendered (current interim rates are listed in the table above). Negotiated Rate shall apply only if the Contractor already has a State Department of Health Care Services approved negotiated rate in County for the specific services to be provided. Interim Rates are subject to the Settlement provisions below for both billable and non-billable services. Non-Billable services under this contract must be approved by the County Director of Mental Health.

The County and Contractor will periodically review the units of time for Medi-Cal services submitted through this contract and agree to renegotiate, at the discretion of the Director of Behavioral Health if: either Medi-Cal/Billable services are expected to be 10% greater or lesser than projected target minutes of time; or if the proportion of Medi-Cal/Billable units to total units of service fall below the 85% target.

Each Medi-Cal service requires documentation which must meet medical necessity guidelines and Medi-Cal requirements as described by service.

Contractor will cooperate with the County process for submitting the unit of service data for the County Medi-Cal and other billing processes on the required timeline. Contractor will: ensure that authorizations are received for services; check and maintain client Medi-Cal and/or other eligibility; process financial, registration and intake documents upon County request; audit services and correct service or billing errors, follow up on eligibility issues and other issues that may result in denial of Medi-Cal or other billable services.

Contractor shall submit a monthly invoice, with detail and summary of billings/services, for services provided during the prior month. The documentation shall include units of service and interim payment rate, by type of services provided, e.g. Mental Health Services, Case Management, etc. for all service types identified in the Scope of Work. The submitted invoice will identify the Medi-Cal beneficiary by name or county case number, using standard County billing forms, or a substitute form approved by County.

Contractor shall remit payment to the County in the amount of 2.75% of the total amount of each monthly invoice. This payment shall be for the County monitoring fee.

Contractor shall submit monthly fiscal report, including a detailed list of costs for the prior month and cumulatively during the contract period. Contractor shall submit invoices, monitoring charge payments, and reports to:

Nevada County HHS Administration
Attn: BH Fiscal Staff
950 Maidu Avenue
Nevada City, CA 95959

Behavioral Health Department will review the invoice and notify the Contractor within fifteen (15) working days if any individual item or group of costs is being questioned. Payments of approved billing shall be made within thirty (30) days of receipt of a completed, correct, and approved billing. Monitoring charge payment is due within thirty (30) days of payment from County.

Cost Settlement

Contractor will submit an annual Cost Report on the required state mandated forms—in compliance with the state Cost Report manual—to County by September 30th, after the close of the fiscal year. Contractor may request extension of due date for good cause, at its discretion, County will provide written approval or denial of request. The Cost Report requires the reporting of all services to the County on one Cost Report.

The Cost Report calculates the Cost per unit as the lowest of Actual Cost, Published Charge, or County Maximum Allowance (CMA).

A Cost Report Settlement will be completed by County within a reasonable timeline and will be based on a comparison of the allowed Medi-Cal reimbursement or other authorized non-billable services per unit in the Cost Report compared to the payment per unit paid by the County. Payment will be required by County or Contractor within 60 days of Settlement or as otherwise mutually agreed.

Contractor will be subject to Medi-Cal or County Fiscal or Quality Assurance Audits at any time. Contractor and County will each be responsible for any audit errors or omissions on their part. The annual SDHCS/Federal Audit may not occur until five years after close of fiscal year and not be settled until all Audit appeals are completed/closed. Final Audit findings must be paid by County or Contractor within 60 days of final Audit report or as otherwise agreed.

Records to be maintained:

Contractor shall keep and maintain accurate records of all costs incurred and all time expended for work under this contract. Contractor shall contractually require that all of Contractors Subcontractors performing work called for under this contract also keep and maintain such records whether kept by Contractor or any Subcontractor, shall be made available to County or its authorized representative, or officials of the State of California for review or audit during normal business hours, upon reasonable advance notice given by County, its authorized representative, or officials of the State of California. All fiscal records shall be maintained for five years or until all Audits and Appeals are completed, whichever is later.

ATTACHMENT "A"

GRANITE WELLNESS CENTERS COD Budget
Fiscal Year 2018-19

Program Expenses	7/1/19 through 6/30/20
Personnel Expenses	
Salaries	\$61,978
Benefits	\$8,808
Payroll taxes	\$3,775
Total Personnel Expenses	\$74,561
Operating Expenses	
Insurance	\$251
Audit	\$132
Space cost	\$1,846
Utilities	\$647
Phone	\$231
Postage	\$80
Office Supplies	\$472
Travel	\$264
Staff Development/Training	\$810
Maintenance/Repair	\$367
Program Supplies	\$2,309
Printing	\$1,112
Accounting Consultant	\$520
Equipment	\$481
Computer (Hardware/Software)	\$853
Transportation/Mileage	\$751
Furniture/Fixtures	\$778
Total Operating Expenses	\$11,904
Total All Expenses	\$86,465

ATTACHMENT 1

Contractor agrees to comply with the requirements of “contractors” and “subcontractors” as listed and required per– Program Specifications of the current Standard Agreement between the County of Nevada and the State Department of Health Care Services entered into by the authority of Chapter 3 of Part 1, Division 10.5 of the Health and Safety Code (HSC) and as approved by County’s Board of Supervisors for the purpose of providing alcohol and drug treatment services. The provisions are as follows:

A. Additional Contract Restrictions

This Contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress, or any statute enacted by the Congress, which may affect the provisions, terms, or funding of this Contract in any manner.

B. Nullification of Drug Medi-Cal (DMC) Treatment Program substance use disorder services (if applicable)

The parties agree that if the Contractor fails to comply with the provisions of Welfare and Institutions Code (W&I) Section 14124.24, all areas related to the DMC Treatment Program substance use disorder services shall be null and void and severed from the remainder of this Contract.

In the event the Drug Medi-Cal Treatment Program Services component of this Contract becomes null and void, an updated Exhibit B, Attachment I will take effect reflecting the removal of federal Medicaid funds and DMC State General Funds from this Contract. All other requirements and conditions of this Contract will remain in effect until amended or terminated.

C. Hatch Act

Contractor agrees to comply with the provisions of the Hatch Act (Title 5 USC, Sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

D. No Unlawful Use or Unlawful Use Messages Regarding Drugs

Contractor agrees that information produced through these funds, and which pertains to drug and alcohol- related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol- related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC Section 11999-11999.3). By signing this Contract, Contractor agrees that it will enforce, and will require its Subcontractors to enforce, these requirements.

E. Noncompliance with Reporting Requirements

Contractor agrees that the State has the right to withhold payments until Contractor has submitted any required data and reports to the State, as identified in Exhibit A, Attachment I, Part III – Reporting Requirements, or as identified in Document 1F(a), Reporting Requirements Matrix for Counties.

F. Limitation on Use of Funds for Promotion of Legalization of Controlled Substances

None of the funds made available through this Contract may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

G. Debarment and Suspension

Contractor shall advise all subcontractors of their obligation to comply with applicable federal debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001.

H. Restriction on Distribution of Sterile Needles

No funds made available through this Contract shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug unless the State chooses to implement a demonstration syringe services program for injecting drug users with Substance Abuse Prevention and Treatment Block Grant (SABG) funds.

I. Health Insurance Portability and Accountability Act (HIPAA) of 1996

If any of the work performed under this Contract is subject to the HIPAA, then Contractor shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Exhibit F, the State and County shall cooperate to assure mutual agreement as to those transactions between them, to which this Provision applies. Refer to Exhibit F for additional information.

1. Trading Partner Requirements

- (a) No Changes. Contractor hereby agrees that for the personal health information (Information), it will not change any definition, data condition or use of a data element or segment as proscribed in the Federal HHS Transaction Standard Regulation. (45 CFR Part 162.915 (a))
- (b) No Additions. Contractor hereby agrees that for the Information, it will not add any data elements or segments to the maximum data set as proscribed in the HHS Transaction Standard Regulation. (45 CFR Part 162.915 (b))

- (c) No Unauthorized Uses. Contractor hereby agrees that for the Information, it will not use any code or data elements that either are marked “not used” in the HHS Transaction’s Implementation specification or are not in the HHS Transaction Standard’s implementation specifications. (45 CFR Part 162.915 (c))
- (d) No Changes to Meaning or Intent. Contractor hereby agrees that for the Information, it will not change the meaning or intent of any of the HHS Transaction Standard’s implementation specification. (45 CFR Part 162.915 (d))
- 2. Concurrence for Test Modifications to HHS Transaction Standards
Contractor agrees and understands that there exists the possibility that the State or others may request an extension from the uses of a standard in the HHS Transaction Standards. If this occurs, Contractor agrees that it will participate in such test modifications.
- 3. Adequate Testing
Contractor is responsible to adequately test all business rules appropriate to their types and specialties. If the Contractor is acting as a clearinghouse for enrolled providers, Contractor has obligations to adequately test all business rules appropriate to each and every provider type and specialty for which they provide clearinghouse services.
- 4. Deficiencies
Contractor agrees to correct transactions errors or deficiencies identified by the State, and transactions errors or deficiencies identified by an enrolled provider if the Contractor is acting as a clearinghouse for that provider. When County is a clearinghouse, Contractor agrees to properly communicate deficiencies and other pertinent information regarding electronic transactions to enrolled providers for which they provide clearinghouse services.
- 5. Code Set Retention
Both Parties understand and agree to keep open code sets being processed or used in this Agreement for at least the current billing period or any appeal period, whichever is longer.
- 6. Data Transmission Log
Both Parties shall establish and maintain a Data Transmission Log, which shall record any and all Data Transmission taking place between the Parties during the term of this Contract. Each Party will take necessary and reasonable steps to ensure that such Data Transmission Logs constitute a current, accurate, complete, and unaltered record of any and all Data Transmissions between the Parties, and

shall be retained by each Party for no less than twenty-four (24) months following the date of the Data Transmission. The Data Transmission Log may be maintained on computer media or other suitable means provided that, if it is necessary to do so, the information contained in the Data Transmission Log may be retrieved in a timely manner and presented in readable form.

J. Nondiscrimination and Institutional Safeguards for Religious Providers

Contractor shall establish such processes and procedures as necessary to comply with the provisions of Title 42, USC, Section 300x-65 and Title 42, CFR, Part 54, (Reference Document 1B).

K. Counselor Certification

Any counselor providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients, or residents in a DHCS licensed or certified program is required to be registered or certified as defined in Title 9, CCR, Division 4, Chapter 8. (Document 3H)

L. Cultural and Linguistic Proficiency

To ensure equal access to quality care by diverse populations, each service provider receiving funds from this contract shall adopt the Federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards (Document 3V).

M. Intravenous Drug Use (IVDU) Treatment

Contractor shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo alcohol and other drug (AOD) treatment (42 USC 300x-23(45 CFR 96.126(e)).

N. Tuberculosis Treatment

Contractor shall ensure the following related to Tuberculosis (TB):

1. Routinely make available TB services to each individual receiving treatment for AOD use and/or abuse;
2. Reduce barriers to patients' accepting TB treatment; and,
3. Develop strategies to improve follow-up monitoring, particularly after patients leave treatment, by disseminating information through educational bulletins and technical assistance.

O. Trafficking Victims Protection Act of 2000

Contractor and its Subcontractors that provide services covered by this Contract shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000 (22 United States Code (USC) 7104(g)) as amended by section 1702. The County is authorized to terminate a contract and/or take other remedial action as deemed necessary, without penalty, if the Contractor or any Subcontractor:

1. Engages in severe forms of trafficking in persons during the period of time that the award is in effect;
2. Procures a commercial sex act during the period of time that the award is in effect;
3. Uses forced labor in the performance of the award or subawards under the award.

For full text of the award term, go to: <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=2&SID=30cef173ce45f9ae560f5ba6faf646b4&ty=HTML&h=L&n=pt2.1.175&r=PART>

P. Tribal Communities and Organizations

Contractor shall regularly assess (e.g. review population information available through Census, compare to information obtained in the California Outcome Measurement System for Treatment (CalOMS Tx) to determine whether the population is being reached, survey Tribal representatives for insight in potential barriers), the substance use service needs of the American Indian/Alaskan Native (AI/AN) population within the County geographic area, and shall engage in regular and meaningful consultation and collaboration with elected officials of the tribe, Rancheria, or their designee for the purpose of identifying issues/barriers to service delivery and improvement of the quality, effectiveness and accessibility of services available to AI/NA communities within the County.

Q. Participation of County Alcohol and Drug Program Administrators Association of California.

Pursuant to HSC Section 11801(g), the AOD administrator shall participate and represent the county in meetings of the County Alcohol and Drug Program Administrators Association of California for the purposes of representing the counties in their relationship with the state with respect to policies, standards, and administration for AOD abuse services.

Pursuant to HSC Section 11811.5(c), the county alcohol and drug program administrator shall attend any special meetings called by the Director of DHCS.

R. Youth Treatment Guidelines

Contractor will follow the guidelines in Document 1V, incorporated by this reference, "Youth Treatment Guidelines," in developing and implementing youth treatment programs funded under this Exhibit, until such time new Youth Treatment Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to apply.

S. Perinatal Services Network Guidelines

Contractor must comply with the perinatal program requirements as outlined in the Perinatal Services Network Guidelines. The Perinatal Services Network Guidelines are attached to this contract as Document 1G, incorporated by reference. The Contractor must comply with the current version of these guidelines until new Perinatal Services

Network Guidelines are established and adopted. The incorporation of any new Perinatal Services Network Guidelines into this contract shall not require a formal amendment.

Contractor receiving SABG funds must adhere to the Perinatal Services Network Guidelines, regardless of whether the Contractor exchanges perinatal funds for additional discretionary funds.

T. Restrictions on Grantee Lobbying – Appropriations Act Section 503

No part of any appropriation contained in this Act shall be used, other than for formal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support defeat legislation pending before the Congress, except in presentation to the Congress itself or any State legislature, except in presentation to the Congress or any State legislative body itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

U. Nondiscrimination in Employment and Services

By signing this Contract, Contractor certifies that under the laws of the United States and the State of California, incorporated into this Contract by reference and made a part hereof as if set forth in full, Contractor will not unlawfully discriminate against any person.

V. Federal Law Requirements:

1. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended, prohibiting discrimination based on race, color, or national origin in Federally-funded programs.
2. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
3. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
4. Age Discrimination in Employment Act (29 CFR Part 1625)
5. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment
6. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities
7. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
8. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of handicap

9. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under Federal contracts and construction contracts greater than \$10,000 funded by Federal financial assistance
10. Executive Order 13166 (67 FR 41455) to improve access to Federal services for those with limited English proficiency
11. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse
12. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
13. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).

W. State Law Requirements:

1. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285.0 et seq.).
2. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
3. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 10800
4. No state or Federal funds shall be used by the Contractor or its Subcontractors for sectarian worship, instruction, or proselytization. No state funds shall be used by the Contractor or its Subcontractors to provide direct, immediate, or substantial support to any religious activity.
5. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.

X. This Contract is subject to any additional restrictions, limitations, or conditions enacted by the Federal or state governments that affect the provisions, terms, or funding of this Contract in any manner.

Y. Subcontract Provisions

Contractor shall include all of the foregoing provisions in all of its subcontracts.

Z. Dymally-Alatorre Bilingual Services Act (Government Code sections 7290-7299.8).

Contractor shall comply with the linguistic requirements included in this Section.

Contractor shall have:

1. Oral interpreter services available in threshold languages at key points of contact available to assist beneficiaries whose primary language is a threshold language to access the SUD services or related services through that key point of contact. The threshold languages shall be determined on a countywide basis. Counties may

limit the key points of contact at which interpreter services in a threshold language are available to a specific geographic area within the county when:

- (a) The county has determined, for a language that is a threshold language on a countywide basis, that there are geographic areas of the county where that language is a threshold language, and other areas where it is not; and
 - (b) The Contractor provides referrals for beneficiaries who prefer to receive services in that threshold language, but who initially access services outside the specified geographic area, to a key point of contact that does have interpreter services in that threshold language.
2. Policies and procedures in place to assist beneficiaries who need oral interpreter services in languages other than threshold languages to access the SUD services or related services available at the key points of contact.
 3. General program literature used by the Contractor to assist beneficiaries in accessing services available in threshold languages, based on the threshold languages in the county as a whole.

EXHIBIT "C"

SCHEDULE OF CHANGES

(Personal Services Contract - Mental Health)

BEHAVIORAL HEALTH PROVISIONS

Sections 35 through 37 are hereby added to read as follows:

35. Laws, Statutes, and Regulations:

A. Contractor agrees to comply with the Bronzan-McCorquodale Act (Welfare and Institutions Code, Division 5, 6, and 9, Section 5600 et seq. and Section 4132.44), Title 9 and Title 22 of the California Code of Regulations, Title XIX of the Social Security Act, State Department of Health Care Services Policy Letters, and Title 42 of the Code of Federal Regulations, Sections 434.6 and 438.608 which relate to, concern or affect the Services to be provided under this Contract.

B. Clean Air Act and Federal Water Pollution Control:
Contractor shall comply with the provisions of the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, which provides that contracts and subcontracts of amounts in excess of \$100,000 shall contain a provision that the Contractor and Subcontractor shall comply with all applicable standards, orders or regulations issues pursuant to the Clear Air Act and the Federal Water Pollution Control Act. Violations shall be reported to the Centers for Medicare and Medicaid Services.

C. For the provision of services as provided herein, Contractor shall not employ or contract with providers or other individuals and entities excluded from participation in Federal Health Care Programs under either Section 1128 or 1128A of the Social Security Act and shall screen all individuals and entities employed or retained to provide services for eligibility to participate in Federal Health Care programs (see <http://oig.hhs.gov/exclusions/index.asp> and <http://files.medical.ca.gov/pubsdoco/SandILanding.asp>). The Contractor shall check monthly and immediately report to the department if there is a change of status.

D. Ownership: Contractor shall provide written verification of compliance with CFR, Title 42, sections 455.101 and 455.104. This verification will be provided to Nevada County Behavioral Health (NCBH) by December 31 of each year and when prescribed below.

- (a) Who must provide disclosures. The Medi-Cal agency must obtain disclosures from disclosing entities, fiscal agents, and managed care entities. Contractor and any of its subcontractors/network providers providing services pursuant to this Agreement shall submit the disclosures below to Nevada County Behavioral Health regarding the network providers' (disclosing entities') ownership and control. The Contractor's network providers must submit updated disclosures to Nevada County Behavioral Health upon submitting the provider application, before entering into or renewing the network providers' contracts, and within 35 days after any change in the provider's ownership and/or annually.
- (b) Disclosures to be provided:
1. The name and address of any person (individual or corporation) with an ownership or control interest in the disclosing entity, fiscal agent, or managed care entity. The address for corporate entities must include as applicable primary business address, every business location, and P.O. Box address.
 2. Date of birth and Social Security Number (in the case of an individual).
 3. Other tax identification number (in the case of a corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) or in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a five (5) percent or more interest.
 4. Whether the person (individual or corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) is related to another person with ownership or control interest in the disclosing entity as a spouse, parent,

child, or sibling; or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a five (5) percent or more interest is related to another person with ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling.

5. The name of any other disclosing entity (or fiscal agent or managed care entity) in which an owner of the disclosing entity (or fiscal agent or managed care entity) has an ownership or control interest.
6. The name, address, date of birth, and Social Security Number of any managing employee of the disclosing entity (or fiscal agent or managed care entity).

(c) When the disclosures must be provided.

I. Disclosures from providers or disclosing entities. Disclosure from any provider or disclosing entity is due at any of the following times:

- i) Upon the provider or disclosing entity submitting the provider application.
- ii) Upon the provider or disclosing entity executing the provider agreement.
- iii) Upon request of the Medi-Cal agency during the re-validation of enrollment process under § 455.414.
- iv) Within 35 days after any change in ownership of the disclosing entity.

II. Disclosures from fiscal agents. Disclosures from fiscal agents are due at any of the following times:

- i) Upon the fiscal agent submitting the proposal in accordance with the State's procurement process.
- ii) Upon the fiscal agent executing the contract with the State.
- iii) Upon renewal or extension of the contract.
- iv) Within 35 days after any change in ownership of the fiscal agent.

III. Disclosures from managed care entities. Disclosures from managed care entities (MCOs, PIHPs, PAHPs, and HIOs), except PCCMs are due at any of the following times:

- i) Upon the managed care entity submitting the proposal in accordance with the State's procurement process.
- ii) Upon the managed care entity executing the contract with the State.
- iii) Upon renewal or extension of the contract.
- iv) Within 35 days after any change in ownership of the managed care entity.

IV. Disclosures from PCCMs. PCCMs will comply with disclosure requirements under paragraph (c)(1) of this section.

- (d) To whom must the disclosures be provided. All disclosures must be provided to the Medi-Cal agency.
- (e) Consequences for failure to provide required disclosures. Federal financial participation (FFP) is not available in payments made to a disclosing entity that fails to disclose ownership or control information as required by this section.

E. Contractor shall have a method to verify whether services billed to Medi-Cal were actually furnished to Medi-Cal beneficiaries. The Contractor's verification method shall be based on random samples and will specify the percentage of total services provided that shall be verified. The Contractor's verification process shall be submitted to and approved by the NCBH Quality Assurance Manager. Contractor will report the outcome of service verification activities to the NCBH Quality Assurance Manager quarterly.

36. Client/Patient Records:

Where this contract is for services relating to the mental health or the medical needs or condition of clients or patients:

A. **HEALTH RECORDS:** Contractor shall maintain adequate mental and/or medical health records of each individual client/patient which shall include a record of services provided by the various professional personnel in sufficient detail to make possible an evaluation of services, and which shall contain all necessary data as required by the Department of Behavioral Health and state or federal regulations, including but not limited to records of client/patient interviews and progress notes.

B. **TREATMENT PLAN:** Contractor shall also maintain a record of services provided, including the goals and objectives of any treatment plan and the progress toward achieving those goals and objectives.

County shall be allowed to review all client/patient record(s) during site visits, or at any reasonable time. Specialized mental health services provided by Contractor shall be in accordance and as defined by the California Code of Regulation Title 9, Chapter 11, and in compliance with Nevada County's Mental Health Plan (MHP).

C. LOCATION / OWNERSHIP OF RECORDS: If Contractor works primarily in a County facility, records shall be kept in the County's facility and owned by County. If Contractor works in another facility or a school setting, the records shall be owned and kept by Contractor and upon demand by County, a copy of all original records shall be delivered to County within a reasonable time from the conclusion of this Contract.

D. CONFIDENTIALITY: Such records and information shall be maintained in a manner and pursuant to procedures designed to protect the confidentiality of the client/patient records. Contractor agrees to maintain confidentiality of information and records as required by applicable federal, state and local laws, regulations and rules, and recognized standards of professional practice and further agrees to hold County harmless from any breach of confidentiality.

E. RETENTION OF RECORDS: Except as provided below, Contractor shall maintain and preserve all clinical records related to this Contract for seven (7) years from the date of discharge for adult clients, and records of clients under the age of eighteen (18) at the time of treatment must be retained until either one (1) year beyond the clients eighteenth (18th) birthday or for a period of seven (7) years from the date of discharge, whichever is later. Psychologists' records involving minors must be kept until the minor's 25th birthday. Contractor shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the seven year period, if any audit involving such records is then pending, until the audit findings are resolved. The obligation to ensure the maintenance of the records beyond the initial seven year period shall arise only if the County notifies Contractor of the commencement of an audit prior to the expiration of the seven year period.

To the extent Contractor is a Managed Care Organization (MCO), a Prepaid Inpatient Health Plan, a Prepaid Ambulatory Health Plan (PAHP), or a Medi-Cal services provider, Contractor shall maintain and preserve all records related to this contract for ten (10) years from the start date of this contract, pursuant to CFR 42 438.3(u). If the client or patient is a minor, the client's or patient's health service records shall be retained for a minimum of ten (10) years from the close of the state fiscal year in which the Contract was in effect, or the date the client or patient reaches 18 years of age, whichever is longer, regardless of when services were terminated with the client. Health service records may be retained in either a written or an electronic format. Contractor shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the ten (10) year period if any audit involving such records is then pending, and until the audit findings are resolved. The obligation to ensure the maintenance of the records beyond the initial ten (10) year period shall arise only if the County notifies Contractor of the commencement of an audit prior to the expiration of the ten (10) year period.

F. REPORTS: Contractor shall provide reports to County from time to time as necessary, and as reasonably requested by County. Contractor agrees to provide County with reports that may be required by County, State or Federal agencies for compliance with this Agreement.

G. COPIES OF RECORDS: Upon termination of this Contract, Contractor agrees to cooperate with client/patients, County and subsequent providers with respect to the orderly and prompt transfer of client or patient records. This Contract does not preclude Contractor from assessing reasonable charges for the expense of transferring such records if appropriate. Said charges shall be twenty-five Cents (\$0.25) per page, plus the cost of labor, not to exceed Sixteen Dollars (\$16.00) per hour or pro rata fraction thereof, for actual time required to photocopy said records.

H. CULTURAL COMPETENCE: Contractor shall provide services pursuant to this Agreement in accordance with current State statutory, regulatory and policy provisions related to cultural and linguistic competence as defined in the Department of Health Care Services (DHCS) most recent Information Notice(s) regarding Cultural Competence Plan Requirements (CCPR), that establish standards and criteria for the entire County Mental Health System, including Medi-Cal services, Mental Health Services Act (MHSA), and Realignment as part of working toward achieving cultural and linguistic competence. The CCPR standards and criteria as cited in California Code of Regulations, Title, 9, Section 1810.410, are applicable to

organizations/agencies that provide mental health services via Medi-Cal, Mental Health Services Act (MHSA), and/or Realignment.

I. PATIENTS' RIGHTS: Patients' Rights shall be in compliance with Welfare and Institutions Code Division 5, Section 5325 et seq.; and California Code of Code of Regulations, Title 9, Section 862 et seq and Title 42, Code of Federal Regulations (CFR), Section 438.100.

J. HOURS OF OPERATION: Pursuant to Title 42 CFR, Section 438.206 (c)(1)(ii) if Contractor also serves individuals who are not Medi-Cal beneficiaries, the Contractor shall require that the hours of operation during which the Contractor offers services to Medi-Cal beneficiaries are no less than and comparable to the hours of operation during which the Contractor offers services to non-Medi-Cal beneficiaries.

K. WRITTEN MATERIALS: Contractor shall ensure that all written materials it provides or is otherwise required to make available to the client, including, but not limited to, all documents requiring signature or authorization of the client, shall be in a minimum of 12 point font, and a minimum of 18 point font for written materials required to be in large print, including but not limited to any Contractor Brochures, Consent to Treatment, Treatment Plans, etc.

37. 42 C.F.R. Laws and Regulations: Managed care organization (MCO) Prepaid inpatient health plan (PIHP) Prepaid ambulatory health plan (PAHP)

To the extent Contractor is a Managed Care Organization (MCO), a Prepaid Inpatient Health Plan (PIHP), a Prepaid Ambulatory Health Plan (PAHP), Primary Care Manager (PCCM), a Primary Care Case Manager (PCCM) or a Medi-Cal Services Provider, Contractor shall comply with, and report to County any violation of or non-compliance with, the following requirements and restrictions:

A. DEBARRED, SUSPENDED, CONTRACTORS: Pursuant to 42 C.F.R. § 438.610, Contractor shall not knowingly have a relationship with the following:

- (a) An individual or entity that is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.
- (b) An individual or entity who is an affiliate, as defined in the Federal Acquisition Regulation at 48 CFR 2.101, of a person described in this section.

B. EMPLOYING/CONTRACTING WITH PROVIDERS WHO ARE EXCLUDED: Pursuant to 42 C.F.R. § 438.214(d), Contractor shall not employ or contract with providers or other individuals and entities excluded from participation in federal health care programs (as defined in section 1128B(f) of the Social Security Act) under either Section 1128, 1128A, or 1156 of the Social Security Act. FFP is not available for amounts expended for providers excluded by Medicare, Medicaid, or the State Children's Health Insurance Program, except for emergency services.

The types of relationships prohibited by this section, are as follows:

- (a) A director, officer, or partner of the Contractor.
- (b) A subcontractor of the Contractor, as governed by 42 CFR §438.230.
- (c) A person with beneficial ownership of 5 percent or more of the Contractor's equity.
- (d) A network provider or person with an employment, consulting, or other arrangement with the Contractor for the provision of items and services that are significant and material to the Contractor's obligations under this Agreement.
- (e) The Contractor shall not employ or contract with, directly or indirectly, such individuals or entities for the furnishing of health care, utilization review, medical social work, administrative services, management, or provision of medical services (or the establishment of policies or provision of operational support for such services).

If the County finds that Contractor is not in compliance, the County:

- (a) Shall notify the Secretary of State of the noncompliance; and
- (b) May continue an existing agreement with Contractor unless the Secretary directs otherwise, which shall serve as a basis to immediately terminate this Agreement; or
- (c) May not renew or otherwise extend the duration of an existing agreement with Contractor unless the Secretary provides to the State and to Congress a written statement describing

compelling reasons that exist for renewing or extending the agreement despite the prohibited affiliations.

- (d) Nothing in this section shall be construed to limit or otherwise affect any remedies available to the U.S. under sections 1128, 1128A or 1128B of the Act.

Unless specifically prohibited by this contract or by federal or state law, Contractor may delegate duties and obligations of Contractor under this contract to subcontracting entities if Contractor determines that the subcontracting entities selected are able to perform the delegated duties in an adequate manner in compliance with the requirements of this contract.

Contractor shall maintain ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of its contract with the County, notwithstanding any relationship(s) that the Mental Health Plan may have with any subcontractor.

C. RECOVERY OF OVERPAYMENTS: Contractor is responsible for the refund of any overpayments and shall notify County **within 30 calendar days** when it has identified payments in excess of amounts specified for reimbursement of Medicaid services authorized under this Agreement.

County shall maintain the right to suspend payments to Contractor when County determines there is a credible allegation of fraud.

Contractor shall comply with the County's retention policies for the treatment of recoveries of all overpayments from the Contractor, including specifically the retention policies for the treatment of recoveries of overpayments due to fraud, waste, or abuse.

D. REASONABLE ACCESS & ACCOMMODATIONS: Contractor shall ensure that it provides physical access, reasonable accommodations, and accessible equipment for Medicaid enrollees with physical or mental disabilities. [42 CFR 438.206(c)(3)].

E. BENEFICIARY'S RIGHTS: Contractor shall inform Medi-Cal Beneficiaries of their following rights:

- Beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in 42 CFR 438.400 through 42 CFR 438.424.
- The beneficiary's right to file grievances and appeals and the requirements and timeframes for filing.
- The availability of assistance to the beneficiary with filing grievances and appeals.
- The beneficiary's right to request a State fair hearing after the Contractor has made a determination on an enrollee's appeal, which is adverse to the beneficiary.
- The beneficiary's right to request continuation of benefits that the Contractor seeks to reduce or terminate during an appeal or state fair hearing filing, if filed within the allowable timeframes, although the beneficiary may be liable for the cost of any continued benefits while the appeal or state fair hearing is pending if the final decision is adverse to the beneficiary.

F. EXCLUSION LISTS AND STATUS: Contractor and any person with an ownership or control interest or who is an agent or managing employee of Contractor agrees to routine federal and state database checks pursuant to 42 C.F.R. 455.436 to confirm Contractor's identity and determining Contractor's exclusion status.

Consistent with the requirements of 42 C.F.R. §455.436, the Contractor must confirm the identify and determine the exclusion status of all providers (employees and network providers) and any subcontractor, as well as any person with an ownership or control interest, or who is an agent of managing employee of the of the Mental Health Plan through routine checks of Federal and State databases. This includes the Social Security Administration's Death Master File, the National Plan and Provider Enumeration System (NPPES), the Office of Inspector General's List of Excluded Individuals/Entities (LEIE), the System for Award Management (SAM), as well as the Department's Medi-Cal Suspended and Ineligible Provider List (S & I List).

If the Contractor finds that a party is excluded, it must promptly notify the County and take action consistent with 42 C.F.R. §438.610(c). The Contractor shall not certify or pay any provider with Medi-Cal funds, and any

such inappropriate payments or overpayments may be subject to recovery and/or be the basis for other sanctions by the appropriate authority.

G. SERVICE VERIFICATIONS: Pursuant to 42 C.F.R. § 438.608(a)(5), the Contractor, and/or any subcontractor, to the extent that the subcontractor is delegated responsibility by the Contractor for coverage of services and payment of claims under this Agreement, shall implement and maintain arrangements or procedures that include provisions to verify, by sampling or other methods, whether services that have been represented to have been delivered by network providers were received by enrollees and the application of such verification processes on a regular basis.

EXHIBIT “D”

**SCHEDULE OF HIPAA PROVISIONS
FOR COVERED ENTITY CONTRACTORS**

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA):
HEALTH CARE PROVIDER AGREEMENT

Contractor acknowledges that it is a “health care provider” and therefore is a Covered Entity, for purposes of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) and therefore is directly subject to the privacy, security and breach notification requirements therein and the civil and criminal penalties and shall implement its standards.

Contractor agrees to:

1. Use or disclose Protected Health Information (PHI) obtained from the County only for purposes of providing diagnostic or treatment services to patients.
2. Develop and maintain a written information privacy and security program that includes the designation of Privacy and Security Officer and establishes and maintains appropriate safeguards to prevent any use or disclosure of PHI other than as provided for by this agreement and applicable law. Safeguards shall include administrative, physical, and technical safeguards appropriate to the size and complexity of the Contractor’s operations and the nature and scope of its activities. Contractor will provide County with information concerning such safeguards as County may reasonably request from time to time.
3. Track disclosures and make available the information required to provide an accounting of disclosures if requested by the individual or County in accordance with 45 CFR §164.528.
4. Ensure sufficient training and utilize reasonable measures to ensure compliance with requirements of this agreement by Contractor’s workforce members who use or disclose PHI (in any form) to assist in the performance of functions or activities under this contract; and discipline such employees who intentionally violate any provisions of this agreement, including termination of employment. Workforce member training shall be documented and such documents retained for the period of this contract and made available to County for inspection if requested.
5. Take prompt corrective action in the event of any security incident or any unauthorized use or disclosure of Protected Health Information to cure any such deficiencies and to take any action required by applicable federal and state laws and regulations.

6. Report to County any security incident or any unauthorized use or disclosure of PHI (in any form). Security incidents include attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system. Contractor shall make this report by the next business day following discovery of the use, disclosure, or security incident. Any unauthorized use or disclosure or security incident shall be treated as discovered by Contractor on the first day on which such use or disclosure or security incident is known to the Contractor, including any person, other than the individual committing the unauthorized use or disclosure or security incident, that is an employee, officer or other agent of the Contractor, or who should reasonably have known such unauthorized activities occurred.
7. Make Contractor's internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by the Contractor on behalf of COUNTY available to the County upon request. In addition, Contractor will make these items available to the Secretary of the United States Health and Human Services for purposes of determining County's or Contractor's compliance with HIPAA and its implementing regulations (in all events Contractor shall immediately notify County of any such request, and shall provide County with copies of any such materials).
8. Contractor agrees that this agreement may be amended from time to time by County if and to the extent required by the provision of 42 U.S.C. § 1171, et seq., enacted by HIPAA and regulations promulgated thereunder, in order to assure that this agreement is consistent therewith; and authorize termination of the agreement by County if County determines that Contractor has violated a material term of this agreement.
9. Ensure that Contractor will enter into "Business Associate Agreements" as required by HIPAA including provisions that the Business Associate agrees to comply with the same restrictions, conditions and terms that apply to the Contractor with respect to this agreement and with applicable requirements of HIPAA and HITECH. The Business Associate Agreement must be a written contract including permissible uses and disclosures and provisions where the Business Associate agrees to implement reasonable and appropriate security measures to protect the information (PHI or ePHI) it creates, receives, maintains or transmits on behalf of Contractor or County with respect to this agreement.