

**CONTRACT FOR SERVICES  
PLACER COUNTY DEPARTMENT OF HEALTH & HUMAN SERVICES**

DESCRIPTION: Telephone Triage Services  
CONTRACT NO. **HHS000725**  
BEGINS: July 1, 2023  
ENDS: June 30, 2024  
ADMINISTERING AGENCY: Health and Human Services, Adult System of Care

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This is an Agreement made and operative as of the 1<sup>st</sup> day of July, 2023, between the COUNTY OF PLACER, through its Health and Human Services Department, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and **County of Nevada, Department of Behavioral Health**, a political subdivision of the State of California, hereinafter referred to as "CONTRACTOR."

WHEREAS, COUNTY desires to make the most appropriate and economical use of regional services in order to provide comprehensive mental health services to all residents of Placer County, and,

WHEREAS, CONTRACTOR currently operates a 24 hours per day, seven days per week telephone crisis triage service, and

WHEREAS, the parties wish to enter into this Agreement to provide a full and complete statement of their respective responsibilities in connection with the recitals set forth above,

NOW, THEREFORE, in consideration of the mutual covenants and agreements of this Agreement, the parties hereby agree as follows:

1. **SERVICES:** CONTRACTOR agrees to provide COUNTY with Telephone Triage Services, as set forth in Exhibit A, titled Scope of Services, attached hereto and incorporated herein by this reference.
2. **AMENDMENTS:** This Agreement constitutes the entire Agreement between the parties. Any amendments or changes to this Agreement, including attachments, shall be agreed to in writing, specifying the change(s) and the effective date(s) and shall be executed by duly authorized representatives of both parties. However, in no event shall such amendments create additional liability to COUNTY or provide additional payment to CONTRACTOR except as expressly set forth in this or the amended Agreement.
3. **PAYMENT:** COUNTY will pay to CONTRACTOR as full payment for all services rendered pursuant to this Agreement in the amount set forth in Exhibit B, titled Payment Provisions, attached hereto. The payment specified in Exhibit B shall be the only payment made to CONTRACTOR for services rendered pursuant to this Agreement. The total amount of this contract and payments made under this Agreement shall not exceed **EIGHT HUNDRED TWENTY ONE THOUSAND SIXTY-EIGHT DOLLARS (\$821,068)**. This payment amount shall be inclusive of all CONTRACTOR costs, including, but not limited to travel, transportation, lodging, meals, supplies, and incidental expenses except as otherwise might be specifically set forth in this Agreement. CONTRACTOR shall charge for travel according to the Federal General Services Administration (GSA) guidelines.
4. **OMB 2 CFR Part 200:** Except for agreements that are straight hourly rate or fee for services contracts not built on a submitted Budget, all components of payment billed to COUNTY will be calculated in accordance with the Office of Management and Budget (OMB) 2 CFR Part 200.
5. **INVOICES:**
  - 5.1. CONTRACTOR shall provide invoices to the COUNTY on a quarterly basis, within 30 calendar days of the close of each calendar month with the exception of June billing. For all contracts, invoices for services provided during the month of June shall be received by COUNTY by 5:00 p.m. on July 15th. Exhibit B, titled Payment Provisions shall indicate if this

contract is reimbursed with funds from the CEC/Cash Claim. COUNTY will review, approve, and pay all valid invoices within 30 calendar days of receipt. In the event of multiple invoices being submitted to the COUNTY at one time or insufficient documents supporting an invoice, payment by the COUNTY may be delayed beyond the 30-day timeline.

- 5.2. Invoices for payment shall be on the Sample Invoice provided by COUNTY or on CONTRACTOR'S letterhead and shall include the contract number, the CONTRACTOR name and remittance address, a unique invoice number, and a list of expenses with dollar amounts in accordance with Exhibit B. When submitting invoices electronically when there is a business need to include PII or PHI, emails should be encrypted. Invoices for payment shall be submitted to the following address or via email to the address below:

Placer County HHS Fiscal  
Attn: Accounts Payables  
3091 County Center Drive, Suite 290  
Auburn, CA 95603  
Email: [HHSPayables@placer.ca.gov](mailto:HHSPayables@placer.ca.gov)

- 5.3. Payment Delay. Notwithstanding any other terms of this Agreement, no payments will be made to CONTRACTOR until COUNTY is satisfied that work of such value has been rendered pursuant to this Agreement. However, COUNTY will not unreasonably withhold payment and, if a dispute exists, the withheld payment shall be proportional only to the item in dispute.

6. **EXHIBITS:** Exhibits expressly listed on the signature page of this Agreement are hereby incorporated herein by this reference and collectively, along with this base document, form the Agreement. In the event of any conflict or inconsistency between provisions contained in the base agreement or exhibits such conflict or inconsistency shall be resolved by giving precedence according to the following priorities: Exhibit A, Exhibit B, base agreement, then followed by any remaining exhibits. Responsibilities and obligations mandated by federal or state regulations or otherwise at law shall be liberally construed to meet legal requirements.
7. **FACILITIES, EQUIPMENT AND OTHER MATERIALS:** Except as otherwise specifically provided in this Agreement, CONTRACTOR shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for performing services pursuant to this Agreement. At COUNTY's discretion, COUNTY may make equipment or facilities available to CONTRACTOR for CONTRACTOR'S use in furtherance of this Agreement only where a COUNTY Facility or Equipment exhibit is attached to this Agreement identifying the equipment or facilities to be used by CONTRACTOR'S personnel. If COUNTY funds equipment as part of this contract, COUNTY will retain Equipment.
8. **ACCOUNTING REQUIREMENTS:** CONTRACTOR shall comply with all applicable COUNTY, State, and Federal accounting laws, rules and regulations. CONTRACTOR shall establish and maintain accounting systems and financial records that accurately account for and reflect all Federal funds received, including all matching funds from the State, COUNTY and any other local or private organizations. CONTRACTOR'S records shall reflect the expenditure and accounting of said funds in accordance with all applicable State laws and procedures for expending and accounting for all funds and receivables, as well as meet the financial management standards in 45 CFR Part 92 and in the Office of Management and Budget 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
9. **RIGHT TO MONITOR AND AUDIT:** COUNTY, State and Federal Governments shall have the right to monitor all work performed under this Agreement to assure that all-applicable State and Federal regulations are met. COUNTY, State and Federal Governments shall have the right to audit all work, records and procedures related to this Agreement to determine the extent to which the program is achieving its purposes and performance goals. COUNTY will have the right to review financial and programmatic reports and will notify CONTRACTOR of any potential Federal

and/or State exception(s) discovered during such examination. COUNTY will follow-up and require that the CONTRACTOR takes timely and appropriate action on all deficiencies. Failure by the CONTRACTOR to take timely and appropriate action on all deficiencies shall constitute a material breach of this Agreement.

10. **LIMITATION OF COUNTY LIABILITY FOR DISALLOWANCES:**

10.1. Notwithstanding any other provision of the Agreement, COUNTY will be held harmless by CONTRACTOR from any Federal or State audit disallowance and interest resulting from payments made to CONTRACTOR pursuant to this Agreement, less the amounts already submitted to the State for the disallowed claim.

10.2. To the extent that a Federal or State audit disallowance and interest results from a claim or claims for which CONTRACTOR has received reimbursement for services provided, COUNTY will recoup within 30 days from CONTRACTOR through offsets to pending and future claims or by direct billing, amounts equal to the amount of the disallowance plus interest in that fiscal year, less the amounts already remitted to the State for the disallowed claim. All subsequent claims submitted to COUNTY applicable to any previously disallowed claim may be held in abeyance, with no payment made, until the Federal or State disallowance issue is resolved.

10.3. CONTRACTOR shall reply in a timely manner, to any request for information or to audit exceptions by COUNTY, State and Federal audit agencies that directly relate to the services to be performed under this Agreement.

10.4. CONTRACTOR will cooperate with COUNTY in any challenge of a disallowance by a Federal or State agency.

11. **CONTRACT TERM:** This Agreement shall remain in full force and effect from July 1, 2023 through June 30, 2024. Contract provisions that contain report deadlines or record obligations which occur after contract termination survive as enforceable continuing obligations.

12. **CONTINGENCY OF FUNDING:**

12.1. Funding or portions of funding for this Agreement may be directly contingent upon state or federal budget approval; receipt of funds from, and/or obligation of funds by, the State of California or the United States Government to COUNTY; and inclusion of sufficient funding for the services hereunder in the budget approved by COUNTY'S Board of Supervisors for each fiscal year covered by this Agreement. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, COUNTY may immediately terminate or modify this CONTRACT without penalty. Except in COUNTY'S sole discretion, which discretion may be limited at law, CONTRACTOR agrees and understands that in no event will any of COUNTY'S obligations under this Agreement be funded from any other COUNTY funding source.

12.2. Any adjustments in funding shall be made through a written contract amendment, and shall include any changes required to the Scope of Services in response to modifications in funding. The amount of such adjustment shall not exceed any augmentation or reduction in funding to COUNTY by the County of Placer Board of Supervisors, State and/or the United States government. Amendments issued in response to adjustments in funding shall be considered fully executed when approved by the CONTRACTOR and COUNTY. CONTRACTOR understands that any such amendments to this Agreement may not reflect the entire amount of any augmentation or reduction in funding provided to COUNTY for the subject services.

13. **TERMINATION:**

13.1. COUNTY will have the right to terminate this Agreement at any time without cause by giving thirty (30) calendar days' notice, in writing, of such termination to CONTRACTOR. If the

COUNTY gives notice of termination for cause, CONTRACTOR shall immediately cease rendering service upon receipt of such written notice. Such notice shall be personally served or given by United States Mail.

13.2. In the event COUNTY terminates this Agreement, CONTRACTOR shall be paid for all work performed and all reasonable allowable expenses incurred to date of termination. Should there be a dispute regarding the work performed by CONTRACTOR under this Agreement, COUNTY will pay CONTRACTOR the reasonable value of services rendered by CONTRACTOR to the date of termination pursuant to this Agreement not to exceed the amount documented by CONTRACTOR and approved by COUNTY as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the Agreement specified in the Payment section herein, and further provided, however, COUNTY will not in any manner be liable for lost profits which might have been made by CONTRACTOR had CONTRACTOR completed the services required by this Agreement. CONTRACTOR shall furnish to COUNTY such financial and other information, which in the judgment of the COUNTY, is necessary to determine the reasonable value of the services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy which COUNTY may have in law or equity.

13.3. CONTRACTOR may terminate its services under this Agreement upon sixty (60) calendar days' advance written notice to the COUNTY.

14. **STANDARD OF PERFORMANCE:** CONTRACTOR shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONTRACTOR is engaged in the geographical area in which CONTRACTOR practices its profession. All products or services of whatsoever nature which CONTRACTOR delivers to COUNTY pursuant to this Agreement shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in CONTRACTOR'S profession. CONTRACTOR shall assign only competent personnel to perform services pursuant to this Agreement. In the event that COUNTY, in its sole discretion, desires the removal of any person or persons assigned by CONTRACTOR to perform services pursuant to this Agreement, CONTRACTOR shall remove any such person immediately upon receiving notice from COUNTY.

15. **LICENSES, PERMITS, ETC.:** CONTRACTOR represents and warrants to COUNTY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONTRACTOR and/or its employees to practice its/their profession. CONTRACTOR represents and warrants to COUNTY that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for CONTRACTOR and/or its employees to practice its/their profession at the time the services are performed.

16. **RECORDS:**

16.1. This provision is intended to provide the minimum obligations with respect to records. If provisions contained elsewhere in this Agreement, or at law, provide greater obligations with respect to records or information, those obligations control. For purposes of this provision "records" is defined to mean any and all writings, as further defined in California Evidence Code section 250, whether maintained in paper or electronic form, prepared by or received by CONTRACTOR, in relation to this Agreement.

16.2. CONTRACTOR shall maintain, at all times, complete detailed records with regard to work performed under this Agreement in a form acceptable to COUNTY. CONTRACTOR agrees to provide documentation or reports, compile data, or make its internal practices and records available to COUNTY or personnel of authorized state or federal agencies, for purpose of determining compliance with this Agreement or other applicable legal obligations. COUNTY

shall have the right to inspect or obtain copies of such records during usual business hours upon reasonable notice.

16.3. Upon completion or termination of this Agreement, if requested by COUNTY, CONTRACTOR shall deliver originals or copies of all records to COUNTY. COUNTY will have full ownership and control of all such records. If COUNTY does not request all records from CONTRACTOR, then CONTRACTOR shall maintain them for a minimum of four (4) years after completion or termination of the Agreement. If for some reason CONTRACTOR is unable to continue its maintenance obligations, CONTRACTOR shall give notice to COUNTY in sufficient time for COUNTY to take steps to ensure proper continued maintenance of records.

16.4. If Agreement is state or federally funded, CONTRACTOR shall be subject to the examination and audit of the California State Auditor for a period of three years after final payment under contract (California Government Code, Section 8546.7). Should COUNTY or any outside governmental entity require or request a post-contract audit, record review, report, or similar activity that would require CONTRACTOR to expend staff time and/or resources to comply, CONTRACTOR shall be responsible for all such costs incurred as a result of this activity.

17. **BACKGROUND CHECK:** CONTRACTOR accepts responsibility for determining and approving the character and fitness of its employees (including volunteers, agents or representatives). Completion of a satisfactory Live Scan will also be needed if legally required. CONTRACTOR further agrees to hold COUNTY harmless from any liability for injuries or damages (as outlined in the hold harmless clause contained herein) resulting from a breach of this provision or CONTRACTOR'S actions in this regard.

18. **INDEPENDENT CONTRACTOR:** In the performance of this Agreement, CONTRACTOR, its agents and employees are, at all times, acting and performing as independent contractors of the COUNTY, and this Agreement creates no relationship of employer and employee as between COUNTY and CONTRACTOR. CONTRACTOR agrees neither it nor its agents and 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 be responsible for all applicable State and Federal income and, payroll taxes and agrees to provide any workers' compensation coverage required by applicable State laws for its agents and employees for all work performed under this Agreement.

19. **INSURANCE and INDEMNIFICATION REQUIREMENTS:** See Exhibit C, attached hereto, for insurance requirements for this Agreement. The COUNTY'S insurance requirements are a material provision to this Agreement.

20. **CONFIDENTIALITY of RECORDS and INFORMATION:**

20.1. CONTRACTOR agrees to maintain confidentiality of information and records as required by applicable Federal, State and local laws, regulations and rules. CONTRACTOR shall not use or disclose confidential information other than as permitted or required by this Agreement and will notify COUNTY of any discovered instances of breaches of confidentiality. CONTRACTOR shall ensure that any subcontractors' agents receiving confidential information related to this Agreement agree to the same restrictions and conditions that apply to CONTRACTOR with respect to such information. CONTRACTOR agrees to hold COUNTY harmless from any breach of confidentiality, as set forth in the hold harmless provisions contained herein.

20.1.1. HIPAA/ Protected Health Information. If CONTRACTOR is a covered entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or the HIPAA Business Associate Agreement (BAA) Addendum is included as part of this Agreement, it is obliged to comply with applicable requirements of law and subsequent amendments relating to any protected health information, as well as any

task or activity CONTRACTOR performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements. If this Agreement has been determined to constitute a business associate relationship under HIPAA and the HIPAA regulations, CONTRACTOR is the Business Associate of COUNTY and agrees to the HIPAA Business Associate Agreement (BAA) Addendum exhibit attached to this Agreement.

20.1.2. 42 C.F.R. Part 2/ Drug and Alcohol Abuse Records. If CONTRACTOR is a covered program under the Confidentiality of Alcohol and Drug Abuse Patient Records Act, 42 C.F.R. Part 2 or signs the Qualified Service Organization Agreement (QSOA), it is obliged to comply with applicable requirements of law and subsequent amendments relating to any protected health information and patient identifying information, as well as any task or activity CONTRACTOR performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements. If this Agreement has been determined to constitute a qualified service organization relationship under 42 C.F.R. Part 2 and the 42 C.F.R. Part 2 regulations, CONTRACTOR is the Qualified Service Organization of COUNTY and agrees to enter into the Qualified Service Organization Agreement (QSOA) Addendum contained as an exhibit to this Agreement.

21. **CONFLICT OF INTEREST:** CONTRACTOR certifies that it has no current business or financial relationship with any COUNTY employee or official, or other COUNTY contract provider that could create a conflict with this Agreement and will not enter into any such business or financial relationships during the period of this Agreement. CONTRACTOR attests 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 exercises any functions or responsibilities in connection with this Agreement shall have any legally prohibited personal financial interest or benefit which either directly or indirectly arises out of this Agreement. CONTRACTOR shall establish safeguards to prohibit employees or officers from using their positions for a purpose which could result in legally prohibited private gain, or gives the appearance of being motivated for legally prohibited private gain for themselves or others, particularly those with whom they have family, business, or other ties. CONTRACTOR certifies that no official or employee of the COUNTY, nor any business entity in which an official of the COUNTY has an interest, has been employed or retained to solicit or aid in the procuring of this Agreement. In addition, CONTRACTOR agrees that no such person will be employed in the performance of this Agreement without immediately notifying the COUNTY.

22. **CONTRACT ADMINISTRATOR:**

22.1. ADMINISTRATOR will provide consultation and technical assistance in monitoring the terms of this Agreement.

22.2. ADMINISTRATOR is responsible for monitoring the performance of the CONTRACTOR in meeting the terms of this Agreement, for reviewing the quality of CONTRACTOR services, notifying CONTRACTOR of performance deficiencies, and pursuing corrective action to assure compliance with contract requirements.

22.3. ADMINISTRATOR may be revised from time to time, at the discretion of the COUNTY. Any change in ADMINISTRATOR will be provided to CONTRACTOR by written notice. At contract commencement, the ADMINISTRATOR will be:

Curtis Budge, Program Manager  
Placer County Adult System of Care  
101 Cirby Hills Drive  
Roseville, CA 95678  
916.787.8976

23. **NOTICES:** All notices required or authorized by this Agreement shall be in writing and shall be deemed to have been served if delivered personally or deposited in the United States Mail, postage prepaid and properly addressed as follows:

If to COUNTY: Robert L. Oldham, Director  
Placer County Dept. of Health and Human Services  
3091 County Center Drive, Suite 290  
Auburn, CA 95603  
[HHSContracts@placer.ca.gov](mailto:HHSContracts@placer.ca.gov)

If to CONTRACTOR: Phebe Bell, Director  
Nevada County Behavioral Health  
500 Crown Point Circle, Suite 120  
Grass Valley, CA 95945  
530.265.1437

Changes in contact person or address information shall be made by notice, in writing, to the other party.

24. **NONDISCRIMINATION:** During the performance of this Agreement, 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 will not unlawfully discriminate against employees, applicants or clients because of race, sex, sexual orientation, color, ancestry, religion or religious creed, national origin or ethnic group identification, 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.
25. **ASSIGNMENT:** CONTRACTOR shall not assign or sub-contract, in whole or part, any of its rights, duties, services or obligations arising under this Agreement without written consent of COUNTY. The terms of this Agreement shall also apply to any subcontractor(s) of CONTRACTOR.
26. **NON-EXCLUSIVITY:** Nothing herein is intended nor shall be construed as creating any exclusive arrangement with CONTRACTOR. This Agreement shall not restrict COUNTY from acquiring similar, equal or like goods and/or services from other entities or sources. CONTRACTOR shall only provide those services as requested by COUNTY and COUNTY may cancel any service request.
27. **TIME OF PERFORMANCE:** CONTRACTOR agrees to complete all work and services in a timely fashion.
28. **ENTIRETY OF AGREEMENT:** This Agreement contains the entire agreement of COUNTY and CONTRACTOR with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party which is not contained in this Agreement shall be binding or valid.
29. **GOVERNING LAW AND VENUE:** The parties enter into this Agreement in the County of Placer, California and agree to comply with all applicable laws and regulations therein. The laws of the State of California shall govern its interpretation and effect. For litigation purposes, the parties agree that the proper venue for any dispute related to the Agreement shall be the Placer County Superior Court or the United States District Court, Eastern District of California.
30. **CONTRACTOR NOT AGENT:** Except as COUNTY may specify in writing CONTRACTOR shall have no authority, express or implied, to act on behalf of COUNTY in any capacity whatsoever as an agent. CONTRACTOR shall have no authority, express or implied pursuant to this Agreement to bind COUNTY to any obligation whatsoever.

31. **SIGNATURES**: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument. The Parties agree that an electronic copy of a signed contract, or an electronically signed contract, shall have the same force and legal effect as a contract executed with an original ink signature. The term “electronic copy of a signed contract” refers to a transmission by facsimile, electronic mail, or other electronic means of a copy of an original signed contract in a portable document format. The term “electronically signed contract” means a contract that is executed by applying an electronic signature using technology approved by the Parties.

*//Signatures on following page*



**IN WITNESS WHEREOF**, the parties hereto have caused their duly authorized representatives to execute this Agreement as of the day first above stated:

COUNTY OF NEVADA ("CONTRACTOR")   _____ Phebe Bell, Director Nevada County Behavioral Health Department  Date: _____
Approved as to Form Office of Nevada County Counsel   _____ Date: _____

COUNTY OF PLACER ("COUNTY")   _____ Robert L. Oldham, Director, Department of Health & Human Services  Date: _____
Approved as to Form Office of Placer County Counsel   _____ Date: _____

**EXHIBITS:**

- Exhibit A – Scope of Services
- Exhibit B – Payment Provisions
- Exhibit C – Insurance and Indemnification Requirements
- Exhibit D – Reporting Exhibit
- Exhibit E – County Facility or Equipment to be used by Contractor
- Exhibit F – Information Security Requirements
- Exhibit G – Mental Health Contracts - Special Terms and Conditions
- Exhibit H – Compliance With DMC and SAPTBG Requirements
- Exhibit I – Qualified Service Organization Agreement (QSOA)

**SCOPE OF SERVICES**

1. Program Description:

- 1.1. CONTRACTOR agrees to provide, and COUNTY agrees to accept, Telephone Triage Services, which parties acknowledge and agree will be provided through a subcontract with Auburn Counseling Services, Inc. dba Communicare, for Placer County Adult System of Care (ASOC) with regard to Adult Protective Service (APS) referrals, Public Guardian (PG) referrals, Conditional Release Program (CONREP) calls, In-Home Supportive Services (IHSS) referrals, Mental Health referrals for adults, Substance Use Disorder (SUD) referrals for adults and behavioral health crisis referrals for adults, children, and youth. Additionally, Telephone Triage Services will be provided for the Children's System of Care (CSOC) with regard to Mental Health and Substance Use Disorder referrals for children and youth. CONTRACTOR, through its subcontractor, will also serve as a telephone answering service for after-hours Child Welfare Service (CWS) referrals and emergency calls, which shall be directed immediately to the after-hours Placer County CWS Social Worker who shall be responsible for the taking of any child welfare reports or emergency calls. CONTRACTOR, through its subcontractor, will also serve as a telephone answering service for the CSOC Wraparound program which shall be directed immediately to the after-hours Placer County CSOC Mental Health Social Worker who shall be responsible for triaging the Wraparound call for further services. CONTRACTOR, through its subcontractor, will also service as a telephone answering service for the CSOC Family Urgent Response Services (FURS) and those calls will be directed immediately to the CSOC Mental Health after hours supervisor for further triage. In no event shall CONTRACTOR or subcontractor provide triage services or otherwise be responsible for the intake and/or screening of child welfare referrals and/or child welfare emergency calls, and shall only act as a telephone answering service for the purpose of answering and transferring after-hours CSOC CWS callers making child abuse, neglect, sexual exploitation/trafficking reports, or other emergency child welfare services calls, to the designated Placer County CSOC CWS after-hours social worker.
- 1.2. For ASOC, Telephone Triage Services shall be provided 7 days a week, 24 hours each day (24/7), including holidays, for the term of this Agreement.
- 1.3. For CSOC (Mental Health or 5150 Crisis), Telephone Triage Services shall be provided 7 days a week, between the hours of 10:00 pm and 8:00am, including holidays, for the term of this Agreement.
  - Referrals after 10:00 p.m. and prior to 8:00 a.m., 7 days per week, or for the full 24 hours of each Placer County holiday, shall be referred to Placer County's CSOC FURS Supervisor on call as appropriate.

2. Responsibilities: The specific responsibilities of CONTRACTOR are as follows:

- 2.1. Receive all calls, collect intake information, and make assessment for appropriate referral to ASOC programs (APS, IHSS, Public Guardian, Mental Health, SUD, or behavioral health Crisis). • Referrals received After-Hours (after 5:00 p.m. and prior to 8:00 a.m., 7 days per week, 24 hours each day (24/7), including holidays) will be assessed and triaged and coordinated with others depending on the service requested or needed. For requests for mental health evaluations at the Placer County jails, efforts will be coordinated with ASOC

After Hours on-call staff. For all requests for adult placement attempts into a 5150 designated facility by outlying entities (Sutter, Kaiser, etc), efforts will be coordinated through the Lotus Crisis Respite Provider (currently North Valley Behavioral Health) who will seek placement.. All calls or referrals relating to APS, IHSS, PG, CONREP and urgent SUD referrals shall be triaged with Placer County ASOC on-call lead staff.

County is in the process of developing a 24/7 Mobile Crisis Triage response system for children and adults with an estimated Go-Live date of January 1, 2024. County and Contractor will work collaboratively to ensure that CONTRACTOR roles are clear pertaining to 24/7 coverage once this system is operational.

- 2.2. Receive all calls, collect intake information, and forward appropriate referral to CSOC programs (CWS, Mental Health, SUD, FURS or 5150 Crisis). For CSOC Mental Health and 5150 crisis programs not involving CSOC CWS reports and/or CWS emergency calls, CONTRACTOR will also collect intake information.
- 2.3. Document all ASOC calls through utilization of the Placer County Electronic Health Record or Panoramic tracking systems. Placer County is in the process of transitioning to a new Electronic Health Record called SmartCare effective July 1, 2023. CONTRACTOR will ensure its employees are trained in SmartCare and that all necessary information will be entered into SmartCare. For Public Guardian calls after hours, staff will alert the after-hours on-call County supervisor, who documents in Panoramic.
- 2.4. Document all CSOC mental health, SUD, FURS or 5150 crisis calls received for non-urgent mental health services through utilization of the Placer County EHR system.
- 2.5. Check the EHR to verify if caller is an active client in ASOC program or whether client has mental health or SUD history. For APS/PG calls, Intake worker will check relative history in Panoramic.
  - 2.5.1. If client is determined an active mental health or SUD client, Intake Worker shall leave a voice mail message for specific ASOC case manager with information on client's status as well as complete any necessary assessment tools, such as the State Screening and Transition of Care tool or the Brief questionnaire for Initial Placement (BQuiP) .
  - 2.5.2. If client is determined an active conserved client, the Intake worker shall leave a voice mail message for the specific ASOC PG deputy with information on client's status
- 2.6. For ASOC calls, Screen all APS, SUD, and mental health referrals to determine eligibility (Medi-Cal or third party insurance), and enter insurance information into Panoramic (APS) or SmartCare. For all IHSS applications, the Intake worker will refer the caller for Medi-Cal eligibility.
- 2.7. For non-CWS CSOC calls, screen all SUD, and mental health referrals to determine crisis status.
- 2.8. For non-CWS and non- FURS CSOC calls, contact the appropriate after-hours CSOC supervisor, if necessary, to coordinate the appropriate response and disposition.
- 2.9. For CSOC CWS or FURS calls, obtain necessary contact information of caller to allow a call back in the event of a disrupted call, and forward caller to the after-hours Placer County CSOC CWS after-hours social worker.

- 2.10. For ASOC calls, complete required referral documentation for specific programs using the appropriate forms for APS, IHSS, Mental Health, SUD (i.e. ASAM), or 5150 Crisis.
- 2.11. For ASOC and CSOC mental health, SUD, and Mobile Crisis Triage calls, use the youth or Adult screening or transition of care tool to determine linkage of mental health services to the specific manage care plan, where appropriate.

**PAYMENT PROVISIONS**

COUNTY will pay CONTRACTOR at a quarterly rate of TWO HUNDRED FIVE THOUSAND TWO HUNDRED SIXTY-SEVEN DOLLARS (\$205,267) during which Telephone Triage Services are provided as set forth in Section 1, Scope of Services and Exhibit A. The total contractual obligation shall not exceed EIGHT HUNDRED TWENTY ONE THOUSAND SIXTY-EIGHT DOLLARS (\$821,068) over the term of this Agreement. This rate shall be inclusive of all CONTRACTOR costs, including, but not limited to travel, transportation, lodging, meals, supplies, and incidental expenses.

**PLACER COUNTY INSURANCE AND INDEMNITY REQUIREMENTS**

CONTRACTOR shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A-:VII evidencing all coverages, limits, and endorsements listed below:

1. **HOLD HARMLESS AND INDEMNIFICATION AGREEMENT**

The CONTRACTOR hereby agrees to protect, defend, indemnify, and hold PLACER COUNTY free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by PLACER COUNTY arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the COUNTY) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. CONTRACTOR agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the CONTRACTOR. CONTRACTOR also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against CONTRACTOR or the COUNTY or to enlarge in any way the CONTRACTOR'S liability but is intended solely to provide for indemnification of PLACER COUNTY from liability for damages or injuries to third persons or property arising from CONTRACTOR'S performance pursuant to this contract or agreement.

As used above, the term PLACER COUNTY means Placer County or its officers, agents, employees, and volunteers.

2. **INSURANCE:**

CONTRACTOR shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A-:VII showing.

3. **WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE:**

Worker's Compensation Insurance shall be provided as required by any applicable law or regulation. Employer's liability insurance shall be provided in amounts not less than one million dollars (\$1,000,000) each accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit for bodily injury by disease, and one million dollars (\$1,000,000) each employee for bodily injury by disease.

If there is an exposure of injury to CONTRACTOR'S employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Each Worker's Compensation policy shall be endorsed with the following specific language:

Cancellation Notice - "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer".

Waiver of Subrogation - The workers' compensation policy shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against the County, its officers, directors, officials, employees, agents or volunteers, which might arise by reason of payment under such policy in connection with performance under this agreement by the CONTRACTOR.

CONTRACTOR shall require all SUBCONTRACTORS to maintain adequate Workers' Compensation insurance. Certificates of Workers' Compensation shall be filed forthwith with the County upon demand.

#### 4. GENERAL LIABILITY INSURANCE:

A. Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of CONTRACTOR, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

(1) Contractual liability insuring the obligations assumed by CONTRACTOR in this Agreement.

B. One of the following forms is required:

(1) Comprehensive General Liability;

(2) Commercial General Liability (Occurrence); or

(3) Commercial General Liability (Claims Made).

C. If CONTRACTOR carries a Comprehensive General Liability policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury, property damage, and Personal Injury Liability of:

→One million dollars (\$1,000,000) each occurrence

→Two million dollars (\$2,000,000) aggregate

D. If CONTRACTOR carries a Commercial General Liability (Occurrence) policy:

(1) The limits of liability shall not be less than:

→One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)

→One million dollars (\$1,000,000) for Products-Completed Operations

→Two million dollars (\$2,000,000) General Aggregate

(2) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits shall be two million dollars (\$2,000,000).

E. Special Claims Made Policy Form Provisions:

CONTRACTOR shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of COUNTY, which consent, if given, shall be subject to the following conditions:

(1) The limits of liability shall not be less than:

→One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)

→One million dollars (\$1,000,000) aggregate for Products Completed Operations

→Two million dollars (\$2,000,000) General Aggregate

(2) The insurance coverage provided by CONTRACTOR shall contain language providing coverage up to one (1) year following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

Conformity of Coverages - If more than one policy is used to meet the required coverages, such as a separate umbrella policy, such policies shall be consistent with all other applicable policies used to meet these minimum requirements. For example, all policies shall be Occurrence Liability policies or all shall be Claims Made Liability policies, if approved by the County as noted above. In no cases shall the types of policies be different.

5. **ENDORSEMENTS:**

Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:

- A. "The County of Placer, its officers, agents, employees, and volunteers are to be covered as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
- B. "The insurance provided by the Contractor, including any excess liability or umbrella form coverage, is primary coverage to the County of Placer with respect to any insurance or self-insurance programs maintained by the County of Placer and no insurance held or owned by the County of Placer shall be called upon to contribute to a loss."
- C. "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer."

6. **AUTOMOBILE LIABILITY INSURANCE:**

Automobile Liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence.

Covered vehicles shall include owned, non-owned, and hired automobiles/trucks.

7. **PROFESSIONAL LIABILITY INSURANCE (ERRORS & OMISSIONS):**

Professional Liability Insurance for Errors and Omissions coverage in the amount of not less than (\$1,000,000).

If CONTRACTOR sub-contracts in support of CONTRACTOR'S work provided for in the agreement, Professional Liability Insurance for Errors shall be provided by the sub-contractor in an amount not less than one million dollars (\$1,000,000) in aggregate.

The insurance coverage provided by the CONTRACTOR shall contain language providing coverage up to one (1) year following completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

8. **ADDITIONAL REQUIREMENTS:**

Premium Payments - The insurance companies shall have no recourse against the COUNTY and funding agencies, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by a mutual insurance company.

Policy Deductibles - The CONTRACTOR shall be responsible for all deductibles in all of the CONTRACTOR's insurance policies. The maximum amount of allowable deductible for insurance coverage required herein shall be \$25,000.

CONTRACTOR'S Obligations - CONTRACTOR'S indemnity and other obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this agreement.

Verification of Coverage - CONTRACTOR shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR'S obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.



Material Breach - Failure of the CONTRACTOR to maintain the insurance required by this agreement, or to comply with any of the requirements of this section, shall constitute a material breach of the entire agreement.

**REPORTING EXHIBIT**

**1. RECORDS AND REPORTS:**

CONTRACTOR shall be responsible for the following requirements through their subcontractor:

- 1.1. This provision is intended to provide the minimum obligations with respect to records. If provisions contained elsewhere in this Agreement, or at law, provide greater obligations with respect to records or information, those obligations control. For purposes of this provision "records" is defined to mean any and all writings, as further defined in California Evidence Code section 250, whether maintained in paper or electronic form, prepared by or received by CONTRACTOR, in relation to this Agreement.
- 1.2. CONTRACTOR shall maintain, at all times, complete detailed records with regard to work performed under this Agreement in a form acceptable to COUNTY. CONTRACTOR agrees to provide documentation or reports, compile data, or make its internal practices and records available to COUNTY or personnel of authorized state or federal agencies, for purpose of determining compliance with this Agreement or other applicable legal obligations. COUNTY will have the right to inspect or obtain copies of such records during usual business hours upon reasonable notice.
- 1.3. Upon completion or termination of this Agreement, COUNTY may request CONTRACTOR deliver originals or copies of all records to COUNTY. COUNTY will have full ownership and control of all such records. If COUNTY does not request all records from CONTRACTOR, then CONTRACTOR shall maintain them in accordance with 42 CFR Section 438 after completion or termination of the Agreement. If for some reason CONTRACTOR is unable to continue its maintenance obligations, CONTRACTOR shall give notice to COUNTY in sufficient time for COUNTY to take steps to ensure proper continued maintenance of records.
- 1.4. CONTRACTOR shall be subject to the examination and audit of the California State Auditor for a period of three years after final payment under contract (Government Code, Section 8546.7). Should COUNTY or any outside governmental entity require or request a post-contract audit, record review, report, or similar activity that would require CONTRACTOR to expend staff time and/or resources to comply, CONTRACTOR shall be responsible for all such costs incurred as a result of this activity.
- 1.5. COUNTY, DHCS, the Comptroller General of the United States, and other authorized State or Federal agencies and representatives shall have the right to examine CONTRACTOR'S records pertinent to the Placer County SAPTBG and DMC contract at any reasonable time.
  - 1.5.1. Client Records: CONTRACTOR shall maintain adequate records of each individual client including a record of services provided by the various professional and paraprofessional personnel in sufficient detail to evaluate services, and containing all data necessary in reporting to DHCS, including records of client interviews and progress notes. All client records shall be retained by CONTRACTOR in accordance with 42 CFR Section 438. Further, at the termination of contractual relationships between COUNTY and CONTRACTOR, COUNTY shall have such access to client records as is reasonably necessary to assure continuity of client care.
  - 1.5.2. Financial Records: Financial records shall be kept so that they clearly reflect the source of funding for each type of service for which reimbursement is claimed. These documents include, but are not limited to, all ledgers, books, vouchers, time sheets, payrolls, appointment schedules, client data cards, and schedules for allocating costs. Accounting records and supporting documentation shall be maintained in accordance with 42 CFR Section 438 following settlement of the Annual Cost Report. When an audit has been started before the expiration in accordance with 42 CFR Section 438, the

records shall be retained until completion of the audit and final resolution of all issues that arise in the audit. CONTRACTOR shall keep adequate and sufficient financial records and statistical data to support the year-end documents filed with the State. All records must be capable of verification by qualified auditors.

- 1.5.3. Monthly Reports: Each month, CONTRACTOR shall file with the COUNTY and with the State of California such reports as may be required by the State for statistical purposes and also such reports as may be needed and appropriate to secure to COUNTY reimbursement from the State for the cost to COUNTY of services provided by CONTRACTOR herein.
- 1.5.4. CalOMS and DATAR Reporting: CONTRACTOR agrees to prepare and electronically submit California Outcomes Measurement System (CalOMS) and DATAR reporting data to either COUNTY or State, as required by the COUNTY Contract Administrator, within five (5) days of the end of the month in which admission or discharge took place. Failure to submit data as required may delay reimbursements payable by COUNTY to CONTRACTOR.
- 1.5.5. Annual Cost Report: CONTRACTOR shall provide an Annual Cost Report to the COUNTY no later than the first of September for activities from the prior fiscal year. The Annual Cost Report shall reflect all revenues and expenses detailed as to sources and application of funds, salaries and wages, employee benefits, services and supplies, and such other expenses as necessary to operate the services as defined in this Agreement. Failure to submit a timely Annual Cost Report may delay reimbursements payable by COUNTY to CONTRACTOR.
- 1.5.6. Independent Audit Report: Within six (6) months of close of each COUNTY fiscal year, CONTRACTOR shall file a financial audit report as performed by an independent Certified Public Accountant, selected and performed in accordance with Federal Audit Guidelines OMB Super Circular.
- 1.5.7. Agency Program Budget: CONTRACTOR shall submit to COUNTY, for informational purposes upon request, its total corporation budget including: All program budgets, all revenue sources and projected revenue amounts, all cost allocations, and line-item breakdown of budget categories to include salary levels listed by job classification as well as detailing of operational and administrative expenses by cost center.
- 1.5.8. Transfer of Records: In the event that CONTRACTOR ceases operation, all files that are subject to audit shall be transferred to the COUNTY for proper storage of physical records and electronic data. CONTRACTOR shall notify COUNTY of impending closure as soon as such closure has been determined, and provide COUNTY with a complete list of records in its possession pertaining to COUNTY clients and operational costs under this Agreement. COUNTY shall promptly advise CONTRACTOR which records are to be transferred to the custody of COUNTY. Records not transferred to custody of COUNTY shall be properly destroyed by CONTRACTOR, and CONTRACTOR shall provide documentation of proper destruction of all such records to COUNTY.

**COUNTY FACILITY OR EQUIPMENT TO BE USED BY CONTRACTOR**

**Special Terms and Conditions including Security Standards for Placer County Data Network**

1. Specific Identification of Facility and Equipment. The following County facilities and/or equipment may be utilized by CONTRACTOR under this Agreement: (a) Access to the County Data Network (b) Access to County Citrix.
2. Use at County's Discretion. Use of County facilities or equipment is made at County's sole discretion. County may discontinue use of County facilities or equipment by CONTRACTOR upon reasonable notice. County reserves the right to provide substitute facilities or equipment at its discretion. County reserves the right to pre-approve all CONTRACTOR personnel who are to use County facilities or equipment. County reserves the right to require CONTRACTOR to remove any of CONTRACTOR'S personnel from County facilities or to discontinue use of County equipment.
3. Property Rights. All County facilities, equipment and data will remain under the sole ownership, custody and control of County and CONTRACTOR is not granted any property interest therein. CONTRACTOR shall only use County's facilities and equipment for the purposes of fulfilling its obligations to County under this Agreement. County may access any and all electronic or paper data and records created, transmitted, or accessed utilizing County equipment or while on County property.
4. Compliance with Laws and Regulations. CONTRACTOR and its employees shall comply at all times with all applicable laws, regulations, ordinances, and County policies regarding use of the County's facilities and equipment.
5. Confidentiality. CONTRACTOR and its employees are responsible for maintaining as confidential any confidential information of County's or any third party, acquired in the course of using County's facilities or equipment.
6. Conduct and Cooperation. CONTRACTOR and its employees and representatives are subject to the same rules of conduct as County's employees when using County facilities and equipment. CONTRACTOR and its employees may be subject to additional clearances, obligations, and conditions depending on the nature of the County facility or equipment being utilized. CONTRACTOR and its employees will cooperate with County in providing any additional information, signing any forms or acknowledgments, and in reasonably participating as a potential witness in any investigations undertaken under County policies in which CONTRACTOR or its employees might have information.
7. Third Parties. CONTRACTOR may not permit any other person to occupy or use County's facilities or equipment, including by placing such person's equipment in a County space, without first obtaining County's written consent to do so. Such consent may be withheld by County is County's sole discretion.
8. Co-located CONTRACTOR Employees. Co-location of CONTRACTOR'S employees at County facilities is discouraged and co-location will only be authorized in extraordinary circumstances as necessary to fulfill important service obligations under this Agreement. Such circumstances are not present here. Co-located CONTRACTOR employees will be required to pass a back-ground check and acknowledge familiarity with identified County policies and procedures. Co-located CONTRACTOR employees will also participate in any trainings deemed necessary by COUNTY.

9. If CONTRACTOR is given access to COUNTY'S electronic billing system through a County Data Network and/or Cloud resources CONTRACTOR shall utilize COUNTY electronic billing system to admit, discharge, enter service charges, check financial eligibility, and run reports specific to their clients. CONTRACTOR shall be allowed to only view their assigned programs and clients. CONTRACTOR agrees to report to the Contract Administrator any inadvertent viewing of information that is outside their assigned programs and clients.

10. CONTRACTOR must abide by the Placer County Information Security Policies and Information Security Acceptable Use Policy. Some important excerpts are listed below.

10.1 PURPOSE and DEFINITIONS - Placer County maintains as part of its information technology platform a computer network that includes hardware and software, voicemail, file servers, electronic mail (email), systems that allow access to the internet, cloud-based computing programs and processes, and other electronic pathways. These systems are provided to assist in the conduct of County business within Placer County. Based on CONTRACTOR access, the following applies in whole or in part.

## 10.2 POLICY

10.2.1 Ownership and Control - All components of the Placer County Technology Platform, including voicemail, email messages sent and received, files and records created or placed on any County file server, and all data placed onto or accessed by the County's computer network including internet access, are and remain either the property of or under the control of Placer County and not the User.

10.2.2 Access and Privacy - Placer County, through the Department of Information Technology (IT), has access to all information technology and electronic equipment and data (computer, voicemail, email, directories, files, electronic records, and Internet and Cloud access). Placer County reserves the right to retrieve and review any voicemail, email, directory, file, record or Internet access records composed, sent, accessed by, or received on its systems.

10.2.2.1 Users should be aware that, even when a message or file is erased or a visit to a website is closed, it is still possible to recreate the message, file or Internet access records.

10.2.2.2 All communications, including text and images may be disclosed by management to third parties or law enforcement, and/or may be used by management for any other lawful purpose including discipline or vendor disputes without prior consent of the sender or receiver.

10.2.2.3 Users have no right to privacy as to any information or file stored on or transmitted through Placer County's computer systems including the internet and cloud, voicemail system, email or other technical resources.

10.2.3 Authorization and Accountability - Each individual must have a separate log-in account and password for network use.

10.2.4 Passwords - Passwords are an important aspect of computer security. A poorly chosen password may result in unauthorized access and/or exploitation of Placer County's resources. All users, including contractors and vendors with access to the County's systems, are responsible for the creation and protection of passwords and additionally any updates to County Password policies must be followed. Users must not use the same password for Placer County accounts and personal accounts.

The reliability of passwords for maintaining confidentiality cannot be guaranteed. Always assume that someone, in addition to the intended or designated recipient, may read any and all messages and files. Any user suspecting that his/her password may have been compromised must, without delay, report the incident to Placer County IT.

- 10.2.4.1. Passwords must never be shared or disclosed. If a password is accidentally exposed or suspected of exposure, the password should be changed immediately.
- 10.2.4.2. All passwords must be changed on a specified, periodic basis.
- 10.2.4.3. Default passwords provided by the vendor for access to applications/systems on the network must be changed to unique and secret passwords.
- 10.2.4.4. Immediately inform the Information Technology Service Desk when user accounts are no longer required or will not be used for a period of 30 days or more.
- 10.2.4.5. All accounts not used for 90 days will be automatically disabled.

#### 10.2.5 Authorized Access

- 10.2.5.1 Users may access only the messages, files, or programs that they have authorization to use and where that use, or access is actually needed to perform their work duties. Unauthorized review, duplication, dissemination, removal, damage, or alteration of files, passwords, computer systems or programs, voicemail messages, or other property of Placer County, or improper use of information obtained by authorized means is a violation of this Policy.
- 10.2.5.2 Access to any internet-based site, including Cloud or social media site, is limited to Placer County IT approved sites and access or use may be prohibited by Placer County IT on the ground that the access poses an unreasonable risk to County network security, or the site primarily includes content that is prohibited under this Policy.
- 10.2.5.3 Attempts to circumvent protection mechanisms and standards to gain unauthorized access will be subject to disciplinary action.
- 10.2.5.4 Vendors must comply with Placer County security standards and it is the responsibility of the department involved to monitor this compliance.
- 10.2.5.5 Security vulnerabilities and suspicious or illicit use of information technologies should be reported to your immediate supervisor or the Information Technology Service Desk.
- 10.2.5.6 Only authorized staff should maintain, move or modify County network systems and components.
- 10.2.5.7 If removable media devices are used, they must be scanned with an antivirus solution when plugged into the Placer County network.
- 10.2.5.8 Licensing requirements and copyright laws must be adhered to.
- 10.2.5.9 All department supported systems and devices must be maintained with the current security patches and updates.
- 10.2.5.10 Security lifecycle practices must be practiced in all development cycles.
- 10.2.5.11 Per the Placer County Information Security Program Charter, data sensitivity is established by the department owning the information. All sensitive or confidential data must be protected in transit and when stored.
- 10.2.5.12 Applications should employ Single Sign On technology.
- 10.2.5.13 Business critical systems and data must be backed up with periodically validated processes.

10.2.6 Prohibited Activities - To prevent computer viruses from being transmitted, to protect Placer County information and records, Users are prohibited from performing the following activities without first obtaining authorization from the IT Department. Authorization may occur individually, pursuant to a pre-approved list of allowable programs or activities, or by provision of a product approved by the IT Department to a department, User, or to the County generally. The following activities are otherwise prohibited:

10.2.6.1 Do not download any software onto a County computer, network drive, or mobile communications device.

10.2.6.2 Do not transfer, that is upload or download, documents, videos or information to or from an unauthorized Cloud based service or related website.

10.2.6.3 Do not plug non-County devices into the network.

10.2.6.4 Disconnect remote sessions to the network when the work is completed.

#### 10.2.7 Violations

10.2.7.1 Placer County management may advise appropriate law enforcement officials of any alleged illegal acts related to use of any component of the County's Technology Platform.

10.2.7.2 The Department of Information Technology may revoke or limit the use or access of any User for violations of this Policy. The Chief Information Officer reserves the right to deviate from this policy in emergency circumstances.

11. Notification of Data Security Incident. For purposes of this section, "Data Security Incident" is defined as unauthorized access to the CONTRACTOR'S business and/or business systems by a third party, which access could potentially expose County data or systems to unauthorized access, disclosure, or misuse. In the event of a Data Security Incident, CONTRACTOR must notify County within 48 hours. Notice should be made to [ITSEC@placer.ca.gov](mailto:ITSEC@placer.ca.gov) and [HHSContracts@placer.ca.gov](mailto:HHSContracts@placer.ca.gov). Notice under this section must include the date of incident and CONTRACTOR'S systems and/or locations which were affected. The duty to notify under this section is broad, requiring disclosure whether or not any impact to County data is known at the time, to enable County to take immediate protective actions of its data and cloud environments. Failure to notify under this section is a material breach, and County may immediately terminate the Agreement for failure to comply.

**INFORMATION SECURITY REQUIREMENTS**

**1. DATA LOCATION**

- 1.1. The CONTRACTOR shall not store or transfer non-public COUNTY data outside of the United States. This includes backup data and Disaster Recovery locations. The CONTRACTOR will permit its personnel and contractors to access COUNTY data remotely only as required to provide technical support. (Remote access to data from outside the continental United States is prohibited unless approved in advance and in writing by the County.)
- 1.2. The CONTRACTOR must notify the COUNTY in advance and in writing of any location changes to CONTRACTOR's data center(s) that will process or store County data.

**2. DATA ENCRYPTION**

- 2.1. For all COUNTY data, the CONTRACTOR shall encrypt all non-public **data in transit** regardless of the transit mechanism.
- 2.2. For all COUNTY data, if the CONTRACTOR stores sensitive personally identifiable or otherwise confidential information, this data shall be **encrypted at rest**. Examples are social security number, date of birth, driver's license number, financial data, federal/state tax information, and hashed passwords.
- 2.3. For all COUNTY data, the CONTRACTOR's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology Security Requirements as outlined at <http://nvlpubs.nist.gov/nistpubs/Legacy/SP/nistspecialpublication800-111.pdf>

**3. SUB-CONTRACTOR DISCLOSURE**

- 3.1. The CONTRACTOR shall ensure its subcontractors, vendors, agents, and suppliers acting on behalf or, or through CONTRACTOR comply with all COUNTY Information Security Requirements.

**4. BUSINESS CONTINUITY**

- 4.1. CONTRACTOR shall provide and maintain a business continuity and disaster recovery plan that achieves the County's Recovery Time Objective (RTO) and Recovery Point Objective (RPO), as set forth below, and specifically incorporated herein.
  - 4.1.1. Recovery Time Objective is the duration of time within which a service, business process or application must be restored after an outage to avoid unacceptable consequences associated with a break in continuity of business.
  - 4.1.2. Recovery Point Objective is the maximum acceptable amount of data loss after an unplanned outage expressed as an amount of time. Example: If RPO is 4 hours, only a maximum of 4 hours' worth of data can be lost. Backups should be maintained at intervals of every 4 hours.

**5. BREACH NOTIFICATION**

- 5.1. CONTRACTOR shall notify the COUNTY's contract administrator concerning any breach of COUNTY data or any data incident involving CONTRACTOR's data in which the security of COUNTY data systems may be compromised within 24 hours of the breach or incident.



**MENTAL HEALTH CONTRACTS - SPECIAL TERMS AND CONDITIONS**

**1. MENTAL HEALTH REQUIREMENTS**

CONTRACTOR shall comply with all applicable provisions of the COUNTY MHP contract, available from COUNTY upon request and at the link below. All services, documentation, and reporting shall be provided in conformity with the requirements of all pertinent laws, regulations, and COUNTY requirements. <https://www.placer.ca.gov/DocumentCenter/View/2455/Department-of-Health-Care-Services-Mental-Health-Provider-17-94602-PDF>

**2. CONFORMITY WITH STATE AND FEDERAL LAWS AND REGULATIONS**

2.1. CONTRACTOR shall provide services in conformance with all applicable state and federal statutes, regulations and subregulatory guidance, as from time to time amended, including but not limited to:

- 2.1.1. California Code of Regulations, Title 9;
- 2.1.2. California Code of Regulations, Title 22;
- 2.1.3. California Welfare and Institutions Code, Division 5;
- 2.1.4. United States Code of Federal Regulations, Title 42, including but not limited to Parts 438 and 455;
- 2.1.5. United States Code of Federal Regulations, Title 45;
- 2.1.6. United States Code, Title 42 (The Public Health and Welfare), as applicable;
- 2.1.7. Balanced Budget Act of 1997;
- 2.1.8. Health Insurance Portability and Accountability Act (HIPAA); and
- 2.1.9. Applicable Medi-Cal laws and regulations, including applicable sub-regulatory guidance, such as BHINs, MHSUDS INs, and provisions of COUNTY'S, state or federal contracts governing client services.

2.2. In the event any law, regulation, or guidance referred to in this Exhibit is amended during the term of this Agreement, the Parties agree to comply with the amended authority as of the effective date of such amendment without amending this Agreement.

**SERVICES AND ACCESS PROVISIONS**

**3. CERTIFICATION OF ELIGIBILITY**

CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS under Medi-Cal.

**4. ACCESS TO SPECIALTY MENTAL HEALTH SERVICES**

4.1. In collaboration with the COUNTY, CONTRACTOR will work to ensure that individuals to whom the Contractor provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.

4.2. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (I) or (II) below. If a client under age 21 meets the criteria as described in (I) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (II) below.

4.2.1. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

4.2.2. The client has at least one of the following:

4.2.2.1. A significant impairment

4.2.2.2. A reasonable probability of significant deterioration in an important area of life functioning

4.2.2.3. A reasonable probability of not progressing developmentally as appropriate.

4.2.2.4. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

AND the client's condition as described in subparagraph (II a-d) above is due to one of the following:

4.2.2.5. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).

4.2.2.6. A suspected mental health disorder that has not yet been diagnosed.

4.2.2.7. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

4.3. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (I) and (II) below:

4.3.1. The client has one or both of the following:

4.3.1.1. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.

4.3.1.2. A reasonable probability of significant deterioration in an important area of life functioning.

4.3.2. The client's condition as described in paragraph (I) is due to either of the following:

4.3.2.1. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.

4.3.2.2. A suspected mental disorder that has not yet been diagnosed.

## 5. **ADDITIONAL CLARIFICATIONS**

### 5.1. Criteria

- 5.1.1. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:
  - 5.1.1.1. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
  - 5.1.1.2. The service was not included in an individual treatment plan; or
  - 5.1.1.3. The client had a co-occurring substance use disorder.

5.2. Diagnosis Not a Prerequisite

- 5.2.1. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

**6. MEDICAL NECESSITY**

- 6.1. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time of service provision.
- 6.2. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.
- 6.3. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

**7. COORDINATION OF CARE**

- 7.1. CONTRACTOR shall ensure that all care, treatment and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.
- 7.2. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.
- 7.3. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.

- 7.4. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.
- 7.5. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.

**8. CO-OCCURRING TREATMENT AND NO WRONG DOOR**

- 8.1. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.
- 8.2. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:
  - 8.2.1. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.
  - 8.2.2. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

**AUTHORIZATION AND DOCUMENTATION PROVISIONS**

**9. SERVICE AUTHORIZATION**

- 9.1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.
- 9.2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.
- 9.3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.
- 9.4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.
- 9.5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

**10. DOCUMENTATION REQUIREMENTS**

- 10.1. CONTRACTOR will follow all documentation requirements as specified in Sections 10-16 below, inclusive in compliance with federal, state and COUNTY requirements.

- 10.2. All CONTRACTOR documentation shall be accurate, complete, and legible, shall list each date of service, and include the face-to-face time for each service. CONTRACTOR shall document travel and documentation time for each service separately from face-to-face time and provide this information to COUNTY upon request. Services must be identified as provided in-person, by telephone, or by telehealth.
- 10.3. All services shall be documented utilizing COUNTY-approved templates and contain all required elements. CONTRACTOR agrees to satisfy the chart documentation requirements set forth in BHIN 22-019 and the contract between COUNTY and DHCS. Failure to comply with documentation standards specified in this Article require corrective action plans.

## 11. **ASSESSMENT**

- 11.1. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.
- 11.2. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.
- 11.3. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048.
- 11.4. The time period for providers to complete an initial assessment and subsequent assessments for SMHS are up to clinical discretion of COUNTY; however, CONTRACTOR'S providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

## 12. **ICD-10**

- 12.1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.
- 12.2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.
- 12.3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

## 13. **PROBLEM LIST**

- 13.1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.

- 13.2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.
- 13.3. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.
- 13.4. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.
- 13.5. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.
14. **TREATMENT AND CARE PLANS:** CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.
15. **PROGRESS NOTES**
  - 15.1. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.
  - 15.2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.
  - 15.3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.
  - 15.4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.
  - 15.5. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.
16. **TRANSITION OF CARE TOOL**
  - 16.1. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.
  - 16.2. Determinations to transition care or add services from an MCP shall be made in alignment with COUNTY policies and via a client-centered, shared decision-making process.
  - 16.3. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at <https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx>, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording

and order of fields, shall remain identical to the DHCS provided form. The only exception to this requirement is when the tool is translated into languages other than English.

## 17. TELEHEALTH

- 17.1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at: <https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx>.
- 17.2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.
- 17.3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.
- 17.4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
- 17.5. COUNTY may at any time audit CONTRACTOR'S telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR'S adherence to telehealth standards and requirements.

## **CHART AUDITING AND REASONS FOR RECOUPMENT**

18. **MAINTENANCE OF RECORDS:** CONTRACTOR shall maintain proper clinical and fiscal records relating to clients served under the terms of this Agreement, as required by the Director, DHCS, and all applicable state and federal statutes and regulations. Client records shall include but not be limited to admission records, diagnostic studies and evaluations, client interviews and progress notes, and records of services provided. All such records shall be maintained in sufficient detail to permit evaluation of the services provided and to meet claiming requirements.
19. **ACCESS TO RECORDS:** CONTRACTOR shall provide COUNTY with access to all documentation of services provided under this Agreement for COUNTY'S use in administering this Agreement. CONTRACTOR shall allow COUNTY, CMS, the Office of the Inspector General, the Controller General of the United States, and any other authorized federal and state agencies to evaluate performance under this Agreement, and to inspect, evaluate, and audit any and all records, documents, and the premises, equipment and facilities maintained by the CONTRACTOR pertaining to such services at any time and as otherwise required under this Agreement.
20. **FEDERAL, STATE AND COUNTY AUDITS:** In accordance with the California Code of Regulations, Title 9, Chapter 11, Section 1810.380(a), COUNTY will conduct monitoring and oversight activities to review CONTRACTOR'S SMHS programs and operations. The purpose of these oversight activities is to verify that medically necessary services are provided to clients, who meet medical necessity and criteria for access to SMHS as established in BHIN 21-073, in

compliance with the applicable state and federal laws and regulations, and/or the terms of the Agreement between CONTRACTOR and COUNTY, and future BHINs which may spell out other specific requirements.

## 21. INTERNAL AUDITING

21.1. CONTRACTOR shall institute and conduct a Quality Assurance Process for all services provided. Said process shall include at a minimum a system for verifying that all services provided and claimed for reimbursement shall meet SMHS definitions and be documented accurately.

21.2. CONTRACTOR shall provide COUNTY with notification and a summary of any internal audit exceptions and the specific corrective actions taken to sufficiently reduce the errors that are discovered through CONTRACTOR'S internal audit process. CONTRACTOR shall provide this notification and summary to COUNTY in a timely manner.

## 22. CONFIDENTIALITY IN AUDIT PROCESS

22.1. CONTRACTOR and COUNTY mutually agree to maintain the confidentiality of CONTRACTOR'S client records and information, in compliance with all applicable state and federal statutes and regulations, including but not limited to HIPAA and California Welfare and Institutions Code, Section 5328. CONTRACTOR shall inform all of its officers, employees, and agents of the confidentiality provisions of all applicable statutes.

22.2. CONTRACTOR'S fiscal records shall contain sufficient data to enable auditors to perform a complete audit and shall be maintained in conformance with standard procedures and accounting principles.

22.3. CONTRACTOR'S records shall be maintained as required by the Director and DHCS on forms furnished by DHCS or the COUNTY. All statistical data or information requested by the Director shall be provided by the CONTRACTOR in a complete and timely manner.

## 23. REASONS FOR RECOURPMENT

23.1. COUNTY will conduct periodic audits of CONTRACTOR files to ensure appropriate clinical documentation, high quality service provision and compliance with applicable federal, state and COUNTY regulations.

23.2. Such audits may result in requirements for CONTRACTOR to reimburse COUNTY for services previously paid in the following circumstances:

23.2.1. Identification of Fraud, Waste or Abuse as defined in federal regulation

23.2.1.1. Fraud and abuse are defined in C.F.R. Title 42, § 455.2 and W&I Code, section 14107.11, subdivision (d).

23.2.1.2. Definitions for "fraud," "waste," and "abuse" can also be found in the Medicare Managed Care Manual available at [www.cms.gov/Regulation-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf](http://www.cms.gov/Regulation-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf)

23.2.2. Overpayment of CONTRACTOR by COUNTY due to errors in claiming or documentation.

23.2.3. Other reasons specified in the SMHS Reasons for Recoupment document released annually by DHCS and posted on the DHCS BHIN website.



23.3. CONTRACTOR shall reimburse COUNTY for all overpayments identified by CONTRACTOR, COUNTY, and/or state or federal oversight agencies as an audit exception within the timeframes required by law or COUNTRY or state or federal agency.

**24. COOPERATION WITH AUDITS**

24.1. CONTRACTOR shall cooperate with COUNTY in any review and/or audit initiated by COUNTY, DHCS, or any other applicable regulatory body. This cooperation may include such activities as onsite program, fiscal, or chart reviews and/or audits.

24.2. In addition, CONTRACTOR shall comply with all requests for any documentation or files including, but not limited to, client and personnel files.

24.3. CONTRACTOR shall notify the COUNTY of any scheduled or unscheduled external evaluation or site visits when it becomes aware of such visit. COUNTY shall reserve the right to attend any or all parts of external review processes.

24.4. CONTRACTOR shall allow inspection, evaluation and audit of its records, documents and facilities for ten years from the term end date of this Agreement or in the event CONTRACTOR has been notified that an audit or investigation of this Agreement has been commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later pursuant to 42 C.F.R. §§ 438.3(h) and 438.230(c)(3)(i-iii).

**CLIENT PROTECTIONS**

**25. GRIEVANCES, APPEALS AND NOTICES OF ADVERSE BENEFIT DETERMINATION**

25.1. CONTRACTOR shall utilize COUNTY'S designated grievance and appeal system for resolving disputes and grievances including discrimination grievances, and issuing Notices of Adverse Benefit Determinations (NOABDS) pursuant to current state and federal guidelines.

25.2. CONTRACTOR shall not discourage the filing of grievances and clients do not need to use the term "grievance" for a complaint to be captured as an expression of dissatisfaction and, therefore, a grievance.

25.3. Aligned with MHSUDS IN 18-010E and 42 C.F.R. §438.404, the appropriate and delegated Notice of Adverse Benefit Determination (NOABD) must be issued by CONTRACTOR within the specified timeframes using the template provided by the COUNTY.

25.4. NOABDs must be issued to clients anytime the CONTRACTOR has made or intends to make an adverse benefit determination that includes the reduction, suspension, or termination of a previously authorized service and/or the failure to provide services in a timely manner. The notice must have a clear and concise explanation of the reason(s) for the decision as established by DHCS and the COUNTY. The CONTRACTOR must inform the COUNTY immediately after issuing a NOABD.

25.5. Procedures and timeframes for responding to grievances, issuing and responding to adverse benefit determinations, appeals, and state hearings must be followed as per 42 C.F.R., Part 438, Subpart F (42 C.F.R. §§ 438.400 – 438.424).

- 25.6. CONTRACTOR must provide clients any reasonable assistance in completing forms and taking other procedural steps related to a grievance or appeal such as auxiliary aids and interpreter services.
  - 25.7. CONTRACTOR must maintain records of grievances and appeals and must review the information as part of its ongoing monitoring procedures. The record must be accurately maintained in a manner accessible to the COUNTY and available upon request to DHCS.
  - 25.8. CONTRACTOR shall not require a beneficiary to file a Discrimination Grievance with the CONTRACTOR before filing the grievance directly with DHCS Office of Civil Rights and the U.S. Health and Human Services Office for Civil Rights.
  - 25.9. CONTRACTOR shall have access to the COUNTY designated discrimination grievance coordinator to Answer questions and provide appropriate assistance to CONTRACTOR staff and members regarding the CONTRACTOR'S state and federal nondiscrimination legal obligations. Advise the CONTRACTOR about nondiscrimination best practices and accommodating persons with disabilities. Investigate and process any Americans with Disabilities Act, Section 504 of the Rehabilitation Act, section 1557 of the Affordable Care Act, and/or Gov. Code section 11135 grievances received by the CONTRACTOR.
26. **ADVANCED DIRECTIVES:** CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128.
  27. **CONTINUITY OF CARE:** CONTRACTOR shall follow the COUNTY'S continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

## **PROGRAM INTEGRITY**

28. **GENERAL:** As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).
29. **CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS**
  - 29.1. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.
  - 29.2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waived, and/or certified.
  - 29.3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.

- 29.4. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:
- 29.4.1. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;
  - 29.4.2. A history of loss of license or felony convictions;
  - 29.4.3. A history of loss or limitation of privileges or disciplinary activity;
  - 29.4.4. A lack of present illegal drug use; and
  - 29.4.5. The application's accuracy and completeness
- 29.5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.
- 29.6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal in which they will attest that they will follow COUNTY'S Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.
- 29.7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the County's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information should be obtained from network providers to complete the re-credentialing process.

**30. SCREENING AND ENROLLMENT REQUIREMENTS**

- 30.1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))
- 30.2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))
- 30.3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

**31. COMPLIANCE PROGRAM, INCLUDING FRAUD PREVENTION AND OVERPAYMENTS**

- 31.1. CONTRACTOR shall have in place a compliance program designed to detect and prevent fraud, waste and abuse, as per 42 C.F.R. § 438.608(a)(1), that must include:

- 31.1.1. Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the Contract, and all applicable federal and state requirements.
  - 31.1.2. A Compliance Office (CO) who is responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements of this Agreement and who reports directly to the CEO and the Board of Directors.
  - 31.1.3. A Regulatory Compliance Committee on the Board of Directors and at the senior management level charged with overseeing the organization's compliance program and its compliance with the requirements under the Agreement.
  - 31.1.4. A system for training and education for the Compliance Officer, the organization's senior management, and the organization's employees for the federal and state standards and requirements under the Agreement.
  - 31.1.5. Effective lines of communication between the Compliance Officer and the organization's employees.
  - 31.1.6. Enforcement of standards through well-publicized disciplinary guidelines.
  - 31.1.7. The establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, corrections of such problems promptly and thoroughly to reduce the potential for recurrence and ongoing compliance with the requirements under the Contract.
  - 31.1.8. The requirement for prompt reporting and repayment of any overpayments identified.
- 31.2. CONTRACTOR must have administrative and management arrangements or procedures designed to detect and prevent fraud, waste and abuse of federal or state health care funding. CONTRACTOR must report fraud and abuse information to the County including but not limited to:
- 31.2.1. Any potential fraud, waste, or abuse as per 42 C.F.R. § 438.608(a), (a)(7),
  - 31.2.2. All overpayments identified or recovered, specifying the overpayment due to potential fraud as per 42 C.F.R. § 438.608(a), (a)(2),
  - 31.2.3. Information about changes in a client's circumstances that may affect the client's eligibility including changes in the client's residence or the death of the client as per 42 C.F.R. § 438.608(a)(3).
  - 31.2.4. Information about a change in the CONTRACTOR'S circumstances that may affect the network provider's eligibility to participate in the managed care program, including the termination of this Agreement with the Contractor as per 42 C.F.R. § 438.608(a)(6).
- 31.3. CONTRACTOR shall implement written policies that provide detailed information about the False Claims Act ("Act") and other federal and state laws described in section 1902(a)(68) of the Act, including information about rights of employees to be protected as whistleblowers.
- 31.4. CONTRACTOR shall make prompt referral of any potential fraud, waste or abuse to COUNTY or potential fraud directly to the State Medicaid Fraud Control Unit.

31.5. COUNTY may suspend payments to CONTRACTOR if DHCS or COUNTY determine that there is a credible allegation of fraud in accordance with 42 C.F.R. §455.23. (42 C.F.R. §438.608 (a)(8)).

31.6. CONTRACTOR shall report to COUNTY all identified overpayments and reason for the overpayment, including overpayments due to potential fraud. CONTRACTOR shall return any overpayments to the COUNTY within 60 calendar days after the date on which the overpayment was identified. (42 C.F.R. § 438.608 (a)(2), (c)(3)).

## 32. INTEGRITY DISCLOSURES

32.1. CONTRACTOR shall provide information on ownership and controlling interests, disclosures related to business transactions, and disclosures related to persons convicted of crimes in the form and manner requested by COUNTY, by the Effective Date, each time the Agreement is renewed and within 35 days of any change in ownership or controlling interest of CONTRACTOR. (42 C.F.R. §§ 455.104, 455.105, and 455.106.)

32.2. Upon the execution of this Contract, CONTRACTOR shall furnish COUNTY a Provider Disclosure Statement, which, upon receipt by COUNTY, shall be kept on file with COUNTY and may be disclosed to DHCS. If there are any changes to the information disclosed in the Provider Disclosure Statement, an updated statement should be completed and submitted to the COUNTY within 35 days of the change. (42 C.F.R. § 455.104.)

32.3. CONTRACTOR must disclose the following information as requested in the Provider Disclosure Statement:

32.3.1. Disclosure of 5% or More Ownership Interest:

32.3.1.1. In the case of corporate entities with an ownership or control interest in the disclosing entity, the primary business address as well as every business location and P.O. Box address must be disclosed. In the case of an individual, the date of birth and Social Security number must be disclosed.

32.3.1.2. In the case of a corporation with ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has a five percent (5%) or more interest, the corporation tax identification number must be disclosed.

32.3.1.3. For individuals or corporations with ownership or control interest in any subcontractor in which the disclosing entity has a five percent (5%) or more interest, the disclosure of familial relationship is required.

32.3.1.4. For individuals with five percent (5%) or more direct or indirect ownership interest of a disclosing entity, the individual shall provide evidence of completion of a criminal background check, including fingerprinting, if required by law, prior to execution of Contract. (42 C.F.R. § 455.434)

32.3.2. Disclosures Related to Business Transactions:

32.3.2.1. The ownership of any subcontractor with whom CONTRACTOR has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request.

32.3.2.2. Any significant business transactions between CONTRACTOR and any wholly owned supplier, or between CONTRACTOR and any subcontractor,

during the 5-year period ending on the date of the request. (42 C.F.R. § 455.105(b).)

32.3.3. Disclosures Related to Persons Convicted of Crimes:

32.3.3.1. The identity of any person who has an ownership or control interest in the provider or is an agent or managing employee of the provider who has been convicted of a criminal offense related to that person's involvement in any program under the Medicare, Medicaid, or the Title XXI services program since the inception of those programs. (42 C.F.R. § 455.106.)

32.3.3.2. COUNTY shall terminate the enrollment of CONTRACTOR if any person with five percent (5%) or greater direct or indirect ownership interest in the disclosing entity has been convicted of a criminal offense related to the person's involvement with Medicare, Medicaid, or Title XXI program in the last 10 years.

32.4. CONTRACTOR must provide disclosure upon execution of Contract, extension for renewal, and within 35 days after any change in CONTRACTOR ownership or upon request of COUNTY. COUNTY may refuse to enter into an agreement or terminate an existing agreement with CONTRACTOR if CONTRACTOR fails to disclose ownership and control interest information, information related to business transactions and information on persons convicted of crimes, or if CONTRACTOR did not fully and accurately make the disclosure as required.

32.5. CONTRACTOR must provide the COUNTY with written disclosure of any prohibited affiliations under 42 C.F.R. § 438.610. CONTRACTOR must not employ or subcontract with providers or have other relationships with providers Excluded from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610.

**33. CERTIFICATION OF NON-EXCLUSION OR SUSPENSION FROM PARTICIPATION IN A FEDERAL HEALTH CARE PROGRAM**

33.1. Prior to the effective date of this CONTRACT, the CONTRACTOR must certify that it is not excluded from participation in Federal Health Care Programs under either Section 1128 or 1128A of the Social Security Act. Failure to so certify will render all provisions of this Agreement null and void and may result in the immediate termination of the Contract.

33.2. CONTRACTOR shall certify, prior to the execution of the CONTRACT, that the CONTRACTOR does not employ or subcontract with providers or have other relationships with providers Excluded from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. CONTRACTOR shall conduct initial and monthly Exclusion & Suspension searches of the following databases and provide evidence of these completed searches when requested by COUNTY, DHCS or the US DHHS:

33.2.1. [www.oig.hhs.gov/exclusions](http://www.oig.hhs.gov/exclusions) - LEIE Federal Exclusions

33.2.2. [www.sam.gov/portal/SAM](http://www.sam.gov/portal/SAM) - GSA Exclusions Extract

33.2.3. [www.Medi-Cal.ca.gov](http://www.Medi-Cal.ca.gov) - Suspended & Ineligible Provider List

33.2.4. <https://nppes.cms.hhs.gov/#/> - National Plan and Provider Enumeration System (NPPES)

- 33.2.5. any other database required by DHCS or DHHS.
- 33.3. CONTRACTOR shall certify, prior to the execution of the Contract, that CONTRACTOR does not employ staff or individual contractors/vendors that are on the Social Security Administration's Death Master File. CONTRACTOR shall check the following database prior to employing staff or individual contractors/vendors and provide evidence of these completed searches when requested by the County, DHCS or the US DHHS.
- 33.3.1. <https://www.ssdmf.com/> - Social Security Death Master File
- 33.4. CONTRACTOR is required to notify COUNTY immediately if CONTRACTOR becomes aware of any information that may indicate their (including employees/staff and individual contractors/vendors) potential placement on an exclusions list.
- 33.5. CONTRACTOR shall screen and periodically revalidate all network providers in accordance with the requirements of 42 C.F.R., Part 455, Subparts B and E.
- 33.6. CONTRACTOR must confirm the identity and determine the exclusion status of all its providers, as well as any person with an ownership or control interest, or who is an agent or managing employee of the contracted agency through routine checks of federal and state databases. This includes the Social Security Administration's Death Master File, NPPEs, the Office of Inspector General's List of Excluded Individuals/Entities (LEIE), the Medi-Cal Suspended and Ineligible Provider List (S&I List) as consistent with the requirements of 42 C.F.R. § 455.436.
- 33.7. If CONTRACTOR finds a provider that is Excluded, it must promptly notify the COUNTY as per 42 C.F.R. § 438.608(a)(2), (4). The CONTRACTOR shall not certify or pay any Excluded provider with Medi-Cal funds, must treat any payments made to an Excluded provider as an overpayment, and any such inappropriate payments may be subject to recovery.

## **QUALITY IMPROVEMENT PROGRAM**

### **34. QUALITY IMPROVEMENT ACTIVITIES AND PARTICIPATION**

- 34.1. CONTRACTOR shall comply with the COUNTY'S ongoing comprehensive Quality Assessment and Performance Improvement (QAPI) Program (42 C.F.R. § 438.330(a)) and work with the COUNTY to improve established outcomes by following structural and operational processes and activities that are consistent with current practice standards.
- 34.2. CONTRACTOR shall participate in quality improvement (QI) activities, including clinical and non-clinical performance improvement projects (PIPs), as requested by the COUNTY in relation to state and federal requirements and responsibilities, to improve health outcomes and clients' satisfaction over time. Other QI activities include quality assurance, collection and submission of performance measures specified by the COUNTY, mechanisms to detect both underutilization and overutilization of services, client and system outcomes, utilization management, utilization review, provider appeals, provider credentialing and re-credentialing, and client grievances. CONTRACTOR shall measure, monitor, and annually report to the COUNTY its performance.
- 34.3. CONTRACTOR shall implement mechanisms to assess client/family satisfaction based on COUNTY'S guidance. The CONTRACTOR shall assess client/family satisfaction by:

- 34.3.1. Surveying client/family satisfaction with the CONTRACTOR'S services at least annually.
- 34.3.2. Evaluating client grievances, appeals and State Hearings at least annually.
- 34.3.3. Evaluating requests to change persons providing services at least annually.
- 34.3.4. Informing the COUNTY and clients of the results of client/family satisfaction activities.
- 34.4. CONTRACTOR, if applicable, shall implement mechanisms to monitor the safety and effectiveness of medication practices. This mechanism shall be under the supervision of a person licensed to prescribe or dispense prescription drugs, at least annually.
- 34.5. CONTRACTOR shall implement mechanisms to monitor appropriate and timely intervention of occurrences that raise quality of care concerns. The CONTRACTOR shall take appropriate follow-up action when such an occurrence is identified. The results of the intervention shall be evaluated by the CONTRACTOR at least annually and shared with the COUNTY.
- 34.6. CONTRACTOR shall assist COUNTY, as needed, with the development and implementation of Corrective Action Plans.
- 34.7. CONTRACTOR shall collaborate with COUNTY to create a QI Work Plan with documented annual evaluations and documented revisions as needed. The QI Work Plan shall evaluate the impact and effectiveness of its quality assessment and performance improvement program.
- 34.8. CONTRACTOR shall attend and participate in the COUNTY'S Quality Improvement Committee (QIC) to recommend policy decisions, review and evaluate results of QI activities, including PIPs, institute needed QI actions, and ensure follow-up of QI processes. CONTRACTOR shall ensure that there is active participation by the CONTRACTOR'S practitioners and providers in the QIC.
- 34.9. CONTRACTOR shall assist COUNTY, as needed, with the development and implementation of Corrective Action Plans.
- 34.10. CONTRACTOR shall participate, as required, in annual, independent external quality reviews (EQR) of the quality, timeliness, and access to the services covered under this CONTRACT, which are conducted pursuant to Subpart E of Part 438 of the Code of Federal Regulations. (42 C.F.R. §§ 438.350(a) and 438.320)

**35. NETWORK ADEQUACY**

- 35.1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).
- 35.2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the County, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.



- 35.3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.
- 35.4. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (I), the Contractor shall provide a client the ability to choose the person providing services to them.

## 36. **TIMELY ACCESS**

- 36.1. CONTRACTOR shall comply with the requirements set forth in CCR, Title 9, § 1810.405, including meeting COUNTY and State Contract standards for timely access to care and services, taking into account the urgency of need for services. The COUNTY shall monitor CONTRACTOR to determine compliance with timely access requirements and shall take corrective action in the event of noncompliance.
- 36.2. Timely access standards include:
  - 36.2.1. CONTRACTOR must have hours of operation during which services are provided to Medi-Cal clients that are no less than the hours of operation during which the provider offers services to non-Medi-Cal clients. If the CONTRACTOR'S provider only serves Medi-Cal clients, the provider must provide hours of operation comparable to the hours the provider makes available for Medi-Cal services that are not covered by the Agreement or another County.
  - 36.2.2. Appointments data, including wait times for requested services, must be recorded and tracked by CONTRACTOR, and submitted to the COUNTY on a monthly basis in a format specified by the COUNTY. Appointments' data should be submitted to the COUNTY'S Quality Management Department or other designated persons.
  - 36.2.3. Urgent care appointments for services that do not require prior authorization must be provided to clients within 48 hours of a request. Urgent appointments for services that do require prior authorization must be provided to clients within 96 hours of request.
  - 36.2.4. Non-urgent non-psychiatry mental health services, including, but not limited to Assessment, Targeted Case Management, and Individual and Group Therapy appointments (for both adult and children/youth) must be made available to Medi-Cal clients within 10 business days from the date the client or a provider acting on behalf of the client, requests an appointment for a medically necessary service. Non-urgent psychiatry appointments (for both adult and children/youth) must be made available to Medi-Cal clients within 15 business days from the date the client or a provider acting on behalf of the client, requests an appointment for a medically necessary service.
  - 36.2.5. Applicable appointment time standards may be extended if the referring or treating provider has determined and noted in the client's record that a longer waiting period will not have a detrimental impact on the health of the client.
  - 36.2.6. Periodic office visits to monitor and treat mental health conditions may be scheduled in advance consistent with professionally recognized standards of practice as

determined by the treating licensed mental health provider acting within the scope of his or her practice.

### **37. PRACTICE GUIDELINES**

37.1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY'S practice guidelines) that meet the following requirements:

- 37.1.1. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;
- 37.1.2. They consider the needs of the clients;
- 37.1.3. They are adopted in consultation with contracting health care professionals; and
- 37.1.4. They are reviewed and updated periodically as appropriate (42 C.F.R. § 438.236(b) and CCR, Title 9, Section 1810.326).

37.2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).

### **38. PROVIDER APPLICATION AND VALIDATION FOR ENROLLMENT (PAVE)**

38.1. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.

38.2. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.

39. **PHYSICIAN INCENTIVE PLAN:** If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

### **40. REPORTING UNUSUAL OCCURRENCES**

40.1. CONTRACTOR shall report unusual occurrences to the Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

40.2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

- 40.2.1. Complete written description of event including outcome;
- 40.2.2. Written report of CONTRACTOR'S investigation and conclusions;
- 40.2.3. List of persons directly involved and/or with direct knowledge of the event.

40.3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

## **FINANCIAL TERMS**

### **41. CLAIMING**

41.1. CONTRACTOR shall enter claims data into the COUNTY'S billing and transactional database system within the timeframes established by COUNTY. CONTRACTOR shall use Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) codes, as provided in the DHCS Billing Manual available at <https://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx>, as from time to time amended.

41.2. Claims shall be complete and accurate and must include all required information regarding the claimed services.

41.3. CONTRACTOR shall maximize the Federal Financial Participation (FFP) reimbursement by claiming all eligible Medi-Cal services and correcting denied services for resubmission in a timely manner as needed.

### **42. INVOICING**

42.1. CONTRACTOR shall invoice COUNTY for services monthly, in arrears, in the format directed by COUNTY. Invoices shall be based on claims entered into the COUNTY'S billing and transactional database system for the prior month.

42.2. Monthly payments for claimed services shall be based on the units of time assigned to each CPT or HCPCS code entered in the COUNTY'S billing and transactional database in combination with the formula involving the hourly service rates and practitioner types listed below. All claims for outpatient services must use units of service. Only the time it takes to provide direct services associated with that code can be counted toward a unit of service. All units of service must be whole numbers.

42.3. COUNTY'S payments to CONTRACTOR for performance of claimed services are provisional and subject to adjustment until the completion of all settlement activities. COUNTY'S adjustments to provisional payments for claimed services shall be based on the terms, conditions, and limitations of this Agreement or the reasons for recoupment set forth in Sections 18-24 above.

### **43. ADDITIONAL FINANCIAL REQUIREMENTS**

43.1. COUNTY has the right to monitor the performance of this Agreement to ensure the accuracy of claims for reimbursement and compliance with all applicable laws and regulations.

43.2. CONTRACTOR must comply with the False Claims Act employee training and policy requirements set forth in 42 U.S.C. 1396a(a)(68) and as the Secretary of the United States Department of Health and Human Services may specify.

43.3. CONTRACTOR agrees that no part of any federal funds provided under this Agreement shall be used to pay the salary of an individual per fiscal year at a rate in excess of Level 1 of the

Executive Schedule at <https://www.opm.gov/> (U.S. Office of Personnel Management), as from time to time amended.

43.4. Federal Financial Participation is not available for any amount furnished to an Excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the COUNTY failed to suspend payments during an investigation of a credible allegation of fraud [42 U.S.C. section 1396b(i)(2)].

**44. CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS [IF APPLICABLE]**

44.1. CONTRACTOR may not redirect or transfer funds from one funded program to another funded program under which CONTRACTOR provides services pursuant to this Agreement except through a duly executed amendment to this Agreement.

44.2. CONTRACTOR may not charge services delivered to an eligible client under one funded program to another funded program unless the client is also eligible for services under the second funded program.

**45. FINANCIAL AUDIT REPORT REQUIREMENTS FOR PASS-THROUGH ENTITIES**

45.1. If COUNTY determines that CONTRACTOR is a “subrecipient” (also known as a “pass-through entity”) as defined in 2 C.F.R. § 200 et seq., CONTRACTOR represents that it will comply with the applicable cost principles and administrative requirements including claims for payment or reimbursement by COUNTY as set forth in 2 C.F.R. § 200 et seq., as may be amended from time to time. CONTRACTOR shall observe and comply with all applicable financial audit report requirements and standards.

45.2. Financial audit reports must contain a separate schedule that identifies all funds included in the audit that are received from or passed through the COUNTY. COUNTY programs must be identified by Agreement number, Agreement amount, Agreement period, and the amount expended during the fiscal year by funding source.

45.3. CONTRACTOR will provide a financial audit report including all attachments to the report and the management letter and corresponding response within six months of the end of the audit year to the Director. The Director is responsible for providing the audit report to the County Auditor.

45.4. CONTRACTOR must submit any required corrective action plan to the COUNTY simultaneously with the audit report or as soon thereafter as it is available. The COUNTY shall monitor implementation of the corrective action plan as it pertains to services provided pursuant to this Agreement.

**ADDITIONAL FINAL RULE PROVISIONS**

**46. NON-DISCRIMINATION**

- 46.1. CONTRACTOR shall not discriminate against Medi-Cal eligible individuals in its county who require an assessment or meet medical necessity criteria for SMHS in the provision of SMHS because of race, color, religion, ancestry, marital status, national origin, ethnic group identification, sex, sexual orientation, gender, gender identity, age, medical condition, genetic information, health status or need for health care services, or mental or physical disability as consistent with the requirements of applicable federal law, such as 42 C.F.R. § 438.3(d)(3) and (4), BHIN 22-060 Enclosure 4 and state law.
- 46.2. CONTRACTOR shall take affirmative action to ensure that services to intended Medi-Cal clients are provided without use of any policy or practice that has the effect of discriminating on the basis of race, color, religion, ancestry, marital status, national origin, ethnic group identification, sex, sexual orientation, gender, gender identity, age, medical condition, genetic information, health status or need for health care services, or mental or physical disability.
47. **PHYSICAL ACCESSIBILITY:** In accordance with the accessibility requirements of section 508 of the Rehabilitation Act and the Americans with Disabilities Act of 1973, CONTRACTOR must provide physical access, reasonable accommodations, and accessible equipment for Medi-Cal clients with physical or mental disabilities.
48. **APPLICABLE FEES**
- 48.1. CONTRACTOR shall not charge any clients or third-party payers any fee for service unless directed to do so by the Director at the time the client is referred for services. When directed to charge for services, CONTRACTOR shall use the uniform billing and collection guidelines prescribed by DHCS.
- 48.2. CONTRACTOR will perform eligibility and financial determinations, in accordance DHCS' Uniform Method of Determining Ability to Pay (UMDAP), for all clients unless directed otherwise by the Director.
- 48.3. CONTRACTOR shall not submit a claim to, or demand or otherwise collect reimbursement from, the client or persons acting on behalf of the client for any specialty mental health or related administrative services provided under this Contract, except to collect other health insurance coverage, share of cost, and co-payments (Cal. Code Regs., tit. 9, §1810.365(c).
- 48.4. CONTRACTOR must not bill clients, for covered services, any amount greater than would be owed if COUNTY provided the services directly as per and otherwise not bill client as set forth in 42 C.F.R. § 438.106.
49. **CULTURAL COMPETENCE:** All services, policies and procedures must be culturally and linguistically appropriate. CONTRACTOR must participate in the implementation of the most recent Cultural Competency Plan for the COUNTY and shall adhere to all cultural competency standards and requirements. CONTRACTOR shall participate in the COUNTY'S efforts to promote the delivery of services in a culturally competent and equitable manner to all clients, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation, or gender identity.
50. **CLIENT INFORMING MATERIALS**
- 50.1. Basic Information Requirements

- 50.1.1. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1))  
CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.
- 50.1.2. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)
- 50.1.3. CONTRACTOR shall utilize the COUNTY'S website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all requirements regarding the same set forth 42 C.F.R. § 438.10.
- 50.1.4. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3))
- 50.1.5. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:
  - 50.1.5.1. The format is readily accessible;
  - 50.1.5.2. The information is placed in a location on the CONTRACTOR'S website that is prominent and readily accessible;
  - 50.1.5.3. The information is provided in an electronic form which can be electronically retained and printed;
  - 50.1.5.4. The information is consistent with the content and language requirements of this agreement;
  - 50.1.5.5. The client is informed that the information is available in paper form without charge upon request and CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

## 50.2. Language and Format

- 50.2.1. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))
- 50.2.2. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.
- 50.2.3. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR'S mental health education materials, available in the prevalent non-English languages in the county. (42 C.F.R. § 438.10(d)(3))
  - 50.2.3.1. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

- 50.2.4. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))
- 50.2.5. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).
- 50.2.6. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

### 50.3. Beneficiary Informing Materials

- 50.3.1. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:
  - 50.3.1.1. Guide to Medi-Cal Mental Health Services
  - 50.3.1.2. County Beneficiary Handbook (BHIN 22-060)
  - 50.3.1.3. Provider Directory
  - 50.3.1.4. Advance Health Care Directive Form (required for adult clients only)
  - 50.3.1.5. Notice of Language Assistance Services available upon request at no cost to the client
  - 50.3.1.6. Language Taglines
  - 50.3.1.7. Grievance/Appeal Process and Form
  - 50.3.1.8. Notice of Privacy Practices
  - 50.3.1.9. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)
- 50.3.2. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.
- 50.3.3. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.
- 50.3.4. Required informing materials must be electronically available on CONTRACTOR'S website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.
- 50.3.5. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.
- 50.3.6. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:
  - 50.3.6.1. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;
  - 50.3.6.2. Mails a printed copy of the information upon the client's request to the client's mailing address;
  - 50.3.6.3. Provides the information by email after obtaining the client's agreement to receive the information by email;

- 50.3.6.4. Posts the information on the CONTRACTOR'S website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,
- 50.3.6.5. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

#### 50.4. Provider Directory

- 50.4.1. CONTRACTOR must follow the COUNTY'S provider directory policy, in compliance with MHSUDS IN 18-020.
- 50.4.2. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the County provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).
- 50.4.3. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.
- 50.4.4. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waived, or registered mental health providers.

### **DATA, PRIVACY AND SECURITY REQUIREMENTS**

#### **51. CONFIDENTIALITY AND SECURE COMMUNICATIONS**

- 51.1. CONTRACTOR shall comply with all applicable federal and state laws and regulations pertaining to the confidentiality of individually identifiable protected health information (PHI) or personally identifiable information (PII) including, but not limited to, requirements of the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, the California Welfare and Institutions Code regarding confidentiality of client information and records and all relevant COUNTY policies and procedures.
- 51.2. CONTRACTOR will comply with all COUNTY policies and procedures related to confidentiality, privacy, and secure communications.
- 51.3. CONTRACTOR shall have all employees acknowledge an Oath of Confidentiality mirroring that of the COUNTY, including confidentiality and disclosure requirements, as well as sanctions related to non-compliance.
- 51.4. CONTRACTOR shall not use or disclose PHI or PII other than as permitted or required by law.

#### **52. ELECTRONIC PRIVACY AND SECURITY**



- 52.1. CONTRACTOR shall have a secure email system and send any email containing PII or PHI in a secure and encrypted manner. CONTRACTOR'S email transmissions shall display a warning banner stating that data is confidential, systems activities are monitored and logged for administrative and security purposes, systems use is for authorized users only, and that users are directed to log off the system if they do not agree with these requirements.
- 52.2. CONTRACTOR shall institute compliant password management policies and procedures, which shall include but not be limited to procedures for creating, changing, and safeguarding passwords. CONTRACTOR shall establish guidelines for creating passwords and ensuring that passwords expire and are changed at least once every 90 days.
- 52.3. Any Electronic Health Records (EHRs) maintained by CONTRACTOR that contain PHI or PII for clients served through this Agreement shall contain a warning banner regarding the PHI or PII contained within the EHR. CONTRACTORS that utilize an EHR shall maintain all parts of the clinical record that are not stored in the EHR, including but not limited to the following examples of client signed documents: discharge plans, informing materials, and health questionnaire.
- 52.4. CONTRACTOR entering data into any COUNTY electronic systems shall ensure that staff are trained to enter and maintain data within this system.

### 53. **BUSINESS ASSOCIATE AGREEMENT (BAA)**

- 53.1. CONTRACTOR may perform or assist COUNTY in the performance of certain health care administrative duties that involve the use and/or disclosure of client identifying information as defined by HIPAA. For these duties, the CONTRACTOR shall be a Business Associate of the COUNTY and shall comply with the applicable provisions set forth in the HIPAA BAA, which must be signed and attached as an exhibit to this agreement.
- 53.2. CONTRACTOR shall follow all requirements listed within the BAA and shall comply with all applicable COUNTY policies, state laws and regulations and federal laws pertaining to breaches of confidentiality. CONTRACTOR agrees to hold the COUNTY harmless for any breaches or violations.

### **CLIENTS' RIGHTS**

CONTRACTOR shall take all appropriate steps to fully protect clients' rights, as specified in Welfare and Institutions Code Sections 5325 et seq; Title 9 California Code of Regulations (CCR), Sections 862, 883, 884; Title 22 CCR, Sections 72453 and 72527; and 42 C.F.R. § 438.100.

### **RIGHT TO MONITOR**

54. COUNTY or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Auditor General, shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, financial records, staff information, client records, other pertinent items as requested, and shall have absolute right to monitor the performance of CONTRACTOR in the delivery of services provided under this Contract. Full cooperation shall be given by the CONTRACTOR in any auditing or monitoring conducted, according to this agreement.

55. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records, documents, contracts, computers, or other electronic systems pertaining to Medi-Cal enrollees, Medi-Cal-related activities, services, and activities furnished under the terms of this Contract, or determinations of amounts payable available at any time for inspection, examination, or copying by COUNTY, the State of California or any subdivision or appointee thereof, CMS, U.S. Department of Health and Human Services (HHS) Office of Inspector General, the United States Comptroller General or their designees, and other authorized federal and state agencies. This audit right will exist for at least ten years from the final date of the Agreement period or in the event the CONTRACTOR has been notified that an audit or investigation of this Agreement has commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later (42 CFR §438.230(c)(3)(I)-(ii)).
56. The COUNTY, DHCS, CMS, or the HHS Office of Inspector General may inspect, evaluate, and audit the CONTRACTOR at any time if there is a reasonable possibility of fraud or similar risk. The Department's inspection shall occur at the CONTRACTOR'S place of business, premises, or physical facilities (42 CFR §438.230(c)(3)(iv)).
57. CONTRACTOR shall cooperate with COUNTY in the implementation, monitoring and evaluation of this Agreement and comply with any and all reporting requirements established by COUNTY. Should COUNTY identify an issue or receive notification of a complaint or potential/actual/suspected violation of requirements, COUNTY may audit, monitor, and/or request information from CONTRACTOR to ensure compliance with laws, regulations, and requirements, as applicable.
58. COUNTY reserves the right to place CONTRACTOR on probationary status, as referenced in the Probationary Status Article, should CONTRACTOR fail to meet performance requirements; including, but not limited to violations such as high disallowance rates, failure to report incidents and changes as contractually required, failure to correct issues, inappropriate invoicing, untimely and inaccurate data entry, not meeting performance outcomes expectations, and violations issued directly from the State. Additionally, CONTRACTOR may be subject to Probationary Status or termination if contract monitoring and auditing corrective actions are not resolved within specified timeframes.
59. CONTRACTOR shall retain all records and documents originated or prepared pursuant to CONTRACTOR'S performance under this CONTRACT, including client grievance and appeal records, and the data, information and documentation specified in 42 C.F.R. parts 438.604, 438.606, 438.608, and 438.610 for a period of no less than ten years from the term end date of this Agreement or until such time as the matter under audit or investigation has been resolved. Records and documents include but are not limited to all physical and electronic records and documents originated or prepared pursuant to CONTRACTOR'S or subcontractor's performance under this Agreement including working papers, reports, financial records and documents of account, client records, prescription files, subcontracts, and any other documentation pertaining to covered services and other related services for clients.
60. CONTRACTOR shall maintain all records and management books pertaining to service delivery and demonstrate accountability for contract performance and maintain all fiscal, statistical, and management books and records pertaining to the program. Records should include, but not be limited to, monthly summary sheets, sign-in sheets, and other primary source documents. Fiscal

records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must also comply with the Code of Federal Regulations (CFR), Title II, Subtitle A, Chapter 11, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

61. All records shall be complete and current and comply with all Agreement requirements. Failure to maintain acceptable records per the preceding requirements shall be considered grounds for withholding of payments for billings submitted and for termination of Agreement.
62. CONTRACTOR shall maintain client and community service records in compliance with all regulations set forth by local, state, and federal requirements, laws and regulations, and provide access to clinical records by COUNTY staff.
63. CONTRACTOR shall comply with Medical Records/Protected Health Information Article regarding relinquishing or maintaining medical records.
64. CONTRACTOR shall agree to maintain and retain all appropriate service and financial records for a period of at least ten years from the date of final payment, the final date of the contract period, final settlement, or until audit findings are resolved, whichever is later.
65. CONTRACTOR shall submit audited financial reports on an annual basis to the COUNTY. The audit shall be conducted in accordance with generally accepted accounting principles and generally accepted auditing standards.
66. In the event the Agreement is terminated, ends its designated term or CONTRACTOR ceases operation of its business, CONTRACTOR shall deliver or make available to COUNTY all financial records that may have been accumulated by CONTRACTOR or subcontractor under this Agreement, whether completed, partially completed or in progress within seven calendar days of said termination/end date.
67. CONTRACTOR shall provide all reasonable facilities and assistance for the safety and convenience of the COUNTY'S representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner that will not unduly delay the work of CONTRACTOR.
68. COUNTY has the discretion to revoke full or partial provisions of the Agreement, delegated activities or obligations, or application of other remedies permitted by state or federal law when the COUNTY or DHCS determines CONTRACTOR has not performed satisfactorily.

### **SITE INSPECTION**

69. Without limiting any other provision related to inspections or audits otherwise set forth in this Agreement, CONTRACTOR shall permit authorized COUNTY, state, and/or federal agency(ies), through any authorized representative, the right to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract support activities and the premises which it is being performed. CONTRACTOR shall provide all reasonable assistance for the safety and convenience of the authorized representative in the performance of their duties. All inspections and evaluations shall be made in a manner that will not unduly delay the work.

## **OTHER FEDERAL REQUIREMENTS**

### **70. SMOKE-FREE WORKPLACE CERTIFICATION:**

- 70.1. Applicable to federally funded agreements/grants and subcontracts/subawards, that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.
- 70.2. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- 70.3. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- 70.4. By signing this Agreement, CONTRACTOR certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- 70.5. CONTRACTOR further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

71. **OFFICIALS NOT TO BENEFIT:** No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom. This provision shall not be construed to extend to this Agreement if made with a corporation for its general benefits.

### **72. CERTIFICATION AND DISCLOSURE REQUIREMENTS:**

- 72.1. Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of Title 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in the Exhibit entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Section 73, entitled Prohibition, of this provision.
- 72.2. Each recipient shall file a disclosure (in the form entitled "Standard Form-LLL 'Disclosure of Lobbying Activities'", as set forth in the Exhibit entitled "Certification Regarding Lobbying") if such recipient has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or

any extension or amendment of that contract, or grant, which would be prohibited under Section 73, entitled Prohibition, of this provision if paid for with appropriated funds.

72.3. Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Section 72.2 herein. An event that materially affects the accuracy of the information reported includes:

72.3.1. A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;

72.3.2. A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or

72.3.3. A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.

72.4. Each person (or recipient) who requests or receives from a person referred to in Section 72.1 of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant shall file a certification, and a disclosure form, if required, to the next tier above.

72.5. All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by CONTRACTOR. CONTRACTOR shall forward all disclosure forms to COUNTY.

73. **PROHIBITION:** Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

#### 74. **PROVIDER SELECTION**

74.1. CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The CONTRACTOR will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship.

74.2. CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHCS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation

Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state the CONTRACTOR'S obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.

## 75. **AUDITING AND MONITORING**

- 75.1. CONTRACTOR agrees to maintain and preserve, until three years after termination of this agreement, and final payment from DHCS to the Contractor, to permit DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records.
- 75.2. CONTRACTOR shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- 75.3. CONTRACTOR'S facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- 75.4. CONTRACTOR agrees that COUNTY, DHCS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement.
- 75.5. CONTRACTOR agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, CONTRACTOR agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, CCR Title 2, Section 1896)."
- 75.6. CONTRACTOR shall preserve and make available his/her records (1) for a period of ten years from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.
- 75.7. CONTRACTOR may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, CONTRACTOR must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

75.8. The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the CONTRACTOR or Subcontractor, the CONTRACTOR shall provide and shall require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

**76. CONFIDENTIALITY OF INFORMATION:**

76.1. CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to CONTRACTOR, as a result of services performed under this Agreement, except for statistical information not identifying any such person.

76.2. CONTRACTOR shall not use such identifying information for any purpose other than carrying out CONTRACTOR'S obligations under this Agreement.

76.3. CONTRACTOR shall promptly transmit to the COUNTY all requests for disclosure of such identifying information not emanating from the client or person.

76.4. CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than COUNTY without prior written authorization from COUNTY, except if disclosure is required by State or Federal law.

76.5. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

76.6. As deemed applicable by COUNTY, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

**COMPLIANCE WITH DMC-ODS AND SABG REQUIREMENTS**

DMC-ODS CONTRACTOR requirements from the Intergovernmental Agreement between Placer County and the Department of Health Care Services (DHCS) to provide Drug Medi-Cal (DMC) services for substance use disorder (SUD) treatment in Placer County's Organized Delivery System.

**1. CONFORMITY WITH STATE AND FEDERAL LAWS AND REGULATIONS**

**1.1. Federal Law Requirements:**

- 1.1.1. 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.
- 1.1.2. 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.
- 1.1.3. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101-6107), which prohibits discrimination on the basis of age.
- 1.1.4. Age Discrimination in Employment Act (29 CFR Part 1625).
- 1.1.5. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment.
- 1.1.6. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled b public entities.
- 1.1.7. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
- 1.1.8. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of individuals with disabilities.
- 1.1.9. 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.
- 1.1.10. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
- 1.1.11. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
- 1.1.12. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).

**1.2. State Law Requirements:**

- 1.2.1. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).
- 1.2.2. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
- 1.2.3. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.
- 1.2.4. No federal funds shall be used by the COUNTY or its subcontractors for sectarian worship, instruction, or proselytization. No federal funds shall be used by the COUNTY or its subcontractors to provide direct, immediate, or substantial support to any religious activity.



- 1.3. CONTRACTOR shall provide services in conformance with all applicable state and federal statutes, regulations and subregulatory guidance, as from time to time amended, including but not limited to:
  - 1.3.1. California Code of Regulations, Title 9;
  - 1.3.2. California Code of Regulations, Title 22;
  - 1.3.3. California Welfare and Institutions Code, Division 5;
  - 1.3.4. United States Code of Federal Regulations, Title 42, including but not limited to Parts 2, 438 and 455;
  - 1.3.5. United States Code of Federal Regulations, Title 45;
  - 1.3.6. United States Code, Title 42 (The Public Health and Welfare), as applicable;
  - 1.3.7. Balanced Budget Act of 1997;
  - 1.3.8. Health Insurance Portability and Accountability Act (HIPAA); and
  - 1.3.9. Applicable Medi-Cal laws and regulations, including applicable sub-regulatory guidance, such as BHINs, MHSUDS INs, and provisions of COUNTY's state or federal contracts governing client services.
- 1.4. In the event any law, regulation, or guidance referred to in subsection (A), above, is amended during the term of this Agreement, the Parties agree to comply with the amended authority as of the effective date of such amendment without amending this Agreement.
- 1.5. 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.
- 1.6. 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). CONTRACTOR agrees to enforce these requirements.
- 1.7. Limitation on Use of Funds for Promotion of Legalization of Controlled Substances. None of the funds made available through this Agreement 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).
- 1.8. Restriction on Distribution of Sterile Needles: No SABG funds made available through this Contract shall be used to carry out any program that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug unless DHCS chooses to implement a demonstration syringe services program for injecting drug users.
- 1.9. Trafficking Victims Protection Act of 2000. COUNTY and its subcontractors that provide services covered by this Contract shall comply with the Trafficking Victims Protection Act of 2000 (USC, Title 22, Chapter 78, Section 7104) as amended by section 1702 of Pub. L. 112-239.
- 1.10. Youth Treatment Guidelines: CONTRACTOR shall follow the guidelines in Document 1V, incorporated by this reference, "Youth Treatment Guidelines," in developing and implementing adolescent treatment programs funded under this Exhibit, until such time new Youth Treatment Guidelines are established and adopted. No formal amendment of this Agreement is required for new guidelines to be incorporated into this Agreement.
- 1.11. CONTRACTOR will comply with Byrd Anti-Lobbying Amendment (31 USC 1352). COUNTY certifies that it will not and has not used Federal appropriated funds to pay any person or

organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. COUNTY shall also disclose to DHCS any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

- 1.12. Nondiscrimination and Institutional Safeguards for Religious Providers: COUNTY shall establish such processes and procedures as necessary to comply with provisions of USC, Title 42, Section 300x-65 and CFR, Title 42, Part 54.
- 1.13. CONTRACTOR shall notify COUNTY in writing of any change in organizational name, Head of Service or principal business at least 15 business days in advance of the change. DHCS shall certify CONTRACTOR to participate in the DMC-ODS program. CONTRACTOR cannot reduce or relocate without first receiving approval by DHCS. A DMC certification application shall be submitted to the DHCS Provider Enrollment Division (PED) 60 days prior to the desired effective date of the reduction of covered services or relocation. CONTRACTOR shall be subject to continuing certification requirements at least once every five years. Said notice shall become part of this Agreement upon acknowledgment in writing by the COUNTY, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.
- 1.14. CONTRACTOR must immediately notify COUNTY of a change in ownership, organizational status, licensure, or ability of CONTRACTOR to provide the quantity or quality of the contracted services in a timely fashion.

## **SERVICES AND ACCESS PROVISIONS**

2. **CERTIFICATION OF ELIGIBILITY:** CONTRACTOR will, in cooperation with COUNTY, comply with 42 C.F.R. § 455.1(a)(2) and BHIN 23-001, to obtain a certification of a client's eligibility for SUD services under Medi-Cal.
3. **ACCESS TO SUBSTANCE USE DISORDER SERVICES**
  - 3.1. In collaboration with the COUNTY, CONTRACTOR will work to ensure that individuals to whom the CONTRACTOR provides SUD services meet access criteria and medical necessity requirements, as per DHCS guidance specified in BHIN 23-001. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time of service provision as specified below.
  - 3.2. CONTRACTOR shall have written admission criteria for determining the client's eligibility and suitability for treatment and services. All clients admitted shall meet the admission criteria and this shall be documented in the client's record.
  - 3.3. Programs shall ensure that their policies, procedures, practices, and rules and regulations do not discriminate against the above special populations. Whenever the needs of the client cannot be reasonably accommodated, efforts shall be made to make referral(s) to appropriate programs.
  - 3.4. CONTRACTOR should recognize and educate staff and collaborative partners that Parole and Probation status is not a barrier to SUD services.
  - 3.5. CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time-of-service provision as outlined in this Agreement.
  - 3.6. The initial assessment shall be performed face-to-face, by telehealth or by telephone by an Licensed Practitioner of the Healing Arts (LPHA) or registered or certified counselor and may

be done in the community or the home, except for residential treatment services and narcotic treatment programs (NTPs). If the assessment of the client is completed by a registered or certified counselor, then an LPHA shall evaluate that assessment with the counselor and the LPHA shall make the final diagnosis. The consultation between the LPHA and the registered or certified counselor can be conducted in person, by video conferencing, or by telephone.

- 3.7. CONTRACTOR shall comply with beneficiaries' access criteria and services provided during the initial assessment process requirements:
  - 3.7.1. For beneficiaries 21 years of age and older, a full assessment using the ASAM Criteria shall be completed within 30 days of the beneficiary's first visit with an LPHA or registered or certified counselor, or Peer Support Specialist (except for residential treatment services)
  - 3.7.2. For beneficiaries under the age of 21, a full assessment using the ASAM Criteria shall be completed within 60 days of the beneficiary's first visit with an LPHA or registered or certified counselor (except for residential treatment services).
  - 3.7.3. For beneficiaries experiencing homelessness and where the provider documents that due to homelessness additional time is required to complete the assessment, a full assessment using the ASAM Criteria shall be completed within 60 days of the beneficiary's first visit with an LPHA or registered or certified counselor (except for residential treatment services).
  - 3.7.4. If a client withdraws from treatment prior to completion of the assessment or prior to establishing a DSM diagnosis for Substance-Related and Addictive Disorder, and later returns, the 30-day or 60-day time period starts over.
- 3.8. CONTRACTOR shall comply with beneficiaries' access criteria after initial assessment requirements:
  - 3.8.1. Beneficiaries 21 years of age and older, to qualify for DMC-ODS services after the initial assessment, must meet one of the following criteria:
    - 3.8.1.1. Have at least one diagnosis from the most current edition of the Diagnostic and Statistical Manual (DSM) of Mental Disorders for Substance-Related and Addictive Disorders, except for Tobacco-Related Disorders and Non-Substance-Related Disorders, OR
    - 3.8.1.2. Have had at least one diagnosis from the most current edition of the DSM for Substance-Related and Addictive Disorders, except for Tobacco-Related Disorders and Non-Substance-Related Disorders, prior to being incarcerated or during incarceration, determined by substance use history.
  - 3.8.2. Beneficiaries under the age of 21, qualify for DMC-ODS medically necessary services after the initial assessment, in the following circumstances:
    - 3.8.2.1. All services that are Medi-Cal-coverable, appropriate, and medically necessary, needed to correct and ameliorate health conditions shall be provided, as per federal Early & Periodic Screening, Diagnostic and Treatment (EPSDT) statutes and regulations.
    - 3.8.2.2. Services need not be curative or completely restorative to ameliorate a health condition, including substance misuse and SUDs, consistent with federal guidance.
    - 3.8.2.3. Services that sustain, support, improve, or make more tolerable substance misuse or an SUD are considered to ameliorate the condition and are thus covered as EPSDT services.

#### **4. ASAM LEVEL OF CARE DETERMINATION**

- 4.1. CONTRACTOR shall use the ASAM Criteria to determine placement into the appropriate level of care (LOC) for all beneficiaries, which is separate and distinct from determining medical necessity. LOC determinations shall ensure that beneficiaries are able to receive care in the least restrictive LOC that is clinically appropriate to treat their condition.
- 4.2. A full ASAM Criteria assessment and an SUD diagnosis is not required to deliver prevention and early intervention services for beneficiaries under the age of 21; a brief screening ASAM Criteria tool is sufficient for these services.
- 4.3. For clients who withdraw from treatment prior to completing the ASAM Criteria assessment or prior to establishing a diagnosis from the DSM for Substance-Related and Addictive Disorders, and later return, the time period for initial assessment starts over.
- 4.4. A full ASAM Criteria assessment, or brief screening ASAM Criteria tool for preliminary LOC recommendations, shall not be required to begin receiving DMC-ODS services.
- 4.5. A full ASAM Criteria assessment does not need to be repeated unless the client's condition changes.
- 4.6. Requirements for ASAM LOC assessments apply to NTP clients and settings.

#### **5. MEDICAL NECESSITY**

- 5.1. Pursuant to BHIN 23-001 and consistent with Welfare & Institutions Code § 14059.5, DMC-ODS services must be medically necessary.
- 5.2. For beneficiaries 21 years of age and older, a service is “medically necessary” or a “medical necessity” when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain.
- 5.3. For beneficiaries under the age of 21, a service is “medically necessary” or a “medical necessity” if the service is necessary to correct or ameliorate screened health conditions. Consistent with federal guidance, services need not be curative or completely restorative to ameliorate a health condition, including substance misuse and SUDs. Services that sustain, support, improve, or make more tolerable substance misuse or an SUD are considered to ameliorate the condition and are thus covered as EPSDT services.

#### **6. ADDITIONAL COVERAGE REQUIREMENTS AND CLARIFICATIONS**

- 6.1. The target population for DMC-ODS SUD services includes clients who are enrolled in Medi-Cal, reside in the COUNTY, and meet the criteria for DMC-ODS services as per established requirements above.
- 6.2. Consistent with Welfare & Institutions Code § 14184.402(f), covered SUD prevention, screening, assessment, treatment, and recovery services are reimbursable Medi-Cal services when:
  - 6.2.1. Services are provided prior to the completion of an assessment or prior to the determination of whether DMC-ODS access criteria are met, or prior to the determination of a diagnosis.
    - 6.2.1.1. Clinically appropriate and covered DMC-ODS services provided to clients over the age of 21 are reimbursable during the assessment process. Similarly, if the assessment determines that the client does not meet the DMC-ODS access criteria after initial assessment, those clinically appropriate and covered DMC-ODS services provided are reimbursable.
    - 6.2.1.2. All Medi-Cal claims shall include a current CMS approved International Classification of Diseases (ICD) diagnosis code. In cases where services

are provided due to a suspected SUD that has not yet been diagnosed, options are available in the CMS approved ICD-10 code list, for example, codes for “Other specified” and “Unspecified” disorders, or “Factors influencing health status and contact with health services”.

6.2.2. Prevention, screening, assessment, treatment, or recovery services were not included in an individual treatment plan, or if the client signature was absent from the treatment plan.

6.2.2.1. While most DMC-ODS providers are expected to adopt problem lists as specified in BHIN 22-019, treatment plans continue to be required for some services in accordance with federal law.

6.2.2.2. Treatment plans are required by federal law for:

- Narcotic Treatment Programs (NTPs)
- Peer Support Services

6.2.3. The beneficiary has a co-occurring mental health condition.

6.2.3.1. Medically necessary covered DMC-ODS services delivered by CONTRACTOR shall be covered and reimbursable Medi-Cal services whether or not the client has a co-occurring mental health condition.

## 7. **DIAGNOSIS DURING INITIAL ASSESSMENT**

7.1. CONTRACTOR may use the following options during the assessment phase of client’s treatment when a diagnosis has yet to be established as specified in BHIN 22-013:

7.1.1. ICD-10 codes Z55-Z65 Potential health hazards related to socioeconomic and psychological circumstances: may be used by all providers as appropriate during the assessment period prior to diagnosis and do not require certification as, or supervision, of, an LPHA.

7.1.2. ICD-10 code Z03.89 Encounter for observation for other suspected diseases and conditions ruled out: may be used by an LPHA during the assessment phase of a client’s treatment when a diagnosis has yet to be established.

7.1.3. CMS approved diagnosis code on the ICD 10 tabular, available in the CMS 2022 ICD-10-CM page at: <https://www.cms.gov/medicare/icd-10/2022-icd-10-cm>, which may include Z codes. LPHAs may use any clinically appropriate ICD-10 code, for example, codes for “Other specified” and “Unspecified” disorders, or “Factors influencing health status and contact with health services”.

## 8. **COORDINATION AND CONTINUITY OF CARE**

8.1. CONTRACTOR shall comply with the care and coordination requirements established by the COUNTY and per 42 C.F.R. § 438.208.

8.2. CONTRACTOR shall ensure that all care, treatment, and services provided pursuant to this Agreement are coordinated among all providers who are serving the client. Coordination and continuity of care procedures shall meet the following requirements:

8.2.1. Ensure that each client has an ongoing source of care appropriate to their needs and a person or entity formally designated as primarily responsible for coordinating the services accessed by the client. The client shall be provided information on how to contact their designated person or entity.

8.2.2. All services provided to clients shall be coordinated:

8.2.2.1. Between settings of care, including appropriate discharge planning for short-term and long-term hospital and institutional stays.

- 8.2.2.2. With the services the client receives from any other managed care organization.
- 8.2.2.3. With the services the client receives in FFS Medi-Cal.
- 8.2.2.4. With the services the client receives from community and social support providers.

- 8.2.3. Share with other providers serving the client, as allowed by regulations, the results of any identification and assessment of that client's needs to prevent duplication of those activities.
- 8.2.4. Ensure that each provider furnishing services to clients maintains and shares, as appropriate, a client health record in accordance with professional standards.
- 8.2.5. Ensure that in the process of coordinating care, each client's privacy is protected in accordance with the privacy requirements in 45 C.F.R. Parts 160 and 164 subparts A and E and 42 C.F.R. Part 2, to the extent that they are applicable.

8.3. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.

8.4. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state, and federal privacy laws and regulations.

**9. SITE LICENSES, CERTIFICATIONS, PERMITS REQUIREMENTS**

- 9.1. As specified in BHIN 21-001 and in accordance with Health and Safety Code § 11834.015, DHCS adopted the ASAM treatment criteria as the minimum standard of care for licensed AOD facilities. All licensed AOD facilities shall obtain at least one DHCS LOC Designation and/or at least one residential ASAM LOC Certification consistent with all of its program services. If an AOD facility opts to obtain an ASAM LOC Certification, then that facility will not be required to obtain a DHCS LOC Designation. However, nothing precludes a facility from obtaining both a DHCS LOC Designation and ASAM LOC Certification.
- 9.2. CONTRACTOR shall obtain and comply with DMC site certification and ASAM designation or DHCS Level of Care Designation for each type of contracted service being delivered, as well as any additional licensure, registration or accreditation required by regulations for the contracted service being delivered.
- 9.3. CONTRACTOR shall obtain and maintain all appropriate licenses, permits, and certificates required by all applicable federal, state, and COUNTY and/or municipal laws, regulations, guidelines, and/or directives.
- 9.4. CONTRACTOR shall have and maintain a valid fire clearance at the specified service delivery sites where direct services are provided to clients.

**10. MEDICATIONS**

- 10.1. If CONTRACTOR provides or stores medications, the CONTRACTOR shall store and monitor medications in compliance with all pertinent statutes and federal standards.
- 10.2. CONTRACTOR shall have written policies and procedures regarding the use of prescribed medications by clients, and for monitoring and storing of medications.
- 10.3. Prescription and over the counter medications which expire and other bio-hazardous pharmaceuticals including used syringes or medications which are not removed by the client upon termination of services shall be disposed of by the program director or a designated substitute, and one other adult who is not a client. Both shall sign a record, to be retained for at least one year.

10.4. CONTRACTOR shall have at least one program staff on duty at all times trained to adequately monitor clients for signs and symptoms of their possible misuse of prescribed medications, adverse medication reactions and related medical complications.

**11. ALCOHOL AND/OR DRUG-FREE ENVIRONMENT**

11.1. CONTRACTOR shall provide an alcohol and/or drug-free environment for clients. The use of medications for the treatment of SUD, mental illness, or physical conditions, shall be allowed and controlled as per CONTRACTOR's written policies and procedures.

11.2. CONTRACTOR shall have written policies regarding service delivery for when clients experience relapse episodes. These policies shall be supportive of and consistent with the alcohol and/or drug-free environment of the program.

**12. ASSESSMENT OF TOBACCO USE DISORDER**

12.1. As required by Assembly Bill (AB) 541 and BHIN 22-024, all licensed and/or certified SUD recovery or treatment facilities shall conduct an assessment of tobacco use at the time of the client's initial intake. The assessment shall include questions recommended in the most recent version of Diagnostic and Statistical Manual of Mental Disorders (DSM) under Tobacco Use Disorder, or COUNTY's evidence-based guidance, for determining whether a client has a tobacco use disorder.

12.2. The licensed and/or certified SUD recovery or treatment facility shall do the following:

- 12.2.1. Provide information to the client on how continued use of tobacco products could affect their long-term success in recovery from SUD.
- 12.2.2. Recommend treatment for tobacco use disorder in the treatment plan.
- 12.2.3. Offer either treatment, subject to the limitation of the license or certification issued by DHCS, or a referral for treatment for tobacco use disorder.

12.3. Licensed and/or certified SUD recovery or treatment facilities can also adopt tobacco free campus policies, to change the social norm of tobacco use, promote wellness, and reduce exposure to secondhand smoke.

**13. NALOXONE REQUIREMENTS**

13.1. As required by AB 381, Health and Safety Code, § 11834.26, and BHIN 22-025, all licensed and/or certified SUD recovery or treatment facilities shall comply with the following requirements:

- 13.1.1. Maintain, at all times, at least 2 unexpired doses of naloxone, or any other opioid antagonist medication that is approved by the FDA for the treatment of an opioid overdose, on the premises of the licensed SUD recovery or treatment facility.
- 13.1.2. Have at least one staff member, at all times, on the premises who knows the specific location of the naloxone, or other FDA-approved opioid antagonist medication, and who has been trained in its administration. Training shall include review of online resources and the National Harm Reduction Coalition's Opioid Overdose Basics website to respond effectively to an opioid-associated overdose emergency. Staff shall certify that they have reviewed and undergone training in opioid overdose prevention and treatment.
- 13.1.3. The proof of completion of such training shall be documented in the staff member's individual personnel file, in accordance with California Code of Regulations (CCR), Title 9, § 10564(k).

**14. INTRAVENOUS DRUG USE (IVDU) TREATMENT**

14.1. COUNTY shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo AOD treatment (42 USC 300x-23 (45 CFR 96.126(e))).

## 15. TUBERCULOSIS TREATMENT

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

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

## **AUTHORIZATION AND DOCUMENTATION PROVISIONS**

### 16. SERVICE AUTHORIZATION

- 16.1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.
- 16.2. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.
- 16.3. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHIN 23-001, or any subsequent DHCS notices.
- 16.4. For SUD Non-Residential and Non-Inpatient Levels of Care service authorization:
  - 16.4.1. CONTRACTOR shall follow COUNTY's policies and procedures around non-residential/non-inpatient levels of care according to BHIN 23-001.
  - 16.4.2. CONTRACTOR is not required to obtain service authorization for non-residential/non-inpatient levels of care. Prior authorization is prohibited for non-residential DMC-ODS services.
- 16.5. For SUD Residential and Inpatient Levels of Care service authorization:
  - 16.5.1. CONTRACTOR shall have in place, and follow, COUNTY written authorization policies and procedures for processing requests for initial and continuing authorization, or prior authorization, for residential treatment services, including inpatient services, but excluding withdrawal management services.
  - 16.5.2. COUNTY will review the DSM and ASAM Criteria to ensure that the beneficiary meets the requirements for the service.
  - 16.5.3. Prior authorization for residential and inpatient services (excluding withdrawal management services) shall be made within 24 hours of the prior authorization request being submitted by the provider.
    - COUNTY will ensure that prior authorization processes are completed in a manner that assures the provision of a covered SUD service to a client in a timely manner appropriate for the client's condition.
  - 16.5.4. CONTRACTOR shall alert COUNTY when an expediated service authorization decision is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function. Expediated service authorizations shall not exceed 72 hours after receipt of the request for service, with a possible extension of up to 14 calendar days if the client or provider requests an extension.
  - 16.5.5. CONTRACTOR shall alert COUNTY when a standard authorization decision is necessary. Standard service authorizations shall not exceed 14 calendar days following receipt of the request for service, with a possible extension of up to 14 additional calendar days if the client or provider requests an extension.



- 16.6. CONTRACTOR, if applicable, shall ensure that length of stay (LOS) in residential program complies with the following:
  - 16.6.1. LOS shall be determined by individualized clinical need (statewide LOS goal is 30 days). LOS for clients shall be determined by an LPHA and authorized by the COUNTY as medically necessary.
  - 16.6.2. Clients receiving residential treatment must be transitioned to another LOC when clinically appropriate based on treatment progress.
  - 16.6.3. Perinatal clients may receive a longer LOS than those described above, if determined to be medically necessary.
  - 16.6.4. Nothing in this section overrides any EPSDT requirements. EPSDT clients may receive a longer length of stay based on medical necessity.

## 17. DOCUMENTATION REQUIREMENTS

- 17.1. CONTRACTOR agrees to comply with documentation requirements for non-hospital services as specified in Article 4.2-4.9 inclusive in compliance with federal, state and COUNTY requirements.
- 17.2. All CONTRACTOR documentation shall be accurate, complete, legible, and shall list each date of service. CONTRACTOR shall document the face-to-face duration of the service, including travel and documentation time for each service. Services must be identified as provided in-person, by telephone, or by telehealth.
- 17.3. All services shall be documented utilizing COUNTY-approved templates and contain all required elements. CONTRACTOR agrees to satisfy the chart documentation requirements set forth in BHIN 22-019 and the contract between COUNTY and DHCS. Failure to comply with documentation standards specified in this Article require corrective action plans.

## 18. ASSESSMENT

- 18.1. CONTRACTOR shall use the American Society of Addiction Medicine (ASAM) Criteria assessment for DMC-ODS clients to determine the appropriate level of SUD care.
- 18.2. The assessment shall include a typed or legibly printed name, signature of the service provider and date of signature. Assessment shall include the provider's LOC determination and recommendation for services. If the assessment of the client is completed by a registered or certified counselor, then the LPHA shall evaluate that assessment with the counselor and the LPHA shall make the initial diagnosis. The consultation between the LPHA and the registered or certified counselor can be conducted in person, by video conferencing, or by telephone.
- 18.3. The problem list and progress note requirements shall support the medically necessary services or medical necessity of each service provided.
- 18.4. Assessments shall be updated as clinically appropriate when the beneficiary's condition changes. Additional information on assessment requirements can be found in Article 3 Section 2 Access to Substance Use Disorder Services or BHIN 23-001.

## 19. ICD-10

- 19.1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.
- 19.2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD

diagnosis code(s) to submit a claim for SUD services to receive reimbursement from COUNTY.

- 19.3. Under the EPSDT mandate, for youth under the age of 21, a diagnosis from the ICD-10 for Substance-Related and Addictive Disorders is not required for early intervention services.
- 19.4. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by DHCS.

## 20. **PROBLEM LIST**

- 20.1. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.
- 20.2. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, March 2021 Release, and ICD-10-CM 2023.
- 20.3. A problem identified during a service encounter may be addressed by the service provider (within their scope of practice) during that service encounter and subsequently added to the problem list.
- 20.4. The problem list shall be updated on an ongoing basis to reflect the current presentation of the client.
- 20.5. The problem list shall include, but is not limited to the following:
  - 20.5.1. Diagnoses identified by a provider acting within their scope of practice, if any. Diagnosis-specific specifiers from the current DSM shall be included with the diagnosis, when applicable.
  - 20.5.2. Problems identified by a provider acting within their scope of practice, if any.
  - 20.5.3. Problems or illnesses identified by the client and/or significant support person, if any.
  - 20.5.4. The name and title of the provider that identified, added, or removed the problem, and the date the problem was identified, added, or removed.
- 20.6. CONTRACTOR shall add to or remove problems from the problem list when there is a relevant change to a beneficiary's condition.
- 20.7. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

## 21. **PROGRESS NOTES**

- 21.1. CONTRACTOR shall create progress notes for the provision of all DMC-ODS services provided under this Agreement.
- 21.2. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.

- 21.3. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or group service, and shall include:
  - 21.3.1. The type of service rendered
  - 21.3.2. A narrative describing the service, including how the service addressed the client's behavioral health need (e.g., symptom, condition, diagnosis, and/or risk factors)
  - 21.3.3. The date that the service was provided to the beneficiary
  - 21.3.4. Duration of the service, including travel and documentation time
  - 21.3.5. Location of the client at the time of receiving the service
  - 21.3.6. A typed or legibly printed name, signature of the service provider and date of signature
  - 21.3.7. ICD-10 code
  - 21.3.8. Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) code
  - 21.3.9. Next steps, including, but not limited to, planned action steps by the provider or by the client, collaboration with the client, collaboration with other provider(s) and any update to the problem list as appropriate.
- 21.4. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.
- 21.5. CONTRACTOR shall complete a daily progress note for services that are billed on a daily basis, such as residential and inpatient services, if applicable.
- 21.6. When a group service is rendered by the CONTRACTOR, the following conditions shall be met:
  - 21.6.1. A list of participants is required to be documented and maintained by the CONTRACTOR.
  - 21.6.2. If more than one provider renders a group service, one progress note may be completed for a group session and signed by one provider. CONTRACTOR shall ensure that in this case, the progress note clearly documents the specific involvement and the specific amount of time of involvement of each provider during the group activity, including documentation time.

## 22. PLAN OF CARE

- 22.1. As specified in BHIN 22-019, when a plan of care is required, CONTRACTOR shall follow the DHCS requirements outlined in the Alcohol and/or Other Drug Program Certification Standards document, available in the DHCS Facility Certification page at: <https://www.dhcs.ca.gov/provgovpart/Pages/Licensing-and-Certification-Facility-Certification.aspx>
- 22.2. CONTRACTOR shall develop plans of care for all clients, when required, and these plans of care shall include the following:
  - 22.2.1. Statement of problems experienced by the client to be addressed.
  - 22.2.2. Statement of objectives to be reached that address each problem.
  - 22.2.3. Statement of actions that will be taken by the program and/or client to accomplish the identified objectives.
  - 22.2.4. Target date(s) for accomplishment of actions and objectives.
- 22.3. CONTRACTOR shall develop the plan of care with participation from the client in accordance with the timeframes specified below:
  - 22.3.1. For outpatient programs, the plan of care shall be developed within 30 calendar days from the date of the client's admission. The client's progress shall be reviewed

and documented within 30 calendar days after signing the plan of care and not later than every 30 calendar days thereafter.

22.3.2. For residential programs, the plan of care shall be developed within 10 calendar days from the date of the client's admission.

22.3.3. An LPHA, registered or certified counselor shall ensure and document, that together with the client, the plan of care is reviewed and updated, as necessary, when a change in problem identification or focus of treatment occurs, or no later than 90 calendar days after signing the plan of care and no later than every 90 calendar days thereafter, whichever comes first.

22.4. CONTRACTOR is not required to complete a plan of care for clients under this Agreement, except in the below circumstances:

## 23. TELEHEALTH

23.1. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency, and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at: <https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx>.

23.2. All telehealth equipment and service locations must ensure that client confidentiality is maintained.

23.3. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.

23.4. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.

23.5. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

## 24. DISCHARGE PLANNING

24.1. CONTRACTOR shall have written policies and procedures or shall adopt the COUNTY's policies and procedures regarding discharge. These procedures shall contain the following:

24.1.1. Written criteria for discharge defining:

- Successful completion of program;
- Administrative discharge;
- Involuntary discharge;
- Transfers and referrals.

24.1.2. A discharge summary that includes:

- Reason for discharge, including whether the discharge was voluntary or involuntary and whether the client successfully completed the program;
- Description of treatment episodes;
- Description of recovery services completed;
- Current alcohol and/or other drug usage;
- Vocational and educational achievements;

- Client's continuing recovery or discharge plan signed by an LPHA, or registered or certified counselor and client;
- Transfers and referrals; and
- Client's comments.

## **CHART AUDITING AND REASONS FOR RECOUPMENT**

25. **MAINTENANCE OF RECORDS:** CONTRACTOR shall maintain proper clinical and fiscal records relating to clients served under the terms of this Agreement, as required by the Director, DHCS, and all applicable state and federal statutes and regulations. Client records shall include but not be limited to admission records, diagnostic studies and evaluations, client interviews and progress notes, and records of services provided. All such records shall be maintained in sufficient detail to permit evaluation of the services provided and to meet claiming requirements.
26. **ACCESS TO RECORDS:** CONTRACTOR shall provide COUNTY with access to all documentation of services provided under this Agreement for COUNTY's use in administering this Agreement. CONTRACTOR shall allow COUNTY, CMS, the Office of the Inspector General, the Controller General of the United States, and any other authorized federal and state agencies to evaluate performance under this Agreement, and to inspect, evaluate, and audit any and all records, documents, and the premises, equipment and facilities maintained by the CONTRACTOR pertaining to such services at any time and as otherwise required under this Agreement.
27. **FEDERAL, STATE AND COUNTY AUDITS:** In accordance with 42 C.F.R. § 438.66 and as applicable with 42 C.F.R. §§ 438.604, 438.606, 438.608, 438.610, 438.230, 438.808, 438.900 et seq., COUNTY will conduct monitoring and oversight activities to review the CONTRACTOR's SUD programs and operations. The purpose of these oversight activities is to verify that medically necessary services are provided to clients, who meet medical necessity and criteria for access to DMC-ODS as established in BHIN 23-001, in compliance with the applicable state and federal laws and regulations, and/or the terms of the Agreement between CONTRACTOR and COUNTY, and future BHINs which may spell out other specific requirements.
28. **INTERNAL AUDITING**
- 28.1. CONTRACTOR shall institute and conduct a Quality Assurance Process for all services provided. Said process shall include at a minimum a system for verifying that all services provided and claimed for reimbursement shall meet DMC-ODS definitions and be documented accurately.
- 28.2. CONTRACTOR shall provide COUNTY with notification and a summary of any internal audit exceptions and the specific corrective actions taken to sufficiently reduce the errors that are discovered through CONTRACTOR's internal audit process. CONTRACTOR shall provide this notification and summary to COUNTY in a timely manner.
29. **CONFIDENTIALITY IN AUDIT PROCESS**
- 29.1. CONTRACTOR and COUNTY mutually agree to maintain the confidentiality of CONTRACTOR's client records and information, in compliance with all applicable state and federal statutes and regulations, including but not limited to HIPAA, 42 CFR Part 2, and California Welfare and Institutions Code, § 5328, to the extent that these requirements are applicable. CONTRACTOR shall inform all of its officers, employees and agents of the confidentiality provisions of all applicable statutes.
- 29.2. CONTRACTOR's fiscal records shall contain sufficient data to enable auditors to perform a complete audit and shall be maintained in conformance with standard procedures and accounting principles.

29.3. CONTRACTOR's records shall be maintained as required by the Director and DHCS on forms furnished by DHCS or the COUNTY. All statistical data or information requested by the Director shall be provided by the CONTRACTOR in a complete and timely manner.

### 30. REASONS FOR RECOURPMENT

30.1. COUNTY will conduct periodic audits of CONTRACTOR files to ensure appropriate clinical documentation, high quality service provision and compliance with applicable federal, state and COUNTY regulations.

30.2. Such audits may result in requirements for CONTRACTOR to reimburse COUNTY for services previously paid in the following circumstances:

30.2.1. Identification of Fraud, Waste or Abuse as defined in federal regulation.

- Fraud and abuse are defined in Code of Federal Regulations, Title 42, § 455.2 and Welfare & Institutions Code, § 14107.11, subdivision (d).
- Definitions for "fraud," "waste," and "abuse" can also be found in the Medicare Managed Care Manual available at [www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf](http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf).

30.2.2. Overpayment of CONTRACTOR by COUNTY due to errors in claiming or documentation.

30.3. CONTRACTOR shall reimburse COUNTY for all overpayments identified by CONTRACTOR, COUNTY and/or state or federal oversight agencies as an audit exception within the timeframes required by law or Country or state or federal agency.

### 31. COOPERATION WITH AUDITS

31.1. CONTRACTOR shall cooperate with COUNTY in any review and/or audit initiated by COUNTY, DHCS, or any other applicable regulatory body. This cooperation may include such activities as onsite program, fiscal, or chart reviews and/or audits.

31.2. In addition, CONTRACTOR shall comply with all requests for any documentation or files including, but not limited to, client and personnel files.

31.3. CONTRACTOR shall notify the COUNTY of any scheduled or unscheduled external evaluation or site visits when it becomes aware of such visit. COUNTY shall reserve the right to attend any or all parts of external review processes.

31.4. CONTRACTOR shall allow inspection, evaluation and audit of its records, documents and facilities for 10 years from the term end date of this Agreement or in the event CONTRACTOR has been notified that an audit or investigation of this Agreement has been commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later pursuant to 42 C.F.R. §§ 438.3(h) and 438.230(c)(3)(i-iii).

## **CLIENT PROTECTIONS**

### 32. GRIEVANCES, APPEALS AND NOTICES OF ADVERSE BENEFIT DETERMINATION

32.1. CONTRACTOR shall utilize COUNTY'S designated grievance and appeal system for resolving disputes and grievances including discrimination grievances, and issuing Notices of Adverse Benefit Determinations (NOABDS) pursuant to current state and federal guidelines.

32.2. CONTRACTOR shall not discourage the filing of grievances and clients do not need to use the term "grievance" for a complaint to be captured as an expression of dissatisfaction and, therefore, a grievance.

- 32.3. Aligned with MHSUDS 18-010E and 42 C.F.R. § 438.404, the appropriate and delegated Notice of Adverse Benefit Determination (NOABD) must be issued by CONTRACTORS within the specified timeframes using the template provided by the COUNTY.
  - 32.4. NOABDs must be issued to clients anytime the CONTRACTOR has made or intends to make an adverse benefit determination that includes the reduction, suspension, or termination of a previously authorized service and/or the failure to provide services in a timely manner. The notice must have a clear and concise explanation of the reason(s) for the decision as established by DHCS and the COUNTY. The CONTRACTOR must inform the COUNTY immediately after issuing a NOABD.
  - 32.5. Procedures and timeframes for responding to grievances, issuing, and responding to adverse benefit determinations, appeals, and state hearings must be followed as per 42 C.F.R., Part 438, Subpart F (42 C.F.R. §§ 438.400 – 438.424).
  - 32.6. CONTRACTOR must provide clients with any reasonable assistance in completing forms and taking other procedural steps related to a grievance or appeal such as auxiliary aids and interpreter services.
  - 32.7. CONTRACTOR must maintain records of grievances and appeals and must review the information as part of its ongoing monitoring procedures. The record must be accurately maintained in a manner accessible to the COUNTY and available upon request to DHCS.
  - 32.8. CONTRACTOR shall not require a beneficiary to file a Discrimination Grievance with the CONTRACTOR before filing the grievance directly with DHCS Office of Civil Rights and the U.S. Health and Human Services Office for Civil Rights.
  - 32.9. CONTRACTOR shall have access to the COUNTY designated discrimination grievance coordinator to Answer questions and provide appropriate assistance to CONTRACTOR staff and members regarding the Contractor's state and federal nondiscrimination legal obligations. Advise the CONTRACTOR about nondiscrimination best practices and accommodating persons with disabilities. Investigate and process any Americans with Disabilities Act, Section 504 of the Rehabilitation Act, section 1557 of the Affordable Care Act, and/or Gov. Code section 11135 grievances received by the CONTRACTOR.
  - 32.10. Complaints for Residential Adult Alcoholism or Drug Abuse Recovery or Treatment Facilities, and counselor complaints may be made by using the Complaint Form, which is available and may be submitted online: <http://www.dhcs.ca.gov/individuals/Pages/Sud-Complaints.aspx>
  - 32.11. Suspected Medi-Cal fraud, waste, or abuse shall be reported to DHCS Medi-Cal Fraud: (800) 822-6222 or [Fraud@dhcs.ca.gov](mailto:Fraud@dhcs.ca.gov).
33. **ADVANCED DIRECTIVES:** CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (l), (3) and (4).
34. **TRANSITION OF CARE**
- 34.1. CONTRACTOR shall follow COUNTY's transition of care policy in accordance with applicable state and federal regulations, MHSUDS IN 18-051: DMC-ODS Transition of Care Policy, and any BHINs issued by DHCS for parity in SUD and mental health benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)
  - 34.2. Clients shall be allowed to continue receiving covered DMC-ODS services with an out-of-network provider when their assessment determines that, in the absence of continued services, the client would suffer serious detriment to their health or be at risk of hospitalization or institutionalization. DMC-ODS treatment services with the existing provider (out-of-network) provider shall continue for a period of no more than 90 days unless medical

necessity requires the services to continue for a longer period of time, not exceeding 12 months. Specific criteria must be met.

### **35. ADVERTISING REQUIREMENTS**

- 35.1. CONTRACTOR, to protect the health, safety, and welfare of clients with a SUD, shall not use false or misleading advertisement for their medical treatment or medical services as per SB 434 Health and Safety Code § 11831.9 and BHIN 22-022.
- 35.2. Licensed SUD recovery or treatment facilities and certified alcohol or other drug programs shall not do any of the following:
  - 35.2.1. Make a false or misleading statement or provide false or misleading information about the entity's products, goods, services, or geographical locations in its marketing, advertising materials, or media, or on its internet website or on a third-party internet website.
  - 35.2.2. Include on its internet website a picture, description, staff information, or the location of an entity, along with false contact information that surreptitiously directs the reader to a business that does not have a contract with the entity.
  - 35.2.3. Include on its internet website false information or an electronic link that provides false information or surreptitiously directs the reader to another internet website.
- 35.3. CONTRACTOR shall comply with these requirements and any subsequent regulations around advertising requirements for SUD recovery or treatment facilities issued by DHCS.

### **PROGRAM INTEGRITY**

#### **36. GENERAL**

- 36.1. As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600 (b)).
- 36.2. By signing this Agreement, CONTRACTOR certifies that under the laws of the United States and the State of California, incorporated into this Agreement by reference and made a part hereof as if set forth in full, CONTRACTOR shall not unlawfully discriminate against any person.
- 36.3. 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.

#### **37. ASAM STANDARDS OF CARE**

- 37.1. In accordance with Health and Safety Code section 11834.015, DHCS has adopted the ASAM treatment criteria, or other equivalent evidenced based criteria as the minimum standard of care for AOD facilities.
- 37.2. For this Agreement and subsequential services, CONTRACTOR shall adopt ASAM as the evidenced based practice standard for LOC.
- 37.3. CONTRACTOR shall ensure treatment staff of all SUD treatment programs receive adequate training in ASAM criteria prior to providing services that includes but is not limited to in person or e-training modules:
  - ASAM Module I- Multidimensional Assessment
  - ASAM Module II- From Assessment to Service Planning and Level of Care
  - ASAM Module III-Introduction to the ASAM Criteria



### **38. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS**

- 38.1. CONTRACTORS must follow the uniform process for credentialing and recredentialing of network providers established by COUNTY, including disciplinary actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.
- 38.2. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waived, and/or certified.
- 38.3. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. § 438.610. See relevant section below regarding specific requirements for exclusion monitoring.
- 38.4. CONTRACTORS shall ensure that all of their network providers, delivering covered services, sign and date an attestation statement on a form provided by COUNTY, in which each provider attests to the following:
  - 38.4.1. Any limitations or disabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;
  - 38.4.2. A history of loss of license or felony convictions;
  - 38.4.3. A history of loss or limitation of privileges or disciplinary activity;
  - 38.4.4. A lack of present illegal drug use; and
  - 38.4.5. The application's accuracy and completeness
- 38.5. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.
- 38.6. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.
- 38.7. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the requirements are not up-to-date, updated information should be obtained from network providers to complete the re-credentialing process.

### **39. SCREENING AND ENROLLMENT REQUIREMENTS**

- 39.1. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the state as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b)).
- 39.2. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR, of up to 120 days but must terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients (42 C.F.R. § 438.602(b)(2)).
- 39.3. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents

when requested by the COUNTY, DHCS or the US Department of Health & Human Services (US DHHS).

40. **COUNSELOR CERTIFICATION:** Any counselor or registrant 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 comply with the requirements in Cal. Code Regs., tit. 9, div. 4, chapter 8.
41. **PROVIDER APPLICATION AND VALIDATION FOR ENROLLMENT (PAVE):** CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SUD services to Medi-Cal clients on behalf of CONTRACTOR, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to DHCS requirements, the 21st Century Cures Act, and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.
42. **COMPLIANCE PROGRAM, INCLUDING FRAUD PREVENTION AND OVERPAYMENTS**
  - 42.1. CONTRACTOR shall have in place a compliance program designed to detect and prevent fraud, waste and abuse, as per 42 C.F.R. § 438.608 (a)(1), that must include:
    - 42.1.1. Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the Agreement, and all applicable federal and state requirements.
    - 42.1.2. A Compliance Office (CO) who is responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements of this Agreement and who reports directly to the CEO and the Board of Directors.
    - 42.1.3. A Regulatory Compliance Committee on the Board of Directors and at the senior management level charged with overseeing the organization's compliance program and its compliance with the requirements under the Agreement.
    - 42.1.4. A system for training and education for the Compliance Officer, the organization's senior management, and the organization's employees for the federal and state standards and requirements under the Agreement.
    - 42.1.5. Effective lines of communication between the Compliance Officer and the organization's employees.
    - 42.1.6. Enforcement of standards through well-publicized disciplinary guidelines.
    - 42.1.7. The establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, corrections of such problems promptly and thoroughly to reduce the potential for recurrence, and ongoing compliance with the requirements under the Agreement.
    - 42.1.8. The requirement for prompt reporting and repayment of any overpayments identified.
  - 42.2. CONTRACTOR must have administrative and management arrangements or procedures designed to detect and prevent fraud, waste and abuse of federal or state health care funding. CONTRACTOR must report fraud and abuse information to the COUNTY including but not limited to:
    - 42.2.1. Any potential fraud, waste, or abuse as per 42 C.F.R. § 438.608(a), (a)(7),
    - 42.2.2. All overpayments identified or recovered, specifying the overpayment due to potential fraud as per 42C.F.R. § 438.608(a), (a)(2).
    - 42.2.3. Information about change in a client's circumstances that may affect the client's eligibility including changes in the client's residence or the death of the client as per 42 C.F.R. § 438.608(a)(3).

42.2.4. Information about a change in the CONTRACTOR's circumstances that may affect the network provider's eligibility to participate in the managed care program, including the termination of this Agreement with the CONTRACTOR as per 42 C.F.R. § 438.608 (a)(6).

42.3. CONTRACTOR shall implement written policies that provide detailed information about the False Claims Act ("Act") and other federal and state Laws described in section 1902(a)(68) of the Act, including information about rights of employees to be protected as whistleblowers.

42.4. CONTRACTOR shall make prompt referral of any potential fraud, waste or abuse to COUNTY or potential fraud directly to the State Medicaid Fraud Control Unit.

42.5. COUNTY may suspend payments to CONTRACTOR if DHCS or COUNTY determine that there is a credible allegation of fraud in accordance with 42 C.F.R. § 455.23. (42 C.F.R. § 438.608 (a)(8)).

42.6. CONTRACTOR shall report to the COUNTY all identified overpayments and reason for the overpayment, including overpayments due to potential fraud. CONTRACTOR shall return any overpayments to the COUNTY within 60 calendar days after the date on which the overpayment was identified. (42 C.F.R. § 438.608 (a)(2), (c)(3)).

#### 43. **INTEGRITY DISCLOSURES**

43.1. CONTRACTOR shall provide information on ownership and controlling interests, disclosures related to business transactions, and disclosures related to persons convicted of crimes in the form and manner requested by the COUNTY, by the Effective Date, each time the Agreement is renewed and within 35 days of any change in ownership or controlling interest of CONTRACTOR. (42 C.F.R. §§ 455.104, 455.105, and 455.106)

43.2. Upon the execution of this Agreement, CONTRACTOR shall furnish COUNTY a Provider Disclosure Statement, which, upon receipt by COUNTY, shall be kept on file with COUNTY and may be disclosed to DHCS. If there are any changes to the information disclosed in the Provider Disclosure Statement, an updated statement should be completed and submitted to the COUNTY within 35 days of the change. (42 C.F.R. § 455.104).

41.3. CONTRACTOR must disclose the following information as requested in the Provider Disclosure Statement:

41.3.1. Disclosure of 5% or More Ownership Interest:

41.3.1.1. In the case of corporate entities with an ownership or control interest in the disclosing entity, the primary business address as well as every business location and P.O. Box address must be disclosed. In the case of an individual, the date of birth and Social Security Number must be disclosed.

41.3.1.2. In the case of a corporation with ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has a five percent (5%) or more interest, the corporation tax identification number must be disclosed.

41.3.1.3. For individuals or corporations with ownership or control interest in any subcontractor in which the disclosing entity has a five percent (5%) or more interest, the disclosure of familial relationship is required.

41.3.1.4. For individuals with five percent (5%) or more direct or indirect ownership interest of a disclosing entity, the individual shall provide evidence of completion of a criminal background check, including fingerprinting, if required by law, prior to execution of Agreement. (42 C.F.R. § 455.434)

41.3.2. Disclosures Related to Business Transactions:

- 41.3.2.1. The ownership of any subcontractor with whom CONTRACTOR has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request.
- 41.3.2.2. Any significant business transactions between CONTRACTOR and any wholly owned supplier, or between CONTRACTOR and any subcontractor, during the 5-year period ending on the date of the request. (42 C.F.R. § 455.105(b).)

41.3.3. Disclosures Related to Persons Convicted of Crimes:

- 41.3.3.1. The identity of any person who has an ownership or control interest in the CONTRACTOR or is an agent or managing employee of the CONTRACTOR who has been convicted of a criminal offense related to that person's involvement in any program under the Medicare, Medicaid, or the Title XXI services program since the inception of those programs. (42 C.F.R. § 455.106.)
- 41.3.3.2. COUNTY shall terminate the enrollment of CONTRACTOR if any person with five percent (5%) or greater direct or indirect ownership interest in the disclosing entity has been convicted of a criminal offense related to the person's involvement with Medicare, Medicaid, or Title XXI program in the last 10 years.

- 41.4. CONTRACTOR must provide disclosure upon execution of Contract, extension for renewal, and within 35 days after any change in CONTRACTOR ownership or upon request of COUNTY. COUNTY may refuse to enter into an Agreement or terminate an existing Agreement with a CONTRACTOR if the CONTRACTOR fails to disclose ownership and control interest information, information related to business transactions and information on persons convicted of crimes, or if the CONTRACTOR did not fully and accurately make the disclosure as required.
- 41.5. CONTRACTOR must provide the COUNTY with written disclosure of any prohibited affiliations under 42 C.F.R. § 438.610. CONTRACTOR must not employ or subcontract with providers or have other relationships with providers Excluded from participating in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. § 438.610.

**42. CERTIFICATION OF NON-EXCLUSION OR SUSPENSION FROM PARTICIPATION IN A FEDERAL HEALTH CARE PROGRAM**

- 42.1. Prior to the effective date of this Agreement, the CONTRACTOR must certify that it is not excluded from participation in Federal Health Care Programs under either section 1128 or 1128A of the Social Security Act. Failure to certify will render all provisions of this Agreement null and void and may result in the immediate termination of the Agreement.
- 42.2. Debarment and Suspension: COUNTY shall not subcontract with or employ any party listed on the government wide exclusions in the System for Award management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp.p.189) and 12689 (3 CFR part 1989., p. 235), "Debarment and Suspension." SAM exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive order 12549.

The COUNTY 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.

If a COUNTY subcontracts or employs an excluded party, DHCS has the right to withhold payments, disallow costs, or issue a CAP, as appropriate, pursuant to HSC Code 11817.8(H).

CONTRACTOR shall conduct initial and monthly Exclusion & Suspension searches of the following databases and provide evidence of these completed searches when requested by COUNTY, DHCS or the US DHHS:

- [www.oig.hhs.gov/exclusions](http://www.oig.hhs.gov/exclusions) - LEIE Federal Exclusions
- [www.sam.gov/portal/SAM](http://www.sam.gov/portal/SAM) - GSA Exclusions Extract
- [www.Medi-Cal.ca.gov](http://www.Medi-Cal.ca.gov) - Suspended & Ineligible Provider List
- <https://nppes.cms.hhs.gov/#/> - National Plan and Provider Enumeration System (NPPES)
- any other database required by DHCS or DHHS.

42.3. CONTRACTOR shall certify, prior to the execution of the Agreement, that CONTRACTOR does not employ staff or individual CONTRACTORS/vendors that are on the Social Security Administration's Death Master File. CONTRACTOR shall check the following database prior to employing staff or individual CONTRACTORS/vendors and provide evidence of these completed searches when requested by the COUNTY, DHCS or the US DHHS.

42.3.1. <https://www.ssdmf.com/> - Social Security Death Master File

42.4. CONTRACTOR is required to notify COUNTY immediately if CONTRACTOR becomes aware of any information that may indicate their (including employees/staff and individual CONTRACTORS/vendors) potential placement on an exclusions list.

42.5. CONTRACTOR shall screen and periodically revalidate all network providers in accordance with the requirements of 42 C.F.R., Part 455, Subparts B and E.

42.6. CONTRACTOR must confirm the identity and determine the exclusion status of all its providers, as well as any person with an ownership or control interest, or who is an agent or managing employee of the contracted agency through routine checks of federal and state databases. This includes the Social Security Administration's Death Master File, NPPES, the Office of Inspector General's List of Excluded Individuals/Entities (LEIE), the Medi-Cal Suspended and Ineligible Provider List (S&I List) as consistent with the requirements of 42 C.F.R. § 455.436.

42.7. If a CONTRACTOR finds a provider that is Excluded, it must promptly notify the COUNTY as per 42 C.F.R. § 438.608(a)(2), (4). CONTRACTOR shall not certify or pay any Excluded provider with Medi-Cal funds, must treat any payments made to an Excluded provider as an overpayment, and any such inappropriate payments may be subject to recovery.

## **QUALITY IMPROVEMENT PROGRAM**

### **43. QUALITY IMPROVEMENT ACTIVITIES AND PARTICIPATION**

43.1. CONTRACTOR shall comply with the COUNTY's ongoing comprehensive Quality Assessment and Performance Improvement (QAPI) Program (42 C.F.R. § 438.330(a)) and work with the COUNTY to improve established outcomes by following structural and operational processes and activities that are consistent with current practice standards.

43.2. CONTRACTOR shall participate in quality improvement (QI) activities, including clinical and non-clinical performance improvement projects (PIPs), as requested by the COUNTY in

relation to state and federal requirements and responsibilities, to improve health outcomes and clients' satisfaction over time. Other QI activities include quality assurance, collection and submission of performance measures specified by the COUNTY, mechanisms to detect both underutilization and overutilization of services, client and system outcomes, utilization management, utilization review, provider appeals, provider credentialing and re-credentialing, and client grievances. CONTRACTOR shall measure, monitor, and annually report to the COUNTY its performance.

- 43.3. CONTRACTOR shall implement mechanisms to assess client/family satisfaction based on COUNTY's guidance. The CONTRACTOR shall assess client/family satisfaction by:
  - 43.3.1. Surveying client/family satisfaction with the CONTRACTOR's services at least annually.
  - 43.3.2. Evaluating client grievances, appeals and State Hearings at least annually.
  - 43.3.3. Evaluating requests to change persons providing services at least annually.
  - 43.3.4. Informing the COUNTY and clients of the results of client/family satisfaction activities.
- 43.4. CONTRACTOR, if applicable, shall implement mechanisms to monitor the safety and effectiveness of medication practices. This mechanism shall be under the supervision of a person licensed to prescribe or dispense prescription drugs, at least annually.
- 43.5. CONTRACTOR shall implement mechanisms to monitor appropriate and timely intervention of occurrences that raise quality of care concerns. The CONTRACTOR shall take appropriate follow-up action when such an occurrence is identified. The results of the intervention shall be evaluated by the CONTRACTOR at least annually and shared with the COUNTY.
- 43.6. CONTRACTOR shall collaborate with COUNTY to create a QI Work Plan with documented annual evaluations and documented revisions as needed. The QI Work Plan shall evaluate the impact and effectiveness of its quality assessment and performance improvement program.
- 43.7. CONTRACTOR shall attend and participate in the COUNTY's Quality Improvement Committee (QIC) to recommend policy decisions, review and evaluate results of QI activities, including PIPs, institute needed QI actions, and ensure follow-up of QI processes. CONTRACTOR shall ensure that there is active participation by the CONTRACTOR's practitioners and providers in the QIC.
- 43.8. CONTRACTOR shall assist COUNTY, as needed, with the development and implementation of Corrective Action Plans.
- 43.9. CONTRACTOR shall participate, as required, in annual, independent external quality reviews (EQR) of the quality, timeliness, and access to the services covered under this Contract, which are conducted pursuant to Subpart E of Part 438 of the Code of Federal Regulations. (42 C.F.R. §§ 438.350(a) and 438.320)
- 43.10. Participation of COUNTY Behavioral Health Director's Association of California
  - 43.10.1. The COUNTY AOD Program Administrator shall participate and represent the COUNTY in meetings of the COUNTY Behavioral Health Director's Association of California for the purposes of representing the counties in their relationship with DHCS with respect to policies, standards, and administration for the AOD abuse services.
  - 43.10.2. The COUNTY AOD Program Administrator shall attend any special meetings called by the Director of DHCS. Participation and representation shall also be provided by the COUNTY Behavioral health Director's Association of California.

#### 44. NETWORK ADEQUACY

- 44.1. CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. § 438.206 (a),(c)).
- 44.2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to COUNTY, utilizing a provided template or other designated format.
- 44.3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services. Significant changes include, but are not limited to, changes in services or providers available to clients, and changes in geographic service area.

#### 45. TIMELY ACCESS

- 45.1. CONTRACTOR shall comply with the requirements set forth in CCR, Title 9, § 1810.405, including meeting COUNTY and State Contract standards for timely access to care and services, taking into account the urgency of the need for services. COUNTY shall monitor CONTRACTOR to determine compliance with timely access requirements and shall take corrective action in the event of noncompliance.
- 45.2. Timely access standards include:
  - 45.2.1. CONTRACTORS must have hours of operation during which services are provided to Medi-Cal clients that are no less than the hours of operation during which the CONTRACTOR offers services to non-Medi-Cal clients. If the CONTRACTOR's provider only serves Medi-Cal clients, the provider must provide hours of operation comparable to the hours the CONTRACTOR makes available for Medi-Cal services that are not covered by the Agreement or another COUNTY.
  - 45.2.2. Appointments data, including wait times for requested services, must be recorded and tracked by CONTRACTOR, and submitted to the COUNTY on a monthly basis in a format specified by the COUNTY. Appointments' data should be submitted to the COUNTY's Quality Management department or other designated persons.
  - 45.2.3. CONTRACTOR shall ensure that all clients seeking NTP services are provided with an appointment within three business days of a service request.
  - 45.2.4. CONTRACTOR shall ensure that all clients seeking outpatient and intensive outpatient (non-NTP) services are provided with an appointment within 10 business days of a non-NTP service request.
  - 45.2.5. CONTRACTOR shall ensure that all clients seeking non-urgent appointments with a non-physician SUD provider are provided within 10 business days of the request for the appointment. Similarly, CONTRACTOR shall ensure that all clients seeking non-urgent follow-up appointments with a non-physician SUD provider are provided within 10 business days of the prior appointment for those undergoing a course of treatment for an ongoing SUD condition. These timely standards must be followed, except in the following circumstances:
    - 45.2.5.1. The referring or treating licensed health care provider, or the health professional providing triage or screening services, as applicable, has determined and noted that in the relevant record that a longer waiting time will not have a detrimental impact on the client's health.
    - 45.2.5.2. Preventive care services and periodic follow-up care, including office visits for SUD conditions, may be scheduled in advance consistent with professionally recognized standards of practice as determined by the

treating licensed health care provider acting within the scope of their practice.

- 45.2.6. CONTRACTOR shall ensure that, if necessary for a client or a provider to reschedule an appointment, the appointment is promptly rescheduled in a manner that is appropriate for the client's health care needs and ensures continuity of care consistent with good professional practice.
- 45.2.7. CONTRACTOR shall ensure that during normal business hours, the waiting time for a client to speak by telephone with staff knowledgeable and competent regarding the client's questions and concerns does not exceed 10 minutes.

#### **46. DATA REPORTING REQUIREMENTS**

- 46.1. CONTRACTOR shall comply with data reporting compliance standards as established by DHCS and/or SAMHSA depending on the specific source of funding.
- 46.2. CONTRACTOR shall ensure that all data stored or submitted to the COUNTY, DHCS or other data collection sites is accurate and complete.
  - 46.2.1. California Outcomes Measurement System Treatment (CalOMS Tx)
    - 46.2.1.1. CalOMS Tx data shall be submitted by CONTRACTOR to DHCS via electronic submission within 45 days from the end of the last day of the report month. This data shall be submitted during this time frame.
  - 46.2.2. Drug and Alcohol Treatment Access Report (DATAR)
    - 46.2.2.1. DATAR data shall be submitted by CONTRACTOR as specified by COUNTY, either directly to DHCS or by other means established by COUNTY, by the 10th of the month following the report activity month.
  - 46.2.3. Substance Abuse and Prevention Treatment Block Grant (SABG) Funding reporting
    - 46.2.3.1. CONTRACTORS providing services to beneficiaries in counties using SABG funds will collect and report performance data to COUNTY monthly.

#### **47. TREATMENT PERCEPTION SURVEY (TPS)**

CONTRACTOR shall conduct the annual Treatment Perception Survey (TPS) consistent with DMC-ODS requirements and under the direction of COUNTY.

#### **48. PRACTICE GUIDELINES**

- 48.1. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements as per 42 C.F.R. § 438.236:
  - 48.1.1. Are based on valid and reliable clinical evidence or a consensus of providers in the field.
  - 48.1.2. Consider the needs of the CONTRACTOR's clients
  - 48.1.3. Are adopted in consultation with network providers
  - 48.1.4. Are reviewed and updated periodically as appropriate
- 48.2. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients.

#### **49. EVIDENCE-BASED PRACTICES (EBPs)**

- 49.1. CONTRACTORS will comply with COUNTY and DHCS standards related to Evidenced Based Practices (EBPs).



49.2. CONTRACTOR will implement at least two of the following EBP to fidelity per provider, per service modality:

- 49.2.1. Motivational Interviewing
- 49.2.2. Cognitive-Behavioral Services
- 49.2.3. Relapse Prevention
- 49.2.4. Trauma-Informed Treatment
- 49.2.5. Psycho-Education

## 50. **PHYSICIAN INCENTIVE PLAN**

If CONTRACTOR wants to institute a Physician Incentive Plan, CONTRACTOR shall submit the proposed plan to the COUNTY which will in turn submit the Plan to the State for approval, in accordance with the provisions of 42 C.F.R. § 438.6(c).

## 51. **REPORTING UNUSUAL OCCURRENCES**

51.1. CONTRACTOR shall report unusual occurrences to the Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

51.2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

- 51.2.1. Complete written description of event including outcome;
- 51.2.2. Written report of CONTRACTOR's investigation and conclusions;
- 51.2.3. List of persons directly involved and/or with direct knowledge of the event.

51.3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and the CONTRACTOR will cooperate in the conduct of such independent investigations.

## **FINANCIAL TERMS**

### 52. **CLAIMING**

52.1. CONTRACTOR shall enter claims data into the COUNTY's billing and transactional database system within the timeframes established by COUNTY. CONTRACTOR shall use Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) codes, as provided in the DHCS Billing Manual available at <https://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx>, as from time to time amended.

52.2. Claims shall be complete and accurate and must include all required information regarding the claimed services.

52.3. CONTRACTOR shall maximize the Federal Financial Participation (FFP) reimbursement by claiming all possible Medi-Cal services and correcting denied services for resubmission in a timely manner as needed.

### 53. **INVOICING**

53.1. CONTRACTOR shall invoice COUNTY for services monthly, in arrears, in the format directed by COUNTY. Invoices shall be based on claims entered into the COUNTY'S billing and transactional database system for the prior month.

53.2. Monthly payments for claimed services shall be based on the units of time assigned to each CPT or HCPCS code entered in the COUNTY'S billing and transactional database in combination with the formula involving the hourly service rates and practitioner types listed

below. All claims for outpatient services must use units of service. Only the time it takes to provide direct services associated with that code can be counted toward a unit of service. All units of service must be whole numbers.

- 53.3. COUNTY'S payments to CONTRACTOR for performance of claimed services are provisional and subject to adjustment until the completion of all settlement activities. COUNTY'S adjustments to provisional payments for claimed services shall be based on the terms, conditions, and limitations of this Agreement or the reasons for recoupment set forth in Sections 25-29 above.

#### 54. **ADDITIONAL FINANCIAL REQUIREMENTS**

- 54.1. COUNTY has the right to monitor the performance of this Agreement to ensure the accuracy of claims for reimbursement and compliance with all applicable laws and regulations.
- 54.2. CONTRACTOR must comply with the False Claims Act employee training and policy requirements set forth in 42 U.S.C. 1396a(a)(68) and as the Secretary of the US DHHS may specify.
- 54.3. CONTRACTOR agrees that no part of any federal funds provided under this Agreement shall be used to pay the salary of an individual per fiscal year at a rate in excess of Level 1 of the Executive Schedule at <https://www.opm.gov/> (U.S. Office of Personnel Management), as from time to time amended.
- 54.4. Federal Financial Participation is not available for any amount furnished to an Excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the COUNTY failed to suspend payments during an investigation of a credible allegation of fraud (42 U.S.C. § 1396b(i)(2)).

#### 55. **CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS [IF APPLICABLE]**

- 55.1. CONTRACTOR may not redirect or transfer funds from one funded program to another funded program under which CONTRACTOR provides services pursuant to this Agreement except through a duly executed amendment to this Agreement.
- 55.2. CONTRACTOR may not charge services delivered to an eligible client under one funded program to another funded program unless the client is also eligible for services under the second funded program.

#### 56. **FINANCIAL AUDIT REPORT REQUIREMENTS FOR PASS-THROUGH ENTITIES**

- 56.1. If COUNTY determines that CONTRACTOR is a "subrecipient" (also known as a "pass-through entity") as defined in 2 C.F.R. § 200 et seq., CONTRACTOR represents that it will comply with the applicable cost principles and administrative requirements including claims for payment or reimbursement by COUNTY as set forth in 2 C.F.R. § 200 et seq., as may be amended from time to time. CONTRACTOR shall observe and comply with all applicable financial audit report requirements and standards.
- 56.2. Financial audit reports must contain a separate schedule that identifies all funds included in the audit that are received from or passed through the COUNTY. COUNTY programs must be identified by Agreement number, Agreement amount, Agreement period, and the amount expended during the fiscal year by funding source.
- 56.3. CONTRACTOR will provide a financial audit report including all attachments to the report and the management letter and corresponding response within six months of the end of the

audit year to the Director. The Director is responsible for providing the audit report to the COUNTY Auditor.

- 56.4. CONTRACTOR must submit any required corrective action plan to the COUNTY simultaneously with the audit report or as soon thereafter as it is available. The COUNTY shall monitor implementation of the corrective action plan as it pertains to services provided pursuant to this Agreement.

## **ADDITIONAL FINAL RULE PROVISIONS**

### **57. NON-DISCRIMINATION**

- 57.1. CONTRACTOR shall not discriminate against Medi-Cal eligible individuals in its COUNTY who require an assessment or meet medical necessity criteria for DMC-ODS in the provision of SUD services because of race, color, religion, ancestry, marital status, national origin, ethnic group identification, sex, sexual orientation, gender, gender identity, age, medical condition, genetic information, health status or need for health care services, or mental or physical disability as consistent with the requirements of applicable federal law, such as 42 C.F.R. § 438.3(d)(3) and (4), BHIN 22-060 Enclosure 4 and state law.
- 57.2. CONTRACTOR shall take affirmative action to ensure that services to intended Medi-Cal clients are provided without use of any policy or practice that has the effect of discriminating on the basis of race, color, religion, ancestry, marital status, national origin, ethnic group identification, sex, sexual orientation, gender, gender identity, age, medical condition, genetic information, health status or need for health care services, or mental or physical disability.

58. **PHYSICAL ACCESSIBILITY:** In accordance with the accessibility requirements of section 508 of the Rehabilitation Act and the Americans with Disabilities Act of 1973, CONTRACTOR must provide physical access, reasonable accommodations, and accessible equipment for Medi-Cal clients with physical or mental disabilities.

### **59. APPLICABLE FEES**

- 59.1. CONTRACTOR shall not charge any clients or third-party payers any fee for service unless directed to do so by the Director at the time the client is referred for services. When directed to charge for services, CONTRACTOR shall use the uniform billing and collection guidelines prescribed by DHCS.
- 59.2. CONTRACTOR will perform eligibility and financial determinations for each beneficiary prior to rendering services in accordance with the Drug Medi-Cal Billing Manual, unless directed otherwise by the Director.
- 59.3. CONTRACTOR shall not submit a claim to, or demand or otherwise collect reimbursement from, the client or persons acting on behalf of the client for any SUD or related administrative services provided under this Agreement, except to collect other health insurance coverage, share of cost, and co-payments (California Code of Regulations, tit. 9, § 1810.365(c)).
- 59.4. The CONTRACTOR must not bill clients, for covered services, any amount greater than would be owed if the COUNTY provided the services directly as per and otherwise not bill client as set forth in 42 C.F.R. § 438.106.

### **60. CULTURAL COMPETENCE**

- 60.1. All services, policies and procedures must be culturally and linguistically appropriate. CONTRACTOR must participate in the implementation of the most recent Cultural Competency Plan for the COUNTY and shall adhere to all cultural competency standards

and requirements. CONTRACTOR shall participate in the COUNTY's efforts to promote the delivery of services in a culturally competent and equitable manner to all clients, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation, or gender identity.

- 60.2. 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 as outlined online at:  
<https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=2&lvlid=53>
- 60.3. Information Access for Individuals with Limited English Proficiency
- 60.3.1. COUNTY shall comply with all applicable provisions of the Dymally-Alatorre Bilingual Services Act (Government Code sections 7290-7299.8) regarding access to materials that explain services available to the public as well as providing language interpretation services.
- 60.3.2. COUNTY shall comply with the applicable provisions of Section 1557 of the Affordable Care Act (45 CFR Part 92), including, but not limited to, 45 CFR 92.201, when providing access to: (a) materials explaining services available to the public, (b) language assistance, (c) language interpreter and translation services, or (d) video remote language interpreting services.
- 60.4. Tribal Communities and Organizations: COUNTY shall regularly 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, and survey Tribal representatives for insight in potential barriers to the substance use service needs of the American Indian/Alaskan Native (AI/AN) population within the COUNTY geographic area. Contractor shall also 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/AN communities within the COUNTY.

## 61. CLIENT INFORMING MATERIALS

### 61.1. Basic Information Requirements

- 61.1.1. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1)). CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6). CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.
- 61.1.2. CONTRACTOR shall provide the required information in this section to each client receiving SUD services under this Agreement and upon request.
- 61.1.3. CONTRACTOR shall utilize the COUNTY's website that provides the content required in this section and 42 C.F.R. § 438.10 and complies with all the requirements regarding the same set forth in 42 C.F.R. § 438.10.
- 61.1.4. CONTRACTOR shall use DHCS/COUNTY developed model beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3)).
- 61.1.5. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:
- 61.1.5.1. The format is readily accessible;

- 61.1.5.2. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;
- 61.1.5.3. The information is provided in an electronic form which can be electronically retained and printed;
- 61.1.5.4. The information is consistent with the content and language requirements of this Agreement;
- 61.1.5.5. The client is informed that the information is available in paper form without charge upon request and the CONTRACTOR provides it upon request within five business days. (42 C.F.R. § 438.10(c)(6)).

## 61.2. Language and Format

- 61.2.1. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. § 438.10(d)(6)(ii).)
- 61.2.2. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.
- 61.2.3. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's SUD health education materials, available in the prevalent non-English languages in the COUNTY. (42 C.F.R. § 438.10(d)(3).)
- 61.2.4. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare & Institutions Code § 14727(a)(1); California Code of Regulations. tit. 9 § 1810.410, subd. (e), para. (4))
- 61.2.5. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4).)
- 61.2.6. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).
- 61.2.7. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

## 61.3. Beneficiary Informing Materials

- 61.3.1. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SUD services. Beneficiary informing materials include but are not limited to:
  - 61.3.1.1. COUNTY DMC-ODS Beneficiary Handbook (BHIN 22-060)
  - 61.3.1.2. Provider Directory
  - 61.3.1.3. DMC-ODS Formulary
  - 61.3.1.4. Advance Health Care Directive Form (required for adult clients only)
  - 61.3.1.5. Notice of Language Assistance Services available upon request at no cost to the client
  - 61.3.1.6. Language Taglines
  - 61.3.1.7. Grievance/Appeal Process and Form
  - 61.3.1.8. Notice of Privacy Practices
  - 61.3.1.9. EPSDT poster (if serving clients under the age of 21)
- 61.3.2. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.

- 61.3.3. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.
  - 61.3.4. Required informing materials must be electronically available on the CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.
  - 61.3.5. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.
  - 61.3.6. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:
  - 61.3.7. Mails a printed copy of the information to the client's mailing address before the client first receives a SUD service;
  - 61.3.8. Mails a printed copy of the information upon the client's request to the client's mailing address;
  - 61.3.9. Provides the information by email after obtaining the client's agreement to receive the information by email;
  - 61.3.10. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,
  - 61.3.11. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If the CONTRACTOR provides informing materials in person, when the client first receives SUD services, the date and method of delivery shall be documented in the client's file.
- 61.4. Provider Directory
- 61.4.1. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.
  - 61.4.2. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about its provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).
  - 61.4.3. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.
  - 61.4.4. CONTRACTOR will only need to report changes/updates to the provider directory for each licensed SUD service provider.
- 61.5. Medication Formulary
- 61.5.1. CONTRACTOR shall make available in electronic or paper form, the following information about the COUNTY's formulary as outlined in 42 C.F.R. § 438.10(i):
    - 61.5.1.1. Which medications are covered (for both generic and name brand).
    - 61.5.1.2. What tier each medication resides on.
  - 61.5.2. CONTRACTOR shall inform clients about COUNTY's formulary drug lists availability in a machine-readable file and format on the COUNTY's website.

## **DATA, PRIVACY AND SECURITY REQUIREMENTS**

**62. CONFIDENTIALITY AND SECURE COMMUNICATIONS**

- 62.1. CONTRACTOR shall comply with all applicable Federal and State laws and regulations pertaining to the confidentiality of individually identifiable protected health information (PHI) or personally identifiable information (PII) including, but not limited to, requirements of the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, the California Welfare and Institutions Code regarding confidentiality of client information and records and all relevant COUNTY policies and procedures.
- 62.2. CONTRACTOR will comply with all COUNTY policies and procedures related to confidentiality, privacy, and secure communications.
- 62.3. CONTRACTOR shall have all employees acknowledge an Oath of Confidentiality mirroring that of COUNTY, including confidentiality and disclosure requirements, as well as sanctions related to non-compliance.
- 62.4. CONTRACTOR shall not use or disclose PHI or PII other than as permitted or required by law.

**63. ELECTRONIC PRIVACY AND SECURITY**

- 63.1. CONTRACTOR shall have a secure email system and send any email containing PII or PHI in a secure and encrypted manner. CONTRACTOR's email transmissions shall display a warning banner stating that data is confidential, systems activities are monitored and logged for administrative and security purposes, systems use is for authorized users only, and that users are directed to log off the system if they do not agree with these requirements.
- 63.2. CONTRACTOR shall institute compliant password management policies and procedures, which shall include but are not limited to procedures for creating, changing, and safeguarding passwords. CONTRACTOR shall establish guidelines for creating passwords and ensuring that passwords expire and are changed at least once every 90 days.
- 63.3. CONTRACTOR entering data into any COUNTY electronic systems shall ensure that staff are trained to enter and maintain data within this system.

**64. BUSINESS ASSOCIATE AGREEMENT (BAA)**

- 64.1. CONTRACTOR may perform or assist COUNTY in the performance of certain health care administrative duties that involve the use and/or disclosure of client identifying information as defined by HIPAA. For these duties, the CONTRACTOR shall be a Business Associate of the COUNTY and shall comply with the applicable provisions set forth in the signed HIPAA BAA, which must be signed and attached as an exhibit to this Agreement.
- 64.2. CONTRACTOR shall follow all requirements listed within the BAA and shall comply with all applicable COUNTY policies, state laws and regulations and federal laws pertaining to breaches of confidentiality. CONTRACTOR agrees to hold the COUNTY harmless for any breaches or violations.

**65. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996**

- 65.1. If any of the work performed under this Agreement is subject to the HIPAA, CONTRACTOR shall perform the work in compliance with all applicable provisions of HIPAA. DHCS and CONTRACTOR shall cooperate to ensure mutual agreement as to those transactions between them, to which this Provision applies.

## 65.2. Trading Partner Requirements

- 65.2.1. No Changes. CONTRACTOR hereby agrees that for the personal health information (Information), it shall 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)).
- 65.2.2. No Additions. CONTRACTOR hereby agrees that for the Information, it shall 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)).
- 65.2.3. No Unauthorized Uses. CONTRACTOR hereby agrees that for the Information, it shall 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)).
- 65.2.4. No Changes to Meaning or Intent. CONTRACTOR hereby agrees that for the Information, it shall not change the meaning or intent of any of the HHS Transaction Standard's implementation specification (45 CFR Part 162.915 (d)).

## 65.3. Concurrence for Test Modifications to HHS Transaction Standards

- 65.3.1. CONTRACTOR agrees and understands that there exists the possibility that DHCS or others may request an extension from the uses of a standard in the HHS Transaction Standards. If this occurs, CONTRACTOR agrees that it shall participate in such test modifications.

## 65.4. Adequate Testing

- 65.4.1. 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.

## 65.5. Deficiencies

- 65.5.1. The CONTRACTOR agrees to cure transactions errors or deficiencies identified by DHCS, and transactions errors or deficiencies identified by an enrolled provider if the CONTRACTOR is acting as a clearinghouse for that provider. If the CONTRACTOR is a clearinghouse, the CONTRACTOR agrees to properly communicate deficiencies and other pertinent information regarding electronic transactions to enrolled providers for which they provide clearinghouse services.

## 65.6. Code Set Retention

- 65.6.1. Both DHCS and the CONTRACTOR 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.

## 65.7. Data Transmission Log

- 65.7.1. Both DHCS and the CONTRACTOR shall establish and maintain a Data Transmission Log, which shall record any and all data transmissions taking place between the Parties during the term of this Agreement. Each Party shall 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 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 necessary to do so, the information contained in the Data



Transmission Log may be retrieved in a timely manner and presented in readable form.

## **CLIENT RIGHTS**

66. CONTRACTOR shall take all appropriate steps to fully protect clients' rights, as specified in Welfare and Institutions Code § 5325 et seq; Title 9 California Code of Regulations (CCR), §§ 862, 883, 884; Title 22 CCR, § 72453 and § 72527; and 42 C.F.R. § 438.100.

## **RIGHT TO MONITOR**

67. COUNTY or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Auditor General, shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, financial records, staff information, client records, other pertinent items as requested, and shall have absolute right to monitor the performance of CONTRACTOR in the delivery of services provided under this Agreement. Full cooperation shall be given by the CONTRACTOR in any auditing or monitoring conducted, according to this Agreement.
68. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records, documents, contracts, computers, or other electronic systems pertaining to Medi-Cal enrollees, Medi-Cal-related activities, services, and activities furnished under the terms of this Agreement, or determinations of amounts payable available at any time for inspection, examination, or copying by COUNTY, the State of California or any subdivision or appointee thereof, CMS, U.S. Department of Health and Human Services (HHS) Office of Inspector General, the United States Comptroller General or their designees, and other authorized federal and state agencies. This audit right will exist for at least 10 years from the final date of the Agreement period or in the event the CONTRACTOR has been notified that an audit or investigation of this Agreement has commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later (42 CFR § 438.230(c)(3)(I)-(ii)).
69. The COUNTY, DHCS, CMS, or the HHS Office of Inspector General may inspect, evaluate, and audit the CONTRACTOR at any time if there is a reasonable possibility of fraud or similar risk. The Department's inspection shall occur at the CONTRACTOR's place of business, premises or physical facilities (42 CFR § 438.230(c)(3)(iv)).
70. CONTRACTOR shall cooperate with the COUNTY in the implementation, monitoring and evaluation of this Agreement and comply with any and all reporting requirements established by the COUNTY. Should the COUNTY identify an issue or receive notification of a complaint or potential/actual/suspected violation of requirements, the COUNTY may audit, monitor, and/or request information from the CONTRACTOR to ensure compliance with laws, regulations, and requirements, as applicable.
71. COUNTY reserves the right to place CONTRACTOR on probationary status, as referenced in the Probationary Status Article, should CONTRACTOR fail to meet performance requirements; including, but not limited to violations such as high disallowance rates, failure to report incidents and changes as contractually required, failure to correct issues, inappropriate invoicing, untimely and inaccurate data entry, not meeting performance outcomes expectations, and violations issued directly from the State. Additionally, CONTRACTOR may be subject to Probationary Status or termination if contract monitoring and auditing corrective actions are not resolved within specified timeframes.
72. CONTRACTOR shall retain all records and documents originated or prepared pursuant to CONTRACTOR's performance under this Agreement, including client grievance and appeal records, and the data, information and documentation specified in 42 C.F.R. parts §§ 438.604, 438.606, 438.608, and 438.610 for a period of no less than 10 years from the term end date of this Agreement or until such time as the matter under audit or investigation has been resolved. Records

and documents include but are not limited to all physical and electronic records and documents originated or prepared pursuant to CONTRACTOR's or subcontractor's performance under this Agreement including working papers, reports, financial records and documents of account, client records, prescription files, subcontracts, and any other documentation pertaining to covered services and other related services for clients.

73. CONTRACTOR shall maintain all records and management books pertaining to service delivery and demonstrate accountability for contract performance and maintain all fiscal, statistical, and management books and records pertaining to the program. Records should include, but are not limited to, monthly summary sheets, sign-in sheets, and other primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must also comply with the Code of Federal Regulations (CFR), Title II, Subtitle A, Chapter 11, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
74. All records shall be complete and current and comply with all Agreement requirements. Failure to maintain acceptable records per the preceding requirements shall be considered grounds for withholding of payments for billings submitted and for termination of Agreement.
75. CONTRACTOR shall maintain client and community service records in compliance with all regulations set forth by local, state, and federal requirements, laws and regulations, and provide access to clinical records by COUNTY staff.
76. CONTRACTOR shall comply with Medical Records/Protected Health Information Article regarding relinquishing or maintaining medical records.
77. CONTRACTOR shall agree to maintain and retain all appropriate service and financial records for a period of at least 10 years from the date of final payment, the final date of the contract period, final settlement, or until audit findings are resolved, whichever is later.
78. CONTRACTOR shall submit audited financial reports on an annual basis to the COUNTY. The audit shall be conducted in accordance with generally accepted accounting principles and generally accepted auditing standards.
79. In the event the Agreement is terminated, ends its designated term or CONTRACTOR ceases operation of its business, CONTRACTOR shall deliver or make available to COUNTY all financial records that may have been accumulated by CONTRACTOR or subcontractor under this Agreement, whether completed, partially completed or in progress within seven calendar days of said termination/end date.
80. CONTRACTOR shall provide all reasonable facilities and assistance for the safety and convenience of the COUNTY's representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner that will not unduly delay the work of CONTRACTOR.
81. COUNTY has the discretion to revoke full or partial provisions of the Agreement, delegated activities or obligations, or application of other remedies permitted by state or federal law when the COUNTY or DHCS determines CONTRACTOR has not performed satisfactorily.

## **SITE INSPECTION**

82. Without limiting any other provision related to inspections or audits otherwise set forth in this Agreement, CONTRACTOR shall permit authorized COUNTY, state, and/or federal agency(ies), through any authorized representative, the right to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract support activities and the premises which it is being performed. CONTRACTOR shall provide all reasonable assistance for the safety and convenience of the authorized representative in the performance of their duties. All inspections and evaluations shall be made in a manner that will not unduly delay the work.

## **OTHER FEDERAL REQUIREMENTS**

### **83. SMOKE-FREE WORKPLACE CERTIFICATION:**

- 83.1. Applicable to federally funded agreements/grants and subcontracts/subawards, that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.
- 83.2. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- 83.3. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- 83.4. By signing this Agreement, CONTRACTOR certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- 83.5. CONTRACTOR further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

84. **OFFICIALS NOT TO BENEFIT:** No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom. This provision shall not be construed to extend to this Agreement if made with a corporation for its general benefits.

### **85. CERTIFICATION AND DISCLOSURE REQUIREMENTS:**

- 85.1. Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of Title 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision).
- 85.2. Each recipient shall file a disclosure (in the form entitled "Standard Form-LLL 'Disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that contract, or grant, which would be prohibited if paid for with appropriated funds.
- 85.3. Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:

- 85.3.1. A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
  - 85.3.2. A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or
  - 85.3.3. A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- 85.4. Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant shall file a certification, and a disclosure form, if required, to the next tier above.
- 85.5. All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by CONTRACTOR. CONTRACTOR shall forward all disclosure forms to COUNTY.

86. **PROHIBITION:** Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

87. **PROVIDER SELECTION**

- 87.1. CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The CONTRACTOR will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship.
- 87.2. CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHCS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state the CONTRACTOR's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- 87.3. Nondiscrimination in Employment and Services: COUNTY certifies that under the laws of the United States and the State of California, COUNTY will not unlawfully discriminate against any person.

88. **AUDITING AND MONITORING**

- 88.1. CONTRACTOR agrees to maintain and preserve, until three years after termination of this agreement, and final payment from DHCS to the CONTRACTOR, to permit DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books,

documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records.

- 88.2. CONTRACTOR shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- 88.3. CONTRACTOR'S facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- 88.4. CONTRACTOR agrees that COUNTY, DHCS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement.
- 88.5. CONTRACTOR agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, CONTRACTOR agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, CCR Title 2, Section 1896)."
- 88.6. CONTRACTOR shall preserve and make available his/her records (1) for a period of ten years from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.
- 88.7. CONTRACTOR may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, CONTRACTOR must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.
- 88.8. The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the CONTRACTOR or Subcontractor, the CONTRACTOR shall provide and shall require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

**89. CONFIDENTIALITY OF INFORMATION:**

- 89.1. CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to CONTRACTOR, as a result of services performed under this Agreement, except for statistical information not identifying any such person.
- 89.2. CONTRACTOR shall not use such identifying information for any purpose other than carrying out CONTRACTOR'S obligations under this Agreement.

- 89.3. CONTRACTOR shall promptly transmit to the COUNTY all requests for disclosure of such identifying information not emanating from the client or person.
- 89.4. CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than COUNTY without prior written authorization from COUNTY, except if disclosure is required by State or Federal law.
- 89.5. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.
- 89.6. As deemed applicable by COUNTY, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

**90. ADDITIONAL CONTRACT RESTRICTIONS**

- 90.1. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for DHCS to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.
- 90.2. 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.

**EXHIBIT I**

**QUALIFIED SERVICE ORGANIZATION AGREEMENT (QSOA)**

**COUNTY OF PLACER THROUGH ITS HEALTH AND HUMAN SERVICES DEPARTMENT**

## QUALIFIED SERVICE ORGANIZATION AGREEMENT

COUNTY OF PLACER through its Health and Human Services Department ("Placer County") with County of Nevada, Department of Behavioral Health (the "QSO") hereby agree to comply with the terms set forth in this Qualified Service Organization Agreement ("QSOA") whereby the QSO agrees to provide substance abuse and/or other services to Placer County's clients. Placer County may provide data and information related to substance abuse treatment to QSO in order for QSO to provide services to Placer County pursuant to the contract (the "Service Arrangement") between the QSO and Placer County. This QSOA is necessary to ensure the protection of the confidentiality of such data and information.

### RECITALS:

WHEREAS, the QSO provides services for Placer County pursuant to which Placer County may disclose Protected Health Information ("PHI") and substance abuse treatment records to the QSO in order to enable the QSO to perform one or more functions for Placer County related to Treatment, Payment or Health Care Operations;

WHEREAS, the parties desire to comply with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the Final Rule for Standards for Privacy of Individually Identifiable Health Information adopted by the United States Department of Health and Human Services and codified at 45 C.F.R. part 160 and part 164, subparts A & E (the "Privacy Rule"), the HIPAA Security Rule, codified at 45 C.F.R. Part 164 Subpart C (the "Security Rule") and Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("HITECH") including 45 C.F.R. Sections 164.308, 164.310, 164.312 and 164.316; and

WHEREAS, the parties also desire to comply with federal regulations of the Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R. Part 2, relating to the use and disclosure of substance abuse treatment records.

NOW THEREFORE, the parties to this QSOA hereby agree as follows:

1. **DEFINITIONS.** Terms used, but not otherwise defined, in this QSOA shall have the same meaning as those terms in 45 C.F.R. §§ 160.103, 164.103, and 164.304, 164.501 and 164.502, and 42 C.F.R. Part 2.
2. **OBLIGATIONS AND ACTIVITIES OF THE QSO.**
  - 2.1. The QSO agrees that in receiving, transmitting, transporting, storing, processing, or otherwise dealing with any information received from Placer County identifying or otherwise relating to substance abuse treatment, it is fully bound by the federal regulations under 42 C.F.R. Part 2.
  - 2.2. The QSO agrees to ensure that any substance abuse treatment records received from Placer County will not be re-disclosed to any other agency or subcontractor who provides services to the QSO, in accordance with 42 C.F.R. Part 2.
  - 2.3. The QSO agrees to not use or further disclose PHI or substance abuse treatment records other than as permitted or required by this QSOA, as required by law or as permitted by law, provided such use or disclosure would also be permissible by law by Placer County. The QSO agrees to resist any efforts in judicial proceedings to obtain access to substance abuse treatment records except as expressly provided for in 42 C.F.R. Part 2.
  - 2.4. The QSO agrees to use appropriate safeguards to prevent use or disclosure of the PHI or substance abuse treatment records other than as provided for by this QSOA. The QSO agrees to implement Administrative Safeguards, Physical Safeguards and Technical Safeguards ("Safeguards") that reasonably and appropriately protect the confidentiality, integrity and availability of PHI and substance abuse treatment records, as required by the "Security Rule,"

including those safeguards required pursuant to 45 C.F.R. §§ 164.308, 164.310, 164.312 and 164.316.

- 2.5. The QSO agrees to mitigate, to the extent practicable, any harmful effect that is known to the QSO of a use or disclosure of PHI or substance abuse treatment records by the QSO in violation of the requirements of this QSOA, or of any Security Incident of which it becomes aware.
- 2.6. The QSO agrees to report to Placer County, in writing, any use or disclosure of PHI or substance abuse treatment records not provided for by this QSOA, within five (5) business days.
- 2.7. The QSO agrees to ensure that any agent, including a subcontractor, to whom it provides PHI and substance abuse treatment records received from or created or received by the QSO, on behalf of Placer County, agrees to the same restrictions and conditions that apply through this QSOA to the QSO with respect to such information. Specifically, the QSO agrees to include the statutory required re-disclosure language every time the QSO re-discloses any substance abuse treatment records as follows:
  - 2.7.1. This information has been disclosed to you from records protected by the Federal confidentiality rules (42 C.F.R. Part 2). The Federal rules prohibit you from making any further disclosure of this information unless further disclosure is expressly permitted by the written consent of the person to whom it pertains or as otherwise permitted by 42 C.F.R. Part 2. A general authorization for the release of medical or other information is NOT sufficient for this purpose. The Federal rules restrict any use of the information to criminally investigate or prosecute any alcohol or drug abuse patient.
- 2.8. The QSO shall, following the discovery of a breach of any substance abuse treatment records, promptly notify Placer County of such breach. Such notice shall include: a) the identification of each individual whose record has been, or is reasonably believed by the QSO to have been accessed, acquired or disclosed during such breach; b) a brief description of what happened, including the date of the breach and discovery of the breach; c) a description of the type of information that was involved in the breach; d) a description of the investigation into the breach, mitigation of harm to the individuals and protection against further breaches; e) the results of any and all investigation performed by the QSO related to the breach; and f) contact information of the most knowledgeable individual for Placer County to contact relating to the breach and its investigation into the breach.
- 2.9. QSO agrees that no PHI may be received, maintained, stored, accessed or transmitted outside of the United States of America.

### 3. **TERM AND TERMINATION.**

- 3.1. The term of this QSOA shall begin as of the effective date of the Service Arrangement and shall terminate when all of the PHI and substance abuse treatment records provided by Placer County to the QSO, or created or received by the QSO on behalf of Placer County, is destroyed or returned to Placer County, or, if it is infeasible to return or destroy it, protections are extended to such information, in accordance with the termination provisions of this Section.
- 3.2. Upon the either party's knowledge of a material breach by the other party, the party
  - 3.2.1. Provide an opportunity for the other party to cure the breach or end the violation and terminate this QSOA and the Service Arrangement if the violating party does not cure the breach or end the violation within the time specified by the other party.
  - 3.2.2. Immediately terminate this QSOA and the Service Arrangement if the party has breached a material term of this QSOA and cure is not possible; or
  - 3.2.3. If neither termination nor cure is feasible, the party shall report the violation to the HHS Secretary.



- 3.3. Except as provided in paragraph 3.4 of this Section, upon any termination or expiration of this QSOA, the QSO shall return or destroy all PHI and substance abuse treatment records received from Placer County, or created or received by the QSO on behalf of Placer County. This provision shall apply to PHI and substance abuse treatment records that are in the possession of subcontractors or agents of the QSO. The QSO shall retain no copies.
- 3.4. In the event that the QSO determines that returning or destroying the PHI and substance abuse treatment records is infeasible, the QSO shall provide to Placer County notification of the conditions that make return or destruction infeasible. The QSO shall extend the protections of this QSOA to such PHI and substance abuse treatment records and limit further uses and disclosures of it to those purposes that make the return or destruction infeasible, for so long as the QSO maintains such PHI and substance abuse treatment records.

4. **MISCELLANEOUS.**

- 4.1. The Parties agree to take such action as is necessary to amend this QSOA from time to time as is necessary for Placer County to comply with the requirements of HIPAA, the Privacy and Security Rules, HITECH and 42 C.F.R. Part 2.
- 4.2. Any ambiguity in this QSOA shall be resolved to permit Placer County to comply with HIPAA, HITECH, and 42 C.F.R. Part 2.
- 4.3. The QSO is solely responsible for all decisions made by the QSO regarding the safeguarding of PHI and substance abuse treatment records.
- 4.4. Nothing express or implied in this QSOA is intended to confer, nor shall anything herein confer upon any person other than Placer County, the QSO and their respective successors and assigns, any rights, remedies, obligations or liabilities whatsoever.
- 4.5. Modification of the terms of this QSOA shall not be effective or binding upon the parties unless and until such modification is committed to writing and executed by the parties hereto.
- 4.6. This QSOA shall be binding upon the parties hereto, and their respective legal representatives, trustees, receivers, successors and permitted assigns.
- 4.7. Should any provision of this QSOA be found unenforceable, it shall be deemed severable and the balance of the QSOA shall continue in full force and effect as if the unenforceable provision had never been made a part hereof.
- 4.8. This QSOA and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed in accordance with, the laws of the State of California, including all matters of construction, validity and performance.
- 4.9. All notices and communications required or permitted to be given hereunder shall be sent by certified or regular mail, addressed to the other party as its respective address as shown on the signature page, or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.
- 4.10. This QSOA, including such portions as are incorporated by reference herein, constitutes the entire agreement by, between and among the parties, and such parties acknowledge by their signature hereto that they do not rely upon any representations or undertakings by any person or party, past or future, not expressly set forth in writing herein.