

PERSONAL SERVICES CONTRACT

Health and Human Services Agency
County of Nevada, California

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

MIDVALLEY RECOVERY FACILITIES, INC. D/B/A PATHWAYS

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

(§1) **Provision of residential treatment and withdrawal management services for referred clients of Nevada County.**

SUMMARY OF MATERIAL TERMS

(§2) **Maximum Contract Price:** \$84,000
(§3) **Contract Beginning Date:** 07/01/2018 **Contract Termination Date:** 06/30/2019
(§4) **Liquidated Damages:** N/A

INSURANCE POLICIES

Designate all required policies:

		Req'd	Not Req'd
(§6)	Commercial General Liability (\$1,000,000)	<u>X</u>	<u> </u>
(§7)	Automobile Liability	<u>X</u>	<u> </u>
	(\$ 300,000) Personal Auto <u> </u> (\$1,000,000) Business Rated <u>X</u>		
	(\$1,000,000) Commercial Policy <u> </u>		
(§8)	Workers' Compensation	<u>X</u>	<u> </u>
(§9)	Errors and Omissions (\$1,000,000)	<u> </u>	<u>X</u>

LICENSES

Designate all required licenses:

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

NOTICE & IDENTIFICATION

(§33) **Contractor: Midvalley Recovery Facilities, Inc. d/b/a Pathways**
430 Teegarden Avenue
Contact Person: Ed Anderson
Phone: (530) 674-4530 ext. 240
E-mail: ed@yspathways.net

County of Nevada:
950 Maidu Avenue
Nevada City, California 95959
Contact Person: Phebe Bell
Phone: (530) 470-2784
E-mail: Phebe.Bell@co.nevada.ca.us

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

Contractor is a: (check all that apply)

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

EDD: Independent Contractor Worksheet Required: Yes X No

ATTACHMENTS

Designate all required attachments:

	Req'd	Not Req'd
Exhibit A: Schedule of Services (Provided by Contractor)	<u>X</u>	<u> </u>
Exhibit B: Schedule of Charges and Payments (Paid by County)	<u>X</u>	<u> </u>
Exhibit C: Schedule of Changes (Additions, Deletions & Amendments)	<u>X</u>	<u> </u>
Exhibit D: Schedule of HIPAA Provisions (Protected Health Information)	<u>X</u>	<u> </u>
Exhibit E: Uniform Administrative Requirements (CFDA-Funded)	<u> </u>	<u>X</u>

Terms

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

Services

1. Scope of Services:

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

Payment

2. Charges and Payments:

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

Time for Performance

3. Contract Term:

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

4. Liquidated Damages:

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

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

5. Time of the Essence:

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

Insurance

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

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

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

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

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

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

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

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

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

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

9. Errors and Omissions:

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

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

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

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

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

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

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

11. Indemnity:

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

Personal Services

12. Contractor as Independent:

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

13. Assignment and Subcontracting:

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

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

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

14. Licensing and Permits:

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

Public Contracts

15. Certificate of Good Standing:

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

16. Prevailing Wage and Apprentices:

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

17. Accessibility (County Resolution No. 00190):

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

18. Nondiscriminatory Employment:

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

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

19. Drug-Free Workplace:

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

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

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

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

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

21. Conflict of Interest:

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

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

22. Political Activities:

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

23. Cost Disclosure:

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

Default and Termination

24. Termination:

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

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

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

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

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

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

25. Suspension:

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

Miscellaneous

26. Financial, Statistical and Contract-Related Records:

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

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

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

27. Non-Profit Provisions:

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

a. Reporting Requirements:

Contractor shall submit a report to County no later than thirty (30) days after the aforesaid Contract Termination Date, which report shall identify the status of each service which

was provided as described in **Exhibit "A"** (Schedule of Services), and detail all amounts expended as set forth in **Exhibit "B"** (Schedule of Charges and Payments), or otherwise. This report is subject to audit by the Nevada County Auditor/Controller.

b. Supplemental Audit Provisions:

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

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

28. Intellectual Property:

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

29. Entire Agreement:

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

30. Jurisdiction and Venue:

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

31. Compliance with Applicable Laws:

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

32. Confidentiality:

Contractor, its employees, agents and or subcontractors may come in contact with documents that contain information regarding matters that must be kept confidential by the County, including personally identifiable patient or client information. Even information that might not be considered confidential for the usual reasons of protecting non-public records should be considered by Contractor to be confidential.

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

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

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

33. Notices:

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

34. Authority:

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

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

CONTRACTOR:

COUNTY OF NEVADA:

Ed Anderson
Executive Director

Richard Anderson
Chair, Board of Supervisors

Dated: _____

Dated: _____

Attest: _____

Julie Patterson-Hunter
Clerk of the Board of Supervisors

**EXHIBIT “A”
SCHEDULE OF SERVICES
MIDVALLEY RECOVERY FACILITIES, INC., D/B/A PATHWAYS**

Midvalley Recovery Facilities, Inc., d/b/a Pathways hereinafter referred to as “Contractor” shall provide comprehensive and integrated residential treatment and withdrawal management program services for adults over the age of eighteen (18), serving both males and females, for the recovery and treatment of alcohol/drug dependency for authorized clients of Nevada County for the Behavioral Health Department, hereinafter referred to as “County”.

The following services are included in this contract:

- A. Residential Treatment
- B. Residential Withdrawal Management Treatment Services

A. RESIDENTIAL TREATMENT:

Program Overview: Residential, Withdrawal Management

Contractor’s residential treatment and withdrawal management programs provide comprehensive treatment services to adult men and women, over the age of eighteen (18), in a carefully structured and supportive environment with a high degree of accountability. Contractor shall provide an integrated continuum of care for a client that focuses on each unique individual and his/her family system.

Contractor shall provide a safe, supportive, social model, non-medical model treatment environment 24 hours/ 7 days a week. Contractor will be co-occurring disorder and Rapid Re-Housing competent, accept clients who are receiving Medication Assisted Treatment, and connect clients to employment and related services as soon as possible. Clients may stay in residential treatment for varying lengths of time based on an assessment and treatment authorization from County. The individual treatment authorization will be for a maximum of 30 calendar days. Contractor will submit to the county in writing a treatment extension request, including an American Society of Addiction Medicine (ASAM) criteria Level of Care (LOC) assessment, documenting the need for the extension of residential treatment services. Any additional authorization is not to exceed 30 calendar days. The Addiction Severity Index (ASI) – Edition #5 along with the ASAM criteria will be administered to all clients entering any level of treatment. A substance use related disorder, and mental health diagnosis, if appropriate, diagnosis will be established completed on all clients using the current edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM). Clients will be moved to the least restrictive level of care appropriate based on clinical staffing case review (including ASAM, ASI, and DSM diagnosis). Clients with a score of placing in Level 3.5 on ASAM will be admitted to residential treatment. Discharge planning will commence upon entry into the treatment program. Contractor shall foster conditions which will support reintegration of the client into the community by providing a stable residential situation and partnering with the client on active discharge

planning. Contractor shall maintain at all times trained, skilled paid staff on every shift. All staff providing direct alcohol and other drug (AOD) services to the residents of the program must be either registered or certified with a DHCS approved certifying organization. A certified addictions counselor shall be on site at least 16 hours per day. The Contractor shall maintain a documented staffing plan that covers staffing strategies for business hours, after hours and weekends. The plan will detail the use of peer volunteers and paid staff, and the minimum qualifications required for each position and/or situation.

Residential and Withdrawal Management Program Components:

All policies and procedures for refusal to admit an individual to or for terminating an individual from a program will be subject to County review. All terminations will be reported as soon as the decision is in process and no later than the actual termination. If it is a weekend, a voicemail message will be left with the County contact in addition to all regular discharge communications and processes. Residential providers will not automatically discharge a beneficiary who has tested positive on a urine analysis unless it is determined that they are an imminent risk to themselves or other clients. Instead, the beneficiary will receive an individual counseling session, to determine what triggered the use and may be re-assessed to a different level of care when appropriate with a concurrent adjustment to the treatment plan. A face-to-face meeting with the county case manager and/or probation officer (if applicable) is recommended as well.

REFERRAL & AUTHORIZATION

a) Referrals

Clients may be referred to Contractor through an authorized County agency or may be self-referred. All clients that will be funded with County funds must have a prior authorization from County.

- 1) Self-referred clients may be screened by Contractor for eligibility
- 2) Clients that do not meet the criteria for residential placement will be referred to outpatient substance use treatment program
- 3) Clients that meet criteria after initial screening by Contractor will be referred to County for full assessment for eligibility
- 4) Contractor will notify County in writing of the referral for a full assessment on the same date the initial assessment was completed by Contractor.
- 5) Clients that contact the County to request residential treatment will be given an appointment with the County for an assessment

b) Authorization

All clients that will be funded for residential services with County funds must have prior written authorization from Nevada County Behavioral Health Department.

- 1) County will notify Contractor in writing that a client has been assessed to meet eligibility for residential treatment.
- 2) County will issue a written authorization for up to 30 calendar days for residential treatment

3) Contractor shall not be reimbursed by County for services rendered to a client's that are not pre authorized by County for treatment.

c) Re-Authorization

Clients may be eligible for re-authorization to extend their residential treatment services only upon pre-approval by County.

1) Contractor will submit a treatment extension form in writing to the County Department which funds the client's treatment no later than 5 business days prior to expiration date of the current authorization period.

2) Contractor will submit a progress report with the re-authorization request a progress report, including a new ASAM criteria assessment justifying the re-authorization request. County shall determine whether to grant or deny the request for extension prior to the expiration of the client's current authorized length of treatment.

RESIDENTIAL Treatment Services:

RESIDENTIAL LEVEL 3.5– Clinically Managed High-Intensity

Provides 24-hour care with trained counselors to stabilize multidimensional imminent danger and preparation for outpatient treatment. Services include at least 5 hours of clinical service per week designed to assist clients whose addiction is so out of control that they need a 24-hour high intensity, supportive treatment environment.

1. Intake:

The process of determining that a beneficiary meets the medical necessity criteria and admitting the beneficiary into a substance use disorder treatment program. Intake includes the evaluation or analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of treatment needs to provide medically necessary services. Contractor will screen for co-occurring disorders. Intake may include a physical examination and laboratory testing necessary for substance use disorder treatment.

2. Individual and Group Counseling: Contacts between a beneficiary and a therapist or counselor.

3. Patient Education: Provide research-based education on addiction, treatment, recovery, and associated health risks

4. Family Therapy: The effects of addiction are far-reaching and patient's family members and loved ones also are affected by the disorder. By including family members in the treatment process, education about factors that are important to the patient's recovery, as well as their own recovery, can be conveyed. Family members can provide social support to the patient, help motivate their loved one to remain in treatment, and receive help and support for their own family recovery as well.

5. Safeguarding Medications: Facilities will store all resident medication and facility staff members may assist with resident's self-administration of medication.
6. Collateral Services: Sessions with therapists or counselors and significant persons in the life of the beneficiary, focused on the treatment needs of the beneficiary in terms of supporting the achievement of the beneficiary's treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the beneficiary.
7. Crisis Intervention Services: Contact between a therapist or counselor and a beneficiary in crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event or circumstance which presents to the beneficiary an imminent threat of relapse. Crisis intervention services shall be limited to the stabilization of the beneficiary's emergency situation.
8. Treatment Planning: The provider shall prepare an individualized written treatment plan, based upon information obtained in the intake and assessment process. The treatment plan will be completed within ten (10) days of admittance to the program, reviewed every 30 days, and then updated every 90 days unless there is a change in treatment modality or significant event that would then require a new treatment plan. The Treatment Plan will be written to address these seven (7) domains:
 - a) Drug Use and/or Withdrawal Potential
 - b) Biomedical/Behavioral Conditions and Complications (physical health)
 - c) Emotional/Behavioral Conditions and Complications (mental health)
 - d) Treatment Acceptance/Resistance/Readiness to Change
 - e) Relapse/Continued Use Potential
 - f) Recovery Environment (Family, Social, Educational, Vocations)
 - g) Discharge Planning (plan for reintegration into community after discharge, including permanent housing and support)

Contractor shall provide a copy of the Individual Treatment Plan, including Discharge Planning, to the County within two weeks of client admittance. Treatment Plans include three basic phases: 1) Stabilization; 2) Core Program; and 3) Preparation and Action.

9. Transportation Services: Provision of or arrangement for transportation to and from medically necessary treatment.
10. Case Management: Service to assist beneficiaries in accessing needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. Case management can be face-to-face or over the telephone and shall be consistent with and shall not violate confidentiality of alcohol or drug patients as set forth in 42 CFR Part 2, and California law. The components of case management include:
 - a) Comprehensive assessment and periodic reassessment of individual needs to determine the need for the continuation of case management;

- b) Transition to a higher or lower level of SUD care;
- c) Development and periodic revision of a client plan that includes service activities;
- d) Communication, coordination, referral, and related activities;
- e) Monitoring service delivery to ensure beneficiary access to service and the service delivery system;
- f) Monitoring the beneficiary's progress; and
- g) Patient advocacy, linkages to physical and mental health care, transportation, and retention in primary care services.

11. **Physician Consultation:** Services include DMC physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists. Physician consultation services are not with the client; rather, they are designed to assist DMC physicians with seeking expert advice on designing treatment plans for specific clients, and to support DMC providers with complex cases which may address medication selection, dosing, side effect management, adherence, drug-drug interactions, or level of care considerations.

12. **Discharge Services:** The process to prepare the beneficiary for referral into another level of care, post treatment return or reentry into the community, and/or the linkage of the individual to essential community treatment, housing and human services.

Contractor shall utilize evidence-based practices (EBPs) and curricula throughout the programs. The practices must have efficacy as referenced in literature and be identified as a best practice at the SAMHSA website (<http://www.samhsa.gov>).

Overviews of these practices are listed below:

Seeking Safety: Seeking Safety is a present-focused treatment for clients with a history of trauma and substance abuse, listed on SAMHSA's National Registry of Evidenced-Based Programs and Practices (NREPP). This modality is delivered by MFTs in group and individual settings, and was chosen due to the prevalence of prior trauma (including domestic violence) in our population.

Seeking Safety focuses on coping skills and psycho-education and has five key principles: 1) safety as the overarching goal (helping clients attain safety in their relationships, thinking, behavior, and emotions); 2) integrated treatment of Post-Traumatic Stress Disorder, Substance Use & other addictive behaviors (smoking, excessive spending, gambling, pornography, etc.); 3) a focus on ideals to counteract the loss of ideals in both PTSD and substance use; 4) four content areas: cognitive, behavioral, interpersonal, and case management; and 5) attention to clinician processes (helping clinicians work on counter-transference, self-care, and other issues). Results from trials showed significant improvements in substance use (both alcohol and drug), trauma-related symptoms, suicide risk, suicidal thoughts, social adjustment, family functioning, problem solving, depression, cognitions about substance use, and didactic knowledge related to the treatment.

Motivational Interviewing: Motivational interviewing (MI) is an evidence-based strategy designed to address ambivalence to change. According to SAMHSA's Center for Substance Abuse Treatment, "MI is a client-centered, directive method for enhancing intrinsic motivation to

change (by exploring and resolving ambivalence) that has proven effective in helping clients clarify goals and commit to change”. MI can also be modified to meet the special circumstances of clients with co-occurring disorders (COD).

Cognitive Behavioral Therapy (CBT): Cognitive-Behavioral Therapy is a form of psychotherapy proven in numerous clinical trials to be effective for a wide variety of disorders. Therapists help clients to overcome their difficulties by changing their thinking, behavior, and emotional responses. Outcomes include decreases in: Post Traumatic Stress Disorder symptoms, self-blame, problem behaviors, and depression. CBT is a strategy used in group and individual sessions.

Eye Movement Desensitization and Reprocessing (EMDR): is a comprehensive, integrative psychotherapy approach. It contains elements of many effective psychotherapies in structured protocols that are designed to maximize treatment effects. These include psychodynamic, cognitive behavioral, interpersonal, experiential, and body-centered therapies. EMDR is delivered on an individual basis by a specifically trained LMFT (Licensed Marriage and Family Therapist). EMDR is an evidence-based practice determined to be effective by the American Psychiatric Association; the therapy was also an “A” category, strongly-recommended practice for the treatment of trauma by the Department of Defense and the Department of Veterans Affairs.

Family Team Meetings: Family Team meetings are modeled on Family Group Decision Making (FGDM), an approach recognized by the California Evidence Based Clearinghouse that positions the “family group” as leaders in decision-making. FTMs are convened every 30 days, led by the Program Manager and engaging informal and formal support, including counselors, therapists, social worker, MD, etc. along with identified social supports (family, friends, clergy etc.). Through this process, the “family group” (the client, their families, their support networks, and community members) is given the opportunity to develop recovery plans. Since the “family group” is involved, the plans have a greater likelihood of being family-centered, reflective of the family group’s culture and strengths, and comprehensive.

The intent of these plans is to resolve the issues endangering both clients’ and their family members’ health and wellbeing. This strengths-based practice is appropriate for mothers in recovery, many of whom have children in the Child Welfare System. The process emphasizes recovery capital by strengthening family support networks, increasing social connections, supporting effective community-based recovery support services, and respecting the client as an asset in her own recovery. This is important, both to increase attractiveness of the service and effectiveness as it fosters strength, self-worth, and capability in the individuals own recovery process.

Interactive Journaling (Change Companies): The Change Companies curricula are designed not only to enable programs to implement leading behavioral-change research, but to do so in a way that is accessible, meaningful and motivational for the program participant. Curricula are delivered in education groups at Hope House and SPRTP. Interactive Journals deliver core behavior-change content combination with targeted questioning designed to engage participants in exploring risks, needs and skill deficits, as well as strengths, resources and solutions to problem behaviors. Clients are provided a set of workbooks (up to 15 if authorized for 90 days)

upon entry into the program which are split out for the duration of their program. They retain those completed when they are discharged from the program.

Managing Co-occurring Disorders Curriculum: This twelve-lesson format provides a focal point for specific treatment of adults with co-occurring disorders. The program utilizes 12 workbooks (20-50pgs) to offer a cognitive behavioral approach using reading, journaling, and discussion, all of which are delivered by the group facilitator using motivational interviewing. This also utilizes the Stages of Change to elicit change talk by the client in moving from pre-contemplation to maintenance of the disorders through participation in the program. The twelve core sessions include; 1) Orientation, 2) Responsible Thinking, 3) My Individual Change Plan, 4) Values, 5) Substance Use Disorders, 6) Handling Difficult Emotions, 7) Lifeskills, 8) Healthy Relationships, 9) Maintaining Positive Change, 10) Mental Health Disorders, 11) Transition, 12) Employment Skills.

Living In Balance Curriculum: Living in Balance is an NREPP recognized, evidence-based psychoeducational treatment program published by Hazelden, supported by the National Institutes of Drug Abuse (NIDA). Living in Balance (LIB): Moving from a Life of Addiction to a Life of Recovery is a manual-based, comprehensive treatment program that emphasizes relapse prevention. LIB consists of a series of 1.5- to 2-hour psychoeducational and experiential training sessions. LIB can be delivered on an individual basis or in group settings with relaxation exercises, role-play exercises, discussions, and workbook exercises. The psychoeducational sessions cover topics such as drug education, relapse prevention, available self-help groups, and sexually transmitted diseases (STDs).

The experientially based or interactive sessions are designed to enhance the client's level of functioning in certain key life areas that are often neglected with prolonged drug use: physical, emotional, and social well-being, adult education opportunities, vocational development, daily living skills, spirituality/recovery, sexuality, and recreation/leisure. These sessions include a large amount of role-play with time to actively process personal issues and learn how to cope with everyday stressors.

Strengths-Based Case Management: Case management is identified as a promising practice related to increased access and attractiveness of services, quality of service dose, especially related to assertive linkages to community resources. Originally developed at the University of Kansas School of Social Welfare to help people with mental illness transition from institutionalized care to independent living (*Rapp and Chamberlain, 1985*), this strengths-based model is based on two primary principles: (1) providing clients support for asserting direct control over their search for resources (2) examining clients' own strengths and assets as the vehicle for resource acquisition.

Special Issues Addressed:

Contractor's residential programs have comprehensive policies and procedures to work with specific populations such as:

- 1) Women's and men's issues
- 2) Clients with trauma and sexual assault issues

- 3) Clients with co-occurring disorders
- 4) Clients with specific criminal justice issues
- 5) Clients with literacy issues.

County reserves the right to visit the residential program and to walk through the facility without any prior notice. County staff will be courteous and non-disruptive to the ongoing treatment program when performing this function. The County further reserves the right for county department staff to participate in any of the treatment groups with reasonable prior notification to the Contractor and written consent of all group participants.

Discharge/ Relapse Prevention/ and Community Integration: Contractor's residential program prioritizes transition (or discharge) planning, beginning at intake to support successful reintegration. Contractor's programs include the following components:

- a. Family Team Meetings: a key strategy to support successful reintegration through engaging the participant and the identified support system to collectively support the participant's plan.
- b. Follow-up Care: During intake consent for follow-up is signed by each participant and upon successful completion each participant is called at 30 days, 90 days, 6 months, and 1 year after completion of program to assess their level of success and/or needs for additional services or referrals. Reports are compiled on an annual basis and disseminated to staff. Individuals are encouraged to attend weekly Alumni meetings and regularly check in with staff on their current status.
- c. Case Management: Contractor's social worker provides strength-based case management to identify appropriate resources and plans with respect to housing, employment, education, medical services, and support clients to achieve other milestones toward greater self-sufficiency (e.g. childcare enrollment; obtaining and improving credit scores, etc.).
- d. Transition Plan: A written transition plan is prepared when a person is transferred to another level of care, an aftercare program, or prepares for discharge. In addition to resources, the plan will identify the person's current progress in his/her own recovery and movement toward well-being; need for support systems; as well as information on medications, when applicable; referral source information; and communication on options available should symptoms recur.

Contractor will report to the County the date of discharge or termination and discharge status within one business day. Contractor can confirm successful planned discharge via email to the designated County Contact but needs to call the designated contact prior to any unplanned termination.

- e. Contractor will not automatically discharge a beneficiary who has tested positive on a urine analysis unless it is determined that they are an imminent risk to themselves or other clients. Instead, the beneficiary will receive an individual counseling session, to determine what triggered the use and may be re-assessed to a different level of care when appropriate with a concurrent adjustment to the treatment plan. A face-to-face meeting

with the county case manager and/or probation officer (if applicable) is recommended as well.

WITHDRAWAL MANAGEMENT:

1. Contractor will provide ASAM level 3.2 Clinically Managed Residential Withdrawal Management, sometimes referred to as “social setting detoxification”.
2. Contractor’s withdrawal management services shall be in full compliance with all applicable county, state, and federal laws, ordinances, rules and regulations and shall remain in full compliance during the term of any contract with the County.
3. Contractor shall maintain at all times trained, skilled paid staff on every shift that have been trained on CPR, Life Support and Withdrawal Management.
4. Withdrawal Management is considered to be a minimum of 72 hours but is not to exceed 21 days.
5. Contractor shall maintain policies and procedures that include under what conditions nursing and physician care is warranted and/or when transfers to a medically monitored facility or an acute care hospital are necessary.
6. The Contractor shall maintain policies and procedures that include under what conditions a client is accepted into the residential program who receives Medication Assisted Treatment (MAT) through another provider in the community.
7. Contractor will partner with the County to develop an appropriate aftercare plan for each person referred under the terms of the contract.
8. Contractor will provide case management services and seek physician consultation when appropriate.

Outcome Reports:

Contractor will provide following reports for Residential and Withdrawal Management

Weekly written reports will be submitted to the County AOD Program Manager and are due every Friday of the week by 12:00 pm:

- a) Timeliness of access to services data
- b) ASAM Level of Care data

Quarterly Report will be submitted to the County AOD Program Manager, are based on the fiscal year and are due by the last day of the month following each quarter.

The Quarterly Report will include the following information:

- Number of clients enrolled in Residential treatment for that quarter.
- Length of stay for said individuals enrolled in program.
- Average length of stay of program participants.
- Number of unplanned exits (Usually drinking, using drugs, or non-compliant).
- Number of participants that stay until they assess to move to step down services.
- At least 80% of clients will be linked to at least a preliminary primary care medical and dental appointment if they have not had one within a year. In the

latter case Contractor will confirm and document that they are under the care of a doctor and/or dentist

- Ancillary Services provided to participants
- Number of Emergency Room visits
- Number of Arrests

Quarterly Quality Assurance activities report:

- Total number of charts reviewed within 30 days of admin
- Total number of charts reviewed within 90 days of admin
- Percentage of records reviewed meeting medical necessity criteria
- Percentage of assessments in charts reviewed with appropriate staff signature and ASAM LOC
- Percentage of client plans completed on time with all required signatures
- Percentage of progress notes reviewed that had all required elements
- Total number of group progress notes reviewed with corresponding sign-in sheets as verification of attendance (including both printed and signed name of the client and staff)
- Percentage of group notes that met attendance documentation requirements
- Staff Trainings:
 - Submit titles of trainings, training dates, and the number of staff in attendance
 - A brief description of the training
 - Specific trainings on culturally specific and supported practices
 - Specific trainings on recovery model, evidence-based practices, and family engagement efforts

CONTRACTOR RESPONSIBILITIES

To receive Medi-Cal reimbursement for Drug Medi-Cal substance abuse services, Contractor shall provide these services under the direction of a physician and the following requirements shall apply:

1. Admission Criteria & Procedures
 - a. Develop and use criteria and procedures for the admission of individuals to treatment.
 - b. Complete a personal medical and substance abuse history for each individual upon admission to treatment.
 - c. Complete an assessment of the physical condition of the individual within 30 days of the admission to treatment date. The assessment shall be completed by either:
 - 1) A physical examination of the individual by a physician, registered nurse practitioner, or physician assistant authorized by state law to perform the prescribed procedures; or
 - 2) A review of the documentation of a physical examination completed within the last 12 months; or.

- 3) If the physician has not reviewed or conducted a physical exam, the provider shall document the goal of obtaining a physical exam on the initial and updated treatment plans until the goal of obtaining a physical exam has been met.

2. Treatment Plan

- a. The initial treatment plan shall include:
 - 1) A statement of problems to be addressed.
 - 2) Goals to be reached which address each problem.
 - 3) Action steps which will be taken by the Contractor and/or beneficiary to accomplish identified goals.
 - 4) Target dates for the accomplishment of action steps and goals.
 - 5) A description of the services including the type of counseling to be provided and the frequency thereof.
 - 6) The assignment of a primary counselor.
- b. Contractor shall ensure that the initial treatment plan meets the following requirements:
 - 1) Engage the individual to meaningfully participate in the development.
 - 2) The counselor shall complete the plan, type or legibly print name, date and sign the plan within 30 calendar days of the admission date.
 - 3) The individual shall review and approve the plan within 30 calendar days of the admission date; the provider will document the reasons if the individual refuses to sign the plan and the strategy to engage the individual to participate.
 - 4) The physician shall review, approve the plan, type or legibly print name, date and sign within 15 calendar days of signature by the counselor.
- c. The Contractor shall ensure that the treatment plan is reviewed and updated as follows:
 - 1) The counselor shall review and sign the updated treatment plan no later than 90 calendar days after signing the initial treatment plan and no later than every 90 calendar days thereafter or when a change in problem identification or focus of treatment occurs, whichever comes first.
 - 2) Within 15 calendar days of signature by the counselor, the physician shall review, approve and sign all updated treatment plans. If the physician has not prescribed medication, a psychologist licensed by the State of California Board of Psychology may sign an updated treatment plan.

3. Progress notes shall be legible and completed as follows:

- a. The counselor shall record a progress note for each participant participating in an individual or group counseling session. Progress notes are individual summaries and shall include:
 - 1) A description of the participant's progress on the treatment plan, problems, goals, action steps, objectives and /or referrals.
 - 2) Information on a participant's attendance including the date (month, day, year) and duration in minutes of each individual or group counseling session.

Continuing Services for Participants

- a. Continuing services shall be justified as follows:
 - 1) No sooner than 5 months and no later than 6 months from the participant's admission to treatment date or the date of completion of the most recent justification for continuing services, the counselor shall review the progress and eligibility of the participant to receive treatment services.
 - 2) If the counselor recommends that the participant requires further treatment, the physician shall determine the need to continue services based on the following:
 - a) Medical necessity of continuing treatment.
 - b) The prognosis.
 - c) The counselor's recommendation for the participant to continue.
 - 3) The Contractor shall discharge the participant if the physician determines there is no medical necessity to continue treatment.

6. Discharge of a participant may occur on a voluntary or involuntary basis. In addition to the following requirements on an involuntary discharge, Contractor must comply with:

- a. The Discharge Summary shall include:
 - 1) The duration of the participant's treatment as determined by the dates of admission to and discharge from treatment.
 - 2) The reason for discharge.
 - 3) A narrative summary of the treatment episode.
 - 4) Participant's prognosis.

7. Denial of Service, Involuntary Discharge from Service, or Reduction of Service

- a. Contractor shall inform all participants of their right to a Fair Hearing related to denial, involuntary discharge, or reduction in Drug Medi-Cal substance abuse services as it relates to their eligibility or benefits.
 - 1) Contractor shall advise participants in writing at least 10 days prior to the effective date of the intended action to deny, reduce or terminate services. The written notice shall include:

- a) Statement of Action the Contractor intends to take.
- b) Reason for intended action.
- c) A citation of the specific regulation(s) supporting intended action.
- d) Explanation of participant's right to a Fair Hearing for the purpose of appealing intended action.
- e) An explanation that the participant may request a Fair Hearing by submitting a written request to:

California Department of Social Service
 State Hearings Division
 P.O. Box 944243
 Mail Station 9-17-37
 Sacramento, CA 94244-2430

Or the participant may make a toll-free call at the following number:

California Department of Social Services

 Public Inquiry and Response
 Telephone: 1-800-952-5253 (voice)
 T.D.D: 1-800-952-8349

- f) An explanation that the Contractor shall continue treatment services pending a Fair Hearing decision only if the participant appeals in writing to DHCS for a hearing within 10 calendar days of the mailing or personal delivery of the notice of intended action.

Contractor's Performance Standards:

Contractor shall maintain at all times a trained, skilled staff, which understands and maintains confidentiality of participants and records. Confidentiality of participants is maintained by staff. In-service training shall be provided at least monthly for staff in order to maintain a well-trained staff. Contractor shall maintain qualified staff to provide Drug / Alcohol services.

All programs and facilities shall be in full compliance with applicable county, state, and federal laws, ordinances, rules, certifications and regulations and shall remain in full compliance during the term of this Agreement.

Personnel employment and services under this contract shall be rendered without discrimination on the basis of race, color, religion, national origin, sex, age, or ancestry, and Contractor shall comply with all fair employment practice requirements of Federal and State laws and Nevada County ordinances.

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

Contractor shall comply with findings and recommendations of any audits; certification process and / or state reviews.

Contractor shall maintain a system of quality assurance and utilization review that conforms to state and federal requirements pertaining to consumer/beneficiary rights, consumer access to services, and quality of care to services and quality of care.

Contractor shall ensure services will be culturally competent and culturally responsive.

Contractor shall, at all times, maintain communication and coordination with the Director of the Department of Behavioral Health (hereinafter referred to as "Director") and/or his/her designee, and meet with the Director and/or his designee as needed regarding alcohol/drug treatment services or for any problem/resolution solving related to this Agreement.

Contractor agrees that County department staff may participate in any of the treatment groups with reasonable notification to the Contractor. County agrees that its intent is not to be disruptive in any form to the treatment milieu at Contractor's facilities.

It is not the intent of the County to direct or control the hiring of Contractor's employees; however, the parties acknowledge that in the event a Contractor's employee fails to provide the required services set forth herein in a satisfactory manner, County reserves the right to demand Contractor take appropriate action, up to and including termination of the employee.

As the department uses the Cerner Behavioral Health Solution for an Electronic Health Records System, the Contractor shall be required to use the Cerner Behavioral Health Solution functionality that is relevant to the scope of work of this contract, as requested by County. This may include the following Cerner Behavioral Health Solution functionality: use of the Billing System, Doctors HomePage, E-Prescribing, Medication Notes, and other Electronic Health Record data collection necessary for the County to meet billing and quality assurance goals. The Contractor shall receive training as needed to be able to comply with this requirement, and will be asked to designate a super user(s) for billing and for clinical/documentation. These super users will serve as the main points of contact with the County for training and help desk issues, as well as distributing information and updates regarding Cerner Behavioral Health Solution to applicable Contractor staff.

Contractor shall ensure the following related to tuberculosis (TB)

- 1) Routinely make available TB services to each individual receiving treatment for alcohol and other drug use and/or abuse;

- 2) Reduce barriers to patients accepting TB treatment and,
- 3) Develop strategies to improve follow-up monitoring, particularly after patients leave treatment, by disseminating information through educational bulletins and technical assistance. (Per State Substance Use Disorder Contract)

Contractor’s Additional Reporting Requirements:

CalOMS:

Contractor agrees to cooperate with the County for the collection of data for the California Outcomes Measurement System (CalOMS), a statewide client-based data compilation and outcomes measurement system, as related to services rendered under this Agreement or as may be needed for completion of state report(s). Contractor shall collect and report data for the California Outcomes Measurement System (CalOMS), pursuant to state regulations and county protocols.

CalOMS forms must be submitted within two (2) weeks of opening the client to the facility. When a client has completed treatment with the Contractor, CalOMS closing will be completed and sent to Behavioral Health within two weeks.

All new Contractor staff involved in completing and/or submitting CalOMS forms to County will complete a six (6) hour web based training and present a Certificate of Completion to County AOD Program Manager or Designee for the CalOMS web-based training prior to completing and/or submitting CalOMS forms to County.

DATAR:

Treatment providers that receive state or federal funding through the County must send DATAR information to the Department of Health Care Services (DHCS) each month. This has information on the program’s capacity to provide different types of AOD treatment to clients and how much of the capacity was utilized that month. If the provider has a waiting list for publicly-funded AOD treatment services, DATAR includes summary information about the people on the waiting list. Contractor agrees to comply with this requirement.

Contractor shall also cooperate with County Behavioral Health Department and County Probation Department for collection of any other data of informational reports as may be needed pertaining to services rendered under this Agreement.

Drug Medi-Cal Organized Delivery System:

I. TIMELINESS

- a. Contractor will track Timely access data, including date of intake assessment, date of discharge, and date of contact post discharge from residential treatment.
- a. Timely access data will be submitted weekly by 12:00 p.m. every Friday.

II. TREATMENT PERCEPTION SURVEY

Contractor shall participate in the annual Treatment Perception Survey (TPS) as directed by County and DHCS.

- a. At least 75% of beneficiaries completing the Treatment Perceptions Survey reported being satisfied (3.5 out of 5.0) with the location and time of services

II. TRANSITION BETWEEN LEVELS OF CARE

Appropriate Case managers/clinicians from both the discharging and admitting provider agencies shall be responsible to facilitate the transition between levels of care, including assisting in scheduling an intake appointment, ensuring a minimal delay between discharge and admission at the next level of care, providing transportation as needed, and documenting all information in the client's medical record.

Performance Standard:

- a. Transitions between levels of care shall occur within five (5) and no later than 10 business days from the time of re-assessment indicating the need for a different level of care.

III. CULTURALLY COMPETENT SERVICES

Contractors are responsible to provide culturally competent services. Contractors must ensure that their policies, procedures, and practices are consistent with the principles outlined and are embedded in the organizational structure, as well as being upheld in day-to-day operations. Translation and oral interpreter services must be available for beneficiaries, as needed and at no cost to the beneficiary.

Performance Standard:

- a. 100% of beneficiaries that speak a threshold language are provided services in their preferred language.
- b. At least 80% of beneficiaries completing the Treatment Perceptions Survey reported being satisfied (3.5+ out of 5.0) with cultural sensitivity of services

IV. DELIVERY OF INDIVIDUALIZED AND QUALITY CARE

- a. Beneficiary Satisfaction: DMC-ODS Providers (serving adults 18+) shall participate in the annual statewide Treatment Perceptions Survey (administration period to be determined by DHCS). Upon review of Provider-specific results, Contractor shall select a minimum of one quality improvement initiative to implement annually.
- b. Evidence-Based Practices (EBPs): Contractors will implement—and assess fidelity to—at the least two of the following EBPs per service modality: Motivational Interviewing, Cognitive-Behavioral Therapy, Relapse Prevention, Trauma-Informed Treatment and Psycho-Education.
- c. ASAM Level of Care: All beneficiaries participate in an assessment using ASAM dimensions. The assessed and actual level of care (and justification if the levels differ) shall be recorded in the client's medical record. All ASAM LOC assessments that were performed when opening or closing a client to a LOC will be submitted to the county together with the CalOMS opening and closing paperwork.

Performance Standards:

1. At least 80% of beneficiaries will report an overall satisfaction score of at least 3.5 or higher on the Treatment Perceptions Survey

2. At least 80% of beneficiaries completing the Treatment Perceptions Survey reported that they were involved in choosing their own treatment goals (overall score of 3.5+ out of 5.0)
3. Contractor will implement with fidelity at least two approved EBPs
4. 100% of beneficiaries participated in an assessment using ASAM dimensions and are provided with a recommendation regarding ASAM level of care
5. At least 70% of beneficiaries admitted to treatment do so at the ASAM level of care recommended by their ASAM assessment
6. At least 80% of beneficiaries are re-assessed within 90 days of the initial assessment

V. BENEFICIARY INFORMING MATERIALS

- a. Contractor shall make available at initial contact, and shall notify beneficiaries of their right to request and obtain at least once a year and thereafter upon request, the following materials: DMC-ODS Beneficiary Booklet and Provider Directory.
- b. Contractor shall also post notices explaining grievance, appeal and expedited appeal processes in all program sites, as well as make available forms and self-addressed envelopes to file grievances, appeals and expedited appeals without having to make a verbal or written request to anyone. The County will produce required beneficiary informing materials in English and Spanish. Contractor shall request materials from the County, as needed. Refer to 42 CFR 438.10(g)(2)(xi) for additional information about the grievance and appeal system.
- c. Notice of Adverse Benefit Determination (NOABD)
Contractor shall have written procedures to ensure compliance with the following:
 - Contractor shall immediately notify the County in writing of any actions that may require a NOABD be issued, including, but not limited to:
 - 1) not meeting timely access standards
 - 2) not meeting medical necessity for any substance use disorder treatment services
 - 3) terminating or reducing authorized covered services.

VI. TRAINING

Applicable staff are required to participate in the following training:

- a. Drug/Medi-Cal Training (At least annually)
- b. Information Privacy and Security (At least annually)
- c. ASAM E-modules 1 and 2
All direct treatment staff will complete the ASAM E-modules 1 and 2 upon hire and prior to delivering services. All service providers using the ASAM criteria to determine Level of Care will complete an annual refresher.
- d. Cultural Competency (At least annually)
- e. All LPHA staff is required to complete a minimum of five (5) hours of continuing education related to addiction medicine each year.

f. All direct treatment staff will attend at least two of the following Evidence-Based Practices (EBPs) each year:

Motivational Interviewing

- 1) Relapse Prevention
- 2) Trauma Focused Care
- 3) Seeking Safety
- 4) Cognitive Behavioral Therapy
- 5) Matrix Model

The Parties hereby acknowledge and agree that in the event of changes to the Drug Medi-Cal Organized Delivery System which County determines will constitute a material change to rights and obligations set forth in this Agreement, the County has, at its option, the right to re-open and renegotiate this Agreement upon thirty (30) days written notice to Contractor.

**EXHIBIT “B”
SCHEDULE OF CHARGES AND PAYMENTS
MIDVALLEY RECOVERY FACILITIES, INC., D/B/A PATHWAYS**

For satisfactory performance of services as outlined in Exhibit “A”, the County shall reimburse the Contractor a sum not to exceed the maximum contract price of \$84,000.

The maximum obligation of this Contract is contingent and dependent upon final approval of State budget and County receipt of anticipated funding to support program expenses.

Except where Share of Cost as defined in Section 50090 of Title 22, California Code of Regulations is applicable, Contractor shall accept proof of eligibility for Drug Medi-Cal as payment in full for treatment services rendered. Contractor shall not charge fees to beneficiaries for access to, or admission to Contractor’s Drug Medi-Cal Treatment slot.

Reimbursement Rates for Drug Medi-Cal Substance Abuse Program Services:

- A) Reimbursement for outpatient drug free treatment services shall be based on the lowest of the following:
 - 1) The Contractor’s usual and customary charge to the general public for the same or similar services;
 - 2) The Contractor’s allowable actual cost of rendering the services, as defined in Section 11987.5 of the Health and Safety Code; or
 - 3) The Drug Medi-Cal (DMC) Rate for Fiscal Year 2018/19.

The current DMC rates are:

Service	Drug Medi- Cal Rate
Residential 3.5 & Withdrawal Management 3.2	\$140 per day (includes room and board) <i>County shall be billed only for those days County client was a resident in one of the Contractor’s programs.</i>

- B) Drug-Medi-Cal payments shall be made in the amount of the total Contractor’s claim minus amount of denied services. County will provide Contractor with the amount of denials received for prior months’ services, as identified on documents received from the State. Contractor will make adjustment for denials on their next submitted invoice.

The rate for Non Drug Medi-Cal funded beneficiaries shall be same as the above listed Drug Medi-Cal Rate.

Billing and Payment:

Contractor shall submit to County, for services rendered in the prior month, and in accordance with the reimbursement rate, a statement of services rendered to County and costs incurred that includes documentation to support all expenses claimed by the 20th of each month. County shall review the billing and notify the Contractor within fifteen (15) working days if an individual item or group of costs is being questioned. Contractor has the option of delaying the entire claim pending resolution of the cost(s).

Payment of approved billing shall be made within thirty (30) days of receipt of a complete, correct and approved billing. Drug Medi-Cal payments shall be made in the amount of the total Contractor's claim minus amount of denied services that are not Drug-Medi-Cal eligible.

County shall not be responsible for reimbursement of invoices submitted by Contractor that do not meet State and/or Federal submission timeliness requirements. Contractor shall prepare, in the form and manner required by County and the State Department of Health Care Services, a financial statement and a cost report verifying the total number of service units actually provided and covering the costs that are actually incurred in the provision of services under this Contract no later than 60 days following the termination or expiration of this Contract, whichever comes first.

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

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

Contractor shall submit invoices to:

Nevada County Behavioral Health Department
Attn: Fiscal Staff
500 Crown Point Circle, ste 120
Grass Valley, California

When appropriate, Contractor may submit invoices and/or reports, discharge notes to Nevada County Behavioral Health via fax.

EXHIBIT "C"

SCHEDULE OF CHANGES

(Personal Services Contract - Mental Health)

BEHAVIORAL HEALTH PROVISIONS

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

35. Laws, Statutes, and Regulations:

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

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

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

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

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

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

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

(c) When the disclosures must be provided.

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

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

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

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

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

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

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

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

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

36. Client/Patient Records:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT “D”

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

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

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

Contractor agrees to:

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

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