

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

DESCRIPTION: Telephone Triage Services
CONTRACT NO. **HHS001396**
BEGINS: July 1, 2026
ENDS: June 30, 2028
ADMINISTERING AGENCY: Health and Human Services, Adult System of Care

This is an Agreement made and operative as of the 1st day of July, 2026, between the COUNTY OF PLACER, through its Health and Human Services Department, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and **County of Nevada, Department of Behavioral Health**, a political subdivision of the State of California, hereinafter referred to as "CONTRACTOR."

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

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

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

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

1. **SERVICES:** CONTRACTOR agrees to provide COUNTY with Telephone Triage Services, as set forth in Exhibit A, titled Scope of Services, attached hereto and incorporated herein by this reference.
2. **AMENDMENTS:** This Agreement constitutes the entire Agreement between the parties. Any amendments or changes to this Agreement, including attachments, shall be agreed to in writing, specifying the change(s) and the effective date(s) and shall be executed by duly authorized representatives of both parties. However, in no event shall such amendments create additional liability to COUNTY or provide additional payment to CONTRACTOR except as expressly set forth in this or the amended Agreement.
3. **PAYMENT:** COUNTY will pay to CONTRACTOR as full payment for all services rendered pursuant to this Agreement in the amount set forth in Exhibit B, titled Payment Provisions, attached hereto. The payment specified in Exhibit B shall be the only payment made to CONTRACTOR for services rendered pursuant to this Agreement. The total amount of this Contract and payments made under this Agreement shall not exceed **ONE MILLION EIGHT HUNDRED SIXTY-EIGHT THOUSAND ONE HUNDRED FIFTY DOLLARS (\$1,868,150)**. This payment amount shall be inclusive of all CONTRACTOR costs, including, but not limited to travel, transportation, lodging, meals, supplies, and incidental expenses except as otherwise might be specifically set forth in this Agreement. CONTRACTOR shall charge for travel according to the Federal General Services Administration (GSA) guidelines.
4. **OMB 2 CFR Part 200:** Except for agreements that are straight hourly rate or fee for services contracts not built on a submitted Budget, all components of payment billed to COUNTY will be calculated in accordance with the Office of Management and Budget (OMB) 2 CFR Part 200.
5. **INVOICES:**
 - 5.1. Unless otherwise indicated in Exhibit B, titled Payment Provisions, CONTRACTOR shall provide invoices to the COUNTY at a minimum of a monthly basis, within thirty (30) calendar days of the close of each calendar month with the exception of June billing. For all contracts, invoices for services provided during the month of June shall be received by COUNTY by

5:00 p.m. on July 15th. Exhibit B, titled Payment Provisions shall indicate if this Contract is reimbursed with funds from the CEC/Cash Claim. COUNTY will review, approve, and pay all valid invoices within thirty (30) calendar days of receipt. In the event of multiple invoices being submitted to the COUNTY at one time or insufficient documents supporting an invoice, payment by the COUNTY may be delayed beyond the 30-day timeline.

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

Placer County HHS Admin
Attn: Accounts Payables
11434 B Avenue, Suite 100
Auburn, CA 95603
Email: HHSPayables@placer.ca.gov

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

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

which the program is achieving its purposes and performance goals. COUNTY will have the right to review financial and programmatic reports and will notify CONTRACTOR of any potential Federal and/or State exception(s) discovered during such examination. COUNTY will follow-up and require that the CONTRACTOR takes timely and appropriate action on all deficiencies. Failure by the CONTRACTOR to take timely and appropriate action on all deficiencies shall constitute a material breach of this Agreement.

10. **SUSPENSION AND DEBARMENT:**

CONTRACTORS who receive Federal funds as a result of contracting with COUNTY, shall understand suspension and debarment rules and are neither suspended nor debarred from participating in those related transactions. CONTRACTORS may not receive Federal funds from COUNTY unless they provide their name and UEI number or Social Security Number or TIN. COUNTY will search the SAM.gov website to verify that CONTRACTOR is not suspended nor debarred and will keep a copy of the results of the query on file in case of monitoring reviews or audits.

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

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

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

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

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

12. **CONTRACT TERM:** This Agreement shall remain in full force and effect from July 1, 2026 through June 30, 2028. Contract provisions that contain report deadlines or record obligations which occur after contract termination survive as enforceable continuing obligations.

13. **CONTINGENCY OF FUNDING:**

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

13.2. Any adjustments in funding shall be made through a written contract amendment and shall include any changes required to the Scope of Services in response to modifications in

funding. The amount of such adjustment shall not exceed any augmentation or reduction in funding to COUNTY by the County of Placer Board of Supervisors, State and/or the United States government. Amendments issued in response to adjustments in funding shall be considered fully executed when approved by the CONTRACTOR and COUNTY. CONTRACTOR understands that any such amendments to this Agreement may not reflect the entire amount of any augmentation or reduction in funding provided to COUNTY for the subject services.

14. **TERMINATION:**

14.1. COUNTY will have the right to terminate this Agreement at any time without cause by giving thirty (30) calendar days' notice, in writing, of such termination to CONTRACTOR. If the COUNTY gives notice of termination for cause, CONTRACTOR shall immediately cease rendering service upon receipt of such written notice. Such notice shall be personally served or given by United States Mail.

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

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

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

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

17. **RECORDS:**

- 17.1. This provision is intended to provide the minimum obligations with respect to records. If provisions contained elsewhere in this Agreement, or at law, provide greater obligations with respect to records or information, those obligations control. For purposes of this provision "records" is defined to mean any and all writings, as further defined in California Evidence Code section 250, whether maintained in paper or electronic form, prepared by or received by CONTRACTOR, in relation to this Agreement.
- 17.2. CONTRACTOR shall maintain, at all times, complete detailed records with regard to work performed under this Agreement in a form acceptable to COUNTY. CONTRACTOR agrees to provide documentation or reports, compile data, or make its internal practices and records available to COUNTY or personnel of authorized state or federal agencies, for purpose of determining compliance with this Agreement or other applicable legal obligations. COUNTY shall have the right to inspect or obtain copies of such records during usual business hours upon reasonable notice.
- 17.3. Upon completion or termination of this Agreement, if requested by COUNTY, CONTRACTOR shall deliver originals or copies of all records to COUNTY. COUNTY will have full ownership and control of all such records. If COUNTY does not request all records from CONTRACTOR, then CONTRACTOR shall maintain them for a minimum of four (4) years after completion or termination of the Agreement. If for some reason CONTRACTOR is unable to continue its maintenance obligations, CONTRACTOR shall give notice to COUNTY in sufficient time for COUNTY to take steps to ensure proper continued maintenance of records.
- 17.4. If Agreement is state or federally funded, CONTRACTOR shall be subject to the examination and audit of the California State Auditor for a period of three (3) years after final payment under contract (California Government Code, Section 8546.7). Should COUNTY or any outside governmental entity require or request a post-contract audit, record review, report, or similar activity that would require CONTRACTOR to expend staff time and/or resources to comply, CONTRACTOR shall be responsible for all such costs incurred as a result of this activity.
18. **BACKGROUND CHECK:** CONTRACTOR accepts responsibility for determining and approving the character and fitness of its employees (including volunteers, agents or representatives). Completion of a satisfactory Live Scan will also be needed if legally required. CONTRACTOR further agrees to hold COUNTY harmless from any liability for injuries or damages (as outlined in the hold harmless clause contained herein) resulting from a breach of this provision or CONTRACTOR'S actions in this regard.
19. **INDEPENDENT CONTRACTOR:** In the performance of this Agreement, CONTRACTOR, its agents and employees are, at all times, acting and performing as independent contractors of the COUNTY, and this Agreement creates no relationship of employer and employee as between COUNTY and CONTRACTOR. CONTRACTOR agrees neither it nor its agents and employees have any rights, entitlement or claim against COUNTY for any type of employment benefits or workers' compensation or other programs afforded to COUNTY employees. CONTRACTOR shall be responsible for all applicable State and Federal income and, payroll taxes and agrees to provide any workers' compensation coverage required by applicable State laws for its agents and employees for all work performed under this Agreement.
20. **INSURANCE AND INDEMNIFICATION REQUIREMENTS:** See Exhibit C, attached hereto, for insurance requirements for this Agreement. The COUNTY'S insurance requirements are a material provision to this Agreement.
21. **CONFIDENTIALITY OF RECORDS AND INFORMATION AND USE OF ARTIFICIAL INTELLIGENCE:**
- 21.1. CONTRACTOR agrees to maintain confidentiality of information and records as required by applicable Federal, State and local laws, regulations and rules. CONTRACTOR shall not use

or disclose confidential information other than as permitted or required by this Agreement and will notify COUNTY of any discovered instances of breaches of confidentiality. CONTRACTOR shall ensure that any subcontractors' agents receiving confidential information related to this Agreement agree to the same restrictions and conditions that apply to CONTRACTOR with respect to such information. CONTRACTOR acknowledges that the disclosure of COUNTY confidential information through prompts, document submission and/or any other input through an open-loop (i.e. public) artificial intelligence system shall violate this provision, and in the event of any such disclosure, CONTRACTOR shall notify COUNTY immediately upon discovery. CONTRACTOR further acknowledges that it is required to receive written authorization from COUNTY before using any COUNTY confidential information in any closed-loop artificial intelligence system. CONTRACTOR agrees to comply with applicable laws concerning certification and use of artificial intelligence for Health Information Technology, including 45 CFR 170.315(b)(11). CONTRACTOR agrees to hold COUNTY harmless from any breach of confidentiality, as set forth in the hold harmless provisions contained herein.

21.1.1. HIPAA/ Protected Health Information. If CONTRACTOR is a covered entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or the HIPAA Business Associate Agreement (BAA) Addendum is included as part of this Agreement, it is obliged to comply with applicable requirements of law and subsequent amendments relating to any protected health information, as well as any task or activity CONTRACTOR performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements. If this Agreement has been determined to constitute a business associate relationship under HIPAA and the HIPAA regulations, CONTRACTOR is the Business Associate of COUNTY and agrees to the HIPAA Business Associate Agreement (BAA) Addendum exhibit attached to this Agreement.

21.1.2. 42 C.F.R. Part 2/ Drug and Alcohol Abuse Records. If CONTRACTOR is a covered program under the Confidentiality of Alcohol and Drug Abuse Patient Records Act, 42 C.F.R. Part 2 or signs the Qualified Service Organization Agreement (QSOA), it is obliged to comply with applicable requirements of law and subsequent amendments relating to any protected health information and patient identifying information, as well as any task or activity CONTRACTOR performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements. If this Agreement has been determined to constitute a qualified service organization relationship under 42 C.F.R. Part 2 and the 42 C.F.R. Part 2 regulations, CONTRACTOR is the Qualified Service Organization of COUNTY and agrees to enter into the Qualified Service Organization Agreement (QSOA) Addendum contained as an exhibit to this Agreement.

22. **CONFLICT OF INTEREST:** CONTRACTOR certifies that it has no current business or financial relationship with any COUNTY employee or official, or other COUNTY contract provider that could create a conflict with this Agreement and will not enter into any such business or financial relationships during the period of this Agreement. CONTRACTOR attests that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any legally prohibited personal financial interest or benefit which either directly or indirectly arises out of this Agreement. CONTRACTOR shall establish safeguards to prohibit employees or officers from using their positions for a purpose which could result in legally prohibited private gain or gives the appearance of being motivated for legally prohibited private gain for themselves or others, particularly those with whom they have family, business, or other ties. CONTRACTOR certifies that no official or employee of the COUNTY, nor any business entity in which an official of the COUNTY has an interest, has been employed or retained to solicit or aid in

the procuring of this Agreement. In addition, CONTRACTOR agrees that no such person will be employed in the performance of this Agreement without immediately notifying the COUNTY.

23. **CONTRACT ADMINISTRATOR:**

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

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

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

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

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

If to COUNTY: Robert L. Oldham, Director
Placer County Dept. of Health and Human Services
11434 B Ave, Suite 100
Auburn, CA 95603
HHSContracts@placer.ca.gov

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

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

25. **NONDISCRIMINATION:** During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws, rules, regulations and ordinances, including the provisions of the Americans with Disabilities Act of 1990, and Fair Employment and Housing Act, and will not unlawfully discriminate against employees, applicants or clients because of race, sex, sexual orientation, color, ancestry, religion or religious creed, national origin or ethnic group identification, mental disability, physical disability, medical condition (including cancer, HIV and AIDS), age (over 40), marital status, or use of Family and Medical Care Leave and/or Pregnancy Disability Leave in regard to any position for which the employee or applicant is qualified.

Specifically related to ADA Requirements, as a CONTRACTOR with COUNTY, if applicable CONTRACTOR shall comply with Level A and Level AA success criteria and conformance requirements specified in WCAG 2.1 and ensure that the following are readily accessible to and usable by individuals with disabilities:

(1) Web content that a public entity provides or makes available, directly or through contractual, licensing, or other arrangements; and

(2) Mobile apps that a public entity provides or makes available, directly or through contractual, licensing, or other arrangements.

(3) Any reports or documents that will be made available to the public electronically.

26. **ASSIGNMENT**: CONTRACTOR shall not assign or sub-contract, in whole or part, any of its rights, duties, services or obligations arising under this Agreement without written consent of COUNTY. The terms of this Agreement shall also apply to any subcontractor(s) of CONTRACTOR.
27. **NON-EXCLUSIVITY**: Nothing herein is intended nor shall be construed as creating any exclusive arrangement with CONTRACTOR. This Agreement shall not restrict COUNTY from acquiring similar, equal or like goods and/or services from other entities or sources. CONTRACTOR shall only provide those services as requested by COUNTY and COUNTY may cancel any service request.
28. **TIME OF PERFORMANCE**: CONTRACTOR agrees to complete all work and services in a timely fashion.
29. **ENTIRETY OF AGREEMENT**: This Agreement contains the entire agreement of COUNTY and CONTRACTOR with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party which is not contained in this Agreement shall be binding or valid.
30. **GOVERNING LAW AND VENUE**: The parties enter into this Agreement in the County of Placer, California and agree to comply with all applicable laws and regulations therein. The laws of the State of California shall govern its interpretation and effect. For litigation purposes, the parties agree that the proper venue for any dispute related to the Agreement shall be the Placer County Superior Court or the United States District Court, Eastern District of California.
31. **SEVERABILITY**: If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.
32. **CONTRACTOR NOT AGENT**: Except as COUNTY may specify in writing CONTRACTOR shall have no authority, express or implied, to act on behalf of COUNTY in any capacity whatsoever as an agent. CONTRACTOR shall have no authority, express or implied pursuant to this Agreement to bind COUNTY to any obligation whatsoever.
33. **SIGNATURES**: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument. The Parties agree that an electronic copy of a signed contract, or an electronically signed contract, shall have the same force and legal effect as a contract executed with an original ink signature. The term "electronic copy of a signed contract" refers to a transmission by facsimile, electronic mail, or other electronic means of a copy of an original signed contract in a portable document format. The term "electronically signed contract" means a contract that is executed by applying an electronic signature using technology approved by the Parties.

//Signatures on following page

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

COUNTY OF NEVADA ("CONTRACTOR")*

Cari Yardley, Acting Director,
Department of Behavioral Health

Date: _____

COUNTY OF PLACER ("COUNTY")

Robert L. Oldham, Director,
Department of Health & Human Services

Date: _____

Approved as to Form
Office of Nevada County Counsel

Date: _____

Approved as to Form
Office of Placer County Counsel

Date: _____

EXHIBITS:

- Exhibit A – Scope of Services
- Exhibit B – Payment Provisions
- Exhibit C – Insurance and Indemnification Requirements
- Exhibit D – California Levine Act Statement
- Exhibit E – Reporting Exhibit
- Exhibit F – County Facility or Equipment to be Used by Contractor
- Exhibit G – Information Security Requirements
- Exhibit H – Behavioral Health Contracts - Special Terms and Conditions
- Exhibit I – Qualified Service Organization Agreement (QSOA)

*Agreement must have two (2) signatures, one (1) in each of the two (2) categories of corporate offices indicated above. Check the box indicating the corporate office of the signing party. The same person may sign the contract twice if that person holds an office in each of the two (2) categories. (California Corporations Code § 313) One (1) signature will suffice if the corporation's board of directors has passed a resolution that gives one (1) person authority to sign. A copy of the most recent resolution must be sent with the signed contract, even if it is the same as the previous year.

SCOPE OF SERVICES

1. PROGRAM DESCRIPTION:

- 1.1. CONTRACTOR agrees to provide, and COUNTY agrees to accept, Telephone Triage Services, which parties acknowledge and agree will be provided through a subcontract with Auburn Counseling Services, Inc. dba Communicare, for Placer County Adult System of Care (ASOC) with regard to Adult Protective Service (APS), Public Guardian (PG), Conditional Release Program (CONREP), In-Home Supportive Services (IHSS), Full-Service Partnership (FSP), Mental Health referrals for adults, Substance Use Disorder (SUD) referrals for adults, and behavioral health crisis referrals for adults, children, and youth. Additionally, Telephone Triage Services will be provided for the Children's System of Care (CSOC) with regard to Mental Health and Substance Use Disorder referrals for children and youth. CONTRACTOR, through its subcontractor, will also serve as a telephone answering service for after-hours Child Welfare Service (CWS) referrals and emergency calls, which shall be directed immediately to the after-hours Placer County CWS Social Worker who shall be responsible for the taking of any child welfare reports or emergency calls. CONTRACTOR, through its subcontractor, will also serve as a telephone answering service for the CSOC Wraparound program which shall be directed immediately to the after-hours Placer County CSOC/ASOC Mental Health Social Worker who shall be responsible for triaging the Wraparound call for further services. CONTRACTOR, through its subcontractor, will also service as a telephone answering service for the CSOC Family Urgent Response Services (FURS) and those calls will be directed immediately to the CSOC Mental Health after hours supervisor for further triage. In no event shall CONTRACTOR or subcontractor provide triage services or otherwise be responsible for the intake and/or screening of child welfare referrals and/or child welfare emergency calls, and shall only act as a telephone answering service for the purpose of answering and transferring after-hours CSOC CWS callers making child abuse, neglect, sexual exploitation/trafficking reports, or other emergency child welfare services calls, to the designated Placer County CSOC CWS after-hours social worker.
- 1.2. For ASOC, Telephone Triage Services shall be provided 7 days a week, 24 hours each day (24/7), including holidays, for the term of this Agreement.
- 1.3. For CSOC (Routine Mental Health Calls, CWS, FURS, and Wraparound), Telephone Triage Services shall be provided Monday through Friday, between the hours of 10:00 pm and 7:30am, and Saturday and Sunday, between the hours of 6:30 p.m. and 8:00 a.m., including holidays, for the term of this Agreement.
 - 1.3.1. FURS referrals received while Telephone Triage Services are provided, shall be referred to Placer County's CSOC FURS Supervisor on call as appropriate.

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

- 2.1. Receive all calls, collect intake information, and make assessment for appropriate referral to ASOC programs (APS, IHSS, Public Guardian, Mental Health, FSP, CONREP, SUD, or 24/7 behavioral health crisis) 24 hours each day (24/7) and document appropriately into the appropriate EHR/Database (SmartCare/Pano).
 - 2.1.1. Referrals received After-Hours will be assessed, triaged and coordinated with others depending on the service requested or needed, including appropriately triaging requests for 24/7 Behavioral Health Crisis response.
 - 2.1.2. All requests for adult placement attempts after business hours into a 5150 designated facility by outlying entities (Sutter, Kaiser, etc), efforts will be coordinated through the Lotus Crisis Respite Provider (currently North Valley Behavioral Health) who will seek

placement after hours. During business hours this function will be completed by the ASOC Crisis Team

- 2.1.3. All After-Hours requests for mental health evaluations at the Placer County jails, efforts will be coordinated with 24/7 Mobile Crisis Teams and SOC After Hours on-call staff.
- 2.1.4. For After-Hours calls or referrals relating to APS, PG, FSP, CONREP and urgent SUD referrals shall be triaged with Placer County ASOC on-call supervisor. For IHSS requests, complete the application, verify Medi-Cal and upload the forms.
- 2.2. COUNTY has developed a 24/7 Behavioral Health Crisis response system for children and adults. COUNTY and CONTRACTOR will continue to work collaboratively to ensure that CONTRACTOR roles are clear pertaining to 24/7 coverage as this service continues.
- 2.3. Receive all calls, collect intake information, and forward appropriate referral to CSOC programs (CWS, Mental Health, SUD, FURS or 5150 Crisis). For CSOC Mental Health and 5150 crisis programs not involving CSOC CWS reports and/or CWS emergency calls, CONTRACTOR will also collect intake information.
- 2.4. Document all ASOC calls through utilization of the Placer County Electronic Health Record or Panoramic tracking systems. Placer County has transitioned to a new Electronic Health Record called SmartCare effective July 1, 2023. CONTRACTOR will ensure its employees are trained in SmartCare and that all necessary information will be entered into SmartCare. For Public Guardian calls after hours, staff will alert the after-hours on-call COUNTY supervisor, who documents in Panoramic.
- 2.5. Document all CSOC mental health, SUD, FURS or 5150 crisis calls received for non-urgent mental health services through utilization of the Placer County EHR system.
- 2.6. Check the EHR to verify if caller is an active client in ASOC program. For APS/PG calls, Intake worker will check relevant history in Panoramic.
 - 2.6.1. If client is determined an active mental health or SUD client, Intake Worker shall leave a voice mail message for specific ASOC case manager or appropriate staff with information on client's status. If callers are receiving services elsewhere, Contractor will direct caller back to their current provider to complete the Transition of Care tool.
 - 2.6.2. If client is determined an active conserved client, the Intake worker shall leave a voice mail message for the specific ASOC PG deputy with information on client's status
- 2.7. For ASOC calls, Screen all APS, SUD, and mental health referrals to determine eligibility (Medi-Cal or third-party insurance), and enter insurance information into SmartCare. For all IHSS applications, the Intake worker will print and upload verification to Box.
- 2.8. For non-CWS CSOC calls, screen all SUD, and mental health referrals to determine crisis status.
- 2.9. For non-CWS and non-FURS CSOC calls, contact the appropriate after-hours CSOC supervisor, if necessary, to coordinate the appropriate response and disposition.
- 2.10. For CSOC CWS, obtain necessary contact information of caller to allow a call back in the event of a disrupted call, and forward caller to the after-hours Placer County CSOC CWS after-hours social worker.
- 2.11. For ASOC calls, complete required referral documentation for specific programs using the appropriate forms for APS, IHSS, Mental Health, SUD (i.e. Bquip), or Crisis.
- 2.12. For ASOC and CSOC mental health, SUD, and Behavioral Health Crisis calls, use the appropriate screening tool to determine linkage of mental health services to the specific manage care plan, where appropriate.

PAYMENT PROVISIONS

For Fiscal Year 26/27, COUNTY will pay CONTRACTOR at a quarterly rate of TWO HUNDRED TWENTY-NINE THOUSAND EIGHT HUNDRED FIFTY DOLLARS (\$229,850) during which Telephone Triage Services are provided as set forth in Exhibit A – Scope of Services.

For Fiscal Year 27/28, COUNTY will pay CONTRACTOR at a quarterly rate of TWO HUNDRED THIRTY-SEVEN THOUSAND ONE HUNDRED EIGHTY-SEVEN DOLLARS AND FIFTY CENTS (\$237,187.50) during which Telephone Triage Services are provided as set forth in Exhibit A – Scope of Services.

The total contractual obligation shall not exceed ONE MILLION EIGHT HUNDRED SIXTY-EIGHT THOUSAND ONE HUNDRED FIFTY DOLLARS (\$1,868,150) over the term of this Agreement. This rate shall be inclusive of all CONTRACTOR costs, including, but not limited to travel, transportation, lodging, meals, supplies, and incidental expenses.

PLACER COUNTY INSURANCE AND INDEMNITY REQUIREMENTS

1. **HOLD HARMLESS AND INDEMNIFICATION AGREEMENT:**

To the fullest extent permitted by law, each Party (the “Indemnifying Party”) hereby agrees to protect, defend, indemnify, and hold the other Party (the “Indemnified Party”), its officers, agents, employees, and volunteers, free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character resulting from the Indemnifying Party’s negligent act, willful misconduct, or error or omission, including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by the Indemnified Party arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the Indemnified Party) and without limitation, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the Agreement. The Indemnifying Party agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Indemnifying Party, using legal counsel approved in writing by Indemnified Party. Indemnifying Party also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against either Party or to enlarge in any way either Party’s liability but is intended solely to provide for indemnification of the Indemnified Party from liability for damages, or injuries to third persons or property, arising from or in connection with Indemnifying Party’s performance pursuant to this Agreement. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement.

2. **INSURANCE:**

PLACER COUNTY understands and agrees to the following: in accordance with Government Code section 990 and Labor Code Section 3700, the CONTRACTOR has elected to self-insure or participate in risk pools for general, auto, medical malpractice, and worker’s compensation liabilities. Under this form of insurance, the CONTRACTOR and its employees acting in the course and scope of employment are covered for tort and worker’s compensation liability arising out of official CONTRACTOR business and only in connection to this agreement to include operating motor vehicle for official CONTRACTOR business (California Vehicle Code Section 17000 and 17001). All claims against the CONTRACTOR based on tort liability should be presented as a government claim to the Clerk of the Board, Eric Rood Administrative Center 950 Maidu Avenue, Suite 200 Nevada City, CA 95959. (Gov. Code Section 900, et. Seq.) Internet link:

<https://www.mynevadacounty.com/869/Filing-Claims-Against-the-County>

CONTRACTOR understands and agrees to the following: in accordance with Government Code section 990 and Labor Code Section 3700, PLACER COUNTY has elected to insure, self-insure, or participate in risk pools for general, auto, medical malpractice, and worker’s compensation liabilities. Under this form of insurance, PLACER COUNTY and its employees acting in the course and scope of employment are covered for tort and worker’s compensation liability arising out of official PLACER COUNTY business and only in connection to this agreement to include operating motor vehicle for official PLACER COUNTY business (California Vehicle Code Section 17000 and 17001). All claims against PLACER COUNTY based on tort liability should be presented as a government claim to the Clerk of the Board (Gov. Code Section 900, et. Seq.).

CALIFORNIA LEVINE ACT STATEMENT

California Levine Act Statement

California Government Code Section 84308, commonly referred to as the "Levine Act," prohibits any officer of the County of Placer from participating in any action related to a contract if he or she receives any political contributions totaling more than five hundred dollars (\$500) within the previous twelve (12) months, and for twelve (12) months following the date a final decision concerning the contract has been made, from the person or company awarded the contract. The Levine Act also requires disclosure of such contributions by a party to be awarded the contract. An officer of the County of Placer includes the Board of Supervisors, any elected official, department head or chair, and any County employee who files a Form 700. It is the Contractor's responsibility to confirm the appropriate "officer" and name the individual(s) in their disclosure.

Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$500 to any Officer of the County of Placer in the twelve (12) months preceding the date of the submission of your proposals or the anticipated date of any Officer action related to this Agreement?

 YES NO

If yes, please identify the person(s) by name (if no, enter N/A): _____

Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contribution of more than \$500 to any Officer of the County of Placer in the twelve (12) months following any Officer action related to this Agreement?

 YES NO

If yes, please identify the person(s) by name (if no, enter N/A): _____

Answering yes to either of the two questions above does not preclude the County of Placer from awarding this Agreement to your firm or any taking any subsequent action related to this Agreement. It does, however, preclude the identified Officer(s) from participating in any actions related to this Agreement.

COUNTY OF NEVADA [Input legal name of contractor exactly as stated on CA SOS database or W-9, with attention to any punctuation and abbreviations, e.g. "ACME, INC."]

Signature of authorized individual

Print name of authorized individual

Date: _____

REPORTING EXHIBIT

1. RECORDS AND REPORTS:

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

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

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

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

COUNTY FACILITY OR EQUIPMENT TO BE USED BY CONTRACTOR

SPECIAL TERMS AND CONDITIONS INCLUDING SECURITY STANDARDS
FOR PLACER COUNTY DATA NETWORK

1. **SPECIFIC IDENTIFICATION OF FACILITY AND EQUIPMENT:** The following COUNTY facilities and/or equipment may be utilized by CONTRACTOR under this Agreement: (a) Office space for CONTRACTOR'S employees. (b) Office supplies and Computer equipment for use by CONTRACTOR employees. (c) Access to a County Data Network and/or Cloud resources by CONTRACTOR employees.
2. **USE AT COUNTY'S DISCRETION:** Use of COUNTY facilities or equipment is made at COUNTY'S sole discretion. COUNTY may discontinue use of COUNTY facilities or equipment by CONTRACTOR upon reasonable notice. COUNTY reserves the right to provide substitute facilities or equipment at its discretion. COUNTY reserves the right to pre-approve all CONTRACTOR personnel who are to use COUNTY facilities or equipment. COUNTY reserves the right to require CONTRACTOR to remove any of CONTRACTOR'S personnel from COUNTY facilities or to discontinue use of COUNTY equipment.
3. **PROPERTY RIGHTS:** All COUNTY facilities, equipment and data will remain under the sole ownership, custody and control of COUNTY and CONTRACTOR is not granted any property interest therein. CONTRACTOR shall only use COUNTY'S facilities and equipment for the purposes of fulfilling its obligations to COUNTY under this Agreement. COUNTY may access any and all electronic or paper data and records created, transmitted, or accessed utilizing COUNTY equipment or while on COUNTY property.
4. **COMPLIANCE WITH LAWS AND REGULATIONS:** CONTRACTOR and its employees shall comply at all times with all applicable laws, regulations, ordinances, and COUNTY policies regarding use of the COUNTY'S facilities and equipment.
5. **CONFIDENTIALITY:** CONTRACTOR and its employees are responsible for maintaining as confidential any confidential information of COUNTY'S or any third party, acquired in the course of using COUNTY'S facilities or equipment.
6. **CONDUCT AND COOPERATION:** CONTRACTOR and its employees and representatives are subject to the same rules of conduct as COUNTY'S employees when using COUNTY facilities and equipment. CONTRACTOR and its employees may be subject to additional clearances, obligations, and conditions depending on the nature of the COUNTY facility or equipment being utilized. CONTRACTOR and its employees will cooperate with COUNTY in providing any additional information, signing any forms or acknowledgments, and in reasonably participating as a potential witness in any investigations undertaken under COUNTY policies in which CONTRACTOR or its employees might have information.
7. **THIRD PARTIES:** CONTRACTOR may not permit any other person to occupy or use COUNTY'S facilities or equipment, including by placing such person's equipment in a COUNTY space, without first obtaining COUNTY'S written consent to do so. Such consent may be withheld by COUNTY is COUNTY'S sole discretion.
8. **CO-LOCATED CONTRACTOR EMPLOYEES:** Co-location of CONTRACTOR'S employees at COUNTY facilities is discouraged and co-location will only be authorized in extraordinary circumstances as necessary to fulfill important service obligations under this Agreement. Such circumstances are here. Co-located CONTRACTOR employees will be required to pass a background check and acknowledge familiarity with identified COUNTY policies and procedures. Co-located CONTRACTOR employees will also participate in any trainings deemed necessary by COUNTY.

9. If CONTRACTOR is given access to COUNTY'S electronic billing system through a COUNTY Data Network and/or Cloud resources, CONTRACTOR shall utilize COUNTY electronic billing system to admit, discharge, enter service charges, check financial eligibility, and run reports specific to their clients. CONTRACTOR shall be allowed to only view their assigned programs and clients. CONTRACTOR agrees to report to the Contract Administrator any inadvertent viewing of information that is outside their assigned programs and clients.
10. CONTRACTOR must abide by the Placer County Information Security Policies and Information Security Acceptable Use Policy. Some important excerpts are listed below.
 - 10.1. PURPOSE AND DEFINITIONS: Placer County maintains as part of its information technology platform a computer network that includes hardware and software, voicemail, file servers, electronic mail (email), systems that allow access to the internet, cloud-based computing programs and processes, and other electronic pathways. These systems are provided to assist in the conduct of COUNTY business within Placer County. Based on CONTRACTOR access, the following applies in whole or in part.
 - 10.2. POLICY:
 - 10.2.1. Ownership and Control - All components of the Placer County Technology Platform, including voicemail, email messages sent and received, files and records created or placed on any COUNTY file server, and all data placed onto or accessed by the COUNTY'S computer network including internet access, are and remain either the property of or under the control of Placer County and not the User.
 - 10.2.2. Access and Privacy - Placer County, through the Department of Information Technology (IT), has access to all information technology and electronic equipment and data (computer, voicemail, email, directories, files, electronic records, and Internet and Cloud access). Placer County reserves the right to retrieve and review any voicemail, email, directory, file, record or Internet access records composed, sent, accessed by, or received on its systems.
 - 10.2.2.1. Users should be aware that, even when a message or file is erased or a visit to a website is closed, it is still possible to recreate the message, file or Internet access records.
 - 10.2.2.2. All communications, including text and images may be disclosed by management to third parties or law enforcement, and/or may be used by management for any other lawful purpose including discipline or vendor disputes without prior consent of the sender or receiver.
 - 10.2.2.3. Users have no right to privacy as to any information or file stored on or transmitted through Placer County's computer systems including the internet and cloud, voicemail system, email or other technical resources.
 - 10.2.3. Authorization and Accountability - Each individual must have a separate log-in account and password for network use.
 - 10.2.4. Passwords - Passwords are an important aspect of computer security. A poorly chosen password may result in unauthorized access and/or exploitation of Placer County's resources. All users, including CONTRACTORS and vendors with access to the COUNTY'S systems, are responsible for the creation and protection of passwords and additionally any updates to COUNTY Password policies must be followed. Users must not use the same password for Placer County accounts and personal accounts.

The reliability of passwords for maintaining confidentiality cannot be guaranteed. Always assume that someone, in addition to the intended or designated recipient, may

read any and all messages and files. Any user suspecting that his/her password may have been compromised must, without delay, report the incident to Placer County IT.

10.2.4.1. Passwords must never be shared or disclosed. If a password is accidentally exposed or suspected of exposure, the password should be changed immediately.

10.2.4.2. All passwords must be changed on a specified, periodic basis.

10.2.4.3. Default passwords provided by the vendor for access to applications/systems on the network must be changed to unique and secret passwords.

10.2.4.4. Immediately inform the Information Technology Service Desk when user accounts are no longer required or will not be used for a period of 30 days or more.

10.2.4.5. All accounts not used for 90 days will be automatically disabled.

10.2.5. Authorized Access -

10.2.5.1. Users may access only the messages, files, or programs that they have authorization to use and where that use, or access is actually needed to perform their work duties. Unauthorized review, duplication, dissemination, removal, damage, or alteration of files, passwords, computer systems or programs, voicemail messages, or other property of Placer County, or improper use of information obtained by authorized means is a violation of this Policy.

10.2.5.2. Access to any internet-based site, including Cloud or social media site, is limited to Placer County IT approved sites and access or use may be prohibited by Placer County IT on the ground that the access poses an unreasonable risk to COUNTY network security, or the site primarily includes content that is prohibited under this Policy.

10.2.5.3. Attempts to circumvent protection mechanisms and standards to gain unauthorized access will be subject to disciplinary action.

10.2.5.4. Vendors must comply with Placer County security standards and it is the responsibility of the department involved to monitor this compliance.

10.2.5.5. Security vulnerabilities and suspicious or illicit use of information technologies should be reported to your immediate supervisor or the Information Technology Service Desk.

10.2.5.6. Only authorized staff should maintain, move or modify COUNTY network systems and components.

10.2.5.7. If removable media devices are used, they must be scanned with an antivirus solution when plugged into the Placer County network.

10.2.5.8. Licensing requirements and copyright laws must be adhered to.

10.2.5.9. All department supported systems and devices must be maintained with the current security patches and updates.

10.2.5.10. Security lifecycle practices must be practiced in all development cycles.

10.2.5.11. Per the Placer County Information Security Program Charter, data sensitivity is established by the department owning the information. All sensitive or confidential data must be protected in transit and when stored.

10.2.5.12. Applications should employ Single Sign On technology.

10.2.5.13. Business critical systems and data must be backed up with periodically validated processes.

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

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

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

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

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

10.2.7. Violations -

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

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

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

INFORMATION SECURITY REQUIREMENTS

1. DATA LOCATION

- 1.1. The CONTRACTOR shall not store or transfer non-public COUNTY data outside of the United States. This requirement includes all backup and disaster recovery locations. Remote access to COUNTY data from outside the continental United States is prohibited unless the COUNTY provides prior written approval.
- 1.2. The CONTRACTOR must notify the COUNTY in writing both in advance of any proposed location changes and within forty-eight (48) hours after such changes have been completed to any CONTRACTOR data center(s) that will process or store COUNTY data.

2. DATA ENCRYPTION

- 2.1. For all COUNTY data, The CONTRACTOR shall encrypt all non-public **data in transit** regardless of the transit mechanism.
- 2.2. The CONTRACTOR shall encrypt all non-public COUNTY data at rest, regardless of data type or classification.
- 2.3. All encryption must follow validated cryptography standards as defined by the National Institute of Standards and Technology (NIST). Security Requirements as outlined at <http://nvlpubs.nist.gov/nistpubs/Legacy/SP/nistspecialpublication800-111.pdf>

3. SUB-CONTRACTOR DISCLOSURE

- 3.1. The CONTRACTOR is responsible for the actions of all subcontractors, vendors, agents, and suppliers acting on its behalf. The CONTRACTOR must ensure that all information security requirements in this Agreement are made enforceable on these parties and that they comply with them at all times.

4. BUSINESS CONTINUITY

- 4.1. CONTRACTOR shall provide and maintain a business continuity and disaster recovery plan that achieves the County's Recovery Time Objective (RTO) and Recovery Point Objective (RPO), as set forth below, and specifically incorporated herein.
 - 4.1.1. The Recovery Time Objective is the maximum amount of time in which a service, system, or application must be restored following an outage to avoid unacceptable impact to COUNTY operations.
 - 4.1.2. The Recovery Point Objective is the maximum acceptable amount of data loss measured in time. COUNTY systems and data must be backed up frequently enough to meet the required RPO.

5. BREACH NOTIFICATION

- 5.1. The CONTRACTOR must notify the COUNTY in writing within twenty-four (24) hours of any actual or suspected incident that could affect COUNTY data or systems. Notice must be sent to ITSEC@placer.ca.gov and to all parties listed in the Notices section of this Agreement, and must reference this contract number. The notification must include the date the incident occurred (if known) and which CONTRACTOR systems or locations were affected.

BEHAVIORAL HEALTH CONTRACTS - SPECIAL TERMS AND CONDITIONS

CONTRACTOR shall comply with all applicable provisions of the Intergovernmental Agreement between Placer County and the Department of Health Care Services (DHCS) to provide SMHS and/or DMC-ODS services as outlined in the EXHIBIT A SCOPE OF SERVICES. The SMHS agreement is available at https://www.dhcs.ca.gov/services/MH/Pages/Contracts_Medicaid_State_Plan.aspx. The DMC-ODS agreement is available at <https://www.dhcs.ca.gov/provgovpart/Pages/county-implementation-plans.aspx>. All services, documentation, and reporting shall be provided in conformity with the requirements of all pertinent laws, regulations, and COUNTY requirements.

- 1.1. CONTRACTOR shall provide services in conformance with all applicable state and federal statutes, regulations and sub-regulatory guidance, as from time to time amended.
- 1.2. Federal Laws Governing this Contract. This section reminds Contractor of the need to comply with federal laws to the extent they are applicable, including but not limited to:
 - 1.2.1. Title 42 United States Code;
 - 1.2.2. Title 42 of the Code of Federal Regulations, including:
 - 1.2.2.1. 42 C.F.R. Part 438, Medicaid Managed Care, limited to those provisions that apply to Prepaid Inpatient Health Plans (PIHPs), except for the provisions that are inapplicable to this Contract pursuant to the current CalAIM 1915(b) Waiver Approved Application (see Section A, Part I.A).
 - 1.2.2.2. 42 C.F.R. § 455.
 - 1.2.2.3. 42 C.F.R. §§ 8.1 through 8.6, regarding MAT.
 - 1.2.2.4. 42 C.F.R. Part 2.
 - 1.2.3. 21 C.F.R. §§ 1301.01 through 1301.93, Department of Justice, Controlled Substances;
 - 1.2.4. Title VI of the Civil Rights Act of 1964;
 - 1.2.5. Title VII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
 - 1.2.6. Title IX of the Education Amendments of 1972;
 - 1.2.7. Age Discrimination Act of 1975;
 - 1.2.8. Age Discrimination in Employment Act (29 CFR Part 1625).
 - 1.2.9. Rehabilitation Act of 1973;
 - 1.2.10. Americans with Disabilities Act;
 - 1.2.11. Section 1557 of the Patient Protection and Affordable Care Act, including the implementing regulations at 45 C.F.R. Part 92;
 - 1.2.12. Deficit Reduction Act of 2005;
 - 1.2.13. Balanced Budget Act of 1997;
 - 1.2.14. Section 106(g) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(g)) as amended by section 1702. For full text of the award term, go to:

<http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title22-section7104d&num=0&edition=prelim>.

- 1.2.15. The provisions of the Hatch Act (Title 5 USC, sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.
 - 1.2.16. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance.
 - 1.2.17. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
 - 1.2.18. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
 - 1.2.19. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
 - 1.2.20. The Copeland Anti-Kickback Act, which requires that all contracts and subcontracts in excess of \$2000 for construction or repair awarded by the Contractor and its subcontractors shall include a provision for compliance with the Copeland Anti-Kickback Act.
 - 1.2.21. The Davis-Bacon Act, as amended, which provides that, when required by Federal Medicaid program legislation, all construction contracts awarded by the Contractor and its subcontractors of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act as supplemented by Department of Labor regulations.
 - 1.2.22. The Contract Work Hours and Safety Standards Act, as applicable, which requires that all subcontracts awarded by the Contractor in excess of \$2,000 for construction and in excess of \$2,500 for other subcontracts that involve the employment of mechanics or laborers shall include a provision for compliance with the Contract Work Hours and Safety Standards Act.
 - 1.2.23. Pursuant to W&I Code section 14704, a regulation or order concerning Medi-Cal SMHS adopted by the State Department of Mental Health pursuant to W&I Code, division 5 (commencing with Section 5000), as in effect preceding the effective date of section 14704, shall remain in effect and shall be fully enforceable, unless and until the readoption, amendment, or repeal of the regulation or order by the Department, or until it expires by its own terms. Such a regulation or order may also be superseded by information notice.
- 1.3. State Laws Governing this Contract. This section reminds Contractor of the need to comply with state laws to the extent they are applicable, including but not limited to:
 - 1.3.1. W&I Code, division 5
 - 1.3.2. W&I Code section 14000 et seq., including:
 - 1.3.2.1. Sections 14021, 14021.5, 14021.6

- 1.3.2.2. Sections 14043 et seq.
- 1.3.2.3. Sections 14059.5, 14184.402, and 14184.403
- 1.3.2.4. Section 14100.2
- 1.3.2.5. Sections 14680-14685.1
- 1.3.2.6. Sections 14700-14727
- 1.3.3. Chapter 7, Part 3, Division 9, W&I Code, division 9, part 3, chapter 7
- 1.3.4. Health and Safety Code, division 10.5, part 2, commencing with section 11760.
- 1.3.5. Government Code section 16367.8.
- 1.3.6. Title 2, Division 3, Article 9.5 of the Gov. Code, commencing with Section 11135.
- 1.3.7. Cal. Code Regs., tit. 9, including:
 - 1.3.7.1. Division 4, chapter 6, commencing with section 10800.
 - 1.3.7.2. Division 4, chapter 8, commencing with §13000 (Certification of Alcohol and Other Drug Counselors).
 - 1.3.7.3. Sections 1810.100 et. seq. – Medi-Cal Specialty Mental Health Services, except for those regulations that are superseded by BHINs.
 - 1.3.7.4. Sections 9000-14240
- 1.3.8. Cal. Code Regs., tit. 22, including:
 - 1.3.8.1. Sections 50951 and 50953
 - 1.3.8.2. Sections 51014.1 and 51014
 - 1.3.8.3. Sections 51341.1, 51490.1 and 51516.1 (with the exception of the provisions superseded by W&I Code, division 9, part 3, chapter 7, article 5.51, as set forth in this contract and/or BHINs related to medical necessity, documentation requirements, and payment reform)
- 1.3.9. State Administrative Manual (SAM), Chapter 7200 (General Outline of Procedures).
- 1.3.10. Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code Regs., tit. 2, Div. 4 § 7285.0 et seq.).
- 1.4. No state funds, Federal funds, or mental health or substance use disorder realignment funds (e.g., Behavioral Health Subaccount of the Local Revenue Fund 2011, Mental Health Subaccount of the Local Revenue Fund) shall be used by the Contractor, or its subcontractors or contracted providers, for sectarian worship, instruction, and/or proselytization. No state funds shall be used by the Contractor, or its subcontractors or contracted providers, to provide direct, immediate, or substantial support to any religious activity.
- 1.5. Applicable Medi-Cal laws and regulations, including applicable sub-regulatory guidance, such as BHINs, MHSUDS INs, and provisions of COUNTY'S, state or federal contracts governing member services.

- 1.6. CONTRACTOR shall ensure that deliverables developed and produced comply with the accessibility requirements of sections 7405 and 11135 of the California Government Code, section 508 of the Rehabilitation Act of 1973 as amended (29 U.S.C. § 794d), and regulations implementing that Act as set forth in Part 1194 of Title 36 of the C.F.R., and the portions of the Americans with Disabilities Act of 1990 related to electronic and IT accessibility requirements and implementing regulations. In 1998, Congress amended the Rehabilitation Act of 1973 to require Federal agencies to make their electronic and information technology (EIT) accessible to people with disabilities. California Government Code sections 7405 and 11135 codify section 508 of the Rehabilitation Act requiring accessibility of electronic and information technology.
- 1.7. In the event any law, regulation, or guidance referred to in this Exhibit is amended during the term of this Agreement, the Parties agree to comply with the amended authority as of the effective date of such amendment without amending this Agreement.
- 1.8. CONTRACTOR shall comply with all applicable state and federal laws and regulations, contract requirements, and other DHCS guidance, including BHINs and Policy Letters. This includes any applicable provisions of the COUNTY MOU'S with managed care plan partners as outlined in BHIN 23-056 and subsequent revisions.

2. **ORGANIZATION AND ADMINISTRATION**

2.1. PROHIBITED AFFILIATIONS

- 2.1.1. CONTRACTOR shall not knowingly have any prohibited type of relationship, as described in subsection 2.3, with individuals or entities listed below.
 - 2.1.1.1. 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. (42 C.F.R. § 438.610(a)(1).)
 - 2.1.1.2. An individual or entity who is an affiliate, as defined in the Federal Acquisition Regulation at 48 C.F.R. § 2.101, of a person described in this section. (42 C.F.R. § 438.610(a)(2).)
- 2.1.2. CONTRACTOR shall not have a prohibited type of relationship by employing or contracting with providers or other individuals and entities excluded from participation in federal health care programs (as defined 42 U.S.C. § 1320a-7b(f)) pursuant to 42 U.S.C. sections 1320a-7, 1320a-7a, 1320c-5, and 1395u(j)(2). (42 C.F.R. §§ 438.214(d)(1), 438.610(b).)
- 2.1.3. CONTRACTOR, shall not have the types of relationships prohibited by this section with an excluded, debarred, or suspended individual, provider, or entity.
 - 2.1.3.1. A director, officer, agent, managing employee, or partner (42 U.S.C. § 1320a-7(b)(8)(A)(ii); 42 C.F.R. § 438.610(c)(1).)
 - 2.1.3.2. A subcontractor, as governed by 42 C.F.R. section 438.230. (42 C.F.R. § 438.610(c)(2).)
 - 2.1.3.3. A person with beneficial ownership of 5 percent or more of equity. (42 C.F.R. § 438.610(c)(3).)
 - 2.1.3.4. A person with an employment, consulting, or other arrangement with for the provision of items and services that are significant and material to the obligations under this Contract. (42 C.F.R. § 438.610(c)(4).)

- 2.1.4. CONTRACTOR shall not employ or contract with, directly or indirectly, individuals or entities described in Subsections 2.1 OR 2.2 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). (42 C.F.R. § 438.808(b)(3).)
- 2.1.5. CONTRACTOR shall not contract directly or indirectly with an individual convicted of crimes described in section 1128(b)(8)(B) of the Social Security Act. (42 C.F.R. § 438.808(b)(2))
- 2.1.6. CONTRACTOR shall provide COUNTY written disclosure of any prohibited affiliation identified. (42 C.F.R. § 438.608(c)(1).)

2.2. CONFLICT OF INTEREST

- 2.2.1. CONTRACTOR shall comply with the conflict-of-interest safeguards described in:
 - 2.2.1.1. 42 C.F.R. section 438.58 and the prohibitions described in section 1902(a)(4)(C) of the Social Security Act. (42 C.F.R. § 438.3(f)(2).); and
 - 2.2.1.2. The California Political Reform Act, including Public Contract Code section 10365.5 and Government Code section 1090.
- 2.2.2. CONTRACTOR officers and employees shall not have a financial interest in this Contract, or a subcontract of this Contract made by them in their official capacity, or by any body or board of which they are members unless the interest is remote. (Gov. Code §§ 1090, 1091; 42 C.F.R. § 438.3(f)(2).)
- 2.2.3. No public officials at any level of local government shall make, participate in making, or attempt to use their official positions to influence a decisions made within the scope of this Contract in which they know or have reason to know that they have a financial interest. (Gov. Code §§ 87100, 87103; 2 C.C.R. § 18704; 42 C.F.R. § 438.3(f)(2).)
 - 2.2.3.1. If a public official determines not to act on a matter due to a conflict of interest within the scope of this Contract, CONTRACTOR shall notify COUNTY by oral or written disclosure. (2 C.C.R. § 18707; 42 C.F.R. § 438.3(f)(2).)
 - 2.2.3.2. Public officials, as defined in Government Code section 87200, shall follow the applicable requirements for disclosure of a conflict of interest or potential conflict of interest, once it is identified, and recuse themselves from discussing or otherwise acting upon the matter. (Gov. Code § 87105, 2 C.C.R. § 18707(a); 42 C.F.R. 438.3(f)(2).)
- 2.2.4. CONTRACTOR shall not utilize in the performance of this Contract any State officer or employee in the State civil service or other appointed State official unless the employment, activity, or enterprise is required as a condition of the officer's or employee's regular State employment. (Pub. Contract Code § 10410; 42 C.F.R. § 438.3(f)(2).) CONTRACTOR shall submit documentation to COUNTY of employees (current and former State employees) who may present a conflict of interest.
- 2.2.5. Additional Requirements.
 - 2.2.5.1. DHCS reserves the right to determine, at its sole discretion, whether any information, assertion or claim received from any source indicates the existence of a real or apparent conflict of interest; and, if a conflict is found to exist, to require additional information or a plan for resolving the conflict, subject to DHCS review and prior approval.

2.2.5.2. Conflicts of interest include, but are not limited to:

2.2.5.2.1. An instance where the CONTRACTOR or subcontractor, or an employee, officer, or director of CONTRACTOR or subcontractor has an interest, financial or otherwise, whereby the use or disclosure of information obtained while performing services under the Contract would allow for private or personal benefit or for any purpose that is contrary to the goals and objectives of the contract.

2.2.5.2.2. An instance where the CONTRACTOR or subcontractor's employees, officers, or directors use their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as those with whom they have family, business or other ties.

2.2.5.3. If DHCS is or becomes aware of a known or suspected conflict of interest, CONTRACTOR will have five (5) working days from the date of notification to provide DHCS with complete information regarding the suspected conflict. If a conflict of interest is determined to exist by DHCS and cannot be resolved to the satisfaction of DHCS, the conflict will be grounds for terminating the Agreement.

2.3. DOCUMENTATION STANDARDS

2.3.1. CONTRACTOR shall implement and comply with documentation standards as set forth in guidance issued by the Department, including in BHIN 23- 068 and any subsequent guidance.

2.3.2. In the event of a conflict between the terms of this Contract relating to documentation standards and a state or federal statute or regulation, or a BHIN issued by DHCS, the Contractor shall adhere to the applicable statute, regulation, or BHIN.

3. **FINANCIAL REQUIREMENTS (EX A#3)**

3.1. PROHIBITED PAYMENTS

3.1.1. Federal financial participation (FFP) is not available for any payment amount for services furnished by an excluded individual or entity, or at the direction of a physician during the period such physician is excluded when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the Department failed to suspend payments during an investigation of a credible allegation of fraud. (42 U.S.C. § 1396b(i)(2).)

3.1.2. In accordance with 42 U.S.C. § 1396b (i), the COUNTY is prohibited from paying for an item or service:

3.1.2.1. Furnished under this Contract by any individual or entity during any period when the individual or entity is excluded from participation under title V, XVIII, or XX or under this title pursuant to §1320a-7, 1320a-7a, 1320c-5, or 1395u(h)(2) of title 42.

3.1.2.2. Furnished at the medical direction or on the prescription of a physician, during the period when such physician is excluded from participation under title V, XVIII, or XX or pursuant to section 1320a-7, 1320a-7a, 1320c-5, or 1395u(h)(2) of title 42 and when the person furnishing such item or service knew, or had reason to know, of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).

3.1.2.3. Furnished by an individual or entity to whom the state has failed to suspend payments during any period when there is a pending investigation of a credible allegation of fraud against the individual or entity, unless the state determines there is good cause not to suspend such payments.

3.1.2.4. With respect to any services or activities furnished for which funds may not be used under the Assisted Suicide Funding Restriction Act (ASFRA) of 1997.

3.2. RECOVERY OF OVERPAYMENTS

3.2.1. CONTRACTOR is subject to COUNTY procedures that include the suspension of payments to a network provider for which the State, or the Contractor, determines there is a credible allegation of fraud. (42 C.F.R. §§ 438.608(a)(8) and 455.23.)

3.2.2. CONTRACTOR shall return any overpayment to the COUNTY within 60 calendar days after the date on which the overpayment was identified, including written notification of the reason for the overpayment.

4. **MANAGEMENT INFORMATION SYSTEMS**

4.1. HEALTH INFORMATION SYSTEMS

4.1.1. CONTRACTOR shall maintain a health information system that collects, analyzes, integrates, and reports data. The system shall provide information on areas including, but not limited to, utilization, claims, grievances, and appeals.

4.1.2. CONTRACTOR shall ensure data submitted from the health information system to COUNTY

4.1.2.1. is accurate and completed timely, has logic and consistency and is provided in standardized formats to the extent feasible and appropriate, including secure information exchanges and technologies utilized for quality improvement and care coordination efforts.

4.2. ICD-10:

4.2.1. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations.

4.2.2. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

4.2.3. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and COUNTY may implement these changes as provided by CMS.

4.3. HIPAA AND ADDITIONAL DATA STANDARDS

4.3.1. CONTRACTOR shall perform the work in compliance with all applicable provisions of HIPAA.

4.3.1.1. Service claims shall be submitted electronically in a HIPAA compliant format (837P or 837I). All adjudicated claim information shall be retrieved by the Contractor via an 835 HIPAA compliant format (Health Care Claim Payment/Advice).

4.3.1.2. CONTRACTOR shall cooperate to ensure mutual agreement as to those transactions between them, to which this Provision applies.

- 4.3.2. CONTRACTOR hereby agrees that for the personal health information (Information), it shall not change any definition, data condition or use of a data element or segment as proscribed in the federal HHS Transaction Standard Regulation (45 C.F.R. § 162.915 (a)).
- 4.3.3. CONTRACTOR hereby agrees that for the Information, it shall not add any data elements or segments to the maximum data set as proscribed in the HHS Transaction Standard Regulation (45 C.F.R. § 162.915 (b)).
- 4.3.4. CONTRACTOR agrees that for the Information, it shall not use any code or data elements that either are marked “not used” in the HHS Transaction’s Implementation specification or are not in the HHS Transaction Standard’s implementation specifications (45 C.F.R. § 162.915 (c)).
- 4.3.5. CONTRACTOR hereby agrees that for the Information, it shall not change the meaning or intent of any of the HHS Transaction Standard’s implementation specification (45 C.F.R. § 162.915 (d)).

5. **QUALITY IMPROVEMENT PROGRAM**

5.1. Written QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT:

- 5.1.1. CONTRACTOR shall comply with the COUNTY’S ongoing comprehensive Quality Assessment and Performance Improvement (QAPI) Program and work with the COUNTY to improve established outcomes by following structural and operational processes and activities that are consistent with current practice standards.
- 5.1.2. CONTRACTOR shall participate in quality improvement (QI) activities, including clinical and non-clinical performance improvement projects (PIPs), as requested by the COUNTY in relation to state and federal requirements and responsibilities, to improve health outcomes and members’ satisfaction over time. Other QI activities include collecting and analyzing data—including the data identified by COUNTY to measure against the goals or prioritized areas of improvement that have been identified; Identifying opportunities for improvement and deciding which opportunities to pursue; Identifying relevant committees and stakeholders to exchange of information with, providing input to identifying barriers to delivery of clinical care and administrative services; Designing and implementing interventions for improving performance; Measuring effectiveness of the interventions; and Incorporating successful interventions into operations.
- 5.1.3. CONTRACTOR, if applicable, shall implement mechanisms to monitor the safety and effectiveness of medication practices. This mechanism shall be under the supervision of a person licensed to prescribe or dispense prescription drugs, at least annually.
- 5.1.4. CONTRACTOR shall implement mechanisms to monitor appropriate and timely intervention of occurrences that raise quality of care concerns. The CONTRACTOR shall take appropriate follow-up action when such an occurrence is identified. The results of the intervention shall be evaluated by the CONTRACTOR at least annually and shared with the COUNTY.
- 5.1.5. CONTRACTOR shall assist COUNTY, as needed, with the development and implementation of Corrective Action Plans.
- 5.1.6. CONTRACTOR shall collaborate with COUNTY to create a QI Work Plan with documented annual evaluations and documented revisions as needed. The QI

Work Plan shall evaluate the impact and effectiveness of its quality assessment and performance improvement program.

- 5.1.7. CONTRACTOR shall participate, as requested, in annual, independent external quality reviews (EQR) of the quality, timeliness, and access to the services covered under this CONTRACT.

5.2. PRACTICE GUIDELINES:

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

- 5.2.1.1. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field.

- 5.2.1.2. They consider the needs of the members.

- 5.2.1.3. They are adopted in consultation with contracting health care professionals.

- 5.2.1.4. They are reviewed and updated periodically as appropriate (42 C.F.R. § 438.236(b) and CCR, Title 9, Section 1810.326).

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

- 5.2.3. decisions for utilization management, member education, coverage of services, and any other areas to which the guidelines apply shall be consistent with the guidelines

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

6. **UTILIZATION MANAGEMENT PROGRAM**

6.1. Utilization Management

- 6.1.1. CONTRACTOR shall operate a Utilization Management Program that is responsible for assuring that members have appropriate access To covered services as required in this Contract.

- 6.1.2. The Utilization Management Program shall evaluate:

- 6.1.2.1. that services are medically necessary in accordance with the definition of "medical necessity"

- 6.1.2.2. the appropriateness and efficiency of services provided to Medi-Cal members prospectively or retrospectively;

- 6.1.2.3. {DMC-ODS only} that the ASAM Criteria shall be used to determine placement into the appropriate level of care for SUD services; and

- 6.1.2.4. that the interventions are appropriate for the diagnosis and level of care.

- 6.1.3. Compensation to individuals or entities that conduct utilization management activities must not be structured so as to provide incentives for the individual or entity to deny, limit, or discontinue medically necessary services to any member. (42 C.F.R. § 438.210(e).)

- 6.1.4. CONTRACTOR may place appropriate limits on a service based on criteria applied under the State Plan, such as criteria for access to covered_services and for the purpose of utilization control, provided that:
 - 6.1.4.1. The services furnished are sufficient in amount, duration and scope to reasonably achieve the purpose for which the services are_furnished. (42 C.F.R. § 438.210(a)(4)(ii)(A).)
 - 6.1.4.2. CONTRACTOR shall not arbitrarily deny or reduce the amount, duration, or scope of a medically necessary covered service solely because of diagnosis, type of illness, or condition of the member. (42 C.F.R. Section 438.210(a)(3)(ii)) CONTRACTOR may deny_services based on W&I Code §§ 14184.402, subdivisions (a), (c), and (d); 14059.5; and departmental guidance and regulation. (42_C.F.R. § 438.210(a)(4)(i).)
 - 6.1.4.3. CONTRACTOR shall not avoid costs for services covered under this Contract by referring members to other publicly supported health_care resources.
 - 6.1.4.4. The services supporting individuals with ongoing or chronic_conditions are authorized in a manner that reflects the member's_ongoing need for such services and supports.
- 6.1.5. CONTRACTOR shall have a documented system for collecting, maintaining and evaluating accessibility to care, including tracking:
 - 6.1.5.1. The number of days to first covered service at an appropriate level of care following initial request or referral for all covered services;
 - 6.1.5.2. Whether a member was delayed access to care due to an insufficient number of providers able to provide services and, how long such a member was delayed access to care; and
 - 6.1.5.3. The number, percentage of denied, and timeliness of requests for authorization for all covered services that are submitted, processed, approved, and denied.

6.2. SERVICE AUTHORIZATION

- 6.2.1. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.
 - 6.2.2. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance.
 - 6.2.3. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.
 - 6.2.4. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.
 - 6.2.5. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a member's specific needs and circumstances that could seriously jeopardize the member's life or health, or ability to attain, maintain, or regain maximum function.
- 6.3. CONTRACTOR shall not impose financial requirements or quantitative treatment limitations, as defined in 42 C.F.R. § 438.900, for any member receiving covered services. (42 C.F.R. § 438.910(b), 438.920(a); BHIN 22- 070.)

- 6.4. CONTRACTOR shall not impose aggregate lifetime or annual dollar limits, as defined in 42 C.F.R. § 438.900, for any member receiving covered services. (42 C.F.R. § 438.905(a), (b).)
- 6.5. CONTRACTOR shall not impose non-quantitative treatment limitations for covered services, as defined in 42 C.F.R. Part 438, Subpart K, in any benefit classification (i.e., inpatient and outpatient) unless per COUNTY policy.
- 6.6. CONTRACTOR shall submit to the COUNTY, upon request, any policies and procedures or other documentation necessary to establish and demonstrate compliance.

7. **ACCESS AND AVAILABILITY OF SERVICES**

7.1. ELIGIBILITY

- 7.1.1. CONTRACTOR shall accept individuals referred in the order in which they are referred (including self-referral if applicable).
- 7.1.2. CONTRACTOR shall verify the Medi-Cal eligibility of an individual prior to provision of services and prior to submitting claims for services.
- 7.1.3. CONTRACTOR shall not, on the basis of health status or need for health care services discriminate against Medi-Cal eligible individuals who require an assessment for mental health services.
- 7.1.4. CONTRACTOR shall not unlawfully discriminate against individuals who require an assessment or meet criteria for access to SMHS or SUD treatment services on the basis of race, color, national origin, sex, sexual orientation, gender, gender identity, religion, marital status, ethnic group identification, ancestry, age, medical condition, genetic information, mental disability, or physical disability, and will not use any policy or practice that has the effect of discriminating on the basis of any of these protected traits.

7.2. CULTURAL COMPETENCE

- 7.2.1. CONTRACTOR shall promote the delivery of services in a culturally competent manner to all members, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation or gender identity. (42 C.F.R. § 438.206(c)(2).)
- 7.2.2. CONTRACTOR shall comply with the provisions of the COUNTY'S Cultural Competence Plan.
- 7.2.3. CONTRACTOR shall 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.
- 7.2.4. CONTRACTOR shall adopt the federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards (Document 3V) and comply with 42 C.F.R. section 438.206(c)(2).

7.3. CHOICE OF PROVIDER

- 7.3.1. CONTRACTOR shall provide each member a choice of the person providing services to the extent possible and appropriate. (42 C.F.R. § 438.3(l); Cal. Code Regs., tit. 9, § 1830.225).

- 7.4. SECOND OPINION: CONTRACTOR shall provide second opinions At the request of a member, or the COUNTY when IT has BEEN determined that the member is not entitled to SMHS due to not meeting the criteria for access to SMHS, the second opinion shall be

provided by a licensed mental health professional (other than a psychiatric technician or a licensed vocational nurse).

7.5. MINOR CONSENT

- 7.5.1. Minors who are 12 years of age or older do not need parent, legal guardian, or Authorized Representative consent to access medical care and counseling relating to the diagnosis and treatment of a drug- or alcohol-related problem, with the exception of replacement narcotic therapy, pursuant to Family Code section 6929.
- 7.5.2. A minor who is 16 years of age or older does not need parent, legal guardian, or Authorized Representative consent to receive medications for opioid use disorder from a licensed narcotic treatment program a replacement narcotic therapy pursuant to Family Code section 6929, only if, and to the extent that, it is permitted by federal law.
- 7.5.3. A minor who is 12 years of age or older may consent to mental health treatment or counseling on an outpatient basis if the minor, in the opinion of the attending professional person, is mature enough to participate intelligently in the outpatient services, subject to the parameters in Family Code section 6924 and BHIN 24-046.
- 7.5.4. CONTRACTOR must ensure members are informed of the availability of these services, including informing the minor whether or not they may consent on their own behalf.

8. **PROVIDER NETWORK, CONTRACTED PROVIDERS AND TIMELY ACCESS**

- 8.1. PROVIDER ENROLLMENT: The Contractor shall enroll with the state as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. part 455, subparts B and E. (42 C.F.R. § 438.608(b).)
- 8.2. ASSESSMENT OF CAPACITY
 - 8.2.1. Contractor shall implement mechanisms to assess the accessibility of services including timeliness of scheduling routine appointments, timeliness of services for urgent conditions, and access to after-hours care (if applicable).
 - 8.2.2. When a member makes a request for covered services, the Contractor shall require services to be initiated with reasonable promptness in accordance with the timely access standards defined below in Section 4. Contractor shall have a documented system for monitoring and evaluating the quality, appropriateness, and accessibility of care, including a system for addressing problems that develop regarding waiting times and appointments.
 - 8.2.3. The Contractor shall ensure that in planning for the provision of covered services, the following barriers to services are considered and addressed:
 - 8.2.3.1. Lack of educational materials or other resources for the provision of services.
 - 8.2.3.2. Geographic isolation and transportation needs of persons seeking services or remoteness of services.
 - 8.2.3.3. Institutional, cultural, and/or ethnicity barriers.
 - 8.2.3.4. Language differences.
 - 8.2.3.5. Lack of service advocates.
 - 8.2.3.6. Failure to survey or otherwise identify the barriers to services accessibility.

8.2.3.7. Needs of persons with a disability.

8.3. NETWORK ADEQUACY:

- 8.3.1. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to members in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).
- 8.3.2. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.
- 8.3.3. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.
- 8.3.4. CONTRACTOR shall ensure physical access, reasonable accommodations, and accessible equipment for Medi- Cal members with physical or mental disabilities. (42 C.F.R. §438.206(b)(1) and (c)(3).)

8.4. TIMELY ACCESS

- 8.4.1. CONTRACTOR shall meet, the standards for timely access to care and services, without utilizing waitlists and taking into account the urgency of need for services, pursuant to W&I Code section 14197, subdivision (d), and as specified in the Department's current guidance regarding timely access, BHIN 24- 020, or any successor guidance
- 8.4.2. CONTRACTOR shall have hours of operation during which services are provided to Medi-Cal members that are no less than the hours of operation during which the provider offers services to non-Medi-Cal members. If the provider only serves Medi-Cal members, the Contractor shall require that hours of operation are comparable to the hours the provider makes available for Medi-Cal services that are not covered by the Contractor, or another county behavioral health program delivery system.
- 8.4.3. CONTRACTOR shall make services available to members 24 hours a day, 7 days a week, when medically necessary, as applicable.
- 8.4.4. CONTRACTOR shall comply with COUNTY policy and auditing efforts to ensure the timely access requirements are met and in compliance.
- 8.4.5. The applicable waiting time for a particular appointment may be extended at the member's request if the following conditions are met:
 - 8.4.5.1. The member's medical record notes that waiting will not have a detrimental impact on the member's health, as determined by the referring or treating licensed health care provider, or by the health professional providing triage or screening services, who is acting within the scope of their practice consistent with professionally recognized standards of practice;
 - 8.4.5.2. The provider's decision to extend the applicable waiting time is noted in the member's medical record and made available to DHCS upon request; and
 - 8.4.5.3. CONTRACTOR ensures that the member receives notice of the provider's decision to extend the applicable waiting time with an explanation of the member's right to file a grievance disputing the

extension. (W&I Code § 14197, subd. (d)(1)(A); Health & Safety Code § 1367.03, subd. (a)(5)(H); 28 C.C.R. § 1300.67.2.2(c)(5)(H); BHIN 22-073.)

8.4.6. CONTRACTOR shall participate in all timely access survey(s) and network adequacy activities conducted by COUNTY and/or DHCS.

8.5. PROVIDER SELECTION

- 8.5.1. CONTRACTOR must follow the COUNTY'S uniform credentialing and re-credentialing policy, including the policy that addresses behavioral and substance use disorders, outlined in DHCS Information Notice 18-019.
- 8.5.2. CONTRACTOR shall not employ or contract with providers excluded from participation in Federal health care programs under either section 1128 or section 1128A of the Social Security Act. (42 C.F.R. § 438.214(d).)
- 8.5.3. CONTRACTOR may not discriminate in the selection, reimbursement, or indemnification of any provider who is acting within the scope of their license or certification under applicable state law, solely on the basis of that license or certification. (42 C.F.R. § 438.12(a)(1).)
- 8.5.4. The Contractor shall only use licensed, registered, certified, or waived providers, in good standing and acting within their scope of practice, for services that require a license, registration, certification, or waiver. This includes
- 8.5.4.1. Individuals with a Mental Health Professional Licensure Waiver in accordance with BHIN 24-033 or any subsequent departmental guidance; and
- 8.5.4.2. Clinical social worker (CSW), marriage and family therapist (MFT), and professional clinical counselor (PCC) candidates who have submitted their applications for associate registration to the California Board of Behavioral Sciences (BBS) within 90 days of their degree award date and are completing supervised experience toward licensure to provide SMHS, DMC-ODS and DMC services to Medi-Cal members, in accordance with BHIN 24-023 and any subsequent departmental guidance.
- 8.5.4.2.1. CSW, MFT, and PCC candidates must act within their scopes of practice under California law. Contractor must obtain and maintain documentation to verify that the candidate's BBS application has been submitted and is pending and must subsequently verify that the registration is approved.
- 8.5.4.2.2. Services rendered by CSW, MFT, and PCC candidates completing supervised experience can be reimbursed while their BBS application is pending. In the event the BBS
- 8.5.5. {SMHS only} CONTRACTOR shall establish individual, group and organizational provider selection criteria for network providers as provided for in 9 C.C.R. section 1810.435(a).
- 8.5.6. {DMC-ODS only} Additional requirements applicable to providers that furnish DMC-ODS services:
- 8.5.6.1. CONTRACTOR must be DMC-certified to provide DMC-ODS services.
- 8.5.6.2. CONTRACTOR shall have an SUD Medical Director who, prior to the delivery of services under this Contract, has enrolled with DHCS under applicable state regulations, has been screened in accordance with 42

C.F.R. section 455.450(a) as a "limited" categorical risk within a year prior to serving as a Medical Director under this Contract, and has signed a Medicaid provider agreement with DHCS as required by 42 C.F.R. section 431.107.

- 8.5.6.3. Medication Assisted Treatment (MAT): DMC-ODS network providers, at all levels of care, shall demonstrate that they comply with BHIN 23-054 and any subsequent guidance issued by the Department regarding the provision of, or referrals for, MAT, as well as the maintenance of a DHCS-approved MAT policy. The Contractor shall monitor the referral process or provision of MAT services.
- 8.5.6.4. CONTRACTOR shall implement at least two of the following EBPs. The two EBPs are per provider, per service modality. CONTRACTOR shall deliver the practices to fidelity. The EBPs include:
 - 8.5.6.4.1. Motivational Interviewing: A member-centered, empathic, but directive counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem solving or solution-focused strategies that build on members' past successes.
 - 8.5.6.4.2. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral reactions are learned and that new ways of reacting and behaving can be learned.
 - 8.5.6.4.3. Relapse Prevention: A behavioral self-control program that teaches individuals with substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved during initial substance use disorder treatment.
 - 8.5.6.4.4. Trauma-Informed Treatment: Services shall take into account an understanding of trauma, and place priority on trauma survivors' safety, choice and control.
 - 8.5.6.4.5. Psycho-Education: Psycho-educational groups are designed to educate members about substance misuse, and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to members' lives, to instill self-awareness, suggest options for growth and change, identify community resources that can assist members in recovery, develop an understanding of the process of recovery, and prompt people using substances to take action on their own behalf.

8.6. SMHS PROVIDER CERTIFICATION

- 8.6.1. CONTRACTOR shall be certified by the county in accordance with 9 C.C.R. section 1810.435, prior to the date on which the provider begins to deliver services under the Contract, and once every three years after that date. The on-site review required by 9 C.C.R. section 1810.435, subdivision (d), as a part of the certification process, shall be performed at any site owned, leased, or operated by the provider and/or used to deliver covered services to members, except that on-site review is not required for public school or satellite sites.

- 8.6.1.1. "Satellite site" means a site owned, leased or operated by an organizational provider at which SMHS are delivered to members fewer than 20 hours per week, or, if located at a multiagency site at which SMHS are delivered by no more than two employees or contractors of the provider.
- 8.6.2. CONTRACTOR may, with county approval, after execution of this agreement, begin delivering covered services to members at a site subject to on-site review prior to the date of the on-site review, provided the site is operational and has any required fire clearances. The earliest date the provider may begin delivering covered services at a site subject to on-site review is the latest of these three (3) dates: 1) the date the provider's request for certification is received by the Department in accordance with the Contractor's certification procedures; 2) the date the site was operational; or 3) the date a required fire clearance was obtained. The Contractor shall complete any required on-site review of a provider's sites within six months of the date the provider begins delivering covered services to members at the site.
- 8.6.3. CONTRACTOR may, with county approval, continue delivering covered services to members at a site subject to on-site review as part of the recertification process prior to the date of the on-site review, provided the site is operational and has any required fire clearances. The Contractor shall complete any required on-site review of a provider's sites within six months of the date the recertification of the provider is due.
- 8.6.4. On-site reviews shall verify that:
- 8.6.4.1. CONTRACTOR possesses the necessary license to operate, if applicable, and any required certification
- 8.6.4.2. The space owned, leased or operated meets local fire codes.
- 8.6.4.3. The physical plant of any site owned, leased, or operated is clean, sanitary, and in good repair.
- 8.6.4.4. The organizational provider establishes and implements
- 8.6.4.5. maintenance policies are established and implemented for any site owned, leased, or operated to ensure the safety and well-being of members and staff.
- 8.6.4.6. A current administrative manual which includes: personnel policies and procedures, general operating procedures, service delivery policies, any required state or federal notices (DRA), and procedures for reporting unusual occurrences relating to health and safety issues.
- 8.6.4.7. The client record is maintained in a manner that meets the requirements of the MHP- DHCS Contractor, the requirements of Exhibit A, Attachment 10; Exhibit E, Section 4; Exhibit D, Section 7; and applicable state and federal standards.
- 8.6.4.8. There are sufficient staff to allow claims for federal financial participation (FFP) for the services delivered to members, as described in 9 C.C.R. sections 1840.344 through 1840.358, as appropriate and applicable.
- 8.6.4.9. There are written procedures for referring individuals to a psychiatrist when necessary, or to a physician, if a psychiatrist is not available.

- 8.6.4.10. The head or chief of service, as defined 9 C.C.R. sections 622 through 630, is a licensed mental health professional or other appropriate individual as described in these sections.
- 8.6.4.11. Medication are stored and dispensed in compliance with all pertinent state and federal standards. In particular:
 - 8.6.4.11.1. All drugs obtained by prescription are labeled in compliance with federal and state laws. Prescription labels are altered only by persons legally authorized to do so.
 - 8.6.4.11.2. Drugs intended for external use only and food stuffs are stored separately from drugs intended for internal use.
 - 8.6.4.11.3. All drugs are stored at proper temperatures: room temperature drugs at 59-86 degrees Fahrenheit and refrigerated drugs at 36-46 degrees Fahrenheit.
 - 8.6.4.11.4. Drugs are stored in a locked area with access limited to those medical personnel authorized to prescribe, dispense or administer medication.
 - 8.6.4.11.5. Drugs are not retained after the expiration date.
 - 8.6.4.11.6. Intramuscular multi-dose vials are dated and initialed when opened.
 - 8.6.4.11.7. A drug log is maintained to ensure the provider disposes of expired, contaminated, deteriorated and abandoned drugs in a manner consistent with state and federal laws.
 - 8.6.4.11.8. Policies and procedures are in place for dispensing, administering and storing medications
- 8.6.5. For organizational providers that provide day treatment intensive or day rehabilitation, the provider has a written description of the day treatment intensive and/or day rehabilitation program that complies with Exhibit A, Attachment 2A, Section 4.
- 8.6.6. When an on-site review of an organizational provider would not otherwise be required and the provider offers day treatment intensive and/or day rehabilitation, the Contractor or the Department, as applicable, shall, at a minimum, review the provider's written program description for compliance with the requirements of Exhibit A, Attachment 2A, Section 4.
- 8.6.7. On-site review is required for hospital outpatient departments which are operating under the license of the hospital. Services provided by hospital outpatient departments may be provided either on the premises or off-site.
- 8.6.8. On-site review is not required for primary care and psychological clinics as defined in Health and Safety Code sections 1204 and 1204.1 and licensed under the Health and Safety Code. Services provided by the clinics may be provided on the premises in accordance with the conditions of the clinic's license.
- 8.6.9. COUNTY shall conduct an on-site review at least once every three years. Additional certification reviews of organizational providers may be conducted at COUNTY discretion, if:
 - 8.6.9.1. CONTRACTOR makes major staffing changes.

- 8.6.9.2. CONTRACTOR makes organizational and/or corporate structure changes (example: conversion to non-profit status).
 - 8.6.9.3. CONTRACTOR adds day treatment or medication support services when medications are administered or dispensed from the provider site.
 - 8.6.9.4. There are significant changes in the physical plant of the provider site (some physical plant changes could require a new fire clearance).
 - 8.6.9.5. There is a change of ownership or location.
 - 8.6.9.6. There are complaints regarding the provider.
 - 8.6.9.7. There are unusual events, accidents, or injuries requiring medical treatment for clients, staff or members of the community.
- 8.7. {DMC and DMC-ODS only} DMC Provider Certification and Monitoring
- 8.7.1. CONTRACTOR shall be certified by DHCS to participate in the DMC program.
 - 8.7.2. This certification shall be performed prior to the delivery of services under this Contract at any site.
 - 8.7.3. CONTRACTOR shall be properly certified to provide perinatal services and comply with the applicable requirements contained in the Placer DMC-ODS- DHCS contract, Exhibit A, Attachment 2C, Section 22.
 - 8.7.4. CONTRACTOR shall be licensed, registered, DMC certified and/or approved in accordance with applicable laws and regulations including:
 - 8.7.4.1. 21 C.F.R. § 1300.01, et seq., 42, C.F.R., § 8.1 et seq.
 - 8.7.4.2. 22 C.C.R. § 51490(a).
 - 8.7.4.3. Exhibit A, Attachment 2C, Section 22.
 - 8.7.4.4. 9 C.C.R. § 10000, et seq.
 - 8.7.4.5. 22 C.C.R. § 51000 et. seq.
 - 8.7.4.6. W&I Code § 14184.100 et seq.
 - 8.7.5. CONTRACTOR shall notify county within two business days of any change to provider license, registration, certification, or approval to operate and SUD program or provide a covered service is revoked suspended modified or not renewed by entities other than DHCS.
 - 8.7.6. CONTRACTOR shall notify COUNTY of an addition or change of information in any pending DMC certification application and submit a new application to PED to reflect the changes.
 - 8.7.7. CONTRACTOR shall not implement reduction in services until DHCS has been notified and approved of the intent to reduce or relocate covered services. PED 60 days prior to the desired effective date of the reduction of covered services or relocation.
 - 8.7.8. CONTRACTOR shall be subject to continuing certification requirements at least every five years. With COUNTY approval, CONTRACTOR may continue to deliver covered services to members at a site subject to on-site review by DHCS as part of the recertification process prior to the date of the on-site review, provided the site is operational, the certification remains valid, and has all required fire clearances.

- 8.8. PROVIDER DISCLOSURES - The Contractor shall comply with the provisions of 42 C.F.R. sections 455.104, 455.105, 1002.203 and 1002.3, which relate to the provision of information about provider business transactions and provider ownership and control, prior to entering into a contract and during certification or recertification of the provider
- 8.9. TERMINATION- CONTRACTOR will make a good faith effort to coordinate with COUNTY to give written notice of termination to each member who was seen on a regular basis should CONTRACTOR OR COUNTY terminate this agreement.

8.10. MEMBER COMMUNICATIONS

- 8.10.1. CONTRACTOR shall not prohibit nor otherwise restrict, a licensed, waived, or registered professional or an LPHA, as defined in who is acting within the lawful scope of practice, from advising or advocating on behalf of a member for whom the provider is providing mental health and/or SUD services for any of the following:
- 8.10.1.1. The member's health status, medical care, or treatment options including any alternative treatment that may be self-administered;
 - 8.10.1.2. Information the member needs in order to decide among all relevant treatment options;
 - 8.10.1.3. The risks, benefits, and consequences of receiving treatment or not receiving treatment; and
 - 8.10.1.4. The member's right to participate in decisions regarding their health care, including the right to refuse treatment, and to express preferences about future treatment decisions. (42 C.F.R. § 438.102(a)(1).)

8.11. PROVIDER NOTIFICATIONS

- 8.11.1. CONTRACTOR shall comply with the COUNTY policy related to grievances.
- 8.11.2. Members have a right to file grievances and appeals orally or in writing. CONTRACTOR shall assist members in filing grievances and appeals.
- 8.11.3. Members have a right to give consent to allow a provider acting on their behalf to file a grievance or appeal.
- 8.11.4. Members have a right to request a state hearing after a determination on a members appeal which is adverse to the member.
- 8.11.5. Members have a right to request continuation of benefits that CONTRACTOR may be seeking to reduce or terminate during an appeal or state hearing.

9. **COORDINATION AND CONTINUITY OF CARE**

- 9.1. COORDINATION OF CARE- CONTRACTOR shall implement procedures to deliver care to and coordinate services for all of its members. (42 C.F.R. § 438.208(b).) These procedures shall do the following:
- 9.1.1. Ensure that each member has an ongoing source of care appropriate to their needs and a person or entity formally designated as primarily responsible for coordinating the services accessed by the member. The member shall be provided information on how to contact their designated person or entity. (42 C.F.R. § 438.208(b)(1).) Care Coordination can be provided in clinical or non-clinical settings and can be provided in person, by telehealth, or by telephone.
 - 9.1.2. Coordinate the services CONTRACTOR furnishes to the member between settings of care and levels of treatment, including appropriate discharge planning for short

term and long-term hospital and institutional stays. (42 C.F.R. § 438.208(b)(2)(i).)

- 9.1.2.1. Coordinate the services the CONTRACTOR furnishes to the member with the services the member receives from any other managed care organization, in FFS Medicaid, from community and social support providers, and other human services agencies used by its members to foster a member-centered and whole-person approach to wellness. (42 C.F.R. § 438.208(b)(2)(ii)-(iv), 9 C.C.R. § 1810.415.)
- 9.1.2.2. Regarding discharge planning, coordinate with SMHS and SUD providers to support transitions between levels of care and to recovery resources, as well as appropriate referrals to providers of SMHS, SUD, primary care, or specialty medical services.
- 9.1.2.3. Coordinate with ancillary services, including individualized connection, referral, and linkages to community-based services and supports including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.
- 9.1.3. CONTRACTOR shall coordinate and share member records with COUNTY or other managed care entities serving the member the results of any identification and assessment of that member's needs to prevent duplication of those activities in accordance with professional standards 42 C.F.R. § 438.208(b)(4-5).)
- 9.1.4. Ensure that, in the course of coordinating care, each member's privacy is protected in accordance with all federal and state privacy laws, including but not limited to 45 C.F.R. part 160 and 164, subparts A and E, and 42 C.F.R. Part 2, to the extent that such provisions are applicable. (42 C.F.R. § 438.208(b)(6).)
- 9.1.5. {DMC-ODS only} For members receiving SUD services, ensure that care coordination services are provided by an AOD Counselor, Clinical Trainee, LPHA, or Medical Assistant.

10. **INFORMATION REQUIREMENTS**

10.1. BASIC REQUIREMENTS

- 10.1.1. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to members and potential members. (42 C.F.R. § 438.10(c)(1)). CONTRACTOR shall provide all written materials for members and potential members in easily understood language and format, using a font size no smaller than 12-point. (42 C.F.R. § 438.10(d)(6)(i)-(ii)). CONTRACTOR shall make written materials available in alternative formats and through the provision of auxiliary aids and services in an appropriate manner that take into consideration the special needs of members and potential members with disabilities or limited English proficiency (42 C.F.R. § 438.10(d)(6)(iii)).
- 10.1.2. CONTRACTOR shall inform members that information is available in alternative formats and how to access those formats in compliance with 42 C.F.R. § 438.10(d)(3).
- 10.1.3. CONTRACTOR shall provide the required information in this section to each member when first receiving covered services and upon request. (CalAIM 1915(b) Waiver, § A, Part IV, Subsection B, Part 1 at p.78; 9 C.C.R. § 1810.360(e)).
- 10.1.4. CONTRACTOR shall use COUNTY provided and DHCS developed model

member handbooks and member notices that describe the transition of care policies for members. (42 C.F.R. §§ 438.10(c)(4)(ii) and 438.62(b)(3)).

10.1.5. CONTRACTOR may provide documents, which are also prominent and readily available on COUNTY website, electronically if all of the following conditions are met:

10.1.5.1. The format is readily accessible;

10.1.5.2. The information is provided in an electronic form which can be electronically retained and printed;

10.1.5.3. The information is consistent with the content and language requirements and

10.1.5.4. The member is informed that the information is available in paper form without charge upon request and CONTRACTOR provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6)).

10.1.6. CONTRACTOR shall have in place mechanisms to help members and potential members understand the requirements and benefits of the plan. (42 C.F.R. § 438.10(c)(7)).

10.2. INFORMATION PROVIDED TO MEMBERS AND POTENTIAL MEMBERS

10.2.1. CONTRACTOR shall provide information to members and potential members, either in paper or electronic format, including, at a minimum, all of the following:

10.2.2. The basic features of managed care. (42 C.F.R. § 438.10(e)(2)(ii)).

10.2.3. The automatic BHDS enrollment process for Medi-Cal members (42 C.F.R. § 438.10(e)(2)(i) & (iii)).

10.2.4. The service area covered by the Contractor. (42 C.F.R. § 438.10(e)(2)(iv)).

10.2.5. Covered benefits, including:

10.2.5.1. Which benefits are provided by the Contractor; and,

10.2.5.2. Which, if any, benefits are provided directly by the State. (42 C.F.R. § 438.10(e)(2)(v)).

10.2.6. The provider directory and {for DMC-ODS only} formulary information. (42 C.F.R. § 438.10(e)(2)(vi)).

10.2.7. Any cost-sharing that will be imposed by the CONTRACTOR consistent with the California State Plan § 4.18. (42 C.F.R. § 438.10(e)(2)(vii)).

10.2.8. The requirements for the COUNTY to provide adequate access to covered services, including the network adequacy standards established in 42 C.F.R. section 438.68. (42 C.F.R. § 438.10(e)(2)(viii)).

10.2.9. The C CONTRACTOR responsibilities for coordination of care. (42 C.F.R. § 438.10(e)(2)(ix)).

10.2.10. To the extent available, quality and performance indicators for the CONTRACTOR, including member satisfaction. (42 C.F.R. § 438.10(e)(2)(x)).

10.2.11. CONTRACTOR shall make a good faith effort to give written notice of termination to each member who was seen on a regular basis by the terminated

provider. The notice to the member shall be provided 30 calendar days prior to the effective date of the termination or 15 calendar days after receipt or issuance of the termination notice, whichever is later. (42 C.F.R. § 438.10(f)(1)).

10.2.12. CONTRACTOR shall make available, upon request, any physician incentive plans in place as set forth in § 438.3(i). (42 C.F.R. § 438.10(f)(2)).

10.3. LANGUAGE AND FORMAT

10.3.1. Nondiscrimination Requirements, Language Assistance, and Information Access for Individuals with Limited English Proficiency and/or Disabilities

10.3.2. CONTRACTOR shall comply with all applicable state and federal requirements regarding nondiscrimination, language assistance, information access, including but not limited to, the Dymally-Alatorre Bilingual Services Act, § 1557 of the Patient Protection and Affordable Care Act, the Americans with Disabilities Act, and § 504 of the Rehabilitation Act.

10.3.3. NONDISCRIMINATION NOTICE- The Nondiscrimination Notice must be sent in conjunction with each of the following significant notices sent to members:

10.3.3.1. Notices of Adverse Benefit Determination.

10.3.3.2. Grievance acknowledgement letter.

10.3.3.3. Appeal acknowledgement letter.

10.3.3.4. Grievance resolution letter.

10.3.3.5. Notice of Appeal Resolution.

10.3.4. CONTRACTOR shall post a Department-approved nondiscrimination notice that informs members, potential members, and the public about nondiscrimination, protected characteristics, and accessibility requirements, and conveys the Contractor's compliance with the requirements.

10.3.5. The nondiscrimination notice shall be posted in at least a 12-point font and be included in any documents that are vital or critical to obtaining services and/or benefits, and all other informational notices targeted to members, potential members, and the public. Informational notices include not only documents intended for the public, such as outreach, education, and marketing materials, but also written notices requiring a response from an individual and written notices to an individual such as those pertaining to rights or benefits.

10.3.6. The nondiscrimination notice shall also be posted in at least a 12-point font in conspicuous physical locations where the Contractor interacts with the public, and on the Contractor's website in a location that allows any visitor to the website to easily locate the information.

10.3.7. The nondiscrimination notice shall include all legally required elements under the applicable subsections of Government Code § 11135.

10.3.8. The nondiscrimination notice shall include information on how to file a discrimination grievance with:

10.3.8.1. The COUNTY and the Department's Office of Civil Rights if there is a concern of discrimination based on sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, or sexual orientation.

10.3.8.2. The United States Department of Health and Human Services Office of Civil Rights if there is a concern of discrimination based on race, color, national origin, sex, age, or disability.

10.3.9. CONTRACTOR is not prohibited from posting the nondiscrimination notice in additional publications and communications.

10.4. LANGUAGE ASSISTANCE TAGLINES

10.4.1. The Language Assistance Taglines must be sent in conjunction with each of the following significant notices sent to members:

10.4.1.1. Notices of Adverse Benefit Determination.

10.4.1.2. Grievance acknowledgement letter.

10.4.1.3. Appeal acknowledgement letter.

10.4.1.4. Grievance resolution letter.

10.4.1.5. Notice of Appeal Resolution.

10.4.2. CONTRACTOR shall post Department-approved taglines in a conspicuously visible size (no less than 12-point font), in English and at least the top 18 non-English languages in the State (as determined by the Department), informing members, potential members, and the public of the availability of no-cost language assistance services, including assistance in non-English languages and the provision of free auxiliary aids and services for people with disabilities.

10.4.3. Taglines shall be posted in any documents that are vital or critical to obtaining services and/or benefits, conspicuous physical locations where the Contractor interacts with the public, on the Contractor's website in a location that allows any visitor to the website to easily locate the information, and in all member information and other information notice, in accordance with federal and state requirements.

10.5. LANGUAGE ASSISTANCE SERVICES

10.5.1. Language assistance services shall be provided free of charge, be accurate and timely, and protect the privacy and independence of the limited English proficiency (LEP) individual. There are two primary types of language assistance services: oral and written. LEP individuals are not required to accept language assistance services, although a qualified interpreter may be used to assist in communicating with an LEP individual who has refused language assistance services.

10.5.2. CONTRACTOR shall comply with the following oral interpretation requirements:

10.5.3. CONTRACTOR shall provide oral interpretation services from a qualified interpreter.

10.5.4. Font shall be provided in all languages and is not limited to threshold or concentration standard languages.

10.5.5. Interpretation can take place in-person, through a telephonic interpreter, or internet or video remote interpreting (VRI) services. However, CONTRACTOR is prohibited from using remote audio or VRI services that do not comply with federal quality standards, or relying on unqualified bilingual/multilingual staff, interpreters, or translators. CONTRACTOR should not solely rely on telephone language lines for interpreter services. Rather, telephonic interpreter services should supplement face-to-face interpreter services, which are a more effective means of communication.

10.5.6. An interpreter is a person who renders a message spoken in one language into one or more languages. An interpreter shall be qualified and have knowledge in both languages of the relevant terms or concepts particular to the program or activity and

the dialect spoken by the LEP individual. In order to be considered a qualified interpreter for an LEP individual, the interpreter must: 1) have demonstrated proficiency in speaking and understanding both English and the language spoken by the LEP individual; 2) be able to interpret effectively, accurately, and impartially, both receptively and expressly, to and from the language spoken by the LEP individual and English, using any necessary specialized vocabulary, terminology, and phraseology; and 3) adhere to generally accepted interpreter ethics principles, including client confidentiality.

- 10.5.7. CONTRACTOR shall provide real-time audio over a dedicated high-speed, wide-bandwidth video connection or wireless connection that delivers high-quality audio without lags or irregular pauses in communication; a clear, audible transmission of voices; and adequate training to users of the technology and other involved individuals so that they may quickly and efficiently set up and operate the remote interpreting services if a qualified interpreter for an individual with LEP through remote audio interpreting services is used.
- 10.5.8. CONTRACTOR is prohibited from requiring LEP individuals to provide their own interpreters, or from relying on bilingual/multilingual staff members who do not meet the qualifications of a qualified interpreter. Some bilingual/multilingual staff may be able to communicate effectively in a non-English language when communicating information directly in that language but may not be competent to interpret in and out of English. Bilingual/multilingual staff may be used to communicate directly with LEP individuals only when they have demonstrated to the Contractor that they meet all the qualifications of a qualified interpreter listed above.
- 10.5.9. CONTRACTOR is prohibited from relying on an adult or minor child accompanying an LEP individual to interpret or facilitate communication except when: 1) there is an emergency involving an imminent threat to the safety or welfare of the individual or the public and a qualified interpreter is not immediately available; or, 2) the LEP individual specifically requests that an accompanying adult interpret or facilitate communication, the accompanying adult agrees to provide that assistance, and reliance on that accompanying adult for that assistance is appropriate under the circumstances. Prior to using a family member, friend or, in an emergency only, a minor child as an interpreter for an LEP individual, the Contractor shall first inform the individual that they have the right to free interpreter services and second, ensure that the use of such an interpreter will not compromise the effectiveness of services or violate the LEP individual's confidentiality. The Contractor shall also ensure that the LEP individual's refusal of free interpreter services and their request to use family members, friends, or a minor child as an interpreter is documented.
- 10.5.10. CONTRACTOR shall comply with the following written translation requirements:
- 10.5.11. CONTRACTOR shall use a qualified translator when translating written content in paper or electronic form. A qualified translator is a translator who: 1) adheres to generally accepted translator ethics principles, including client confidentiality; 2) has demonstrated proficiency in writing and understanding both written English and the written non-English language(s) in need of translation; and 3) is able to translate effectively, accurately, and impartially to and from such language(s) and English, using any necessary specialized vocabulary, terminology, and phraseology.
- 10.5.12. CONTRACTOR shall provide written translations of member information in the threshold and concentration languages.

10.6. EFFECTIVE COMMUNICATION WITH INDIVIDUALS WITH DISABILITIES

- 10.6.1. CONTRACTOR shall comply with all applicable requirements of federal and state disability law and take appropriate steps to ensure effective communication with individuals with disabilities, as described in BHIN 24-007.
- 10.6.2. CONTRACTOR shall make member information available in large print (no less than 20-point font) alternative format.
- 10.6.3. CONTRACTOR shall not require an individual with a disability to provide their own interpreter. The Contractor is also prohibited from relying on an adult or minor child accompanying an individual with a disability to interpret or facilitate communication except as described in BHIN 24-007. Prior to using a family member, friend, or, in an emergency only, a minor child as an interpreter for an individual with a disability, the Contractor shall first inform the individual that they have the right to free interpreter services and second, ensure that the use of such an interpreter will not compromise the effectiveness of services or violate the individual's confidentiality. The Contractor shall ensure that the refusal of free interpreter services and the individual's request to use a family member, friend, or a minor child as an interpreter is documented.
- 10.6.4. CONTRACTOR shall make reasonable modifications to policies, practices, or procedures when such modifications are necessary to avoid discrimination based on disability.

10.7. HANDBOOK

- 10.7.1. CONTRACTOR shall mail members a physical copy of the provided handbook and provider directory, offer members a physical copy of the handbook and provider directory when the member first accesses services, or ensure that members receive a link to the online versions of these member materials after receiving the member's consent to receive the handbook and provider directory electronically. (9 C.C.R. § 1810.360(e); BHIN 24-034.)
- 10.7.2. Member handbooks are available on COUNTY website

10.8. PROVIDER DIRECTORY

- 10.8.1. CONTRACTOR shall offer members a provider directory that includes information on providers of both SMHS and SUD services.
- 10.8.2. CONTRACTOR shall make provider directories available in electronic and paper form upon request,
- 10.8.3. Provider directories are available on COUNTY website.

10.9. ADVANCE DIRECTIVES

- 10.9.1. For purposes of this Contract, advance directives means a written instruction, such as a living will or durable power of attorney for health care, recognized under California law, relating to the provision of health care when the individual is incapacitated. (42 C.F.R. § 489.100).
- 10.9.2. CONTRACTOR shall maintain written policies and procedures on advance directives, which include a description of applicable California law. (42C.F.R. §§ 438.3(j)(1) and (3), and 422.128). Any written materials prepared by the Contractor for members shall be updated to reflect changes in state laws governing advance directives as soon as possible, but no later than 90 days after the effective date of the change. (42 C.F.R. § 438.3(j)(4)).
- 10.9.3. CONTRACTOR shall provide adult members with the written information on advance directives. (42 C.F.R. § 438.3(j)(3)).

10.9.4. CONTRACTOR shall not condition the provision of care or otherwise discriminate against an individual based on whether or not the individual has executed an advance directive. (42 C.F.R. §§ 422.128(b)(1)(ii)(F), and 438.3(j)).

10.9.5. CONTRACTOR shall educate staff concerning its policies and procedures on advance directives. (42 C.F.R. §§ 422.128(b)(1)(ii)(H), and 438.3(j)(1)).

10.10. MEMBER RIGHTS

10.10.1. CONTRACTOR shall comply with applicable laws and regulations relating to patients' rights, including but not limited to W&I Code section 5325, 9 C.C.R. sections 862 through 868, and 42 C.F.R. section 438.100.

10.10.2. CONTRACTOR shall follow COUNTY policy regarding the member rights specified in this section and ensure that its staff, and subcontractors take those rights into account when providing services, including the right to:

10.10.2.1. Receive information in accordance with 42 C.F.R. section 438.10. (42 C.F.R. § 438.100(b)(2)(i)).

10.10.2.2. Be treated with respect and with due consideration for their dignity and privacy. (42 C.F.R. § 438.100(b)(2)(ii)).

10.10.2.3. Receive information on available treatment options and alternatives, presented in a manner appropriate to the member's condition and ability to understand. (42 C.F.R. § 438.100(b)(2)(iii)).

10.10.2.4. Participate in decisions regarding their health care, including the right to refuse treatment. (42 C.F.R. § 438.100(b)(2)(iv)).

10.10.2.5. Be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience, or retaliation. (42 C.F.R. § 438.100(b)(2)(v)).

10.10.2.6. Request and receive a copy of their medical records, and to request that they be amended or corrected. (42 C.F.R. § 438.100(b)(2)(vi); 45 C.F.R. §§ 164.524, and 164.526).

10.10.2.7. Be furnished services in accordance with 42 C.F.R. sections

10.10.2.8. 438.206 through 438.210. (42 C.F.R. § 438.100(b)(3)).

10.10.2.9. Freely exercise their rights without adversely affecting the way the Contractor, subcontractor, or contracted provider treats the member. (42 C.F.R. § 438.100(c)).

10.11. {DMC-ODS ONLY} FORMULARY

10.11.1. CONTRACTOR shall make available in electronic or paper form, the COUNTY formulary, available on COUNTY website.

11. **MEMBER PROBLEM RESOLUTION**

11.1. GENERAL PROVISIONS

11.1.1. CONTRACTOR shall follow the COUNTY grievance and appeal system in place for all members. (42 C.F.R. §§ 438.228(a), 438.402(a); 9 C.C.R. § 1850.205; BHIN 22-070.)

11.1.2. CONTRACTOR is required to submit reports in a format specified by COUNTY that

summarizes member grievances, appeals and expedited appeals, for members receiving either SMHS or SUD services.

- 11.1.3. CONTRACTOR shall ensure that each member has adequate information about the problem resolution processes by taking at least the following actions:
 - 11.1.3.1. Including information describing the grievance, appeal, and expedited appeal processes in the member handbook and providing the member handbook to members.
 - 11.1.3.2. Posting notices explaining grievance, appeal, and expedited appeal process procedures at all sites. Notices shall be sufficient to ensure that the information is readily available to both members and provider staff. The posted notice shall also explain the availability of State Hearings after the exhaustion of an appeal or expedited appeal process, including information that a State Hearing may be requested whether or not the member has received a notice of adverse benefit determination. (9 C.C.R. §§ 1850.205(c)(1)(B) and 1850.210; BHIN 22-070.)
 - 11.1.3.3. Make available forms that may be used to file grievances, appeals, and expedited appeals and self-addressed envelopes that members can access, without having to make a verbal or written request to anyone. (9 C.C.R. § 1850.205(c)(1)(C); BHIN 22-070.)
 - 11.1.3.4. Give members any reasonable assistance in completing the forms and other procedural steps related to a grievance or appeal. This includes, but is not limited to, providing interpreter services, auxiliary aids and services upon request, and toll-free numbers with TTY/TDD and interpreter capability. (42 C.F.R. § 438.406(a); 42 C.F.R. § 438.228(a); BHIN 22-070.)
- 11.1.4. CONTRACTOR shall allow members to file grievances and request appeals. (42 C.F.R. § 438.402(c)(1); BHIN 22-070.)
- 11.1.5. CONTRACTOR shall attempt to resolve all grievances and log such efforts. If a grievance cannot be resolved to the member satisfaction by the close of the next business day following receipt are to be promptly reported to the COUNTY. The COUNTY will send a written acknowledgment to the member and provide grievance resolution according to COUNTY policy.
- 11.1.6. CONTRACTOR shall allow a provider, or authorized representative, acting on behalf of the member and with the member's written consent to request an appeal or expedited appeal, file a grievance, or request a State Hearing, with the exception that providers cannot request continuation of benefits. (42 C.F.R. § 438.402(c)(1)(i)-(ii); 9 C.C.R. § 1850.205(c)(2); BHIN 22-070.)
- 11.1.7. At the member's request, CONTRACTOR shall identify staff or another individual, such as a legal guardian, to be responsible for assisting a member with these processes, including providing assistance in writing the grievance, appeal, or expedited appeal. If the individual identified by the CONTRACTOR is the person providing SMHS or SUD services to the member requesting assistance, the CONTRACTOR shall identify another individual to assist that member. (9 C.C.R. § 1850.205(c)(4).) Assistance includes, but is not limited to, auxiliary aids and services upon request, such as providing interpreter services and toll-free numbers with TTY/TDD and interpreter capability. (42 C.F.R. § 438.406(a); BHIN 22-070.)
- 11.1.8. CONTRACTOR shall not subject a member to discrimination or any other penalty for filing a grievance, appeal, or expedited appeal. (9 C.C.R. § 1850.205(c)(5); 42

C.F.R. § 438.100(c); BHIN 22-070.)

- 11.1.9. CONTRACTOR procedures for the member problem resolution processes shall maintain the confidentiality of each member's information, including compliance with HIPAA and other applicable federal and state laws. (9 C.C.R. § 1850.205(c)(6).)
- 11.1.10. CONTRACTOR shall ensure that decision makers on grievances and appeals of adverse benefit determinations were not involved in any previous level of review or decision-making and were not subordinates of any individual who was involved in a previous level of review or decision-making. (42 C.F.R. § 438.406(b)(2)(i); 42 C.F.R. § 438.228(a); BHIN 22-070.)
- 11.1.11. CONTRACTOR shall ensure that individuals making decisions on grievances and appeals have the appropriate clinical expertise, as determined by the Department, in treating the member's condition or disease, if the decision involves an appeal based on a denial of medical necessity, a grievance regarding denial of a request for an expedited appeal, or if the grievance or appeal involves clinical issues. (42 C.F.R. § 438.406(b)(2)(ii)(A)-(C); 42 C.F.R. § 438.228(a); BHIN 22-070.)
- 11.1.12. CONTRACTOR shall provide the member a reasonable opportunity, in person and in writing, to present evidence and testimony and make legal and factual arguments. CONTRACTOR must inform the member of the limited time available for this sufficiently in advance of the resolution timeframe for appeals specified in § 438.408(b) and (c) in the case of expedited resolution. (42 C.F.R. § 438.406(b)(4); BHIN 22-070.)
- 11.1.13. CONTRACTOR shall ensure that decision makers on grievances and appeals of adverse benefit determinations take into account all comments, documents, records, and other information submitted by the member or member's representative, without regard to whether such information was submitted or considered in the initial adverse benefit determination. (42 C.F.R. § 438.406(b)(2)(iii); 42 C.F.R. § 438.228(a); BHIN 22-070.)
- 11.1.14. CONTRACTOR shall provide the member and their representative the member's case file, including medical records, other documents and records, and any new or additional evidence considered, relied upon, or generated by the Contractor (or at the direction of the Contractor) in connection with the appeal of the adverse benefit determination. (42 C.F.R. § 438.406(b)(5); BHIN 22-070.)
- 11.1.15. CONTRACTOR shall provide the member and their representative the member's case file free of charge and sufficiently in advance of the resolution timeframe for standard and expedited appeal resolutions. (42 C.F.R. § 438.406(b)(5); BHIN 22-070.)
- 11.1.16. CONTRACTOR shall treat oral inquiries seeking to appeal an adverse benefit determination as appeals (to establish the earliest possible filing date for the appeal) and must confirm these oral inquiries in writing, unless the member or the provider requests expedited resolution. (42 C.F.R. § 438.406(b)(3); BHIN 22-070.)
- 11.1.17. CONTRACTOR member problem resolution process shall not replace or conflict with the duties of county patient's rights advocates. (W&I Code § 5520.)

11.2. HANDLING OF GRIEVANCE AND APPEALS

- 11.2.1. CONTRACTOR shall maintain a grievance and appeal log and record grievances, appeals, and expedited appeals in the log within one working day of the date of receipt of the grievance, appeal, or expedited appeal. (42 C.F.R. § 438.416(a); 9

C.C.R. § 1850.205(d)(1); BHIN 22-070.) Each record shall include, but not be limited to: a general description of the reason for the appeal or grievance the date received, the date of each review or review meeting, resolution information for each level of the appeal or grievance, if applicable, and the date of resolution at each level, if applicable, and the name of the covered person whom the appeal or grievance was filed. (42 C.F.R. § 438.416(b)(1)-(6); BHIN 22-070.)The final dispositions of grievances, appeals, and expedited appeals, including the date the decision is sent to the member. If there has not been final disposition of the grievance, appeal, or expedited appeal, the reason(s) shall be included in the log. (9C.C.R. § 1850.205(d)(2).)

11.2.2. CONTRACTOR shall provide a staff person or other individual with responsibility to provide information requested by the member or the member's representative regarding the status of the member's grievance, appeal, or expedited appeal. (9 C.C.R. § 1850.205(d)(3).)

11.2.3. CONTRACTOR shall identify in its grievance, appeal, and expedited appeal documentation, the roles and responsibilities of all involved (9 C.C.R. § 1850.205(d)(5).)

11.2.4. Discrimination Grievances- CONTRACTOR shall report any discrimination grievance to COUNTY upon receipt.

11.2.5. CONTRACTOR shall continue to provide benefits during the grievance, appeal or state fair hearing process.

11.3. PROVISION OF NOTICE OF ADVERSE BENEFIT DETERMINATION (NOABD)

11.3.1. CONTRACTOR shall adhere to COUNTY policy and procedures regarding issuing NOABDS.

11.3.2. COUNTY shall notify CONTRACTOR within 24 hours, and give the member written notice as specified below, of any decision to deny a service authorization request, or to authorize a service in an amount, duration, or scope that is less than requested. (42 C.F.R. § 438.210(c); 42 C.F.R. § 438.404; BHIN 22-070.)

11.3.3. CONTRACTOR shall provide a member with a Notice of Adverse Benefit Determination (NOABD) under the circumstances defined in 42 C.F.R. § 438.400 under Adverse Benefit Determination.

11.3.4. CONTRACTOR shall give members timely and adequate notice of an adverse benefit determination in writing and shall meet the language and format requirements of 42 Code of Federal Regulations part 438.10. (42 C.F.R. § 438.404(a); 42 C.F.R. § 438.10; BHIN 22-070.) The NOABD shall contain the items specified in 42 Code of Federal Regulations part 438.404 (b) and Cal. Code Regs., tit. 9, § 1850.212, and shall comply with the parameters specified below, regardless of whether the NOABD pertains to covered services.

11.3.5. CONTRACTOR shall provide a member with a NOABD when it is determined that the criteria for access to services have not been met and that the member is not entitled to any SMHS or SUD services from the Contractor. The NOABD shall, be hand-delivered to the member on the date of the Adverse Benefit Determination or mailed to the member in accordance with 9 C.C.R. section 1850.210(f)(1), and shall specify the information contained in 9 C.C.R. section 1850.212(b). (9 C.C.R. § 1850.210(g).)

11.3.6. CONTRACTOR shall retain copies of all Notices of Adverse Benefit Determination

issued to members under this Section in a centralized file accessible to the COUNTY as requested (9 C.C.R. § 1850.210(j)).

- 11.3.7. CONTRACTOR shall include the following information in the NOABD, regardless of whether the NOABD pertains to SMHS or SUD services:
 - 11.3.7.1. The adverse benefit determination the Contractor has made or intends to make; (42 C.F.R. § 438.404(b)(1).)
 - 11.3.7.2. The reason for the adverse benefit determination, including the right of the member to be provided upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the member's adverse benefit determination. Such information includes criteria to access SMHS and/or SUD services, and any processes, strategies, or evidentiary standards used in setting coverage limits; (42 C.F.R. § 438.404(b)(2).)
 - 11.3.7.3. Citations to the regulations or Contractor payment authorization procedures supporting the adverse benefit determination; (9 C.C.R. § 1850.212(a)(3).)
 - 11.3.7.4. The member's right to file, and procedures for exercising, an appeal or expedited appeal with the Contractor, including information about exhausting the Contractor's one level of appeal and the right to request a State Hearing after receiving notice that the adverse benefit determination is upheld; (42 C.F.R. § 438.404(b)(3)-(b)(4).)
 - 11.3.7.5. The circumstances under which an appeal process can be expedited and how to request it; (42 C.F.R. § 438.404(b)(5).)
 - 11.3.7.6. The member's right to have benefits continue pending resolution of the appeal, how to request that benefits be continued, and that the member shall not be held liable for the cost of the benefits if the hearing decision upholds the Contractor's adverse benefit determination.
 - 11.3.7.7. Information about the member's right to request a State Hearing or an expedited State Hearing, including The method by which a hearing may be obtained; (9 C.C.R. § 1850.212(a)(5)(A).) and a statement that the member may be either self-represented, or represented by an authorized third party such as legal counsel, a relative, friend, or any other person; (9 C.C.R. § 1850.212(a)(5)(B).) An explanation of the circumstances under which a covered service will be continued if a State Hearing is requested; (9 C.C.R. § 1850.212(a)(5)(C).) and The time limits for requesting a State Hearing or an expedited State Hearing. (9 C.C.R. § 1850.212(a)(5)(D).)
- 11.3.8. CONTRACTOR shall mail the NOABD within the following timeframes, regardless of whether the NOABD pertains to SMHS or SUD services:
 - 11.3.8.1. For termination, suspension, or reduction of previously authorized Medi-Cal covered services, at least 10 days before the date of action. (42 C.F.R. § 438.404(c)(1); 42 C.F.R. § 431.211.) The
 - 11.3.8.2. CONTRACTOR shall mail the NOABD in as few as 5 days prior to the date of action if the Contractor has facts indicating that action should be taken because of probable fraud by the member, and the facts have been verified, if possible, through secondary sources. (42 C.F.R. § 438.404(c)(1); 42 C.F.R. §.431.214.)

- 11.3.8.3. For denial of payment, at the time of any action affecting the claim. (42 C.F.R. § 438.404(c)(2).)
- 11.3.8.4. For standard service authorizations that deny or limit services, as expeditiously as the member's condition requires not to exceed the time limits below. (42 C.F.R. § 438.404(c)(3); 42 C.F.R. § 438.210(d)(1)(i).)
 - 11.3.8.4.1. Effective January 1, 2026, the decision shall be made within 7 calendar days following the Contractor's receipt of the request for service. (42 C.F.R § 438.210(d)(1)(i)(B).)
- 11.3.8.5. CONTRACTOR shall give notice on the date that the timeframes expire, when service authorization decisions are not reached within the applicable timeframes for either standard or expedited service authorizations. (42 C.F.R. § 438.404(c)(5).)
- 11.3.8.6. If it is determined, that following the standard service authorization timeframe could seriously jeopardize the member's life or health or their ability to attain, maintain, or regain maximum function, the Contractor must make an expedited service authorization decision and provide notice as expeditiously as the member's health condition requires and no later than 72 hours after receipt of the request for service. (42 C.F.R. § 438.404(c)(6); 42 C.F.R. 438.210(d)(2)(i).)
- 11.3.8.7. CONTRACTOR shall deposit the NOABD with the United States Postal Service in time for pick-up on the date that the applicable timeframe expires. (9 C.C.R. § 1850.210(f).)
- 11.3.9. The Adverse Benefit Determination shall be effective on the date of the NOABD and the Contractor shall mail the NOABD by the date of adverse benefit determination when any of the following occur:
 - 11.3.9.1. The death of a member; (42 C.F.R. § 431.213(a).)
 - 11.3.9.2. Receipt of a signed written member statement requesting service termination or giving information requiring termination or reduction of services, provided the member understands that this will be the result of supplying that information; (42 C.F.R. § 431.213(b)(1)-(b)(2).)
 - 11.3.9.3. The member's admission to an institution where they are ineligible for further services; (42 C.F.R. § 431.213(c).)
 - 11.3.9.4. The member's whereabouts are unknown, and mail directed to them has no forwarding address; (42 C.F.R. § 431.213(d).)
 - 11.3.9.5. Notice that the member has been accepted for Medicaid services by another local jurisdiction; (42 C.F.R. § 431.213(e).)
 - 11.3.9.6. A change in the member's physician's prescription for the level of medical care; (42 C.F.R. § 431.213(f).) or
 - 11.3.9.7. The notice involves an adverse determination with regard to preadmission screening requirements of § 1919(e)(7) of the Act. (42 C.F.R. § 431.213(g).)
 - 11.3.9.8. The transfer or discharge from a facility will occur in an expedited fashion. (42 C.F.R. § 431.213(h).)

12. **PROGRAM INTEGRITY**

12.1. {SMHS and DMC-ODS only} As a condition for receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. sections 438.604, 438.606, 438.608, and 438.610. (42 C.F.R. § 438.600(b)).

12.2. CONTRACTOR shall be subject to an independent audit of the accuracy, truthfulness, and completeness of the encounter and financial data submitted by, or on behalf of, CONTRACTOR. The audit shall occur no less frequently than once every three years. Contractor shall comply with BHIN 23-044 and subsequently issued BHINs that supersede BHIN 23-044.

12.3. Excluded Providers

12.3.1. CONTRACTOR shall screen and periodically revalidate all providers that have not enrolled in Medi-Cal pursuant to 42 C.F.R. §455.410(b), in accordance with the requirements of 42 C.F.R. part 455, subparts B and E. (42 C.F.R. §§ 438.602(b), 438.608(b)).

12.4. CONTRACTOR must confirm the identity and determine the exclusion status of all network providers that have not enrolled in Medi-Cal pursuant to 42 C.F.R. § 455.410(b), and any subcontractor, or who is an agent or managing employee of the Contractor, 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). (42 C.F.R. § 438.602(d)).

12.5. If the CONTRACTOR finds a party that is excluded, it must promptly notify the COUNTY. Action will be taken consistent with 42 C.F.R. section 438.610(d). (42 C.F.R. § 438.608(a)(2) and (4)). CONTRACTOR shall not certify or pay any excluded 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.

12.6. COMPLIANCE PROGRAM

12.6.1. CONTRACTOR shall comply with COUNTY compliance plan policies and procedures and complete training in such annually.

12.6.2. CONTRACTOR must report fraud and abuse information to the Department. (42 C.F.R. § 438.608(a)(7).)

12.6.3. CONTRACTOR, 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 Contract, shall implement and maintain a compliance program designed to detect and prevent fraud, waste and abuse that must include:

12.6.4. Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the Contract, and all applicable Federal and state requirements.

12.6.5. An individual who is responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements of the Contract

12.6.6. The establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential

compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under the Contract. (42 C.F.R. § 438.608 (a)(1)).

12.7. FRAUD REPORTING REQUIREMENTS

- 12.7.1. CONTRACTOR, or any subcontractor, to the extent that the subcontractor is delegated responsibility for coverage of services and payment of claims under this Contract, shall implement and maintain arrangements or procedures designed to detect and prevent fraud, waste and abuse that include prompt reporting to the Department's Medi-Cal Behavioral Health Program Integrity Unit at bhpiu@dhcs.ca.gov about the following:
- 12.7.1.1. Any potential fraud, waste, or abuse. (42 C.F.R. § 438.608(a)(7)).
 - 12.7.1.2. All overpayments identified or recovered, specifying the overpayments due to potential fraud. (42 C.F.R. § 438.608 (a)(2)). Contractor shall comply with the overpayment recovery provisions in Exhibit A, Attachment 3, Section 6 ("Recovery of Overpayments").
 - 12.7.1.3. Information about changes in a member's circumstances that may affect the member's eligibility including changes in the member's residence or the death of the member. (42 C.F.R. § 438.608 (a)(3)).
 - 12.7.1.4. Any change in CONTRACTORS circumstances that may affect the CONTRACTOR eligibility to participate in the managed care program (42 C.F.R. § 438.608(a)(4)).
- 12.7.2. If the CONTRACTOR identifies an issue or receives notification of a complaint concerning an incident of potential fraud, waste or abuse, in addition to notifying the Department, the Contractor shall conduct an internal investigation to determine the validity of the issue/complaint, and develop and implement corrective action, if needed.
- 12.7.3. CONTRACTOR shall implement and maintain written policies for all employees of the Contractor, and of any subcontractor or agent, that provide detailed information about the False Claims Act and other Federal and state laws, including information about rights of employees to be protected as whistleblowers. (42 C.F.R. § 438.608 (a)(6)).

12.8. SUSPENSION OF PROVIDER PAYMENTS

- 12.8.1. If CONTRACTOR is under investigation by DHCS or any other state, local or federal law enforcement agency for fraud or abuse, DHCS may temporarily suspend the provider pursuant to W&I Code sections 14043.36(a). COUNTY may also issue a payment suspension to CONTRACTOR pursuant to W&I Code § 14107.11 and 42 C.F.R. section 455.23.
- 12.8.2. {DMC and DMC-ODS only} With respect to DMC providers, CONTRACTOR shall refer to the HIPAA Business Associate Agreement – Addendum and Qualified Service Organization Agreement (QSOA) attached to this agreement as Exhibits. The HIPAA Business Associate Agreement – Addendum and Qualified Service Organization Agreement (QSOA) permits DHCS to communicate with Contractor concerning contracted DMC providers that are subject to administrative sanctions.

12.9. SERVICE VERIFICATION

12.9.1. CONTRACTOR and/or any subcontractor, to the extent that the subcontractor is delegated responsibility for coverage of services and payment of claims under this Contract, shall implement and maintain arrangements or procedures designed to detect and prevent fraud, waste and abuse 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 members and the application of such verification processes on a regular basis. (42 C.F.R. § 438.608 (a)(5)).

12.10. DISCLOSURES

12.10.1. Disclosure of 5% or More Ownership Interest:

12.10.2. CONTRACTOR shall submit the disclosures below to the COUNTY regarding the CONTRACTOR'S and subcontractors (disclosing entities') ownership and control.

12.10.3. CONTRACTOR must submit disclosures to the COUNTY upon submitting an application, before entering into a provider agreement with COUNTY, before renewing a provider agreement with COUNTY and within 35 days after any change in the subcontractor/ provider's ownership, annually and upon request during the re-validation of enrollment process under 42 C.F.R. section 455.104. The information included in the disclosures shall be current as of the time submitted.

12.10.4. {DMC-ODS only} For providers of SUD services, these disclosures shall be provided through the DMC certification process as described in Exhibit A, Attachment. 8, Section 9.

12.10.5. Disclosures to be Provided:

12.10.6. The name and address of any person (individual or corporation) with an ownership or control interest in the network provider. The address for corporate entities shall include, as applicable, a primary business address, every business location, and a P.O. Box address;

12.10.7. Date of birth and Social Security Number (in the case of an individual);

12.10.8. 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 5 percent or more interest;

12.10.9. Whether the person (individual or corporation) with an ownership or control interest in the Contractor's network provider is related to another person with ownership or control interest in the same or any other network provider of the Contractor 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 5 percent or more interest is related to another person with ownership or control interest in the managed care entity as a spouse, parent, child, or sibling;

12.10.10. The name of any other disclosing entity (or fiscal agent or managed care entity) in which the Contractor, subcontractor, or network provider has an ownership or control interest; and The name, address, date of birth, and Social Security Number of any managing employee of the managed care entity.

12.10.11. Payment may be withheld from the CONTRACTOR if it fails to disclose

ownership or control information as required by this section. (42 C.F.R. § 455.104(f)).

- 12.10.12. Disclosures Related to Business Transactions – CONTRACTOR must submit disclosures and updated disclosures to the COUNTY including information regarding certain business transactions within 35 days, upon request:
- 12.10.13. The ownership of any subcontractor with whom the COUNTY has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and
- 12.10.14. Any significant business transactions between the COUNTY and any wholly owned supplier, or between the CONTRACTOR and any subcontractor, during the 5-year period ending on the date of the request.
- 12.10.15. Disclosures Related to Persons Convicted of Crimes: CONTRACTOR shall submit the following disclosures to the COUNTY regarding the Contractor's management:
- 12.10.16. The identity of any person who has an ownership interest in or is a managing employee of the CONTRACTOR who has been convicted of a crime related to federal health care programs. (42 C.F.R. § 455.106(a)(1) and (2)).
- 12.10.17. The identity of any person who is an agent of the CONTRACTOR who has been convicted of a crime related to federal health care programs. (42 C.F.R. § 455.106(a)(1) and (2)). For this purpose, the word "agent" has the meaning described in 42 C.F.R. section 455.101.

12.11. MONITORING

- 12.11.1. COUNTY shall conduct ongoing monitoring for compliance with the terms of this contract.
- 12.11.2. { DMC-ODS Contracts only } COUNTY shall conduct, at least annually (i.e., every 12-months), a programmatic and utilization review of CONTRACTOR to assure covered services are being appropriately rendered. The annual review shall include an on-site visit. Reports of the annual review shall be provided to DHCS' County/Provider Operations and Monitoring Branch within 14 calendar days of completion by the Contractor.
- 12.11.3. { DMC-ODS only } State Monitoring - Postservice Postpayment and Postservice Prepayment Utilization Reviews: DHCS shall conduct Postservice Postpayment and Postservice Prepayment Utilization Reviews of the contracted DMC-Certified Providers to determine whether the services were provided. DHCS shall issue the PSPP report to the COUNTY to ensure any deficiencies are remediated as outlined below:
 - 12.11.3.1. The Department shall recover payments made if Postservice Postpayment Utilization Review uncovers evidence that the claim(s) should not have been paid, services have been improperly utilized, or requirements cited above in subsection A were not met.
 - 12.11.3.2. CONTRACTOR shall work with COUNTY to correct all deficiencies identified by PSPP reports, whether or not a recovery of funds results. COUNTY shall submit a CAP within 60 days of the date of the PSPP report to DHCS. The CAP shall:

- 12.11.3.3. Be documented on the DHCS CAP template
- 12.11.3.4. Provide a specific description of how the deficiency shall be corrected
- 12.11.3.5. Identify the title of the individual(s) responsible for:
 - 12.11.3.5.1. Correcting the deficiency
 - 12.11.3.5.2. Ensuring on-going compliance
 - 12.11.3.5.3. Provide a specific description of how the provider will ensure on-going compliance.
 - 12.11.3.5.4. Specify the target date of implementation of the corrective action
- 12.11.3.6. If CONTRACTOR does not implement the approved CAP provisions within the designated timeline, funds may be withheld.
- 12.11.3.7. COUNTY shall monitor and attest compliance and/or completion by CONTRACTOR with CAP requirements as required by any PSP review.
- 12.11.4. CONTRACTOR shall ensure keep a record of the members/patients being treated at all locations.

13. **{DMC-ODS only} ADDITIONAL REPORTING REQUIREMENTS**

- 13.1. California Outcomes Measurement System (CalOMS) for Treatment (CalOMS-Tx)- CONTRACTOR shall comply with the CalOMS-Tx data collection system requirements for submission of CalOMS-Tx data.
 - 13.1.1. CONTRACTOR shall submit electronic submissions of CalOMS-Tx data within 45 days from the end of the last day of the report month.
 - 13.1.2. CONTRACTOR shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J), all former Department of Alcohol and Drug Programs Bulletins, and all applicable DHCS Information Notices relevant to CalOMS-Tx data collection and reporting requirements, including BHIN 24-030.
 - 13.1.3. CONTRACTOR shall submit CalOMS-Tx admission, discharge, annual update, resubmissions of records containing errors or in need of correction, and “provider no activity” report records in an electronic format approved by DHCS.
 - 13.1.4. CONTRACTOR shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS identified in (Document 3S) for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method.
- 13.2. Drug and Alcohol Treatment Access Report (DATAR)- CONTRACTOR shall submit a monthly DATAR report in a format specified by COUNTY by the 10th of the month following the report activity month.
 - 13.2.1. perinatal treatment providers who reach or exceed 90 percent of their dedicated capacity must report this to COUNTY within seven days of reaching capacity.
 - 13.2.2. COUNTY may withhold payments until CONTRACTOR has submitted any required data and reports.

13.3. PROVIDER PREVENTABLE CONDITIONS

13.3.1. CONTRACTOR shall comply with the requirements mandating provider identification of provider-preventable conditions as a condition of payment, as well as the prohibition against payment for provider-preventable conditions. The Contractor shall report all identified provider-preventable conditions to the COUNTY

13.3.2. COUNTY shall not make payments to CONTRACTOR for provider-preventable conditions that meet the following criteria:

13.3.2.1. Is identified in the State Plan.

13.3.2.2. Has been found by the State, based upon a review of medical literature by qualified professionals, to be reasonably preventable through the application of procedures supported by evidence-based guidelines.

13.3.2.3. Has a negative consequence for the member beneficiary.

13.3.2.4. Is auditable.

14. **BUDGET AND PAYMENT PROVISIONS**

14.1. MEDICAL ASSISTANCE PAYMENT PROVISIONS

14.1.1. CONTRACTOR shall submit claims in accordance with COUNTY guidance, including the applicable DHCS program billing manual and any superseding guidance, including with respect to verifying Medi-Cal eligibility and Other Health Coverage (OHC).

14.2. AUDITS AND RECOVERY OF OVERPAYMENTS

14.2.1. In the case of federal audit exceptions, the Department will follow federal audit appeal processes unless the Department, in consultation with the County Behavioral Health Director's Association of California, determines that those appeals are not cost beneficial. The Department and COUNTY will involve the CONTRACTOR in developing the response to any draft federal audit reports that directly impact the CONTRACTOR.

14.2.2. Whenever there is a final state or federal audit exception, the Department may use any recovery methods available under the law, not limited to W&I Code, Sections 14124.24, 14176, 14177, 14707, 14718, and Government Code section 12419.5, to offset the amount of any federal disallowance audit exception, or overpayment against subsequent claims from the COUNTY.

14.2.2.1. Any offset resulting from CONTRACTOR claims will be recovered from CONTRACTOR.

14.2.3. CONTRACTOR shall be subject to audits and/or reviews, including client record reviews, by the Department. Any audit of CONTRACTORS data shall occur within three years of the date of receipt by the Department.

14.3. CLAIMS ADJUDICATION PROCESS

14.3.1. claims for Medicaid reimbursement shall comply with eligibility and service requirements under applicable federal and state law.

14.3.2. Claims not meeting federal and/or state requirements shall be returned to Contractor as not approved for payment, along with a reason for denial.

15. **SPECIAL TERMS AND CONDITIONS**

15.1. The provisions herein apply to this Agreement unless the applicable conditions do not exist, the provisions are superseded by an alternate provision appearing elsewhere in this Agreement, or the provisions are removed by reference on the face of this Agreement. The terms "contract", "Contractor (COUNTY)" and "Subcontractor (CONTRACTOR)" will also

mean, "agreement", "grant", "grant agreement", "Grantee" and "Subgrantee" respectively. The terms "California Department of Health Care Services", "California Department of Health Services", "Department of Health Care Services", "Department of Health Services", "CDHCS", "DHCS", "CDHS", and "DHS" will all have the same meaning and refer to the California State agency that is a party to this Agreement. This exhibit contains provisions that require strict adherence to various contracting laws and policies. Some provisions herein are conditional and only apply if specified conditions exist (i.e., agreement total exceeds a certain amount; agreement is federally funded, etc.).

15.2. Federal Equal Opportunity Requirements (Applicable to all federally funded agreements entered into by the Department of Health Care Services)

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

15.2.2. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.

15.2.3. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and will post copies of the notice in conspicuous places available to employees and applicants for employment.

15.2.4. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive

Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 Code of Federal Regulations (C.F.R.) Part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.

- 15.2.5. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 15.2.6. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- 15.2.7. The Contractor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. § 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or DHCS may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHCS, the Contractor may request in writing to DHCS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

- 15.3. Subcontract Requirements (Applicable to agreements under which services are to be performed by subcontractors including independent consultants.)

- 15.3.1. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services costing \$5,000 or more. Except as indicated in Paragraph a(3) herein, when securing subcontracts for services exceeding \$5,000, the Contractor must obtain at least three bids or justify a sole source award.
 - 15.3.1.1. The Contractor must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
 - 15.3.1.2. DHCS may identify the information needed to fulfill this requirement.
 - 15.3.1.3. Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:
 - 15.3.1.3.1. A local governmental entity or the federal government,
 - 15.3.1.3.2. A State college or State university from any State,
 - 15.3.1.3.3. A Joint Powers Authority,
 - 15.3.1.3.4. An auxiliary organization of a California State University or a California community college,
 - 15.3.1.3.5. A foundation organized to support the Board of Governors of the California Community Colleges,
 - 15.3.1.3.6. An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
 - 15.3.1.3.7. Firms or individuals proposed for use and approved by DHCS' funding program via acceptance of an application or proposal for funding or pre/post contract award negotiations,
 - 15.3.1.3.8. Entities and/or service types identified as exempt from advertising and competitive bidding in State Contracting Manual Volume 1 Chapter 5 Section 5.80 Subsection B.
 - 15.3.1.3.9. Entities whose name and budgeted costs have been submitted to DHCS in response to a competitive Invitation for Bid or Request for Proposal.
- 15.3.2. Agreements with governmental or public entities and their auxiliaries, or a Joint Powers Authority
 - 15.3.2.1. If the total amount of all subcontracts exceeds twenty-five percent (25%) of the total agreement amount or \$50,000, whichever is less and each subcontract is not with an entity or of a service type described in paragraph a(3) herein, DHCS will:
 - 15.3.2.1.1. Obtain approval from DGS to use said subcontracts, or
 - 15.3.2.1.2. If applicable, obtain a certification from the prime Contractor indicating that each subcontractor was selected pursuant to a competitive bidding process requiring at least three bids from responsible bidders, or
 - 15.3.2.1.3. Obtain attestation from the Secretary of the California Health and Human Services Agency attesting that the selection of the particular subcontractor(s) without competitive bidding was necessary to promote DHCS' program needs and was not done for the purpose of circumventing competitive bidding requirements.

- 15.3.2.2. When the conditions of b(1) apply, each subcontract that is not with a type of entity or of a service type described in paragraph a(3) herein, must not commence work before DHCS has obtained applicable prior approval to use said subcontractor. DHCS will inform the Contractor when DHCS has obtained appropriate approval to use said subcontractors.
- 15.3.3. DHCS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this Agreement.
- 15.3.3.1. Upon receipt of a written notice from DHCS requiring the substitution and/or termination of a subcontract, the Contractor must take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by DHCS.
- 15.3.3.2. The requirements specified in Provision 28 entitled, "Use of Disabled Veteran Business Enterprises (DVBEs)" will apply to the use and substitution of DVBE subcontractors.
- 15.3.3.3. The requirements specified in Provision 30 entitled, "Use of Small Business Subcontractors" will apply to the use and substitution of small business subcontractors.
- 15.3.4. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of DHCS. DHCS may, at its discretion, elect to waive this right. All such waivers must be confirmed in writing by DHCS.
- 15.3.5. Contractor must maintain a copy of each subcontract entered into in support of this Agreement and must, upon request by DHCS, make copies available for approval, inspection, or audit.
- 15.3.6. DHCS assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.
- 15.3.7. The Contractor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract
- 15.3.8. When entering into a consulting agreement with DHCS, the contract must include detailed criteria and a mandatory progress schedule for the performance of the contract, and must require Contractor to provide a detailed analysis of the costs of performing the contract.
- 15.3.9. The Contractor must ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement.
- 15.3.10. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:
- 15.3.10.1. "(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from DHCS to the Contractor, to permit DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any

employees who might reasonably have information related to such records."

15.3.11. Unless otherwise stipulated in writing by DHCS, the Contractor will be the subcontractor's sole point of contact for all matters related to performance and payment under this Agreement.

15.3.12. Contractor must, as applicable, advise all subcontractors of their obligations pursuant to the following numbered provisions of this Exhibit: 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 17, 18, 19, 20, 32, 37, 38 and/or other numbered provisions herein that are deemed applicable. Full provisions can be found in the DHCS-County agreement Exhibit D.

15.4. Income Restrictions

15.4.1. Unless otherwise stipulated in this Agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this Agreement must be paid by the Contractor to DHCS, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by DHCS under this Agreement.

15.5. Audit and Record Retention (Applicable to agreements in excess of \$10,000.)

15.5.1. The Contractor and/or Subcontractor must maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.

15.5.2. The Contractor's and/or Subcontractor's facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records must be subject at all reasonable times to inspection, audit, and reproduction.

15.5.3. Contractor agrees that DHCS, DGS, the California State Auditor, or their designated representatives including, but not limited to, the Comptroller General of the United States will have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Government Code (Gov. Code) § 8546.7, Title 2 Code of California Regulations (C.C.R.), § 1896.77 and other applicable State laws.) The Contractor must comply with the above and be aware of the penalties for violations of fraud and for obstruction of an investigation under applicable State laws.

15.5.4. The Contractor and/or Subcontractor must preserve and make available his/her records (1) for a period of six years for all records related to Disabled Veteran Business Enterprise (DVBE) participation (Military and Veterans Code (Mil. & Vet. Code) § 999.55), if this Agreement involves DVBE participation, and three years for all other contract records from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.

15.5.4.1. If this Agreement is completely or partially terminated, the records relating to the work terminated must be preserved and made available for a period

- of three years from the date of any resulting final settlement.
- 15.5.4.2. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- 15.6. The Contractor and/or Subcontractor may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.
- 15.7. For agreements with non-profit entities funded in part or whole with federal funds in the amount of \$750,000 or more, the Contractor must, if applicable, comply with the Single Audit Act and the audit requirements set forth in 2 C.F.R. § 200.501 et seq.
- 15.8. For Direct Service Contracts as defined in Health & Saf. Code § 38040 in the amount of \$25,000 or more, the Contract must comply with the audit requirements set forth in Health & Saf. Code § 38040.
- 15.9. Site Inspection
- 15.9.1. The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Contractor or Subcontractor, the Contractor must provide and must require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations will be performed in such a manner as will not unduly delay the work.
- 15.10. Federal Contract Funds (Applicable only to that portion of an agreement funded in part or whole with federal funds.)
- 15.10.1. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
- 15.10.2. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this Agreement in any manner.
- 15.10.3. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- 15.10.4. DHCS has the option to invalidate or cancel the Agreement with 30-days

advance written notice or to amend the Agreement to reflect any reduction in funds.

15.11. Termination

15.11.1. For Cause- The State may terminate this Agreement, in whole or in part, and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination, the State may proceed with the work in any manner deemed proper by the State. All costs to the State will be deducted from any sum due the Contractor under this Agreement and the balance, if any, will be paid to the Contractor upon demand. If this Agreement is terminated, in whole or in part, the State may require the Contractor to transfer title, or in the case of licensed software, license, and deliver to the State any completed deliverables, partially completed deliverables, and any other materials, related to the terminated portion of the Contract, including but not limited to, computer programs, data files, user and operations manuals, system and program documentation, training programs related to the operation and maintenance of the system, and all information necessary for the reimbursement of any outstanding Medicaid claims. The State will pay contract price for completed deliverables delivered and accepted and items the State requires the Contractor to transfer as described in this paragraph above.

15.11.2. For Convenience- The State retains the option to terminate this Agreement, in whole or in part, without cause, at the State's convenience, without penalty, provided that written notice has been delivered to the Contractor at least thirty (30) calendar days prior to such termination date. In the event of termination, in whole or in part, under this paragraph, the State may require the Contractor to transfer title, or in the case of licensed software, license, and deliver to the State any completed deliverables, partially completed deliverables, and any other materials related to the terminated portion of the Contract including but not limited to, computer programs, data files, user and operations manuals, system and program documentation, training programs related to the operation and maintenance of the system, and all information necessary for the reimbursement of any outstanding Medicaid claims. The Contractor will be entitled to compensation upon submission of an invoice and proper proof of claim for the services and products satisfactorily rendered, subject to all payment provisions of the Agreement. Payment is limited to expenses necessarily incurred pursuant to this Agreement up to the date of termination.

15.12. Intellectual Property Rights (Applicable to all agreements that may be fund, in whole or part, the creation and development Intellectual Property.)

15.12.1. The State will be the owner of all rights, title, and interest in any and all intellectual property or other products or materials created or developed pursuant to this Agreement, whether or not published, produced, manufactured or distributed. The copyright, patent and/or other intellectual property rights to any and all products created, provided or developed, in whole or part, under this Agreement, whether or not published, produced, manufactured or distributed belongs to the State from the moment of creation.

15.12.2. The State retains all rights to use, reproduce, distribute, or display any products or materials created, provided, developed, or produced under this Agreement and any derivative products based on Agreement products or materials, as well as all other rights, privileges, and remedies granted or reserved to a copyright, patent,

service mark or trademark owner under statutory and common law.

- 15.12.3. Contractor agrees to cooperate with State and to execute any document(s) that may be necessary to give the foregoing provisions full force and effect, including but not limited to, an assignment of trademark, copyright or patent rights. Contractor, subject to reasonable availability, agrees to give testimony and take all further acts necessary to acquire, transfer, maintain, and enforce the State's intellectual property rights and interest.
- 15.12.4. Contractor agrees to cooperate with the State in assuring the State's sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Agreement, Contractor must require the terms of the Agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to the State all rights, title and interest in Intellectual Property conceived, developed, derived from, or reduced to practice by the subcontractor, Contractor or the State and which result from this Agreement or any subcontract.
- 15.12.5. Contractor agrees not to incorporate into or make the works developed, dependent upon any original works of authorship or Intellectual Property Rights of third parties without first (a) obtaining State's prior written permission, and (b) granting to or obtaining for State, without additional compensation, a nonexclusive, royalty-free, paid-up, irrevocable, perpetual, world-wide license, to use, reproduce, sell, modify, publicly and privately display and distribute, for any purpose whatsoever, any such prior works.
- 15.12.6. Contractor will retain title to all of its Intellectual Property to the extent such intellectual Property is in existence prior to the effective date of this Agreement. Unless otherwise specified in the Statement of Work in contracts other than those funded, in part or whole, by federal funds (see paragraph k below), Contractor hereby grants to DHCS, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this Agreement. Proprietary software packages that are provided at established catalog or market prices and sold or leased to the general public will not be subject to this license provision.
- 15.12.7. In the case of copyrighted materials, all materials distributed under the terms of this Agreement, and any reproductions or derivative works thereof, must include a notice of copyright in a place that can be visually perceived at the direction of the State. This notice must be placed prominently on products or materials and set apart from other matter on the page or medium where it appears. The notice "Copyright" or "©", the year in which the work was first created, and the Department of Health Care Services DHCS", or other appropriate mark as directed by DHCS, must be included on any such products or materials.
- 15.12.8. Contractor represents and warrants that:
 - 15.12.8.1. It is free to enter into and fully perform this Agreement.

- 15.12.8.2. It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
- 15.12.8.3. Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or the State and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any State, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
- 15.12.8.4. Neither Contractor's performance nor any part of its performance will violate the right of privacy of or constitute a libel or slander against any person or entity.
- 15.12.8.5. It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real property, sites, locations, property or props that may be used or shown.
- 15.12.8.6. It has not granted and will not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to the State in this Agreement.
- 15.12.8.7. It has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- 15.12.8.8. It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.
- 15.12.9. THE STATE MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.
- 15.12.10. INTELLECTUAL PROPERTY INDEMNITY
- 15.12.10.1. Contractor must indemnify, defend and hold harmless the State and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or

alleged infringement claim, arising out of the State's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or the State and which result directly or indirectly from this Agreement. This indemnity obligation will apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this Agreement. The State reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against the State.

15.12.10.2. Should any Intellectual Property licensed by the Contractor to the State under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve the State's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to the State. The State will have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for the State to continue using the licensed Intellectual Property; or replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, the State will be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.

15.12.10.3. Contractor agrees that damages alone would be inadequate to compensate the State for breach of any term of this Intellectual Property attachment by Contractor. Contractor acknowledges the State would suffer irreparable harm in the event of such breach and agrees the State will be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

15.12.11. If this Agreement is funded in whole or part by federal funds, the State will retain all Intellectual Property rights, title, and ownership, which result directly or indirectly from the Agreement pursuant to applicable federal law including, but not limited to, 45 C.F.R. § 75.322 and 45 C.F.R. § 95.617, except as provided in 37 C.F.R. Part 401.14. However, the federal government will have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

15.12.12. The provisions set forth herein will survive any termination or expiration of this Agreement.

15.13. Air or Water Pollution Requirements

15.13.1. Any federally funded agreement and/or subcontract in excess of \$100,000 must comply with the following provisions unless said agreement is exempt by law.

- 15.13.2. Government contractors agree to comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. § 7606), Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency regulations.
- 15.13.3. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. § 7401 et seq.), as amended, and the Clean Water Act (33 U.S.C. § 1251 et seq.), as amended.
- 15.14. Confidentiality of Information
 - 15.14.1. The Contractor and its employees, agents, or subcontractors must protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the Contractor, its employees, agents, or subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.
 - 15.14.2. The Contractor and its employees, agents, or subcontractors must not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
 - 15.14.3. The Contractor and its employees, agents, or subcontractors must promptly transmit to the DHCS Program Contract Manager all requests for disclosure of such identifying information not emanating from the client or person.
 - 15.14.4. The Contractor must not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than DHCS without prior written authorization from the DHCS Program Contract Manager, except if disclosure is required by State or Federal law.
 - 15.14.5. For purposes of this provision, identity will include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.
 - 15.14.6. As deemed applicable by DHCS, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.
- 15.15. Dispute Resolution Process
 - 15.15.1. A Contractor grievance exists whenever there is a dispute arising from DHCS' action in the administration of an agreement. If there is a dispute or grievance between the Contractor and DHCS, the Contractor must seek resolution using the procedure outlined below.
 - 15.15.2. The Contractor should first informally discuss the problem with the DHCS Program Contract Manager. If the problem cannot be resolved informally, the Contractor must direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance must state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief will render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief will respond in writing to the Contractor indicating the decision and reasons therefore. If the Contractor disagrees

- with the Branch Chief's decision, the Contractor may appeal to the second level.
- 15.15.3. When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor must include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal must be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee will meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee will be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal. The decision rendered by the Deputy Director or his/her designee will be the final administrative determination by the Department.
- 15.15.4. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Health and Safety Code (Health & Saf. Code) § 100171.
- 15.15.5. Unless otherwise stipulated in writing by DHCS, all dispute, grievance and/or appeal correspondence will be directed to the DHCS Program Contract Manager.
- 15.15.6. There are organizational differences within DHCS' funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor will be notified in writing by the DHCS Program Contract Manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.
- 15.15.7. Notwithstanding any dispute, the Contractor shall diligently continue performance of the Contract (including matters subject to dispute to the maximum extent possible).
- 15.16. Subrecipient Compliance (Applicable to agreements in which a Subrecipient receives federal funding. This does not apply to Medi-Cal programs.)
- 15.16.1. Per 2 C.F.R. § 200.93, a Subrecipient is a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal awards. Subrecipients must comply with certain requirements, including without limitation, audit requirements, as set forth in 2 C.F.R. Part 200, as applicable to Subrecipients. Subrecipients may be subject to applicable monitoring activities by DHCS as required in 2 C.F.R. § 200.332.
- 15.17. Human Subjects Use Requirements (Applicable only to federally funded agreements/grants in which performance, directly or through a subcontract/subaward, includes any tests or examination of materials derived from the human body.)
- 15.17.1. By signing this Agreement, Contractor agrees that if any performance under this Agreement or any subcontract includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 42 U.S.C. § 263a (CLIA) and the regulations thereunder.

- 15.18. Debarment and Suspension Certification (Applicable to all agreements funded in part or whole with federal funds.)
- 15.18.1. By signing this Agreement, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 2 C.F.R. Part 180, 2 C.F.R. Part 376.
- 15.18.2. By signing this Agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
- 15.18.2.1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
- 15.18.2.2. Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) violation of Federal or State antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, obstruction of justice, or the commission of any other offense indicating a lack of business integrity or business honesty that seriously affects its business honesty;
- 15.18.2.3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and
- 15.18.2.4. Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
- 15.18.2.5. Have not, within a three-year period preceding this application/proposal/agreement, engaged in any of the violations listed under 2 C.F.R. Part 180, Subpart C as supplemented by 2 C.F.R. Part 376.
- 15.18.2.6. Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 C.F.R .part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
- 15.18.2.7. Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 15.18.3. If the Contractor is unable to certify to any of the statements in this certification, the Contractor must submit an explanation to the DHCS Program Contract Manager.
- 15.18.4. The terms and definitions herein have the meanings set out in 2 C.F.R. Part 180 as supplemented by 2 C.F.R. Part 376.
- 15.18.5. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the DHCS may terminate this Agreement for cause or default.
- 15.19. Smoke-Free Workplace Certification (Applicable to federally funded agreements/grants and subcontracts/subawards, that provide health, day care, early

childhood development services, education or library services to children under 18 directly or through local governments.)

15.19.1. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.

15.19.2. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.

15.19.3. By signing this Agreement, Contractor or Grantee certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.

15.19.4. Contractor or Grantee further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

15.20. Drug Free Workplace Act of 1988

15.20.1. The Federal government implemented the Drug Free Workplace Act of 1988 in an attempt to address the problems of drug abuse on the job. It is a fact that employees who use drugs have less productivity, a lower quality of work, and a higher absenteeism, and are more likely to misappropriate funds or services. From this perspective, the drug abuser may endanger other employees, the public at large, or themselves. Damage to property, whether owned by this entity or not, could result from drug abuse on the job. All these actions might undermine public confidence in the services this entity provides. Therefore, in order to remain a responsible source for government contracts, the following guidelines have been adopted:

15.20.2. The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the workplace.

15.20.3. Violators may be terminated or requested to seek counseling from an approved rehabilitation service.

15.20.4. Employees must notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.

15.20.5. Although alcohol is not a controlled substance, it is nonetheless a drug. It is the policy that abuse of this drug will also not be tolerated in the workplace.

15.20.6. Contractors of federal agencies are required to certify that they will provide drug-free workplaces for their employees.

15.21. Covenant Against Contingent Fees (Applicable only to federally funded

agreements.)

15.21.1. The Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, DHCS will have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

15.22. Officials Not to Benefit

15.22.1. No members of or delegate of Congress or the State Legislature will be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom. This provision will not be construed to extend to this Agreement if made with a corporation for its general benefits.

15.23. Prohibited Use of State Funds for Software (Applicable to agreements in which computer software is used in performance of the work.)

15.23.1. Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

15.24. Suspension or Stop Work Notification

15.24.1. DHCS may, at any time, issue a notice to suspend performance or stop work under this Agreement. The initial notification may be a verbal or written directive issued by the funding Program's Contract Manager. Upon receipt of said notice, the Contractor is to suspend and/or stop all, or any part, of the work called for by this Agreement.

15.24.2. Written confirmation of the suspension or stop work notification with directions as to what work (if not all) is to be suspended and how to proceed will be provided within 30 working days of the verbal notification. The suspension or stop work notification will remain in effect until further written notice is received from DHCS. The resumption of work (in whole or part) will be at DHCS' discretion and upon receipt of written confirmation.

15.24.2.1. Upon receipt of a suspension or stop work notification, the Contractor must immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered by the notification during the period of work suspension or stoppage.

15.24.2.2. Within 90 days of the issuance of a suspension or stop work notification, DHCS will either:

15.24.2.2.1. Cancel, extend, or modify the suspension or stop work notification; or

15.24.2.2.2. Terminate the Agreement as provided for in the Cancellation / Termination clause of the Agreement.

15.24.2.3. If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Contractor may resume work only upon written concurrence

- of funding Program's Contract Manager.
- 15.24.2.4. If the suspension or stop work notification is canceled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or contract terms resulting from the suspension or stop work notification will require an amendment to the Agreement.
- 15.24.2.5. If a suspension or stop work notification is not canceled and the Agreement is canceled or terminated pursuant to the provision entitled Cancellation / Termination, DHCS will allow reasonable costs resulting from the suspension or stop work notification in arriving at the settlement costs.
- 15.24.2.6. DHCS will not be liable to the Contractor for loss of profits because of any suspension or stop work notification issued under this clause.
- 15.25. Public Communications
- 15.25.1. "Electronic and printed documents developed and produced, for public communications must follow the following requirements to comply with Section 508 of the Rehabilitation Act and the American with Disabilities Act:
- 15.25.2. Ensure visual-impaired, hearing-impaired and other special needs audiences are provided material information in formats that provide the most assistance in making informed choices."
- 15.26. Compliance with Statutes and Regulations
- 15.26.1. The Contractor must comply with all California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to Contractor's performance under the Agreement. This includes any changes to the applicable laws, regulations, and/or published guidelines that arise after the execution of this Agreement.
- 15.26.2. For federally funded agreements, these authorities include, but are not limited to, 2 C.F.R. Part 200, subpart F, Appendix II; 42 C.F.R. Part 431, subpart F; 42 C.F.R. Part 433, subpart D; 42 C.F.R. Part 434; 45 C.F.R. Part 75, subpart D; and 45 C.F.R. Part 95, subpart F. To the extent applicable under federal law, this Agreement will incorporate the contractual provisions in these federal regulations and they will supersede any conflicting provisions in this Agreement.
- 15.27. Lobbying Restrictions and Disclosure Certification (Applicable to federally funded agreements in excess of \$100,000 per Section 1352 of the 31, U.S.C.)
- 15.27.1. Certification and Disclosure Requirements
- 15.27.1.1. Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, must file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
- 15.27.1.2. Each recipient must file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that contract, or grant, which would be prohibited under Paragraph b of this

provision if paid for with appropriated funds.

- 15.27.1.3. Each recipient must file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:
 - 15.27.1.4. A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - 15.27.1.5. A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or
 - 15.27.1.6. A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- 15.27.1.7. Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant must file a certification, and a disclosure form, if required, to the next tier above.
- 15.27.1.8. All disclosure forms (but not certifications) must be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person must forward all disclosure forms to DHCS Program Contract Manager.

15.27.2. Prohibition

- 15.27.2.1. Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.
- 15.27.2.2. The recipient certifies, to the best of his or her knowledge and belief, that:
- 15.27.2.3. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making, awarding or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant, or cooperative agreement.
- 15.27.2.4. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or

employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, or cooperative agreement, the undersigned must complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" (Attachment 2) in accordance with its instructions.

15.27.2.5. The recipient must require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of \$100,000 or more, and that all subrecipients must certify and disclose accordingly.

15.27.2.6. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C., any person who fails to file the required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

15.27.2.7. By signing or otherwise accepting the Agreement, the recipient certifies and files **CERTIFICATION REGARDING LOBBYING**, as required by Section 1352, Title 31, U.S.C., unless the conditions stated in paragraph 2 above exist. In such case, the awardee/contractor must complete and sign the Exhibit **CERTIFICATION REGARDING LOBBYING and returning it to the Department of Health Care Services.**

15.28. Federal Budget- If federal funding for Federal Financial Participation (FFP) reimbursement in relation to this contract is eliminated or substantially reduced by Congress, the Department and the COUNTY each shall have the option either to cancel this contract or to propose a contract amendment to address changes to the program required as a result of the elimination or reduction of federal funding.

15.29. Delayed Federal Funding- The COUNTY and the Department agree to consult with each other on interim measures for program operation that may be required to maintain adequate services to members in the event that there is likely to be a delay in the availability of federal funding.

16. **ADDITIONAL PROVISIONS**

16.1. Inspection Rights/Record Keeping Requirements

16.1.1. Standard Terms and Conditions, Section 15.5 above (Audit and Record Retention), supplements the following requirements.

16.1.2. The following obligations apply for 10 years from the term end date of this Contract, or in the event the Contractor has been notified that an audit or investigation of this Contract has been commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later. The Contractor, and subcontractors and contracted providers, shall:

16.1.2.1. Allow the Department, CMS, the Office of the Inspector General, the Comptroller General of the United States, and other authorized federal and

state agencies, or their duly authorized designees, to evaluate Contractor's, and subcontractors', performance under this Contract, including the quality, appropriateness, and timeliness of services provided, and to inspect, evaluate, and audit any and all records, documents, and the premises, equipment and facilities maintained by the Contractor and its subcontractors pertaining to such services at any time. (See 42 C.F.R. §§ 438.3(h) and 438.230(c)(3)(i-iii)).

16.1.2.2. Retain all records and documents originated or prepared pursuant to the Contractor's or subcontractor's performance under this Contract, including member grievance and appeal records identified in Exhibit A, Attachment 12, Section 2 and the data, information and documentation specified in (or that demonstrates compliance with) 42 C.F.R. §§ 438.604, 438.606, 438.608, and 438.610, as applicable. (42 C.F.R. § 438.3(u); see also § 438.3(h)).

16.1.3. "Records and documents" include but are not limited to all physical and electronic records and documents originated or prepared

16.2. Nondiscrimination

16.2.1. Consistent with the requirements of applicable federal law, such as 42 C.F.R. § 438.3(d)(3) and (4), and state law, the Contractor shall not engage in any unlawful discriminatory practices in the admission of members, assignments of accommodations, treatment, evaluation, employment of personnel, or in any other respect on any ground protected under federal or state law, including sex, race, color, gender, gender identity, religion, marital status, national origin, ethnic group identification, ancestry, age, sexual orientation, medical condition, genetic information, or mental or physical handicap or disability. (42 U.S.C. § 18116; 42 C.F.R. § 438.3(d)(3-4); 45 C.F.R. § 92.2; Government Code § 11135(a); W&I Code § 14727(a)(3)).

16.2.2. The Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended (codified at 29 U.S.C. § 794), prohibiting exclusion, denial of benefits, and discrimination against qualified individuals with a disability in any federally assisted programs or activities, and shall comply with the implementing regulations in 45 C.F.R. Parts 84 and 85, as applicable.

16.2.3. The Contractor shall include the nondiscrimination and compliance provisions of this Contract in all subcontracts and provider contracts to perform work under this Contract.

16.2.4. Noncompliance with the nondiscrimination requirements in this subsection C shall constitute grounds for state to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.

16.3. Force Majeure- Neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but not be limited to acts of God, fire, flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight-embargo, related-utility, or governmental statutes or regulations super-imposed after the fact. If a delay or failure in performance by the Contractor arises out of a default of its subcontractor or contracted provider, and if such default arises out of causes beyond the control of both the Contractor and subcontractor or contracted provider, and without the fault or negligence of either of them, the Department shall not sanction the

Contractor because of such delay or failure. In the event of such acts, the Contractor shall take reasonable steps to perform under this Contract. pursuant to the Contractor's or subcontractor's performance under this Contract including working papers, reports, financial records and documents of account, member records, prescription files, subcontracts, and any other documentation pertaining to covered services and other related services for members.

16.4. {DMC-ODS ONLY} No Unlawful Use or Unlawful Use Messages Regarding Drugs

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

16.5. {DMC-ODS ONLY} Limitation on Use of Funds for Promotion of Legalization of Controlled Substances

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

QUALIFIED SERVICE ORGANIZATION AGREEMENT (QSOA)

COUNTY OF PLACER THROUGH ITS HEALTH AND HUMAN SERVICES DEPARTMENT
QUALIFIED SERVICE ORGANIZATION AGREEMENT

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

RECITALS:

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

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

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

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

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

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

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

3. **TERM AND TERMINATION:**

- 3.1. The term of this QSOA shall begin as of the effective date of the Service Arrangement and shall terminate when all of the PHI and substance abuse treatment records provided by Placer County to the QSO, or created or received by the QSO on behalf of Placer County, is destroyed or returned to Placer County, or, if it is infeasible to return or destroy it, protections are extended to such information, in accordance with the termination provisions of this Section.
- 3.2. Upon the either party's knowledge of a material breach by the other party, the party
 - 3.2.1. Provide an opportunity for the other party to cure the breach or end the violation and terminate this QSOA and the Service Arrangement if the violating party does not cure the breach or end the violation within the time specified by the other party.
 - 3.2.2. Immediately terminate this QSOA and the Service Arrangement if the party has breached a material term of this QSOA and cure is not possible; or

3.2.3. If neither termination nor cure is feasible, the party shall report the violation to the HHS Secretary.

3.3. Except as provided in paragraph 3.4 of this Section, upon any termination or expiration of this QSOA, the QSO shall return or destroy all PHI and substance abuse treatment records received from Placer County, or created or received by the QSO on behalf of Placer County. This provision shall apply to PHI and substance abuse treatment records that are in the possession of subcontractors or agents of the QSO. The QSO shall retain no copies.

3.4. In the event that the QSO determines that returning or destroying the PHI and substance abuse treatment records is infeasible, the QSO shall provide to Placer County notification of the conditions that make return or destruction infeasible. The QSO shall extend the protections of this QSOA to such PHI and substance abuse treatment records and limit further uses and disclosures of it to those purposes that make the return or destruction infeasible, for so long as the QSO maintains such PHI and substance abuse treatment records.

4. **MISCELLANEOUS**

4.1. The Parties agree to take such action as is necessary to amend this QSOA from time to time as is necessary for Placer County to comply with the requirements of HIPAA, the Privacy and Security Rules, HITECH and 42 C.F.R. Part 2.

4.2. Any ambiguity in this QSOA shall be resolved to permit Placer County to comply with HIPAA, HITECH, and 42 C.F.R. Part 2.

4.3. The QSO is solely responsible for all decisions made by the QSO regarding the safeguarding of PHI and substance abuse treatment records.

4.4. Nothing express or implied in this QSOA is intended to confer, nor shall anything herein confer upon any person other than Placer County, the QSO and their respective successors and assigns, any rights, remedies, obligations or liabilities whatsoever.

4.5. Modification of the terms of this QSOA shall not be effective or binding upon the parties unless and until such modification is committed to writing and executed by the parties hereto.

4.6. This QSOA shall be binding upon the parties hereto, and their respective legal representatives, trustees, receivers, successors and permitted assigns.

4.7. Should any provision of this QSOA be found unenforceable, it shall be deemed severable and the balance of the QSOA shall continue in full force and effect as if the unenforceable provision had never been made a part hereof.

4.8. This QSOA and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed in accordance with, the laws of the State of California, including all matters of construction, validity and performance.

4.9. All notices and communications required or permitted to be given hereunder shall be sent by certified or regular mail, addressed to the other party as its respective address as shown on the signature page, or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

4.10. This QSOA, including such portions as are incorporated by reference herein, constitutes the entire Agreement by, between and among the parties, and such parties acknowledge by their signature hereto that they do not rely upon any representations or undertakings by any person or party, past or future, not expressly set forth in writing herein.