

**MENTAL HEALTH ORGANIZATIONAL PROVIDER SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
REDWOOD COMMUNITY SERVICES, INC.
FOR FISCAL YEARS 2019-2020 THROUGH 2020-2021**

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This Mental Health Organizational Provider Services Agreement ("Agreement"), entered into this ____ day of _____, 2019, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Redwood Community Services, Inc., a California non-profit mental health service organization, hereinafter referred to as "PROVIDER," is made upon the following considerations:

WHEREAS, COUNTY is required to provide specialty mental health services to eligible Humboldt County Medi-Cal Beneficiaries ("Beneficiaries") as part of COUNTY's Medi-Cal Managed Mental Health Care Program; and

WHEREAS, COUNTY may arrange for the provision of such specialty mental health services through written agreements with licensed mental health service organizations pursuant to the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) that COUNTY has with the California Department of Health Care Services ("DHCS"); and

WHEREAS, COUNTY, by and through its Department of Health and Human Services – Mental Health ("DHHS – Mental Health"), desires to retain a certified Medi-Cal provider to furnish specialty mental health services to eligible Beneficiaries; and

WHEREAS, PROVIDER is duly licensed to independently practice psychotherapy in the State of California and has been certified as a Medi-Cal Provider by DHHS – Mental Health; and

WHEREAS, PROVIDER is currently in good standing to provide specialty mental health services under the State of California Medi-Cal Program; and

WHEREAS, PROVIDER represents that it is adequately trained, skilled, experienced and qualified to perform the specialty mental health services required by COUNTY.

NOW THEREFORE, the parties hereto mutually agree as follows:

1.0 DEFINITIONS:

Except when it is clear from the context that another meaning is intended, terms used in this Agreement shall have the meanings set forth in the Humboldt County Organizational Provider Manual for Outpatient Specialty Mental Health Services ("Organizational Provider Manual"), which is incorporated herein by reference and made a part hereof as if set forth in full, as may be updated from time to time through provider bulletins issued by DHHS – Mental Health.

2.0 RIGHTS AND RESPONSIBILITIES OF PROVIDER:

2.1 Provision of Specialty Mental Health Services:

A. **Description of Services.** PROVIDER hereby agrees to provide the specialty mental health services described in Exhibit A – Scope of Services, which is attached hereto and incorporated herein by reference as if set forth in full, to eligible Beneficiaries in accordance with the policies

and procedures set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full. In providing the specialty mental health services required hereunder, PROVIDER agrees to fully cooperate with the DHHS – Mental Health Director, or designee thereof, hereinafter referred to as “Director,” who is hereby authorized and assigned to represent the interests of COUNTY and determine if the terms and conditions of this Agreement are carried out. In the event there is any need to modify the specialty mental health services to be provided hereunder, PROVIDER shall submit a written request to amend the provisions of Exhibit A – Scope of Services to Director prior to making any such modifications.

- B. **Availability of Services.** PROVIDER shall make any and all specialty mental health services required to be provided pursuant to the terms and conditions of this Agreement available to eligible Beneficiaries in accordance with any and all applicable local state and federal laws, regulations, policies, procedures and standards, including, but not limited to, the limitations, restrictions and authorization requirements set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full, and Sections 1810.345 and 1810.405 of Title 9 of the California Code of Regulations (“C.C.R.”) with respect to the timelines of routine services as established by DHHS – Mental Health. PROVIDER shall, at the time of referral and on a quarterly basis thereafter, verify the Medi-Cal eligibility of, and collect proof of Humboldt County residency from, each Beneficiary receiving specialty mental health services pursuant to the terms and conditions of this Agreement.
- C. **Amount, Duration and Scope of Services.** PROVIDER shall ensure that any and all specialty mental health services provided pursuant to the terms and conditions of this Agreement are appropriately accessible and sufficient in amount, duration and scope to reasonably achieve the purpose for which such specialty mental health services are provided.
- D. **Denial or Reduction of Services.** PROVIDER shall not arbitrarily deny or reduce the amount, duration or scope of the specialty mental health services provided pursuant to the terms and conditions of this Agreement solely due to diagnosis, type of illness or condition of the Beneficiary, except as specifically provided in the applicable medical necessity criteria set forth in 9 C.C.R. Sections 1820.205, 1830.205 and 1830.210. However, PROVIDER shall not be required to offer, order or provide specialty mental health services that, in PROVIDER’s professional opinion, are not required.
- E. **Location of Services.** PROVIDER shall not provide any specialty mental health services pursuant to the terms and conditions of this Agreement at any location other than those locations it uses as of the effective date of this Agreement without COUNTY’s prior written permission.

2.2 **Program Operation and Administration:**

- A. **Admission Policies and Procedures.** In order to ensure equal access to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, PROVIDER shall develop, implement and maintain comprehensive policies and procedures that are designed to assure compliance with all of the following admission requirements:
 - 1. PROVIDER shall ensure that all referrals made pursuant to the terms and conditions of this Agreement have been authorized by Director prior to making the final admission decision.
 - 2. PROVIDER shall schedule initial appointments with Beneficiaries within ten (10) business days after the receipt of a referral made pursuant to the terms and conditions of this Agreement.

3. PROVIDER shall establish appropriate mechanisms to record the date on which a particular referral was received, the date of the first (1st) offered appointment and the date of the first (1st) face-to-face appointment, which account for staff cancellations and failure to appear, as applicable.
 4. PROVIDER shall immediately notify Director of, and the reasons leading to, the denial of any referrals made pursuant to the terms and conditions of this Agreement.
 5. PROVIDER shall ensure that any and all referrals made pursuant to the terms and conditions of this Agreement are accepted and evaluated in accordance with any and all applicable local, state and federal anti-discrimination laws, regulations, policies, procedures and standards.
 6. PROVIDER shall accept, and participate in, the overall care plan for any and all Beneficiaries receiving specialty mental health services pursuant to the terms and conditions of this Agreement, including, without limitation, discharge planning, as a condition of acceptance of such Beneficiaries for admission.
 7. PROVIDER shall provide COUNTY with periodic reports of openings in its treatment program, and give priority to the admission of Beneficiaries referred thereto pursuant to the terms and conditions of this Agreement.
- B. Hours of Operation.** PROVIDER shall offer to Beneficiaries hours of operation that are no less than the hours of operation offered to commercial enrollees. If PROVIDER serves only Medi-Cal beneficiaries, PROVIDER shall offer hours of operation that are comparable to the hours of operation made available for Medi-Cal services that are not covered by COUNTY or another Medi-Cal Managed Mental Health Care Program.
- C. Program Staffing.** PROVIDER shall, in accordance with any and all applicable local, state and federal laws, regulations and standards, including, without limitation, the applicable provisions of Title 9 of the California Code of Regulations, employ an adequate number of qualified professional staff to ensure the efficient and effective provision of the specialty mental health services required pursuant to the terms and conditions of this Agreement. Any and all staff responsible for providing specialty mental health services pursuant to the terms and conditions of this Agreement shall possess any and all appropriate licenses and/or certifications in accordance with any and all applicable local, state, and/or federal laws, regulations and standards. PROVIDER shall promptly notify COUNTY, in writing, of any vacancies in its staff that would reduce PROVIDER's ability to provide any of the specialty mental health services required hereunder. PROVIDER shall, upon request, provide COUNTY with a list of the names, titles, professional degrees and experience of any and all staff members who are responsible for providing any of the specialty mental health services required hereunder.
- D. Personnel Training and Supervision.** PROVIDER shall maintain appropriate supervision of any and all personnel responsible for providing specialty mental health services pursuant to the terms and conditions of this Agreement with particular emphasis on the supervision of para-professionals, interns, students and volunteers. PROVIDER shall also be responsible for training any and all personnel responsible for providing specialty mental health services pursuant to the terms and conditions of this Agreement, including, without limitation, cultural competence training, in accordance with any and all applicable local, state and federal laws, regulations, standards and contractual obligations set forth in the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full. PROVIDER shall submit to COUNTY, on

an annual basis, proof that any and all personnel responsible for providing specialty mental health services pursuant to the terms and conditions of this Agreement have been trained in accordance with any and all applicable local, state and federal laws, regulations, standards and contractual obligations.

- E. **Administrative Fees.** PROVIDER shall be responsible for paying any and all applicable administrative fees incurred pursuant to the terms and conditions of this Agreement within thirty (30) days after receiving an invoice itemizing all such fees from COUNTY. Administrative fees will be computed by COUNTY on a quarterly basis using the number of units of service claimed by PROVIDER for that quarter, divided by the total number of units of service claimed by all Medi-Cal Providers within COUNTY's Medi-Cal Provider Network subject to an administrative fee provision for that quarter, multiplied by the administrative cost incurred by COUNTY to process that quarter's service claims. The total amount of administrative fees paid pursuant to the terms and conditions of this Agreement shall not exceed fifteen percent (15%) of the total amount claimed by PROVIDER per fiscal year.

2.3 **Utilization of Interns, Associate Social Workers and Unlicensed Service Providers:**

- A. **Marriage and Family Therapy Services.** PROVIDER may use interns and/or associate social workers to administer marriage and family therapy services pursuant to the terms and conditions of this Agreement, if the following requirements are met:
1. Each intern and/or associate social worker responsible for providing marriage and family therapy services pursuant to the terms and conditions of this Agreement shall have obtained a master's degree and be certified by the Board of Behavioral Science for internship or associate social worker status.
 2. Each Intern and/or associate social worker responsible for providing marriage and family therapy services pursuant to the terms and conditions of this Agreement shall be subject to documented clinical supervision in accordance with current Board of Behavioral Science requirements for interns and/or associate social workers.
 - a. Individual supervision of interns and/or associate social workers shall be augmented by weekly multi-disciplinary group supervision for the first six (6) months to one (1) year of experience.
 - b. Members of PROVIDER's staff responsible for supervising interns and/or associate social workers shall meet regularly to review and monitor the performance of the marriage and family therapy services provided by interns and/or associate social workers and develop and schedule training seminar topics.
 - c. PROVIDER shall provide documentation of required intern and/or associate social worker supervision to COUNTY upon request.
 3. Each intern and/or associate social worker responsible for providing marriage and family therapy services pursuant to the terms and conditions of this Agreement shall be an employee of PROVIDER and be covered under PROVIDER's malpractice insurance.
 4. Prior to allowing interns and/or associate social workers to provide any marriage and family therapy services pursuant to the terms and conditions of this Agreement, PROVIDER shall provide COUNTY with the following documentation:

- a. Copies of each intern and/or associate social worker's employment application, résumé, license, certification and/or accreditation, as applicable.
- b. A detailed description of the requirements of each intern and/or associate social worker's training program.
- c. Copies of the "Supervisor Responsibility Statement" for each staff member responsible for supervising interns and/or associate social workers.
- d. Proof of malpractice insurance coverage applicable to each intern and/or associate social worker and supervising staff member.

B. Mental Health Rehabilitation and Plan Development Services. PROVIDER may use unlicensed staff members who have at least two (2) years' experience in working with adults and/or children with psychiatric illnesses to administer mental health rehabilitation and plan development services pursuant to the terms and conditions of this Agreement, if the following requirements are met:

- 1. Each unlicensed staff member responsible for providing mental health rehabilitation and plan development services pursuant to the terms and conditions of this Agreement shall have obtained, at a minimum, an Associate of Arts Degree in a related social science field.
- 2. Each unlicensed staff member responsible for providing mental health rehabilitation and plan development services pursuant to the terms and conditions of this Agreement shall be subject to documented clinical supervision by a licensed mental health professional, including, without limitation, physicians, psychologists, clinical social workers, marriage and family therapists and registered nurses with a master's degree in psychiatric nursing.

C. Case Management and Brokerage Services. PROVIDER may use unlicensed staff members who have at least two (2) years' experience in providing services in which case management principles and methods are utilized to administer case management and brokerage services pursuant to the terms and conditions of this Agreement, if the following requirements are met:

- 1. Each unlicensed staff member responsible for providing case management and brokerage services pursuant to the terms and conditions of this Agreement shall have obtained, at a minimum, an Associate of Arts Degree in a field in which the principles and methods of case management are utilized.
- 2. Each unlicensed staff member responsible for providing case management and brokerage services pursuant to the terms and conditions of this Agreement shall be subject to documented clinical supervision by a licensed mental health professional, including, without limitation, physicians, psychologists, clinical social workers, marriage and family therapists and registered nurses with a master's degree in psychiatric nursing.

3.0 TERM AND TERMINATION:

3.1 Term:

This Agreement shall begin upon execution by both parties and shall remain in full force and effect until June 30, 2021, unless sooner terminated as provided herein.

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3.2 Termination:

- A. **Termination for Cause.** COUNTY may, in its sole discretion, immediately terminate this Agreement, if PROVIDER fails to adequately perform the specialty mental health services required hereunder within the time limits specified herein, fails to comply with the terms or conditions set forth herein, or violates any local, state or federal law, regulation or standard applicable to its performance hereunder.
- B. **Termination Without Cause.** COUNTY may terminate this Agreement without cause upon thirty (30) days advance written notice which states the effective date of the termination.
- C. **Termination for Insolvency.** COUNTY may terminate this Agreement upon receiving written notice of the institution of bankruptcy, receivership, insolvency, reorganization or other similar proceedings by, or against, PROVIDER under any applicable laws or regulations of the United States, including, without limitation, any section or chapter of the United States Bankruptcy Code, as amended. PROVIDER shall maintain adequate protections against the risk of insolvency throughout the term of this Agreement.
- D. **Termination due to Withdrawal from Practice.** COUNTY may terminate this Agreement immediately upon receiving written notice of PROVIDER's withdrawal from practice.
- E. **Termination due to Insufficient Funding.** COUNTY's obligations under this Agreement are contingent upon the availability of local, state and/or federal funds. In the event such funding is reduced or eliminated, COUNTY shall, at its sole discretion, determine whether this Agreement shall be terminated. COUNTY shall provide PROVIDER seven (7) days advance written notice of its intent to terminate this Agreement due to insufficient funding.
- F. **Compensation upon Termination.** In the event this Agreement is terminated, PROVIDER shall be entitled to compensation for any and all specialty mental health services satisfactorily provided pursuant to the terms and conditions of this Agreement through and including the effective date of termination. However, this provision shall not limit or reduce any damages owed to COUNTY due to a breach of this Agreement by PROVIDER.
- G. **Effect of Termination.** In the event this Agreement is terminated, PROVIDER shall promptly provide COUNTY with any and all finished and unfinished reports, data, studies, photographs, charts and other documents prepared by PROVIDER pursuant to the terms and conditions of this Agreement. Upon termination, PROVIDER shall make immediate and appropriate plans to transfer or refer any and all Beneficiaries receiving specialty mental health services pursuant to the terms and conditions of this Agreement to other mental health service providers.

4.0 COMPENSATION AND RECOVERIES:

4.1 Compensation:

- A. **Maximum Amount Payable.** The maximum amount payable by COUNTY for the specialty mental health services rendered, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement is One Million Four Hundred Twenty-Three Thousand Two Hundred Eighty-Six Dollars (\$1,423,286.00). In no event shall the maximum amount paid under this Agreement exceed Seven Hundred Eleven Thousand Six Hundred Forty-Three Dollars (\$711,643.00) per fiscal year for fiscal years 2019-2020 and 2020-2021. PROVIDER agrees to perform all specialty mental health services required by this Agreement for an amount not to exceed such maximum dollar amount. However, if local, state or federal funding or allowance

rates are reduced or eliminated, COUNTY may, by amendment, reduce the maximum amount payable hereunder or terminate this Agreement as provided herein.

- B. **Rate of Compensation.** COUNTY shall compensate PROVIDER for the specialty mental health services provided pursuant to the terms and conditions of this Agreement in accordance with the reimbursement rates set forth in Exhibit B – Schedule of Rates, which is attached hereto and incorporated herein by reference as if set forth in full. COUNTY hereby reserves the right to renegotiate the reimbursement rates set forth in Exhibit B – Schedule of Rates based on the outcome of COUNTY's rate negotiations with DHCS. Renegotiated reimbursement rates shall be documented in writing and made a part of this Agreement in accordance with the amendment provisions set forth herein. PROVIDER may submit to COUNTY written requests for rate changes, as necessary, with a frequency of not more than one (1) time per quarter.
- C. **Provisional Treatment Rate.** In the event PROVIDER's annual year-end cost report prepared pursuant to the terms and conditions of this Agreement fails to justify or support the established rates of compensation set forth in Exhibit B – Schedule of Rates, COUNTY reserves the right to negotiate a provisional treatment rate that reflects PROVIDER's actual program costs.
- D. **Additional Services.** Any additional services not otherwise provided for herein, shall not be rendered by PROVIDER, or compensated by COUNTY, without COUNTY's prior written authorization. PROVIDER is responsible for ensuring that the total amount claimed for the specialty mental health services provided pursuant to the terms and conditions of this Agreement does not exceed the maximum payable amount set forth herein. All unauthorized costs and expenses incurred above the maximum payable amount set forth herein shall be the responsibility of PROVIDER. PROVIDER shall notify COUNTY, in writing, at least six (6) weeks prior to the date upon which PROVIDER estimates that the maximum payable amount will be reached.

4.2 **Submission and Processing of Service Claims:**

- A. **Submission of Service Claims.** PROVIDER shall submit to COUNTY monthly service claims itemizing any and all specialty mental health services provided, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement within thirty (30) days after the end of each month in which such specialty mental health services were provided. PROVIDER shall submit a final service claim for payment within thirty (30) days following the expiration or termination date of this Agreement. Service claims shall be prepared using any and all applicable claim forms currently used by COUNTY's Mental Health Managed Care Medi-Cal Program for specialty mental health services provided to Beneficiaries, and shall include the date that each service was provided, the total number of service hours per day, the total cost per day, the total cost per month and any additional information needed to process the service claim. Any and all service claims submitted pursuant to the terms and conditions of this Agreement shall be sent to COUNTY at the following address:

COUNTY: Humboldt County DHHS – Mental Health
Attention: Claims Data Management
507 F Street
Eureka, California 95501

- B. **Accuracy and Timeliness of Service Claims.** PROVIDER shall be solely responsible for the accuracy and timeliness of all data and information submitted by PROVIDER to COUNTY and/or DHCS in support of service claims for the specialty mental health services provided pursuant to the terms and conditions of this Agreement. COUNTY shall have no liability for PROVIDER's failure to comply with any applicable local, state or federal timeframes or accuracy requirements.

- C. **Modifications to the Claims Processing System.** COUNTY may modify the policies and procedures regarding the submission and processing of service claims, at any time, in order to comply with changes in, or interpretations of, any and all applicable local, state or federal laws, regulations or standards. COUNTY shall notify PROVIDER in writing of any modifications of its policies and/or procedures regarding the submission and processing of service claims within thirty (30) days after receiving notification of any modifications to applicable local, state or federal laws, regulations or standards. PROVIDER shall comply with any and all written instructions from COUNTY regarding compliance with any policies and procedures regarding the submission and processing of service claims.

4.3 **Reimbursement of Service Claims:**

- A. **Reimbursement Requirements.** COUNTY will reimburse PROVIDER for the specialty mental health services provided pursuant to the terms and conditions of this Agreement, if the following requirements are met:
1. The Beneficiary is enrolled in, and eligible for benefits under, the California Medi-Cal Program at the time the claimed services are provided by PROVIDER.
 2. The claimed services are covered under COUNTY's Medi-Cal Managed Health Care Program according to the laws and regulations in effect at the time such services are provided.
 3. The claimed services meet the medical necessity criteria for specialty mental health services set forth in 9 C.C.R. Division 1, Chapter 11.
 4. Claims for reimbursement are submitted to COUNTY in accordance with the terms and conditions of this Agreement and the Medi-Cal claims processing and documentation standards and procedures set forth in the Organizational Provider Manual, including, without limitation, completion of a daily contact log.
- B. **Provisional Reimbursement.** COUNTY shall provisionally reimburse PROVIDER for the specialty mental health services rendered, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement based on the reimbursement rates set forth in Exhibit B – Schedule of Rates within thirty (30) days after the receipt of approved service claims. If a service claim is not submitted in accordance with the terms and conditions of this Agreement, COUNTY may withhold payment until COUNTY is in receipt of a complete and correct service claim.
- C. **Year-End Settlement.** Initial year-end settlement shall occur no later than ninety (90) days after COUNTY has submitted its year-end cost report to DHCS, and will be based upon the negotiated rates for approved Medi-Cal units of service set forth in Exhibit B – Schedule of Rates, the annual year-end cost report prepared pursuant to the terms and conditions of this Agreement and the third-party liability requirements set forth herein. PROVIDER shall only be reimbursed for specialty mental health services provided during the period of time PROVIDER is duly licensed and/or certified to perform such specialty mental health services, and only to the extent required by any and all applicable local, state and federal laws, regulations and standards. If it is determined that the cost reported by PROVIDER is less than the actual payments made by COUNTY, PROVIDER shall reimburse COUNTY for the overpayment as set forth herein.
- D. **Suspension of Payments.** COUNTY, in its sole discretion, may suspend any and all payments relating to the specialty mental health services provided pursuant to the terms and conditions of this Agreement for good cause. Notice of suspension of payments, which includes, without limitation, a

statement of the reasons for such suspension, shall be provided to PROVIDER. In the event COUNTY suspends or withholds payment to PROVIDER pending receipt of required data or documentation, PROVIDER shall hold COUNTY harmless for any and all service claims not submitted within any applicable local, state or federal timeframes.

- E. **Payment Appeal Process.** PROVIDER may appeal final settlement, and/or any denied or modified request for payment made hereunder, by submitting a written appeal request in accordance with the grievance and appeals procedures set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full.
- F. **Effect of Non-Payment:** In the event COUNTY cannot, or will not, pay for the specialty mental health services provided pursuant to the terms and conditions of this Agreement, PROVIDER shall hold harmless all Beneficiaries and the State of California.

4.4 **Third-Party Liability:**

Except as provided herein, COUNTY shall be solely responsible for compensating PROVIDER for the specialty mental health services provided pursuant to the terms and conditions of this Agreement, and CONTRACTOR shall not seek any compensation, including, without limitation, co-payments, from Beneficiaries for the provision of such specialty mental health services. However, nothing herein shall prevent PROVIDER from seeking authorized share of cost payments, and/or payments for services not covered under the terms and conditions of this Agreement, from Beneficiaries. To the extent that any applicable third-party revenues received by PROVIDER relate to reimbursable costs incurred pursuant to the terms and conditions of this Agreement, such third-party revenues shall be credited to COUNTY either as a reduction of the costs incurred hereunder or a cash refund.

- A. **Third-Party Health Insurance Coverage.** PROVIDER shall notify COUNTY of any specialty mental health services provided pursuant to the terms and conditions of this Agreement that may be covered by private third-party health insurance or another health program in accordance with the notification and recovery requirements set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full. PROVIDER hereby agrees to assist COUNTY in obtaining any potential third-party insurance recoveries.
- B. **Potential Tort, Casualty and Workers' Compensation Awards.** PROVIDER shall notify COUNTY of any potential tort, casualty insurance and workers' compensation awards that may be used to reimburse PROVIDER for any specialty mental health services provided pursuant to the terms and conditions of this Agreement.
- C. **Beneficiary's Share of Cost.** If so instructed by Director, PROVIDER shall determine a Beneficiary's share of the cost associated with the specialty mental health services provided pursuant to the terms and conditions of this Agreement using the State of California's Uniform Method of Determining the Ability to Pay, and notify COUNTY of such determination in accordance with the notification and recovery requirements set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full. Such determinations shall be made any time there is a demonstrable change in a Beneficiary's financial status, but no less than annually. PROVIDER agrees that a Beneficiary's inability to pay shall not be a bar to PROVIDER's services.
- D. **Medicare Coverage.** Specialty mental health services provided under both the Medicare and Medi-Cal Programs will continue to be paid through the current Fee-For-Service system without authorization from COUNTY.

4.5 Recovery of Overpayments:

- A. **Recovery of Local, State and Federal Overpayments.** Any and all amounts paid to PROVIDER for the specialty mental health services provided pursuant to the terms and conditions of this Agreement which are found to be un-reimbursable by any local, state or federal governmental agency shall be repaid to COUNTY in accordance with any and all applicable local, state and federal laws, regulations and standards. PROVIDER may appeal a determination of overpayment by submitting a written appeal request in accordance with the grievance and appeals procedures set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full.
- B. **Payment of Amounts Due to COUNTY.** Any and all payments due to the COUNTY pursuant to the terms and conditions of this Agreement shall be: paid in one (1) cash payment; offset against prior liabilities; deducted from future claims over a period not to exceed three (3) months; deducted from any amounts owed to PROVIDER, whether under this Agreement or otherwise; paid by cash payments over a period not to exceed three (3) months; or a combination of any or all of the above. PROVIDER shall notify COUNTY as to which of the above-referenced payment options PROVIDER requests be used as the method to recover the amount owed to COUNTY within ten (10) days after receiving written notice of such amount. Regardless of PROVIDER's preferred payment option, final determination of the method of payment shall be at COUNTY's sole discretion. In the event this Agreement is terminated for cause, COUNTY may, in its sole discretion, immediately withhold any amount owed to COUNTY from future claims.
- C. **Interest Charges on Delinquent Payments Due to COUNTY.** If PROVIDER, without good cause, as determined in the sole judgment of Director, fails to pay COUNTY any amount owed to COUNTY pursuant to the terms and conditions of this Agreement within sixty (60) days after the due date, COUNTY may, after providing written notice to PROVIDER, assess daily interest charges at a rate equal to COUNTY's General Fund Rate, as determined by the Humboldt County Auditor-Controller. Interest charges shall be paid by cash payment upon demand and/or deducted from any amounts due by COUNTY to PROVIDER whether under this Agreement or otherwise. PROVIDER shall have sixty (60) days from the date that any payment owed to COUNTY is due to present to Director a good cause justification for PROVIDER's failure to pay COUNTY.

5.0 REPORTS, RECORDS AND AUDITS:

5.1 Reporting Requirements:

- A. **General Reporting Requirements.** PROVIDER agrees to provide COUNTY with any and all reports that may be required by any local, state and/or federal agencies for compliance with this Agreement, including, without limitation, service activity data forms, utilization reports, compliance reports, financial reports, treatment services reports, demographic characteristic reports for Beneficiaries receiving specialty mental health services pursuant to the terms and conditions of this Agreement and any other reports that may be required by COUNTY. PROVIDER shall submit one (1) hard copy and one (1) electronic copy of any and all reports required hereunder in a format that complies with the Americans with Disabilities Act and any other applicable accessibility laws, regulations and standards. Any and all reports required hereunder shall be submitted in accordance with any and all applicable timeframes using the format required by the State of California as appropriate.
- B. **Financial Reporting Requirements.** PROVIDER shall collect, maintain and submit any and all financial data, documentation and information that may be required by any and all local, state and/or federal agencies for compliance with this Agreement, including, without limitation, the following:

1. Financial information and/or records pertaining to PROVIDER's business operations, including, without limitation:
 - a. Audited financial statements from audits prepared by a qualified Certified Accountant in accordance with the requirements of United States Office of Management and Budget ("OMB") Circular A-133. Audited financial statements shall be submitted to COUNTY annually within thirty (30) days of PROVIDER's receipt thereof.
 - b. Internal Revenue Service Form 990 and all supporting schedules required to be submitted therewith. The above-referenced Internal Revenue Service forms shall be submitted to COUNTY within thirty (30) days of PROVIDER's filing thereof.
 - c. Notices of any and all tax delinquencies, including, without limitation, property, sales, income and payroll taxes. Notices of tax delinquency shall be submitted to COUNTY within ten (10) days of PROVIDER's receipt of notice, or knowledge, of delinquency.
 2. Service claims reflecting the number and type of specialty mental health services provided pursuant to the terms and conditions of this Agreement, multiplied by the rates of compensation set forth in Exhibit B – Schedule of Rates. Service claims shall be submitted to COUNTY within thirty (30) days after each month in which specialty mental health services are provided pursuant to the terms and conditions of this Agreement.
 3. Contact logs indicating each Beneficiary's receipt of the specialty mental health services provided pursuant to the terms and conditions of this Agreement. Contact logs must be submitted to COUNTY within thirty (30) days after each month in which specialty mental health services are provided pursuant to the terms and conditions of this Agreement.
- C. **Year-End Cost Reports.** PROVIDER shall submit to COUNTY an unaudited year-end cost report, which includes an accurate and complete statement of any and all costs incurred, and units of service generated, pursuant to the terms and conditions of this Agreement, within ninety (90) days after the end of each fiscal year in which specialty mental health services are provided hereunder. PROVIDER shall also submit a final year-end cost report within ninety (90) days after the expiration or termination date of this Agreement. Year-end cost reports shall be separated into each type of specialty mental health service provided pursuant to the terms and conditions of this Agreement in accordance with any and all applicable local, state and federal fiscal reporting requirements, as well as any and all written instructions and/or guidelines provided by COUNTY. COUNTY may suspend any payments due hereunder until past due year-end cost reports are received. If an accurate and complete year-end cost report is not submitted within one hundred (100) days after the end of any fiscal year in which specialty mental health services are provided pursuant to the terms and conditions of this Agreement, any and all amounts covered by the outstanding year-end cost report shall be repaid to COUNTY as set forth herein.

5.2 **Record Preparation, Retention and Inspection Requirements:**

- A. **Preparation of Clinical Records.** PROVIDER shall timely prepare and maintain, in accordance with any and all applicable local, state and federal laws, regulations and standards, an accurate, complete and legible "Clinical Record" for each Beneficiary who receives specialty mental health services pursuant to the terms and conditions of this Agreement. Clinical Records prepared and maintained pursuant to the terms and conditions of this Agreement shall contain sufficient detail to permit and facilitate effective internal professional review, external medical audit processes and adequate follow-up treatment. For purposes of this provision, "Clinical

Records" shall include, without limitation, any and all physical and electronic books, records, documents and other evidence of mental health treatment originated or prepared as part of PROVIDER's performance of the specialty mental health services provided pursuant to the terms and conditions of this Agreement, including, but not limited to, any and all treatment records, medical charts, prescription files and other documentation pertaining to the specialty mental health services provided hereunder.

- B. Preparation of Clinical Documentation.** PROVIDER shall timely prepare and maintain, in accordance with any and all applicable local, state and federal laws, regulations and standards, any and all "Clinical Documentation," necessary to disclose how PROVIDER discharged its duties and obligations hereunder. Clinical Documentation shall identify all of the following: the quantity and quality of the specialty mental health services provided pursuant to the terms and conditions of this Agreement; the names of, and all other necessary identifying information pertaining to, Beneficiaries who received such services; the manner in which PROVIDER administered the provision of such services; and the cost of, and the manner and amount of payment made for, such services. For purposes of this provision, "Clinical Documentation" shall include, without limitation, any and all physical and electronic books, records, documents and other evidence of mental health treatment originated or prepared as part of PROVIDER's performance of the specialty mental health services provided pursuant to the terms and conditions of this Agreement, including, but not limited to, working papers, performance reports, financial records and other documentation pertaining to the specialty mental health services provided hereunder.
- C. Preparation of Performance Records.** PROVIDER shall timely prepare and maintain, in accordance with any and all applicable local, state and federal laws, regulations and standards, any and all records, documents and other evidence relating to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, including, without limitation, documentation regarding PROVIDER's accounting procedures and practices, necessary to properly reflect all direct and indirect costs of any nature claimed to have been incurred in the performance of the specialty mental health services provided hereunder, including, but not limited to, any and all matching costs and expenses.
- D. Record Preservation.** PROVIDER shall preserve, in accordance with any and all applicable local, state and federal laws, regulations and standards, any and all records and documentation prepared and maintained pursuant to the terms and conditions of this Agreement for a period of ten (10) years after final payment hereunder, and for such longer period, if any, as required by applicable statute or any provision of this Agreement.
1. If this Agreement is completely or partially terminated, any and all records and/or documentation relating to the terminated specialty mental health services shall be preserved and made available for a period of ten (10) years from the date of any resulting final settlement.
 2. If any litigation, claim, negotiation, audit or other action involving any records and/or documentation prepared and maintained pursuant to the terms and conditions of this Agreement is initiated before the expiration of the above-referenced (10) year period, such records and/or documentation shall be retained until completion of the action and resolution of all issues arising therefrom, or until the end of the ten (10) year period, whichever is later.
- E. Record Inspection.** PROVIDER shall make, in accordance with any and all applicable local, state and federal laws, regulations and standards, any and all records and documentation prepared pursuant to the terms and conditions of this Agreement immediately available, during normal

business hours, for inspection, audit and reproduction by COUNTY, DHCS, the California Department of General Services, the Bureau of State Audits, or their designated representatives, including, without limitation, the Comptroller General of the United States, and any other duly authorized local, state or federal agencies for a period of ten (10) years after final payment hereunder, and for such longer period, if any, as required by applicable statute or any provision of this Agreement. PROVIDER shall also allow interviews of any of its employees who might reasonably have information related to any records and/or documentation prepared and maintained pursuant to the terms and conditions of this Agreement by COUNTY and any other duly authorized local, state or federal agencies during the above-referenced ten (10) year period.

- F. **Record Storage and Reproduction.** Following the receipt of final payment under this Agreement, PROVIDER may, at its discretion, reduce any and all records and/or documentation prepared and maintained pursuant to the terms and conditions of this Agreement to microfilm, computer disk, CD ROM, DVD or other data storage medium. Upon request by a designated representative of COUNTY, DHCS or any other duly authorized local, state or federal agency to inspect, audit or obtain copies of said records and/or documentation, PROVIDER shall supply or make available any and all applicable devices, hardware and/or software necessary to view, copy and/or print such records and/or documentation.
- G. **Effect of Non-Compliance.** PROVIDER's failure to comply with the requirements set forth herein may result in the imposition of any and all applicable penalties pertaining to obstruction of governmental investigations.

5.3 **Audit and Examination Requirements:**

- A. **General Audit and Examination Requirements.** In accordance with any and all applicable local, state and federal laws, regulations and standards, including, without limitation, California Government Code Section 8546.7, any and all facilities, activities, records, documentation, reports and other evidence relating to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, and any subcontracts related hereto, shall be subject to examination and audit by COUNTY, DHCS, the California State Auditor, the California Department of General Services, the Bureau of State Audits, or their designated representatives, including, but not limited to, the Comptroller General of the United States, and any other duly authorized local, state or federal agencies. PROVIDER agrees to allow COUNTY, DHCS and any other duly authorized local, state or federal agencies access to such facilities, activities, records, documentation, reports and evidence, during normal business hours, for a period of ten (10) years after final payment hereunder, and for such longer period, if any, as required by applicable statute or any provision of this Agreement.
- B. **Local, State and Federal Financial Audits.** In accordance with any and all applicable local, state and federal laws, regulations and standards, any and all expenditures of local, state and federal funds related to the specialty mental health services provided pursuant to the terms and conditions of this Agreement shall be subject to audit by COUNTY, DHCS, the California State Auditor, the California Department of General Services, the Bureau of State Audits, or their designated representatives, including, without limitation, the Comptroller General of the United States, and any other duly authorized local, state or federal agencies. Any and all local, state and/or federal financial audits shall be conducted to establish whether PROVIDER has expended state and federal funds in accordance with any and all applicable local, state and federal laws, regulations, standards and contractual obligations set forth in the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full.

- C. **Local, State and Federal Audit Reports.** Any and all audit reports pertaining to the specialty mental health services provided pursuant to the terms and conditions of this Agreement prepared by COUNTY, DHCS, the California State Auditor, the California Department of General Services, the Bureau of State Audits, or their designated representatives, including, without limitation, the Comptroller General of the United States, or any other duly authorized local, state or federal agencies, shall reflect any and all findings, recommendations, adjustments and corrective actions related to any audit exception or exceptions set forth therein. COUNTY shall provide copies of any such local, state and federal audit reports within fifteen (15) days after the completion or receipt thereof. PROVIDER agrees to develop and implement, in coordination with COUNTY, and any other duly authorized local, state or federal agencies, any and all corrective action plans necessary to comply with any recommendations contained in the audit report. Such corrective action plans shall include time-specific objectives to allow for the measurement of progress toward the correction of specified deficiencies, and shall be subject to verification by COUNTY within one (1) year from the finalization thereof.
- D. **Audit Settlement.** In the event that any audit conducted by COUNTY, DHCS, the California State Auditor, the California Department of General Services, the Bureau of State Audits, or their designated representatives, including, without limitation, the Comptroller General of the United States, or any other duly authorized local, state or federal agencies, determines that the amounts paid by COUNTY for any specialty mental health services provided pursuant to the terms and conditions of this Agreement are more than the amounts allowable hereunder, PROVIDER shall be responsible for repaying the difference to COUNTY as set forth herein. However, if any such audit determines that the amounts paid by COUNTY for any cost reimbursed specialty mental health services provided pursuant to the terms and conditions of this Agreement are less than the amounts allowable hereunder, COUNTY shall be responsible for repaying the difference to PROVIDER as set forth herein.
- E. **Disallowances.** In the event any specialty mental health services provided, claimed or billed pursuant to the terms and conditions of this Agreement are disallowed or denied by COUNTY or any other local, state or federal agencies as a result of any audit conducted hereunder, PROVIDER shall be responsible for repaying any amounts paid for such disallowed or denied services or claims to COUNTY as set forth herein. PROVIDER shall hold COUNTY harmless from and against any and all loss resulting from disallowances resulting from any local, state or federal audit conducted pursuant to the terms and conditions of this Agreement.
- F. **Audit Appeal Process.** PROVIDER may appeal any audit exception or settlement related to the specialty mental health services provided pursuant to the terms and conditions of this Agreement by submitting a written appeal request in accordance with the grievance and appeals procedures set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full. The appeal of any audit exception or exceptions shall not prevent post-contract audit settlement.

6.0 LEGAL, REGULATORY AND CONTRACTUAL COMPLIANCE:

6.1 Compliance with Applicable Laws, Regulations and Requirements:

- A. **General Legal Requirements.** PROVIDER agrees to comply with any and all applicable regulations of the California Medi-Cal and Medicaid Programs and all other local, state and federal laws, regulations, policies, procedures and standards applicable to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, including, without limitation, 22 C.C.R. Sections 51200, *et seq.* and Sections 1396, *et seq.* of Title 42 of the United States Code ("U.S.C.").

- B. Licensure Requirements.** PROVIDER agrees to comply with any and all local, state and federal licensure, certification and accreditation standards applicable to the specialty mental health services provided pursuant to the terms and conditions of this Agreement. PROVIDER shall provide COUNTY with required copies of all necessary licenses and other documentation pertaining to licensure and certification as set forth in the Organizational Provider Manual.
- C. Accessibility Requirements.** PROVIDER agrees to comply with any and all applicable accessibility requirements set forth in the Americans with Disabilities Act, Section 508 of the Rehabilitation Act of 1973, as amended, California Government Code Section 1135 and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, the federal accessibility standards set forth in Section 1194.1 of Title 36 of the Code of Federal Regulations ("C.F.R."), all as may be amended from time to time.
- D. Conflict of Interest Requirements.** PROVIDER agrees to comply with any and all applicable conflict of interest requirements set forth in the California Political Reform Act and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, COUNTY's Conflict of Interest Code, all as may be amended from time to time.
- E. Fraud Prevention Requirements.** PROVIDER agrees to comply with any and all applicable verification, reporting and notification requirements set forth in 42 C.F.R. Section 438.608 and any other applicable local, state and federal laws, regulations, policies, procedures and standards relating to the prevention of fraud, waste and abuse of state and federal health care funding.
- F. Child Support Requirements.** PROVIDER agrees to comply with any and all applicable local, state and federal laws, regulations and standards relating to child and family support enforcement, including, without limitation, disclosure of information and compliance with earnings assignment orders, as set forth in California Family Code Sections 5200, *et seq.* PROVIDER hereby certifies that, to the best of its knowledge, it is currently complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- G. Humboldt County Local System of Care.** PROVIDER agrees to comply with any and all applicable provisions of the Humboldt County Local System of Care, which is attached hereto as Exhibit C – Local System of Care and incorporated herein by reference as if set forth in full.
- H. Humboldt County Organizational Provider Manual.** PROVIDER agrees to comply with any and all applicable laws, regulations, policies, procedures, standards and guidelines set forth in the Organizational Provider Manual, and any updates thereto, which are incorporated herein by reference and made a part hereof as if set forth in full. PROVIDER hereby certifies that it was provided with a copy of the Organizational Provider Manual on the date set forth in Exhibit D – Acknowledgement of Receipt, which is attached hereto and incorporated herein by reference as if set forth in full.
- I. Humboldt County Mental Health Managed Care Agreement.** PROVIDER agrees to comply with any and all applicable provisions of the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full. In the event, of any conflict in the terms and conditions set forth in COUNTY's Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) and the terms and conditions set forth in this Agreement, the terms and conditions set forth in COUNTY's Mental Health Managed Care Agreement (State

Standard Agreement No. 17-94583) shall have priority. COUNTY's Mental Health Managed Care Agreement can be obtained online at <https://humboldt.gov>.

- J. **Humboldt County Mental Health Performance Agreement.** PROVIDER agrees to comply with any and all applicable provisions of the Mental Health Performance Agreement (State Standard Agreement No. 17-94523) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full. In the event, of any conflict in the terms and conditions set forth in COUNTY's Mental Health Performance Agreement (State Standard Agreement No. 17-94523) and the terms and conditions set forth in this Agreement, the terms and conditions set forth in COUNTY's Mental Health Performance Agreement (State Standard Agreement No. 17-94523) shall have priority. COUNTY's Mental Health Performance Agreement can be obtained online at <https://humboldt.gov>.
- K. **Humboldt County Policies Regarding Advance Directives.** PROVIDER agrees to comply with COUNTY's policies and procedures pertaining to Advance Directives, which are incorporated herein by reference and made a part hereof as if set forth in full. As used herein, the term "Advance Directives" shall mean a written instruction, recognized under the laws of the State of California, such as a living will or durable power of attorney for health care, relating to the provision of health care when the individual is incapacitated as defined in 42 C.F.R. Section 489.100.
- L. **Humboldt County Physician Incentive Plans.** PROVIDER agrees to comply with COUNTY's obligations for Physician Incentive Plans, if applicable, based on the specialty mental health services provided pursuant to the terms and conditions of this Agreement. As used herein, the term "Physician Incentive Plans" shall include any compensation arrangement to pay a physician or physician group that may directly or indirectly have the effect of reducing or limiting the specialty mental health services provided to any Beneficiary as set forth in 42 C.F.R. Section 422.208(a).

6.2 **Confidential Information:**

- A. **Legal Compliance.** PROVIDER hereby agrees to protect any and all confidential records and Beneficiary confidentiality in conformance with any and all applicable local, state and federal laws, regulations and standards, including, without limitation: California Welfare and Institutions Code Sections 827, 5328, 10850 and 14100.2; California Health and Safety Code Sections 1280.15 and 1280.18; the California Information Practices Act of 1977; the California Confidentiality of Medical Information Act ("CMIA"); the United States Health Information Technology and Clinical Health Act ("HITECH Act"); the United States Health Information Portability and Accountability Act of 1996 ("HIPAA") and any current and future implementing regulations promulgated thereunder, all as may be amended from time to time.
- B. **State Contractual Requirements.** PROVIDER hereby agrees to comply with any and all applicable confidentiality requirements contained in the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) and the Mental Health Performance Agreement (State Standard Agreement No. 17-94523) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full.
- C. **Assistance in Litigation and Administrative Proceedings.** PROVIDER shall make itself, and any agents, officers, directors, employees or subcontractors assisting PROVIDER in the performance of its duties and obligations hereunder, available to DHCS, at PROVIDER's expense, to testify as witnesses or otherwise, in the event of any litigation or administrative proceedings being commenced against DHCS, or its agents, officers, directors or employees,

based upon claimed violations of HIPAA, or any regulations promulgated thereunder, which involve inactions or actions by COUNTY or PROVIDER, except where COUNTY or PROVIDER is a named adverse party.

- D. **Continuing Compliance with Confidentiality Laws.** Each party hereto acknowledges that local, state and federal laws, regulations, standards and contractual requirements pertaining to confidentiality, electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments. Each party agrees to promptly enter into negotiations concerning an amendment to this Agreement embodying written assurances consistent with the requirements of HIPAA, the HITECH Act, the CMIA and any other applicable local, state and federal laws, regulations, standards or contractual requirements.

6.3 **Privacy and Data Security Requirements:**

- A. **Legal Compliance.** PROVIDER hereby agrees to comply with any and all applicable local, state and federal privacy and data security requirements, including, without limitation: the Federal Privacy Regulations contained in 45 C.F.R. Parts 160 and 164; the Federal Security Standards contained in 45 C.F.R. Parts 160, 162 and 164; the Federal Standards for Electronic Transactions contained in 45 C.F.R. Parts 160 and 162; 42 C.F.R. Sections 431.300, *et seq.*; and 45 C.F.R. Section 205.50, all as may be amended from time to time.
- B. **State Contractual Requirements.** PROVIDER further agrees to comply with any and all applicable privacy and data security requirements contained in the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) and the Mental Health Performance Agreement (State Standard Agreement No. 17-94523) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full.
- C. **Disclosure of Confidential Information.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:
1. **Disclosure of Identifying Information.** PROVIDER shall protect from unauthorized disclosure the names and other "Identifying Information," including "Personal Information" and "Personally Identifiable Information," concerning persons receiving specialty mental health services pursuant to this Agreement or persons whose names or Identifying Information become available, or are disclosed, to PROVIDER as a result of the specialty mental health services provided hereunder, except for statistical information not identifying any such person.
 - a. **Personal Information.** As used herein, the term "Personal Information" ("PI") shall include, without limitation, any and all information that identifies or describes an individual, including, but not limited to, his or her physical description, home address, home telephone number, education, financial matters, medical or employment history and statements made by, or attributed to, the individual.
 - b. **Personally Identifiable Information.** As used herein, the term "Personally Identifiable Information" ("PII") shall include, without limitation, any and all information which can be used to distinguish or trace an individual's identity, such as their name, social security number, driver license number, identification card number, financial account number or other identifying number, symbol or particular, including, but not limited to, finger prints, voice prints and photographs.

2. **Unauthorized Disclosures of Identifying Information.** PROVIDER shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the Beneficiary, any such Identifying Information to anyone other than COUNTY or DHCS without prior written authorization from COUNTY or the DHCS Program Contract Manager, unless disclosure is required by applicable local, state or federal law.
3. **Use of Identifying Information.** PROVIDER shall not use such Identifying Information for any purpose other than carrying its obligations under this Agreement.
4. **Notification of Requests for Identifying Information.** PROVIDER shall promptly transmit to COUNTY all requests for disclosure of such Identifying Information not emanating from a Beneficiary whose name or Identifying Information becomes available, or is disclosed, to PROVIDER as a result of the specialty mental health services provided hereunder.
5. **Use and Disclosure of Protected Health Information.** PROVIDER shall not use or disclose "Protected Health Information" in any manner that would constitute a breach of this Agreement or a violation of any applicable local, state or federal laws, regulations or standards.
 - a. **Protected Health Information.** As used herein, the term "Protected Health Information" ("PHI") shall include, without limitation, any and all individually identifiable health information that is transmitted by, or maintained in, electronic media or any other medium, as defined by the HIPAA Standards for Privacy of Individually Identifiable Health Information and the Federal Security Standards contained in 45 C.F.R. Parts 160 and 164, all as may be amended from time to time.
6. **Minimum Use and Disclosure of Protected Health Information.** PROVIDER shall use or disclose only the minimum amount of PHI necessary to accomplish the intended purpose of this Agreement.
7. **Legal Standards Pertaining to Protected Health Information.** PROVIDER shall only use, store, disclose or access PHI in compliance with this Agreement and all applicable local, state and federal laws, regulations and standards.
8. **Downloading Protected Health Information.** PROVIDER shall not download PHI to any personal device, including, without limitation, flash drives, cell phones or tablets without COUNTY's prior written approval.
9. **Maintenance and Preservation of Disclosure Records.** PROVIDER agrees to timely prepare accurate and complete performance records relating to the use and disclosure of PHI transmitted pursuant to this Agreement, and to maintain and preserve said records for at least ten (10) years from the date of expiration or termination of this Agreement, except that if any litigation, claim, negotiation, audit or other action is pending, the records shall be retained until completion and resolution of all issues arising therefrom.
10. **Accounting Requirements.** PROVIDER shall comply with the accounting requirements set forth in 45 C.F.R. Section 164.528 and any associated regulations or informal guidance issued by the United States Department of Health and Human Services – Office of Civil Rights, all as may be amended from time to time.

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- D. Security Incidents and Suspected Breaches of Confidential Information.** If PROVIDER has reason to believe that PHI, PI or PII transmitted hereunder may have been accessed, disclosed or acquired in breach of this Agreement, PROVIDER shall immediately take all actions necessary to preserve forensic evidence and to identify, mitigate and remediate the cause of the suspected breach. Such actions shall include, without limitation, the following:
1. **Reporting Breaches of Confidential Information.** PROVIDER shall notify COUNTY immediately, by telephone and e-mail or fax, upon the discovery of a breach of PHI, PI or PII in electronic media or any other medium, if the PHI, PI or PII was, or is reasonably believed to have been, accessed or acquired by an unauthorized person.
 2. **Reporting Suspected Security Incidents.** PROVIDER shall notify COUNTY, by telephone and e-mail or fax, within twenty-four (24) hours after discovering any suspected security incident, loss or unauthorized access, use or disclosure of PHI, PI or PII in violation of this Agreement or any applicable local, state or federal laws, regulations or standards.
 - a. **Discovery of Breaches and Security Incidents.** For purposes of this Agreement, a breach of, or security incident involving, PHI, PI or PII shall be treated as discovered by PROVIDER as of the first (1st) day on which such breach is known, or by exercising reasonable diligence would have been known, to PROVIDER or any employee or agent thereof, other than the person committing the suspected breach.
 3. **Reporting Suspected Breaches and Security Incidents to Affected Individuals.** To the extent deemed warranted, PROVIDER shall provide notice to any and all individuals affected by the suspected breach of, or security incident involving, PHI, PI or PII. PROVIDER shall pay the full costs associated with notifying such individuals, which may include, without limitation, the costs to retain an outside firm to undertake the notification effort. In addition, PROVIDER shall consult with COUNTY regarding the steps required to notify impacted individuals and any other persons, media outlets or governmental agencies, and must supply COUNTY with the following information:
 - a. **Description of Suspected Breach or Security Incident.** A brief description of the circumstances of the suspected breach of, or security incident involving, PHI, PI or PII, including, without limitation, the date of occurrence and discovery thereof, if known.
 - b. **Description of the Information Involved.** A description of the types of unsecured PHI, PI or PII that were involved in the suspected breach or security incident, including, without limitation, the full name, social security number, date of birth, home address, account number or disability code of all affected third-parties.
 - c. **Description of Remedial Actions.** A brief description of the actions being taken by PROVIDER to remediate the breach of, or security incident involving, PHI, PI or PII, mitigate losses and protect against any further breaches or security incidents.
 4. **Investigation of Suspected Breaches and Security Incidents.** PROVIDER shall immediately investigate any and all suspected breaches of, or security incidents involving, PHI, PI or PII. Within seventy-two (72) hours after the discovery of such suspected breach or security incident, PROVIDER shall submit an updated "Privacy Incident Report" containing the applicable information to the extent known at that time.
 5. **Remediation of Breaches and Security Incidents.** Upon discovery of a breach of, or security incident involving, PHI, PI or PII, PROVIDER shall:

- a. **Corrective Action.** Take prompt corrective action to mitigate any risks or damages regarding the breach or security incident and to protect the operating environment.
 - b. **Legal Compliance.** Take any action pertaining to such breach or security incident required by any and all applicable local, state and federal laws and regulations.
6. **Cooperation with COUNTY's Remediation Efforts.** Upon discovery of a breach of, or security incident involving, PHI, PI or PII, PROVIDER shall give highest priority to immediately mitigating and remediating the breach or security incident, and shall devote such resources as may be required to accomplish that goal. In addition, PROVIDER shall cooperate with COUNTY's mitigation and remediation efforts, including, without limitation, providing any and all information necessary to enable COUNTY to fully understand the nature and scope of the breach or security incident, including, but not limited to, identification of each individual whose unsecured PHI may have been improperly accessed, acquired or disclosed. In the event that PROVIDER's assistance is required to reinstall software, such assistance shall be provided, at PROVIDER's expense, in accordance with COUNTY's policies and standards.
7. **Remediation Report.** PROVIDER shall provide to COUNTY a written report of the investigation of a breach of, or security incident involving, PHI, PI or PII within ten (10) business days following the discovery thereof. The report shall include the above-referenced information, as well as a detailed corrective action plan, including information on measures that were taken to remediate and/or contain the breach or security incident.
- E. **Safeguarding Confidential Information.** PROVIDER shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of all PHI, PI and PII related to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, including, without limitation, electronic PHI, PI and PII that PROVIDER creates, receives, maintains, uses or transmits on behalf of COUNTY. PROVIDER shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of PROVIDER's operations and the nature and scope of its activities, including, at a minimum, all of the following safeguards:
1. **Personnel Controls.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:
 - a. **Employee Training.** Any and all employees who assist in the performance of PROVIDER's duties and obligations hereunder, or access or disclose PHI, PI or PII, must complete, at a minimum, annual confidentiality, data security and privacy training at their own expense. Each employee who receives confidentiality, data security and privacy training pursuant to the terms and conditions of this Agreement must sign a certification indicating the member's name and the date on which the training was completed. Such certifications must be retained for a period of ten (10) years following the expiration or termination of this Agreement.
 - b. **Employee Discipline.** Appropriate sanctions must be applied against any and all employees who fail to comply with any of the confidentiality, data security or privacy requirements contained herein, including, without limitation, termination of employment where appropriate.

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- c. **Confidentiality Statement.** Any and all employees that will be accessing PHI, PI or PII must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use and Enforcement Policies, prior to gaining access to any such PHI, PI or PII and on an annual basis thereafter. PROVIDER shall retain each employee's written confidentiality statement for a period of ten (10) years following the expiration or termination of this Agreement.
 - d. **Background Check.** A background screening of each employee that will be accessing PHI, PI or PII must be conducted before such employee is allowed to obtain any PHI, PI or PII. The screening should be commensurate with the risk and magnitude of harm that each employee could cause, with more thorough screening being done for those employees who are authorized to bypass significant technical and operational security controls. PROVIDER shall retain each employee's background check documentation for a period of ten (10) years following the expiration or termination of this Agreement.
2. **Technical Security Controls.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:
- a. **Workstation and Laptop Encryption.** Any and all workstations and laptops that store PHI, PI or PII either directly, indirectly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced Encryption Standard ("AES"). The encryption solution must be full disk unless approved by DHCS.
 - b. **Server Security.** Any and all servers containing unencrypted PHI, PI or PII must have sufficient administrative, physical and technical controls in place to protect such data, based upon a risk assessment or system security review.
 - c. **Minimum Necessary.** Only the minimum amount of PHI, PI or PII required to perform necessary business functions may be copied, downloaded or exported.
 - d. **Removable Media Devices.** Any and all electronic files that contain PHI, PI or PII must be encrypted when stored on any removable media or portable device, including, without limitation, USB drives, CD, DVD, and backup tapes. Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.
 - e. **Antivirus Software.** Any and all workstations, laptops and systems that process and/or store PHI, PI or PII must install and actively use a comprehensive anti-virus software solution with automatic updates scheduled at least daily.
 - f. **Patch Management.** Any and all workstations, laptops and systems that process and/or store PHI, PI or PII must have critical security patches applied, with system reboot capabilities, if necessary. There must be a documented patch management process which determines installation timeframes based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within thirty (30) days after vendor release. Applications and systems that cannot be patched within the required timeframe due to significant operational reasons must have compensatory controls implemented to minimize risk until the patches can be installed. Any and all applications and systems that cannot be patched must have compensatory controls implemented to minimize risk, where possible.

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- g. **Data Destruction.** When no longer needed, all PHI, PI or PII must be wiped using the Gutmann or United States Department of Defense 5220.22-M (7 Pass) standard or by degaussing. Media may also be physically destroyed in accordance with National Institute of Standards and Technology Special Publication 800-88. The use of any other data destruction methods shall require prior written permission of DHCS.
- h. **User Identification and Password Controls.** Any and all users of any system providing access to PHI, PI or PII must be issued a unique user name and password. Usernames must be promptly disabled, deleted or have the password associated therewith changed within twenty-four (24) hours after the transfer or termination of an employee with knowledge of the password. Passwords must be a non-dictionary word that has at least eight (8) characters, and must not be shared or stored in readable format on any computer. Passwords must be changed at least every ninety (90) days, preferably every sixty (60) days. Passwords must be immediately changed if revealed or compromised. Passwords must be composed of characters from at least three (3) of the following four (4) groups from the standard keyboard:
- Upper case letters (A-Z);
 - Lower case letters (a-z);
 - Arabic numerals (0-9);
 - Non-alphanumeric characters (punctuation symbols).
- i. **System Timeout.** Any and all systems providing access to PHI, PI or PII must have an automatic timeout feature which requires re-authentication of the user session after no more than twenty (20) minutes of inactivity.
- j. **Warning Banners.** Any and all systems providing access to PHI, PI or PII must display a warning banner which states that data contained therein is confidential and that system use is restricted to authorized users for business purposes and will be logged. Users must be directed to log off if they disagree with such requirements.
- k. **System Logging.** Any and all systems providing access to PHI, PI or PII must maintain an automated audit trail that can be used to identify any user or process which alters PHI, PI or PII. The audit trail must be date and time stamped, log both successful and failed accesses, be read only and restricted to authorized users. If PHI, PI or PII is stored in a database, logging functionality must be enabled. Audit trail data must be archived for at least ten (10) years after occurrence.
- l. **Access Controls.** Any and all systems providing access to PHI, PI or PII must use role-based user authentication controls that enforce the principle of least privilege.
- m. **Transmission Encryption.** Any and all transmissions of PHI, PI or PII outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing PHI can be encrypted. This requirement applies to any type of PHI, PI or PII in motion such as website access and e-mail.
- n. **Intrusion Detection.** Any and all systems involved in accessing, holding, transporting or protecting PHI, PI or PII that are accessible via the internet must be protected by a comprehensive intrusion detection and prevention solution.

3. **Audit Controls.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:
 - a. **System Security Review.** PROVIDER must ensure audit control mechanisms which record and examine system activity are in place. Any and all systems processing and/or storing PHI, PI or PII must have at least an annual system risk assessment or security review, including, without limitation, vulnerability scanning, which provides assurance that administrative, physical and technical controls are functioning effectively and providing adequate levels of protection.
 - b. **Log Reviews.** Any and all systems processing and/or storing PHI, PI or PII must have a routine procedure in place to review system logs for unauthorized access.
 - c. **Change Control.** Any and all systems processing and/or storing PHI, PI or PII must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.
4. **Business Continuity and Disaster Recovery Controls.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:
 - a. **Emergency Mode Operation Plan.** PROVIDER must establish a documented plan to enable continuation of critical business processes and protection of the security of PHI, PI or PII held in an electronic format in the event of an emergency. For purposes of this provision, "emergency" means any circumstance or situation that causes normal computer operations to become unavailable for performing the work required under this Agreement for more than twenty-four (24) hours.
 - b. **Data Backup Plan.** PROVIDER must have documented procedures to backup PHI, PI or PII which allows retrievable exact copies of PHI, PI or PII to be maintained. Such procedures must include a regular schedule for making backups, storing backups offsite, an inventory of backup media and an estimate of the amount of time needed to restore lost PHI, PI or PII. At a minimum, the schedule must include weekly data backup and monthly offsite storage.
5. **Paper Document Controls.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:
 - a. **Supervision of Data.** PHI, PI or PII in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. PHI, PI or PII in paper form shall not be left unattended at any time in vehicles or airplanes and shall not be checked in baggage on commercial airplanes.
 - b. **Escorting Visitors.** Visitors to areas where PHI, PI or PII is contained shall be escorted and PHI, PI or PII shall be kept out of sight while visitors are in the area.
 - c. **Confidential Destruction.** PHI, PI or PII must be disposed of through confidential means, including, without limitation, cross cut shredding and pulverizing.
 - d. **Removal of Data.** Only the minimum necessary amount of PHI, PI or PII may be removed from the premises of PROVIDER except with express written permission from COUNTY. PHI, PI or PII shall not be considered "removed from the premises,"

if it is only being transported from one (1) of PROVIDER's locations to another of PROVIDER's locations.

- e. **Faxing.** Faxes containing PHI, PI or PII shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
- f. **Mailings.** Mailings containing PHI, PI or PII shall be sealed and secured from damage or inappropriate viewing of such PHI, PI or PII to the extent possible. Mailings which include five hundred (500) or more individually identifiable records of PHI, PI or PII in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless prior written permission to use another method is obtained.

6.4 **Patients' Rights:**

- A. **Legal Compliance.** Each party hereto shall comply with any and all applicable local, state and federal laws, regulations and standards relating to patients' rights, including, without limitation, California Welfare and Institutions Code Section 5325, 9 C.C.R. Sections 862 through 868 and 42 C.F.R. Section 438.100.
- B. **Specific Rights.** During the performance of this Agreement, each party hereto shall comply with any and all applicable local, state and federal policies and procedures pertaining to patients' rights, and shall ensure that its staff and subcontractors take those rights into account when providing specialty mental health services pursuant to the terms and conditions of this Agreement, including, without limitation, the right to:
 - 1. Receive information in accordance with 42 C.F.R. Section 438.10.
 - 2. Be treated with respect and with due consideration for his or her dignity and privacy.
 - 3. Receive information on available treatment options and alternatives, presented in a manner appropriate to his or her condition and ability to understand.
 - 4. Participate in decisions regarding his or her health care, including, without limitation, the right to refuse treatment.
 - 5. Be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience or retaliation.
 - 6. Request and receive a copy of his or her medical records, and to request that they be amended or corrected, as specified in 45 C.F.R. Sections 164.524 and 164.526.
 - 7. Be furnished services in accordance with 42 C.F.R. Sections 438.206 through 438.210.
 - 8. Freely exercise his or her rights without adversely affecting the way in which he or she is treated by PROVIDER.
- C. **Effect of Provision.** Nothing herein shall be construed to replace or conflict with the duties of patients' rights advocates set forth in California Welfare and Institutions Code Section 5520.

6.5 Required Disclosures:

- A. Notification of Change in Ownership and Control.** PROVIDER shall notify COUNTY of any change in ownership or control of its business within thirty-five (35) days after the occurrence thereof, and provide COUNTY with any and all information relating thereto upon request. The disclosures to be provided hereunder shall include, without limitation:
1. The name and address of any individual or corporation with an ownership or control interest in PROVIDER's business. The address for corporate entities shall include, as applicable, a primary business address, each business location, and a P.O. Box address;
 2. Date of birth and social security number, in the case of an individual;
 3. Tax identification number, in the case of a corporation with an ownership or control interest in PROVIDER's business or in the business of any subcontractor in which PROVIDER has a five percent (5%) or more interest;
 4. Whether the individual or corporation with an ownership or control interest in PROVIDER's business is related to another person with an ownership or control interest in the same or any other COUNTY contractor as a spouse, parent, child or sibling;
 5. Whether the individual or corporation with an ownership or control interest in the business of any subcontractor in which PROVIDER has a five percent (5%) or more interest is related to another person with ownership or control interest in PROVIDER's business as a spouse, parent, child or sibling;
 6. The name of any other disclosing entity in which PROVIDER has an ownership or control interest; and
 7. The name, address, date of birth and social security number of any managing employee of PROVIDER.
- B. Disclosures Related to Business Transactions.** In accordance with 42 C.F.R. Sections 455.101 through 455.106, PROVIDER shall submit the following disclosures regarding certain business transactions within thirty-five (35) days after receiving COUNTY's request for such information:
1. The ownership of any subcontractor with whom PROVIDER has had business transactions totaling more than Twenty-Five Thousand Dollars (\$25,000.00) within twelve (12) months prior to the date of the request; and
 2. Any significant business transactions between PROVIDER and any wholly owned supplier, or any subcontractor, within five (5) years prior to the date of the request.
- C. Disclosures Related to Persons Convicted of Crimes.** Upon request by COUNTY, PROVIDER shall submit the following disclosures regarding its owners, persons with controlling interest, agents and managing employees' criminal convictions related to federal health care programs pursuant to 42 C.F.R. Section 455.106(a)(1)-(2):
1. The identity of any managing employee of PROVIDER who has been convicted of a crime related to federal health care programs; and

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2. The identity of any agent of PROVIDER who has been convicted of a crime related to federal health care programs. For purposes of this provision, the term "agent" has the meaning set forth in 42 C.F.R. Section 455.101.

6.6 Suspension and Debarment:

- A. **Legal Compliance.** PROVIDER agrees to comply with any and all applicable local, state and federal suspension and debarment laws, regulations and standards, including, without limitation, 7 C.F.R. Part 3017, 45 C.F.R. Part 76, 40 C.F.R. Part 32 and 34 C.F.R. Part 85.
- B. **Certification of Eligibility.** By executing this Agreement, PROVIDER certifies, to the best of its knowledge and belief, that it and its principals, assignees and successors in interest:
 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal department or agency.
 2. Have not, within a three (3) year period preceding the effective date of this Agreement, been convicted of, or had a civil judgment rendered against it, for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public transaction or contract at the local, state or federal level; violation of local, state or federal antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records or receiving stolen property.
 3. Are not presently indicted for, or otherwise criminally or civilly charged by a local, state or federal governmental entity with, commission of any of the offenses referenced herein.
 4. Have not, within a three (3) year period preceding the effective date of this Agreement, had one (1) or more public transactions with a local, state or federal entity terminated for cause or default.
 5. Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, debarred, suspended, declared ineligible or voluntarily excluded from participation in such transaction, unless specifically authorized to do so by DHCS.
- C. **Construction of Provision.** The terms and definitions used herein shall have the meanings set forth in the definitions and coverage sections of the rules implementing Federal Executive Order 12549.
- D. **Effect of Non-Compliance.** Failure to meet any of the requirements set forth herein shall constitute a material breach of this Agreement, upon which COUNTY may, in addition to any other available remedies, immediately suspend any and all payments due hereunder or terminate this Agreement as provided herein.
- E. **Incorporation of Provisions.** PROVIDER agrees to include the provisions contained herein, without substantial modification, in all lower tier covered transactions as well as all solicitations for lower tier covered transactions.

6.7 Federal Health Care Program Exclusion:

- A. **Certification of Eligibility.** By executing this Agreement, PROVIDER certifies that neither it nor any of its staff members are restricted or excluded from providing services under any health

care program funded by the federal government, either directly or indirectly, in whole or in part, and that PROVIDER will notify COUNTY in writing, within thirty (30) days from receipt of a fully executed copy of this Agreement, of any event that would require the mandatory exclusion of PROVIDER, or one (1) or more of its staff members, from participation in a federally funded health care program and/or any exclusionary action taken by any agency of the federal government barring PROVIDER, or one (1) or more of its staff members, from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

- B. **Employment of Ineligible or Excluded Individuals or Entities.** PROVIDER shall not employ or contract with providers, or other individuals or entities, excluded from participation in federally funded health care programs, as defined in Section 1128B(F) of the Social Security Act, under either Section 1128, 1128A, 1156 or 1842(j)(2) of the Social Security Act. Federal funding is not available for amounts expended for providers excluded by Medicare, Medicaid or the California Children's Insurance Program, except for emergency services.
- C. **Eligibility Screening.** PROVIDER shall screen, on a monthly basis, all staff employed or retained to provide specialty mental health services related to this Agreement to ensure that they are not designated as ineligible or excluded from participation in federally funded health care programs. Screening shall be conducted against the California "Medi-Cal Suspended and Ineligible List," the United States Health and Human Services – Office of Inspector General "List of Excluded Individuals and Entities" and any other list pursuant to 42 C.F.R. Section 438.214(d). PROVIDER shall screen prospective staff prior to hire or engagement.
- D. **Eligibility Notification.** PROVIDER shall notify COUNTY in writing that PROVIDER and its staff are eligible to participate in federally funded health care programs on a monthly basis. This notification shall be performed by completing the Organizational Provider Employee Screening form (QI 67).
- E. **Disclosure Requirements.** PROVIDER shall immediately disclose to COUNTY any debarment, exclusion or other event that causes PROVIDER, or any member of its staff to be ineligible for, or excluded from, participation in federally funded health care programs. If PROVIDER discovers that a staff member has become ineligible for, or excluded from, participation in any federally funded health care program, PROVIDER shall remove such individual from responsibility for, or involvement with, business or health care operations related to this Agreement.
- F. **Defense and Indemnification.** PROVIDER shall hold harmless, defend and indemnify COUNTY against any and all loss or damage arising from any exclusion of PROVIDER, or its staff members, from participation in federally funded health care programs.
- G. **Effect of Non-Compliance.** Failure to meet any of the requirements set forth herein shall constitute a material breach of this Agreement, upon which COUNTY may, in addition to any other available remedies, immediately suspend any and all payments due hereunder or terminate this Agreement as provided herein.

6.8 **Intellectual Property Rights:**

PROVIDER hereby agrees to comply with any and all applicable intellectual property rights provisions contained in the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full.

A. **Ownership.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:

1. Except where DHCS has agreed in a signed writing to accept a license, DHCS shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all "Intellectual Property," from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from or reduced to practice by PROVIDER or DHCS as a direct or indirect result of this Agreement.
 - a. For purposes of this Agreement, "Intellectual Property" means any and all recognized and protectable rights and interests, including, without limitation, patents, whether issued or not, copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, design flows, methodologies, devices, business processes, developments, innovations, know how, good will and all other legal rights protecting intangible proprietary information as may exist now and/or come into existence hereafter, and all renewals and extensions, regardless of whether those rights arise under the laws of any state, the United States or any other country or jurisdiction.
 - i. For purposes of the definition of "Intellectual Property," "works" means all literary works, writings and printed matter, including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells and other audiovisual works, including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. The term "works" does not include articles submitted to peer review, reference journals or independent research projects.
2. In the performance of this Agreement, PROVIDER will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, PROVIDER may access and utilize certain of DHCS' Intellectual Property in existence prior to the effective date of this Agreement. Except as otherwise set forth herein, PROVIDER shall not use any of DHCS' Intellectual Property now existing or hereafter existing for any purpose without DHCS' prior written permission. Except as otherwise set forth herein, neither PROVIDER nor DHCS shall give any ownership interest in, or rights to, its Intellectual Property to the other party. If during the term of this Agreement, PROVIDER accesses any third-party Intellectual Property that is licensed to DHCS, PROVIDER agrees to abide by any and all license and confidentiality restrictions applicable to DHCS in the third-party's license agreement.
3. PROVIDER agrees to cooperate with DHCS in establishing or maintaining DHCS' exclusive rights in the Intellectual Property, and in assuring DHCS' sole rights against third-parties with respect to the Intellectual Property. If PROVIDER enters into any agreements or subcontracts with other parties in order to perform its duties and obligations hereunder, PROVIDER shall require the terms of such agreements or subcontracts to include all of the Intellectual Property provisions forth herein. Such terms must include, without limitation, the subcontractor assigning and agreeing to assign to DHCS all rights, title and interest in

Intellectual Property made, conceived, derived from or reduced to practice by the subcontractor, PROVIDER or DHCS as a direct or indirect result of this Agreement or any subcontract related hereto.

4. PROVIDER further agrees to assist and cooperate with DHCS in all reasonable respects, execute all documents, give testimony, subject to reasonable availability, and take all further acts reasonably necessary to acquire, transfer, maintain and enforce DHCS' Intellectual Property rights and interests.

B. Retained Rights and License Rights. By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:

1. Except for Intellectual Property made, conceived, derived from or reduced to practice by PROVIDER or DHCS as a direct or indirect result of this Agreement, PROVIDER shall 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. PROVIDER 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 or perform, distribute and dispose PROVIDER's Intellectual Property resulting from this Agreement, unless PROVIDER assigns all rights, title and interest in the Intellectual Property as set forth herein.
2. Nothing in this provision shall restrict, limit or otherwise prevent PROVIDER from using any ideas, concepts, know-how, methodology or techniques related to the performance of its duties and obligations hereunder, provided that PROVIDER's use does not infringe the patent, copyright, trademark, license or other Intellectual Property rights of DHCS or any third-party, or result in a breach of this Agreement or violation of any local, state or federal laws, regulations or standards relating to confidentiality.

C. Copyright. By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:

1. PROVIDER agrees that for purposes of copyright law, all works, as defined herein, of authorship made by or on behalf of PROVIDER in connection with the performance of its duties and obligations hereunder shall be deemed "works made for hire." PROVIDER further agrees that the work of each person utilized by PROVIDER in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of PROVIDER or has entered into an agreement with PROVIDER to perform the work. PROVIDER shall enter into a written agreement with any such person which provides that: all work performed for PROVIDER shall be deemed a "work made for hire" under the Copyright Act; and such person shall assign all right, title and interest to DHCS to any work product made, conceived, derived from or reduced to practice by PROVIDER or DHCS as a direct or indirect result of this Agreement.
2. Any and all materials, including, without limitation, visual works or text, reproduced or distributed pursuant to the terms and conditions of this Agreement that include Intellectual Property made, conceived, derived from or reduced to practice by PROVIDER or DHCS as a direct or indirect result of this Agreement, shall include DHCS' notice of copyright, which shall read in three (3) millimeter or larger typeface: "© [Enter Current Year e.g., 2010, etc.], California Department of Health Care Services. This material may not be reproduced or disseminated without prior written permission from the California Department of Health

Care Services.” This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

- D. Patent Rights.** With respect to inventions made by PROVIDER in the performance of its duties and obligations hereunder, which did not result from research and development specifically included in Exhibit A – Scope of Services, PROVIDER hereby grants to DHCS a license for any and all devices or materials incorporating, or made through the use of, such inventions. If such inventions result from research and development work specifically included within Exhibit A – Scope of Services, PROVIDER agrees to assign to DHCS, without additional compensation, all its right, title and interest in and to such inventions and to assist DHCS in securing United States and foreign patents with respect thereto.
- E. Third-Party Intellectual Property.** Except as provided herein, PROVIDER agrees that the performance of its duties and obligations hereunder shall not be dependent upon or include any Intellectual Property of PROVIDER or third-party without first: obtaining DHCS' prior written approval; and granting to or obtaining for DHCS, without additional compensation, a license, as described herein, for any of PROVIDER's or third-party's Intellectual Property in existence prior to the effective date of this Agreement. If such a license upon these terms is unattainable, and DHCS determines that Intellectual Property should be included in or is required for PROVIDER's performance of this Agreement, PROVIDER shall obtain a license under terms acceptable to DHCS.
- F. Warranties.** By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, represents, warrants and agrees as follows:
1. It is free to enter into and fully perform this Agreement.
 2. It has secured, and will secure, any and all rights and licenses necessary for the performance of its duties and obligations hereunder.
 3. Neither PROVIDER'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 or performance, distribution and disposition of the Intellectual Property made, conceived, derived from or reduced to practice by PROVIDER or DHCS as a direct or indirect result of 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 PROVIDER.
 4. Neither PROVIDER's performance of its duties and obligations hereunder, nor any part thereof, will violate the privacy rights of, or constitute a libel or slander against, any person or entity.
 5. It has secured, and will secure, any and all rights and licenses necessary for the use of Intellectual Property, including, without limitation, consents, waivers or releases from all authors of music or performances, talent, including radio, television and motion picture talent, and owners of any interest in sites, property or props that may be used or shown.

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6. It has not granted, and shall not grant to, any person or entity any right that might derogate, encumber or interfere with any of the rights granted to DHCS hereunder.
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.
8. It has no knowledge of any outstanding claims, licenses or other charges, liens or encumbrances of any kind or nature that could affect in any way PROVIDER's performance of its duties and obligations hereunder.
9. DHCS makes no warranty that the Intellectual Property resulting from this Agreement will not infringe upon any existing or subsequent patent, trademark or copyright.

G. Intellectual Property Indemnity. By executing this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:

1. PROVIDER shall indemnify, defend and hold harmless DHCS, and its licensees, assignees, officers, directors, employees, agents, representatives, successors and users of its products ("Indemnitees"), from and against all claims, actions, damages, losses or liabilities, whether or not rightful, arising from any and all actions or claims by any third-party or expenses related thereto, including, without limitation, all legal expenses, court costs and attorney's fees incurred in investigating, preparing, serving as a witness in or defending against, any such claim, action or proceeding, whether commenced or threatened, to which any of the Indemnitees may be subject, regardless of whether or not PROVIDER is a party to any pending or threatened litigation, which arise out of or are related to: the incorrectness or breach of any of the representations, warranties, covenants or agreements of PROVIDER pertaining to Intellectual Property; or any Intellectual Property infringement, or other type of actual or alleged infringement claim, arising out of DHCS' use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance or display, license and disposition of the Intellectual Property made, conceived, derived from or reduced to practice by PROVIDER or DHCS as a direct or indirect result of this Agreement. PROVIDER's indemnity obligations set forth herein shall 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. DHCS reserves the right to participate in, at PROVIDER's expense, any such infringement action brought against DHCS.
2. Should any Intellectual Property licensed by PROVIDER to DHCS under this Agreement become the subject of an Intellectual Property infringement claim, PROVIDER shall exercise its authority reasonably and in good faith to preserve DHCS' right to use the licensed Intellectual Property in accordance with the terms and conditions of this Agreement at no expense to DHCS. DHCS shall have the right to monitor and appear through its own counsel, at PROVIDER's expense, in any such claim or action. In the defense or settlement of the claim, PROVIDER may obtain the right for DHCS 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, DHCS shall be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other available rights and remedies.

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3. PROVIDER agrees that damages alone would be inadequate to compensate DHCS for PROVIDER's breach of the Intellectual Property provisions set forth herein. PROVIDER acknowledges DHCS would suffer irreparable harm in the event of such breach and agrees DHCS shall 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.

H. **Federal Funding.** In any agreement funded in whole or in part by the federal government, DHCS may acquire and maintain the Intellectual Property rights, title and ownership, which results directly or indirectly from this Agreement; except as provided in 37 C.F.R. Section 401.14; however, the federal government shall have a worldwide, non-exclusive, nontransferable, irrevocable, paid-up license to use, duplicate or dispose of such Intellectual Property in any manner for governmental purposes and to have and permit others to do so.

I. **Survival.** The provisions set forth herein shall survive any termination or expiration of this Agreement or any project schedule associated therewith.

6.9 **Non-Discrimination Compliance:**

A. **Compliance with Anti-Discrimination laws.** PROVIDER hereby assures that it, and its subcontractors, shall comply with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, California Welfare and Institutions Code Section 10000, Division 21 of the California Department of Social Services Manual of Policies and Procedures, Federal Executive Order 11246, as amended, the Americans with Disabilities Act of 1990, the California Fair Employment and Housing Act and any other applicable local, state and federal laws, regulations and standards, all as may be amended from time to time. The applicable regulations of the California Fair Employment and Housing Commission implementing Government Code Section 12990, set forth in 2 C.C.R. Sections 8101, *et seq.*, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

B. **Provision of Specialty Mental Health Services.** Consistent with the requirements of any and all applicable local, state and federal laws, regulations and standards, including, without limitation, 42 C.F.R. Section 438.3(d)(3)-(4), PROVIDER shall not engage in any unlawful discriminatory practices in the admission of clients, assignments of accommodations, treatment, evaluation, employment or personnel or any other respect on the basis of: race; religion or religious creed; color; age (over forty (40) years of age); sex, including, without limitation, gender identity and expression, pregnancy, childbirth and related medical conditions; sexual orientation, including, without limitation, heterosexuality, homosexuality and bisexuality; national origin; ancestry; marital status; medical condition, including, without limitation, cancer and genetic characteristics; mental or physical disability, including, without limitation, HIV status and AIDS; political affiliation; military service; denial of family care leave; or any other classifications protected by local, state or federal laws, regulations or standards. PROVIDER shall not discriminate against clients on the basis of health status or need for health care services, pursuant to 42 C.F.R. Section 438.3(d)(3).

C. **Employment Practices.** In connection with the specialty mental health services provided hereunder, PROVIDER, and its subcontractors, shall not unlawfully discriminate against any employee, or applicant for employment, because of: race; religion or religious creed; color; age (over forty (40) years of age); sex, including, without limitation, gender identity and expression, pregnancy, childbirth and related medical conditions; sexual orientation, including, without limitation, heterosexuality, homosexuality and bisexuality; national origin; ancestry; marital

status; medical condition, including, without limitation, cancer and genetic characteristics; mental or physical disability, including HIV status and AIDS; political affiliation; military service; denial of family care leave; or any other classifications protected by local, state or federal laws, regulations or standards. PROVIDER shall take affirmative action to ensure that qualified applicants are employed, and that during employment, employees are treated without regard to the factors referenced above. Such actions shall include, without limitation: employment, promotion, 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, but not limited to, apprenticeship. Nothing herein shall be construed to require the employment of unqualified persons.

- D. Solicitations for Employment.** Any and all solicitations or advancements for employees placed by, or on behalf of, PROVIDER shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, physical or mental disability, age or status as a disabled veteran or veteran of the Vietnam era.
- E. Notification to Current and Prospective Employees.** PROVIDER shall 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 of 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. Section 4212). Such notices shall state PROVIDER'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 disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- F. Notification to Labor Unions and/or Workers' Representatives.** PROVIDER shall 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 of California, advising the labor union or workers' representative of PROVIDER's commitments under the provisions herein, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- G. Non-Discrimination in Federally Assisted Programs.** PROVIDER shall comply with all the 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. Section 4212) and Federal Executive Order 11246, as amended by Federal Executive Order 11375 - "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by 41 C.F.R. Part 60 - "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the rules, regulations and relevant orders of the Secretary of Labor pertaining to the prohibition of discrimination against qualified disabled persons in all federally assisted programs or activities, as detailed in the regulations signed by the Secretary of Health and Human Services, effective June 2, 1977, found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.
- H. Access to Records Regarding Non-Discrimination Compliance.** PROVIDER shall furnish any and all information and reports required by Federal Executive Order 11246, as amended, including by Federal Executive Order 11375 - "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by 41 C.F.R. Part 60 - "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," the Rehabilitation Act of 1973, and by the rules, regulations and orders of the Secretary of Labor, and will permit access to its books, records and accounts by authorized representatives of the

State of California and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

- I. **Sanctions for Non-Compliance.** In the event of PROVIDER's non-compliance with the requirements set forth herein, or with any federal rules, regulations or orders referenced herein, this Agreement may be cancelled, terminated or suspended in whole or in part and PROVIDER may be declared ineligible for further state and federal contracts in accordance with procedures authorized in Federal Executive Order 11246, as amended, and such other sanctions that may be imposed, and remedies invoked, as provided in Federal Executive Order 11246, as amended, including by Federal Executive Order 11375 – "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by 41 C.F.R. Part 60 – "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by the rules, regulations or orders of the Secretary of Labor, or as otherwise provided by any and all applicable local, state and federal laws, regulations and standards.
- J. **Determination of Medical Necessity.** Notwithstanding anything set forth herein to the contrary, PROVIDER may require a determination of medical necessity pursuant to 9 C.C.R. Sections 1820.205, 1830.205 or 1830.210, prior to providing specialty mental health services to a Beneficiary pursuant to the terms and conditions of this Agreement.
- K. **Incorporation of Provisions.** PROVIDER shall include the foregoing provisions in every subcontract related to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Federal Executive Order 11246, as amended, including by Federal Executive Order 11375 – "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by 41 C.F.R. Part 60 – "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," Section 503 of the Rehabilitation Act of 1973 or the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. Section 4212), so that such provisions will be binding upon each subcontractor or vendor. PROVIDER shall take such action with respect to any subcontract related to the specialty mental health services provided hereunder, as the Director of the Office of Federal Contract Compliance Programs or DHCS may direct as a means of enforcing such provisions, including, without limitation, sanctions for non-compliance provided, however, that in the event PROVIDER becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHCS, PROVIDER 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 of California and of the United States.

6.10 **Lobbying Restrictions:**

- A. **Certification Regarding Lobbying Activities.** PROVIDER shall file a certification, as set forth in Exhibit E – Certification Regarding Lobbying Activities, which is attached hereto and incorporated herein by reference as if set forth in full, that it has not made, and will not make, any payment prohibited by the provisions of 31 U.S.C. Section 1352.
- B. **Disclosure of Lobbying Activities.** PROVIDER shall file a disclosure, as set forth in Exhibit F – Disclosure of Lobbying Activities, which is attached hereto and incorporated herein by reference as if set forth in full, if PROVIDER has made, or has agreed to make, any payment using non-appropriated funds, including, without limitation, profits from any covered federal action, in connection with a contract or any amendment of that contract, which would be prohibited by the provisions of 31 U.S.C. Section 1352, if paid for with appropriated funds.

- C. **Additional Disclosures.** PROVIDER shall file a disclosure, as set forth in Exhibit F – Disclosure of Lobbying Activities, at the end of each quarter in which there is an occurrence of any event that requires disclosure, or materially affects the accuracy of the information contained in any certification or disclosure previously filed pursuant to the terms and conditions of this Agreement, including, without limitation, all of the following:
1. A cumulative increase of Twenty-Five Thousand Dollars (\$25,000.00) or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action.
 2. A change in the persons or entities influencing or attempting to influence a covered federal action.
 3. A change in the officers, employees or members contacted for the purpose of influencing or attempting to influence a covered federal action.
- D. **Incorporation of Provisions.** PROVIDER shall incorporate the provisions set forth herein, without substantial modification, into any subcontracts related to the specialty mental health services required to be provided hereunder.

6.11 Clean Air and Water Pollution Compliance:

- A. **Certification of Compliance.** During the performance of this Agreement, PROVIDER, for itself, and its assignees and successors in interest, agrees as follows:
1. To comply with any and all applicable standards, orders and requirements issued under Section 306 of the Clean Air Act (42 C.F.R. Section 1857(h)), Section 508 of the Clean Water Act (33 U.S.C. Section 1368), Executive Order 11738 and the Environmental Protection Agency regulations set forth in 40 C.F.R. Part 15.
 2. To comply with any and all applicable standards, orders and requirements under the Clean Air Act (42 C.F.R. Sections 7401, *et seq.*), as amended, and the Water Pollution Control Act (33 U.S.C. Sections 1251, *et seq.*), as amended.
- B. **Incorporation of Provisions.** PROVIDER shall include this provision in every subcontract related to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, unless exempted by law.

6.12 Smoke-Free Workplace Certification:

- A. **Legal Requirements.** The United States Pro-Children Act of 1994 (“PCA”), requires that smoking not be permitted in any portion of any indoor facility owned or leased by an entity and used routinely or regularly for the provision of health, day care, early childhood development, education or library services to children under eighteen (18) years of age, if the services are funded by federal programs, either directly or through local or state governments, or by federal grant, contract, loan or loan guarantee. The PCA also applies to children’s services that are provided in indoor facilities that are constructed, operated or maintained with such federal funds. The PCA does not apply to children’s services provided in private residences, portions of facilities used for inpatient substance use disorder treatment, service providers whose sole source of applicable federal funds is Medicare or Medicaid or facilities where Women, Infants and Children Program coupons are redeemed.

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- B. **Certification of Compliance.** By executing this Agreement, PROVIDER certifies that it will comply with the requirements of the PCA, and will not allow smoking within any indoor facility used for the provision of services for children as defined thereby.
- C. **Effect of Non-Compliance.** Failure to comply with the PCA may result in the imposition of a civil monetary penalty of up to One Thousand Dollars (\$1,000.00) for each violation and/or the imposition of an administrative compliance order on the responsible entity.
- D. **Incorporation of Provisions.** PROVIDER further agrees that it will incorporate the provisions contained herein into any subcontracts related to the specialty mental health services required to be provided hereunder.

6.13 Drug-Free Workplace Certification:

By executing this Agreement, PROVIDER certifies that it will provide a drug-free workplace in accordance with the requirements of the Drug-Free Workplace Act of 1990 (California Government Code Sections 8350, *et seq.*), by doing all of the following:

- A. **Drug-Free Policy Statement.** Publish, as required by California Government Code Section 8355(a)(1), a Drug-Free Policy Statement which notifies employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited, and specifies the actions to be taken against employees for violations.
- B. **Drug-Free Awareness Program.** Establish, as required by California Government Code Section 8355(a)(2), a Drug-Free Awareness Program which informs employees about:
 1. The dangers of drug abuse in the workplace;
 2. PROVIDER's policy of maintaining a drug-free workplace;
 3. Any available counseling, rehabilitation and employee assistance programs; and
 4. Penalties that may be imposed upon employees for drug abuse violations.
- C. **Drug-Free Employment Agreement.** Ensure, as required by California Government Code Section 8355(a)(3), that every employee who provides specialty mental health services pursuant to the terms and conditions of this Agreement will:
 1. Receive a copy of PROVIDER's Drug-Free Policy Statement; and
 2. Agree to abide by PROVIDER's Drug-Free Policy as a condition of employment.
- D. **Effect of Non-Compliance.** Failure to comply with the requirements set forth herein may result in termination this Agreement and/or ineligibility for award of future contracts.

6.14 Nuclear-Free Humboldt County Ordinance Compliance:

By executing this Agreement, PROVIDER certifies that it is not a Nuclear Weapons Contractor, in that PROVIDER is not knowingly or intentionally engaged in the research, development, production or testing of nuclear warheads, nuclear weapons systems or nuclear weapons components as defined by the Nuclear-Free Humboldt County Ordinance. PROVIDER agrees to notify COUNTY immediately if it becomes a Nuclear Weapons Contractor as defined above. COUNTY may

immediately terminate this Agreement if it determines that the foregoing certification is false or if PROVIDER subsequently becomes a Nuclear Weapons Contractor.

7.0 **INSURANCE AND INDEMNIFICATION:**

7.1 **Insurance Requirements:**

This Agreement shall not be executed by COUNTY, and PROVIDER is not entitled to any rights hereunder, unless certificates of insurance, or other proof that the following provisions have been complied with, are filed with the Clerk of the Humboldt County Board of Supervisors:

A. **General Insurance Requirements.** Without limiting PROVIDER's indemnification obligations set forth herein, PROVIDER shall, and shall require that all subcontractors hereunder, take out and maintain, throughout the entire term of this Agreement, and any extensions thereof, the following policies of insurance, placed with insurers authorized to do business in the State of California with a current A.M. Bests rating of no less than A: VII or its equivalent against personal injury, death and property damage which may arise from, or in connection with, the activities of PROVIDER or its agents, officers, directors, employees, licensees, invitees, assignees or subcontractors:

1. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability Coverage (occurrence form CG 0001), in an amount of Two Million Dollars (\$2,000,000.00) per occurrence for any one (1) incident, including, without limitation, personal injury, death and property damage. If a general aggregate limit is used, such limit shall apply separately hereto or shall be twice the required occurrence limit.
2. Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all owned, hired and non-owned vehicles, and be at least as broad as Insurance Service Offices Form Code 1 (any auto).
3. Workers' Compensation Insurance, as required by the California Labor Code, with statutory limits, and Employers Liability Insurance with a limit of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. Said policy shall contain, or be endorsed to contain, a waiver of subrogation against COUNTY and its agents, officers, officials, employees and volunteers.
4. Professional Liability Insurance – Error and Omission Coverage including coverage in an amount no less than Two Million Dollars (\$2,000,000.00) for each occurrence (Four Million Dollars (\$4,000,000.00) general aggregate). Said insurance shall be maintained for the statutory period during which PROVIDER may be exposed to liability. PROVIDER shall require that such coverage be incorporated into its professional services agreements with any other entities.

B. **Special Insurance Requirements.** Said policies shall, unless otherwise specified herein, be endorsed with the following provisions:

1. The Comprehensive or Commercial General Liability Policy shall provide that COUNTY, and its agents, officers, officials, employees and volunteers, are covered as additional insured for liability arising out of the operations performed by, or on behalf of, PROVIDER. The coverage shall contain no special limitations on the scope of protection afforded to

COUNTY or its agents, officers, officials, employees and volunteers. Said policy shall also contain a provision stating that such coverage:

- a. Includes contractual liability.
 - b. Does not contain exclusions as to property damage caused by explosion or collapse of structures or underground damage, commonly referred to as "XCU Hazards."
 - c. Is the primary insurance with regard to COUNTY.
 - d. Does not contain a pro-rata, excess only and/or escape clause.
 - e. Contains a cross liability, severability of interest or separation of insureds clause.
2. The above-referenced policies shall not be canceled, non-renewed or materially reduced in coverage without thirty (30) days prior written notice being provided to COUNTY in accordance with the notice requirements set forth herein. It is further understood that PROVIDER shall not terminate such coverage until COUNTY receives adequate proof that equal or better insurance has been secured.
 3. The inclusion of more than one (1) insured shall not operate to impair the rights of one (1) insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one (1) insured shall not operate to increase the limits of the insurer's liability.
 4. For claims related to this Agreement, PROVIDER's insurance is the primary coverage to COUNTY, and any insurance or self-insurance programs maintained thereby are excess to PROVIDER's insurance and will not be used to contribute therewith.
 5. Any failure to comply with the provisions of this Agreement shall not affect the coverage provided to COUNTY or its agents, officers, officials, employees and volunteers.
 6. PROVIDER shall furnish COUNTY with certificates and original endorsements effecting the required coverage prior to execution of this Agreement. The endorsements shall be on forms approved by the Humboldt County Risk Manager. Any deductible or self-insured retention over One Hundred Thousand Dollars (\$100,000.00) shall be disclosed to, and approved by, COUNTY. If PROVIDER does not keep all required policies in full force and effect, COUNTY may, in addition to any other available remedies, take out the necessary insurance and deduct the cost of said insurance from the monies owed to PROVIDER under this Agreement.
 7. COUNTY is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered, and PROVIDER shall be required to purchase additional coverage to meet the above-referenced aggregate limits.
- C. **Insurance Notices.** Any and all insurance notices required hereunder shall be sent to the addresses set forth below in accordance with the notice requirements contained herein.

COUNTY: County of Humboldt
Attention: Risk Management
825 Fifth Street, Room 131
Eureka, California 95501

PROVIDER: Redwood Community Services, Inc.
Attention: Camille Schraeder, Executive Director
631 South Orchard Avenue
Ukiah, California 95482

7.2 Indemnification Requirements:

- A. **Hold Harmless, Defense and Indemnification.** PROVIDER shall hold harmless, defend and indemnify COUNTY and its agents, officers, officials, employees and volunteers from and against any and all claims, demands, losses, damages and liabilities of any kind or nature, including, without limitation, attorney's fees and other costs of litigation, arising out of, or in connection with, PROVIDER's negligent performance of, or failure to comply with, any of the duties and/or obligations contained herein, except such loss or damage which was caused by the sole negligence or willful misconduct of COUNTY.
- B. **Effect of Insurance.** Acceptance of the insurance required by this Agreement shall not relieve PROVIDER from liability under this provision. This provision shall apply to all claims for damages related to PROVIDER's performance hereunder, regardless of whether any insurance is applicable or not. The insurance policy limits set forth herein shall not act as a limitation upon the amount of indemnification or defense to be provided hereunder.

8.0 PROGRAM INSPECTION, MONITORING AND SUPERVISION:

8.1 Local, State and Federal Inspection Rights:

PROVIDER shall allow COUNTY, DHCS, the United States Department of Health and Human Services, the Comptroller General of the United States and any other duly authorized local, state and federal agencies, or their designated representatives, to inspect or otherwise evaluate the quality, appropriateness and timeliness of the specialty mental health services provided pursuant to the terms and conditions of this Agreement, and to inspect, evaluate and audit any and all records, documents and facilities maintained by PROVIDER, and its subcontractors hereunder, pertaining to such specialty mental health services, at any time during normal business hours, for a period of at least ten (10) years from the close of the DHCS fiscal year in which this Agreement came into effect. For purposes of this provision "records" and "documents" include, without limitation, any and all physical and electronic records originated or prepared pursuant to PROVIDER's performance hereunder, including, but not limited to, working papers, reports, financial records and books of account, Beneficiary records, prescription files, subcontracts and any other documentation pertaining to the specialty mental health services provided pursuant to the terms and conditions of this Agreement. Upon request, at any time during the above-referenced ten (10) year period, PROVIDER shall furnish any such record, or copy thereof, to COUNTY, DHCS, the United States Department of Health and Human Services, the Comptroller General of the United States and any other duly authorized local, state and federal agencies, or their designated representatives. COUNTY, and all other duly authorized local, state and federal agencies, shall maintain the confidentiality of such records and documents in accordance with any and all applicable local, state and federal laws, regulations and standards.

8.2 Local, State and Federal Monitoring:

PROVIDER agrees that COUNTY and any other duly authorized local, state or federal agencies, including, without limitation, DHCS, the United States Department of Health and Human Services and the Comptroller General of the United States, have the right to monitor any and all activities related to this Agreement, including, but not limited to, the right to review and monitor PROVIDER's

records, policies, procedures and overall business operations, at any time, in order to ensure compliance with the terms and conditions of this Agreement. PROVIDER shall cooperate with a corrective action plan, if deficiencies in PROVIDER's records, policies or procedures are identified by COUNTY or any other duly authorized local, state or federal agencies. However, COUNTY is not responsible, and shall not be held accountable, for overseeing or evaluating the adequacy of PROVIDER's performance hereunder.

8.3 Utilization Review:

COUNTY may designate appropriate DHHS – Mental Health staff to perform a utilization and/or professional standards review of all Beneficiaries receiving specialty mental health services pursuant to the terms and conditions of this Agreement for which COUNTY is expected to make reimbursement. In the event any specialty mental health services provided or claimed pursuant to the terms and conditions of this Agreement are disallowed or denied through COUNTY's utilization review, or any other local, state or federal claims process or error correction procedure, PROVIDER shall be responsible for repaying any amounts paid for such disallowed or denied claims to COUNTY as set forth herein. PROVIDER shall hold COUNTY harmless from and against any and all disallowances resulting from any local, state or federal claims process or error correction procedures.

8.4 Additional Utilization Controls:

PROVIDER hereby acknowledges that COUNTY may, in the interest of program integrity or the welfare of Beneficiaries, introduce additional utilization controls as may be necessary at any time and without advance notice to PROVIDER. Such additional controls may take effect immediately upon PROVIDER's receipt of notice thereof. PROVIDER shall be entitled to appeal the imposition of additional utilization controls through the grievance and appeals procedures set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full.

8.5 Compliance with Committee Decisions:

PROVIDER agrees to cooperate with COUNTY in the quality improvement and utilization review processes set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full. PROVIDER shall comply with any and all final determinations rendered by COUNTY's Utilization Review and Quality Improvement Committees, unless reversed by COUNTY through the appeal procedures set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full.

8.6 Grievance and Appeal Procedures:

Any and all complaints or differences of opinion regarding the provision of the specialty mental health services required pursuant to the terms and conditions of this Agreement shall be resolved through the grievance and appeals procedures set forth in the Organizational Provider Manual, which are incorporated herein by reference and made a part hereof as if set forth in full. PROVIDER agrees that the decisions of COUNTY's Grievance and Appeals Committees shall be binding.

9.0 GENERAL PROVISIONS:

9.1 Relationship of Parties:

It is understood that this Agreement is by and between two (2) independent entities and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee,

partnership, joint venture or any other similar association. Both parties further agree that PROVIDER shall not be entitled to any benefits to which COUNTY employees are entitled, including, without limitation, overtime, retirement, leave or workers' compensation benefits.

9.2 Provider Affiliation:

PROVIDER authorizes COUNTY to inform active and prospective Beneficiaries and other organizational providers participating in COUNTY's Medi-Cal Provider Network of PROVIDER's affiliation with COUNTY.

9.3 Reference to Laws, Regulations and Standards:

In the event any law, regulation, policy, procedure, standard or contractual obligation referred to herein is amended during the term of this Agreement, the parties agree to comply with the amended provision as of the effective date of such amendment.

9.4 Provisions Required by Law:

This Agreement is subject to any additional local, state and federal restrictions, limitations or conditions that may affect the terms, conditions or funding of this Agreement. This Agreement shall be read and enforced as though all legally required provisions are included herein, and if for any reason any such provision is not included, or is not correctly stated, the parties agree to amend the pertinent section to make such insertion or correction.

9.5 Protocols:

Both parties agree that the inclusion of additional protocols may be required to make this Agreement specific. All such protocols shall be negotiated, determined and agreed upon by both parties hereto.

9.6 Notification of Litigation:

PROVIDER shall notify COUNTY of any claim for damages, lawsuit or other professional litigation filed against PROVIDER, which relates to the specialty mental health services provided pursuant to the terms and conditions of this Agreement, within forty-eight (48) hours after being informed of the commencement of such claim for damages, lawsuit or other professional litigation.

9.7 Severability:

If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

9.8 Amendment:

This Agreement may be amended at any time during the term of this Agreement upon the mutual consent of both parties. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

9.9 Agreement Shall Bind Successors:

All provisions of this Agreement shall be fully binding upon, and inure to the benefit of, the parties and to each of their heirs, executors, administrators, successors and permitted assigns.

9.10 Assignment:

Neither party shall delegate its duties or assign its rights hereunder, either in whole or in part, without the other party's prior written consent. Any assignment by PROVIDER in violation of this provision shall be void, and shall be cause for immediate termination of this Agreement. This provision shall not be applicable to service agreements or other arrangements usually or customarily entered into by either party to obtain supplies, technical support or professional services.

9.11 Waiver of Default:

The waiver by either party of any breach of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement. In no event shall any payment by COUNTY constitute a waiver of any breach of this Agreement which may then exist on the part of PROVIDER. Nor shall such payment impair or prejudice any remedy available to COUNTY with respect to the breach or default. COUNTY shall have the right to demand repayment of, and PROVIDER shall promptly refund, any funds disbursed to PROVIDER, which COUNTY determines were not expended in accordance with the terms of this Agreement.

9.12 Non-Liability of County Officials and Employees:

No official or employee of COUNTY shall be personally liable for any default or liability under this Agreement.

9.13 Standard of Practice:

PROVIDER warrants that it has the degree of learning and skill ordinarily possessed by reputable professionals practicing in similar localities in the same profession and under similar circumstances. PROVIDER's duty is to exercise such care, skill and diligence as professionals engaged in the same profession ordinarily exercise under like circumstances.

9.14 Jurisdiction and Venue:

This Agreement shall be construed in accordance with the laws of the State of California and COUNTY's contractual obligations under the Mental Health Managed Care Agreement (State Standard Agreement No. 17-94583) and the Mental Health Performance Agreement (State Standard Agreement No. 17-94523) that COUNTY has with DHCS. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 or 395.

9.15 Advertising and Media Release:

Any and all informational material related to this Agreement shall receive approval from COUNTY prior to being used as advertising or released to the media, including, without limitation, television, radio, newspapers and internet. PROVIDER shall inform COUNTY of all requests for interviews by the media related to this Agreement before such interviews take place; and COUNTY shall be entitled to have a representative present at such interviews. All notices required by this provision shall be given to Director in accordance with the notice requirements set forth herein.

9.16 Subcontracts:

PROVIDER shall obtain prior written permission from COUNTY before subcontracting any of the specialty mental health services to be provided pursuant to the terms and conditions of this

Agreement. PROVIDER shall ensure that all subcontracts are subject to the applicable terms and conditions of this Agreement, including, without limitation, the licensing, certification, privacy, data security and confidentiality requirements set forth herein. PROVIDER shall remain legally responsible for the performance of all terms and conditions of this Agreement, including, without limitation, any and all specialty mental health services provided by third-parties under subcontracts, whether approved by COUNTY or not.

9.17 Attorneys' Fees:

If either party shall commence any legal action, including, without limitation, an action for declaratory relief, against the other by reason of the alleged failure of the other to perform any of its obligations hereunder, the party prevailing in said action shall be entitled to recover court costs and reasonable attorneys' fees, including, but not limited to, the reasonable value of services rendered by the Humboldt County Counsel's Office, to be fixed by the court, and such recovery shall include court costs and attorneys' fees on appeal, if applicable. For purposes of this provision, "prevailing party" means the party who dismisses an action in exchange for payment of substantially all sums allegedly due, performance of provisions allegedly breached, or other considerations substantially equal to the relief sought by said party, as well as the party in whose favor final judgment is rendered.

9.18 Survival of Provisions:

The duties and obligations of the parties set forth in Section 3.2.(F) – Compensation upon Termination, Section 3.2.(G) – Effect of Termination, Section 4.5 – Recovery of Overpayments, Section 5.2 – Record Preparation, Retention and Inspection Requirements, Section 5.3 – Audit and Examination Requirements, Section 6.2 – Confidential Information, Section 6.3 – Privacy and Data Security Requirements, Section 6.8 – Intellectual Property Rights, Section 7.2 – Indemnification Requirements and Section 8.1 – Local, State and Federal Inspection Rights shall survive the expiration or termination of this Agreement.

9.19 Conflicting Terms or Conditions:

In the event of any conflict in the terms or conditions set forth in any other agreements in place between the parties hereto and the terms and conditions set forth in this Agreement, the terms and conditions set forth herein shall have priority.

9.20 Interpretation:

This Agreement, as well as its individual provisions, shall be deemed to have been prepared equally by both of the parties hereto, and shall not be construed or interpreted more favorably for one (1) party on the basis that the other party prepared it.

9.21 Independent Construction:

The titles of the sections and subsections set forth herein are inserted for convenience of reference only, and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

9.22 Notices:

Any and all notices required to be given pursuant to the terms of this Agreement shall be in writing and either served personally or sent by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY: Humboldt County DHHS – Mental Health
Attention: Emi Botzler-Rodgers, Mental Health Director
720 Wood Street
Eureka, California 95501

PROVIDER: Redwood Community Services, Inc.
Attention: Camille Schraeder, Executive Director
631 South Orchard Avenue
Ukiah, California 95482

9.23 Force Majeure:

Neither party hereto shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control, and without the fault or negligence, of such party. Such events shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism or other disasters, whether or not similar to the foregoing.

9.24 Entire Agreement:

This Agreement contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto. In addition, this Agreement shall supersede in their entirety any and all prior agreements, promises, representations, understandings and negotiations of the parties, whether oral or written, concerning the same subject matter. Any and all acts which may have already been consummated pursuant to the terms of this Agreement are hereby ratified.

9.25 Counterpart Execution:

This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement and any amendments hereto.

9.26 Authority to Execute:

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the first date written above.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:
(1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
(2) SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER.

REDWOOD COMMUNITY SERVICES, INC.:

By: Dan Anderson
Name: Dan Anderson
Title: CEO

Date: 8/26/19

By: Camille Schraeder
Name: Camille Schraeder
Title: Executive Director

Date: 8/26/19

COUNTY OF HUMBOLDT:

By: Rex Bohn
Rex Bohn
Chair, Humboldt County Board of Supervisors

Date: 9/17/2019

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: Risk Management
Risk Management

Date: 8/30/2019

LIST OF EXHIBITS:

- Exhibit A – Scope of Services
- Exhibit B – Schedule of Rates
- Exhibit C – Local System of Care
- Exhibit D – Acknowledgment of Receipt
- Exhibit E – Certification Regarding Lobbying Activities
- Exhibit F – Disclosure of Lobbying Activities

EXHIBIT A
SCOPE OF SERVICES
Redwood Community Services, Inc.
For Fiscal Years 2019-2020 Through 2020-2021

PROVIDER shall be responsible for providing the specialty mental health services set forth herein in a manner that promotes health and mental health, respects consumer dignity, responds to cultural differences and utilizes evidence-based practices.

1. CHILD CLIENTS:

PROVIDER shall offer the specialty mental health services set forth herein through Early and Periodic Screening, Diagnosis, and Treatment (“EPSDT”) to full scope Humboldt County Medi-Cal Beneficiaries under twenty-one (21) years of age (“Beneficiaries”), referred by COUNTY, who meet the criteria for the provision of specialty mental health services and have a primary mental health disorder per the current approved Diagnostic Statistical Manual which meets the specialty mental health target population of medical necessity.

2. GENERAL MENTAL HEALTH SERVICES:

PROVIDER shall offer, as appropriate, the following general mental health services to Beneficiaries (see Organizational Provider Manual for definition of terms below) from the date of execution of this Agreement to June 30, 2021. Travel and documentation time shall be included in the total service claimed.

- | | |
|--|-------------|
| • Assessment: | Code M2538 |
| • Mental Health Plan Development: | Code M2509 |
| • Individual/Family Therapy: | Code M2549 |
| • Mental Health Rehabilitation Services: | Code M2503 |
| • Group Therapy: | Code M2559* |
| • Collateral Services: | Code M2513 |
| • Targeted Case Management: | Code M2501 |
| • Crisis Intervention Services: | Code M2571 |
| • Intensive Care Coordination: | Code M2504 |

* Group therapy to be computed at a per minute service rate multiplied by the number of minutes for the group therapy session, divided by the number of clients attending such session.

3. THERAPEUTIC BEHAVIORAL SERVICES:

PROVIDER shall offer, as appropriate, the following Therapeutic Behavioral Services (“TBS”) to Beneficiaries (see Organizational Provider Manual for definition of terms below) from the date of execution of this Agreement to June 30, 2021. Such services shall include one-to-one behavioral mental health intervention used to help Beneficiaries, parents, caregivers, foster parents, group home staff and school personnel learn new ways of reducing and managing challenging behaviors, and learn strategies and skills to increase the kinds of behaviors that will enable Beneficiaries to succeed in their current environment. TBS behavior coaches or specialists shall work intensively with Beneficiaries in his or her homes or communities to design, structure, model and support one-to-one interventions, as appropriate, to modify target behaviors of concern or teach appropriate alternative behaviors, so that each Beneficiary and his or her parents, caregivers, foster parents or group home staff can manage the Beneficiary’s behavior. Develop transition plans to help each Beneficiary and his or her parents, caregivers, foster parents, or group home staff learn new skills that can be used to sustain improvements after the provision of TBS

pursuant to the terms and conditions of this Agreement concludes. PROVIDER may bill the following services for TBS with travel and documentation included in the total service claimed:

- Mental Health Plan Development: Code M2509
- Therapeutic Behavioral Services: Code M1558

4. **INTENSIVE HOME-BASED SERVICES:**

PROVIDER shall offer, as appropriate, the following Intensive Home-Based Services to Beneficiaries (see Organizational Provider Manual for definition of terms below) from the date of execution of this Agreement to June 30, 2021. Intensive Home Based Services shall be provided in accordance with the available *Medi-Cal Manual for Intensive Care Coordination, Intensive Home-Based Services & Therapeutic Foster Care for Katie A. Subclass Members* maintained by the Department of Mental Health. PROVIDER may bill the following Intensive Home-Based Services with travel and documentation time included in the total service claimed:

- Mental Health Plan Development: Code M2509
- Intensive Home Based Services: Code M3558

A. **Components/Activities.** PROVIDER will collaborate with the Child and Family Team (“CFT”). Activities will occur within the framework of the Core Practice Model, in coordination with the CFT and the assigned Intensive Care Coordination (“ICC”) Coordinator. PROVIDER will provide the following Intensive Home Based Services (“IHBS”) to Beneficiaries, family members and significant support persons as authorized by the CFT:

1. Medically necessary skill-based interventions for the remediation of adverse behaviors or improvement of symptoms, including, without limitation, implementation of a positive behavioral plan and/or modeling interventions for the Beneficiary’s family and/or significant others to assist them in implementing the strategies.
2. Development of functional skills to improve self-care, self-regulation or other functional impairments by intervening to decrease or replace non-functional behavior that interferes with daily living tasks or the avoidance of exploitation by others.
3. Development of skills or replacement behaviors that allow the Beneficiary to fully participate in the CFT and in the creation of their service plan, including, without limitation, the mental health client plan and/or child welfare service plan.
4. Improvement of self-management of symptoms, including, without limitation, self-administration of medications, as appropriate.
5. Education of the Beneficiary and/or his or her family or caregiver(s) about, and how to manage, the Beneficiary’ mental health disorder or symptoms.
6. Support of the development, maintenance and use of social networks, including the use of natural and community resources.
7. Support to address behaviors that interfere with the achievement of a stable and permanent family life.

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8. Support to address the Beneficiary's behaviors that interfere with seeking and maintaining employment.
 9. Support to address the behaviors that interfere with the Beneficiary's success in achieving educational objectives in a community-based academic program.
 10. Support to address the behaviors that interfere with transitional independent living objectives, including, without limitation, seeking and maintaining housing.
 11. Participation in all CFT meetings for the purpose of coordinating service activities and goals for the Beneficiary.
 12. Development of IHBS plans for the Beneficiary in collaboration with the CFT.
 13. Documentation of IHBS provided to the Beneficiary in accordance with the standards set forth in the Humboldt County Mental Health Plan ("MHP") and any other applicable local, state and federal laws, regulations and standards.
 14. Ongoing communication with the ICC Coordinator and other members of the CFT for the purpose of coordinating the Beneficiary's service activities and goals.
- B. Service Settings.** Subject to following conditions and requirements, IHBS may be provided in any setting where the Beneficiary is naturally located, including, without limitation, the Beneficiary's biological, foster or adoptive home, schools, recreational settings, child care centers, and other community settings:
1. IHBS shall be available wherever and whenever needed, including, without limitation, weekends and evenings.
 2. IHBS are typically provided by paraprofessionals under clinical supervision; however, peers, including, without limitation, parent partners, may provide IHBS in certain situations.
 3. IHBS may not be provided to a Beneficiary while he or she is incarcerated or in a psychiatric treatment facility.
 4. IHBS is not reimbursable when provided by day treatment intensive or day rehabilitation staff during the same time period that day treatment intensive or day rehabilitation services are being provided.
 5. Pre-authorization is required for IBHS if such services are provided on the same day that day treatment intensive or day rehabilitation services are provided.
 6. IHBS is intended to be provided to Beneficiaries that are living and receiving services in the community.
 7. IHBS may be provided to Beneficiaries who are placed in group homes or short term residential treatment programs, including, without limitation, Beneficiaries that are in the thirty (30) day transition period before placement into a permanent home environment, during single and/or multiple day visits in order to facilitate the transition to independent living.
 8. Certain services, including, without limitation, day treatment rehabilitative, day treatment intensive, group therapy and therapeutic behavioral services, may be part of the Beneficiary's

course of treatment, but may not be provided during the same hours of the day that IHBS services are being provided to the Beneficiary.

- C. **Service Authorization and Referral.** Service authorization shall be consistent with the MHP process for authorizing Mental Health Services. Referrals to IHBS will be provided by COUNTY or PROVIDER and made in agreement with the CFT using the ICC Screening Form. The ICC Screening Form shall be completed by Mental Health Clinicians. All initial authorizations and any re-authorizations will occur according to the Referral and Authorization Process for IHBS. It is expected that the frequency, intensity and duration of IHBS will be reduced over time as a Beneficiary's goals are met.
- D. **Service Timeliness and Closure.** IHBS shall begin within forty-eight (48) hours after the receipt of an authorized referral containing a pre-approved schedule of service hours and/or days that has been developed by CFT members with PROVIDER input. Closures will occur with the approval of the CFT as a Beneficiary's goals are met.
- E. **Coordination of IHBS with Other Mental Health Services.** The coordination of IHBS with other services, including, without limitation, other general mental health and therapeutic behavioral services, will be guided by the ICC Coordinator within the context of the CFT. Beneficiaries who are receiving IHBS are eligible for all of the other medically necessary specialty mental health services provided pursuant to the terms and conditions of this Agreement, consistent with their identified needs which meet medical necessity criteria. The MHP will consider the full array of services and the needs of the Beneficiary.
- F. **Katie A. Core Practice Model.** IHBS services are part of the Katie A. settlement. Accordingly, PROVIDER shall operate within the guiding principles of the Katie A. Core Practice Model as described in the *Pathways to Mental Health Services Core Practice Mode Guide*, maintained by the Department of Mental Health.

6. **AVAILABILITY:**

- A. **General Availability Requirements.** If a Beneficiary, or a member of the Beneficiary's family, indicates that it is not possible for them to participate in services on a weekday during PROVIDER's established business hours, PROVIDER shall make services available on Saturday or provide extended weekday hours upon request. The specialty mental health services set forth herein must be available on a year-round basis. Where PROVIDER is currently serving children in outlying communities, PROVIDER shall provide year-round services in such communities to Beneficiaries, who during school breaks otherwise would be required to travel further distances or stop receiving needed services.
- B. **Availability of Intensive Home-Based Services.** PROVIDER shall be available to provide IHBS on a year-round basis during the days and times when the Beneficiary, the Beneficiary's family and the CFT determine that such services are needed most, including, without limitation, weekend and evening hours, as approved by the established authorization process. PROVIDER must be responsive to the changing needs of the Beneficiary and/or his or her family members as communicated through the CFT.

7. **QUALITY ASSURANCE AND IMPROVEMENT:**

The specialty mental health services provided pursuant to the terms and conditions of this Agreement shall be designed to: address the underlying issues which impair, or will likely lead to the deterioration of, the Beneficiary's functioning in self-care, school, family, community and/or other life functioning areas; and

facilitate assessment, treatment planning and Beneficiary program and system outcome evaluation through the use of the Child and Adolescent Needs and Strengths ("CANS") tool. PROVIDER will ensure that its staff is and remains certified in administering the CANS tool at all times during the term of this Agreement. CANS tools shall be completed for each Beneficiary, and copies thereof shall be submitted to COUNTY, in accordance with current policy.

8. **REPORTING REQUIREMENTS:**

PROVIDER shall provide COUNTY with performance reports documenting the specialty mental health services provided pursuant to the terms and conditions of this Agreement on a monthly basis or as specified in the Organizational Provider Manual. Any and all performance reports prepared pursuant to the terms and conditions of this Agreement shall clearly identify any current or anticipated difficulty in providing services, or if the services do not appear to be providing the anticipated benefit to a particular Beneficiary. PROVIDER shall submit, in accordance with any and all applicable timeframes, one (1) hard copy and one (1) electronic copy of any and all performance reports required hereunder in a format that complies with the Americans with Disabilities Act and any other applicable accessibility laws, regulations and standards.

9. **COMMUNICATION REQUIREMENTS:**

PROVIDER's attending physician shall initiate a doctor to doctor consult, and participate in on-going consultation, with COUNTY's treating physician prior to providing medication services to Beneficiaries pursuant to the terms and conditions of this Agreement. PROVIDER further agrees to participate in CFT meetings in person or by phone upon COUNTY's request. Participation shall include a member of PROVIDER's staff who has knowledge of the Beneficiary's treatment goals and progress.

10. **DESIRED OUTCOMES:**

PROVIDER will show evidence, as indicated by a treatment summary, that Beneficiaries receiving specialty mental health services provided pursuant to the terms and conditions of this Agreement have met specialty mental health medical necessity criteria, that diagnosis and treatment goals are congruent and indicate what progress is being made towards treatment goals.

10. **PERFORMANCE MEASURES:**

A. **General Mental Health Services.**

1. Assessments are completed within timelines established by current policy or COUNTY is notified in accordance with the terms and conditions of this Agreement when capacity issues result in inability to meet timelines.
2. Average length of the general mental health services provided pursuant to the terms and conditions of this Agreement does not exceed six (6) months.
3. PROVIDER documentation verifies that Beneficiaries receiving general mental health services meet the required mental health medical necessity criteria with a ninety-five percent (95%) accuracy rate or better.
4. PROVIDER documentation demonstrates that assessment and treatment goals are congruent with a ninety-five percent (95%) accuracy rate or better.
5. PROVIDER progress notes consistently link to congruent diagnosis and treatment goals per policy and demonstrate progress with a ninety-five percent (95%) accuracy rate or better.

B. Therapeutic Behavioral Services.

1. Authorization for TBS provided pursuant to the terms and conditions of this Agreement is completed within timelines established by current policy.
2. PROVIDER documentation verifies that Beneficiaries receiving TBS pursuant to the terms and conditions of this Agreement meet the required mental health medical necessity criteria with a ninety-five percent (95%) accuracy rate or better.
3. PROVIDER documentation demonstrates that assessment and TBS treatment goals are congruent with a ninety-five percent (95%) accuracy rate or better.
4. PROVIDER progress notes consistently link to congruent diagnosis and TBS treatment goals per policy and demonstrate progress with a ninety-five percent (95%) accuracy rate or better.
5. PROVIDER will cooperate with the CFT and participate in updating COUNTY's CANS tools as scheduled.
6. Required reports are submitted timely.

C. Intensive Home-Based Services.

1. IHBS is provided within timelines established by current policy or COUNTY is notified in accordance with the terms and conditions of this Agreement when capacity issues result in inability to meet timelines.
2. PROVIDER documentation verifies that IHBS provided pursuant to the terms and conditions of this Agreement begin within forty-eight (48) hours of receipt of authorized referral and service schedule with a ninety-five percent (95%) accuracy rate or better.
3. PROVIDER documentation demonstrates that IHBS interventions provided pursuant to the terms and conditions of this Agreement are targeted and address treatment goals one hundred percent (100%) of the time.
4. PROVIDER progress notes demonstrate progress in reducing negative target behavior goals and/or increasing positive target behavior goals as noted in the IBHS plan with a ninety-five percent (95%) accuracy rate or better.
5. Required reports are submitted timely.

EXHIBIT B
SCHEDULE OF RATES
 Redwood Community Services, Inc.
 For Fiscal Years 2019-2020 Through 2020-2021

PROVIDER shall submit service claims on a monthly basis for any and all specialty mental health services provided pursuant to the terms and conditions of this Agreement. COUNTY shall compensate PROVIDER for the specialty mental health services provided pursuant to the terms and conditions of this Agreement based on the agreed upon reimbursement rates set forth herein.

1. RATE OF REIMBURSEMENT:

COUNTY and PROVIDER agree to the following reimbursement rates as of July 1, 2019 through June 30, 2021:

SERVICE	REIMBURSEMENT RATE
Assessment: Code M2538	\$3.00 per minute
Individual/Family Therapy: Code M2549	\$3.00 per minute
Group Therapy*: Code M2559	\$3.00 per minute
Mental Health Plan Development: Code M2509	\$3.00 per minute
Case Management/Brokerage: Code M2501	\$2.70 per minute
Intensive Care Coordination: Code M2504	\$2.70 per minute
Mental Health Rehabilitation Services: Code M2503	\$3.00 per minute
Therapeutic Behavioral Services: Code M1558	\$3.00 per minute
Crisis Intervention Services: Code M2571	\$3.45 per minute
Collateral Services: Code M2513	\$3.00 per minute
Intensive Home-Based Services: Code M3558	\$3.00 per minute

* Group therapy to be computed at a per minute service rate multiplied by the number of minutes for the group therapy session, divided by the number of clients attending such session.

2. NATIONAL PROVIDER IDENTIFIER NUMBER:

In order to ensure proper reimbursement for the specialty mental health services provided pursuant to the terms and conditions of this Agreement, PROVIDER shall provide COUNTY with its current and active National Provider Identifier numbers in conjunction with any and all service claims submitted hereunder. Service claims provided without PROVIDER's current and active National Provider Identifier numbers shall be rejected by COUNTY.

EXHIBIT C
LOCAL SYSTEM OF CARE
Redwood Community Services, Inc.
For Fiscal Years 2019-2020 Through 2020-2021

Specialty mental health services are part of the local System of Care (“SOC”), therefore PROVIDER will operate within the applicable principles of the local SOC:

1. Providing effective, community-based services and supports for children and their families which coordinate with other systems to address their emotional, social, educational and physical needs, including, without limitation, traditional and nontraditional services as well as natural and informal supports.
2. Provide individualized services in accordance with the unique potentials and needs of each child and family, guided by a strengths-based planning process and an individualized service plan developed in true partnership with the child and family.
3. Ensure that services and supports include evidence-informed practices and/or interventions supported by practice-based evidence, as agreed upon with COUNTY, to ensure the effectiveness of services and to improve outcomes for children and their families. This includes selecting, training and implementing practices with fidelity and tracking of outcomes associated with intervention using standardized outcome measurement tools.
4. Deliver services and supports within the least restrictive and most normative environments that are clinically appropriate.
5. Ensure that families, other caregivers and youth are full partners in all aspects of the planning and delivery of their own services. PROVIDER is also encouraged to include family and youth voice in development and implementation of policies and procedures that govern care for children and youth in their organization.
6. Ensure that services are well coordinated with other child-serving agencies with which the child and/or family may be involved to assure integrated care management.
7. Practice care management at the service level to ensure that multiple services are delivered in a coordinated and therapeutic manner and that children and their families can move through the system of services in accordance with their changing needs.
8. Provide developmentally appropriate mental health services and supports that promote optimal social and emotional outcomes for young children and their families in their homes and community when PROVIDER serves children zero (0) to five (5) years of age.
9. Provide developmentally appropriate services and supports to facilitate the transition of youth eighteen (18) to twenty-one (21) years of age to adulthood and to the transition age youth and adult service systems as needed.
10. Encourage participation in local mental health promotion, prevention and early identification and intervention opportunities.
11. Incorporate continuous accountability and quality improvement mechanisms to track, monitor and manage the quality, effectiveness and outcomes at the program level, practice level and child and family level.

12. Protect the rights of children and families and promote effective advocacy efforts.
13. Provide services and supports without regard to race, religion, national origin, gender, gender expression, sexual orientation, physical disability, socio-economic status, geography, language, immigration status or other characteristics, and ensure that services are sensitive and responsive to these differences.

EXHIBIT D
ACKNOWLEDGMENT OF RECEIPT
Redwood Community Services, Inc.
For Fiscal Years 2019-2020 Through 2020-2021

By executing this Acknowledgment of Receipt, Redwood Community Services, Inc. hereby certifies that it received a full and complete copy of the Humboldt County Organizational Provider Manual for Outpatient Specialty Mental Health Services from the Humboldt County Department of Health and Human Services on 8/26 2019.

REDWOOD COMMUNITY SERVICES, INC.:

By: Dan Anderson

Date: 8/26/19

Name: Dan Anderson

Title: CEO

EXHIBIT E
CERTIFICATION REGARDING LOBBYING ACTIVITIES
Redwood Community Services, Inc.
For Fiscal Years 2019-2020 Through 2020-2021


The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) 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.

(2) 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 shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

(3) The undersigned shall 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 shall certify and disclose accordingly.

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 shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

<u>Redwood Community Services Inc.</u> <small>Name of Contractor</small>	<u>Dan Anderson</u> <small>Printed Name of Person Signing for Contractor</small>
	 <small>Signature of Person Signing for Contractor</small>
<u>8/26/19</u> <small>Date</small>	<u>CEO</u> <small>Title</small>

