

**PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
FEATHER HOUSE SOBER LIVING, LLC
FOR FISCAL YEARS 2022-2023 THROUGH 2023-2024**

This Agreement, entered into this ____ day of _____, 2023, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as “COUNTY,” and Feather House Sober Living, LLC, a California limited liability company, hereinafter referred to as “CONTRACTOR,” is made upon the following considerations:

WHEREAS, COUNTY, by and through its Department of Health and Human Services – Behavioral Health division (“DHHS – Behavioral Health”), desires to retain a qualified professional organization to provide low barrier social model housing and supportive services to eligible adult Humboldt County Medi-Cal beneficiaries who are receiving outpatient substance use disorder treatment; and

WHEREAS, such work involves the performance of professional services of a temporary and occasional character; and

WHEREAS, COUNTY has no employees available to provide such services and is unable to build facilities or hire employees for the performance thereof; and

WHEREAS, CONTRACTOR represents that it is specially trained, skilled, experienced and competent to perform the housing and supportive services required by COUNTY; and

NOW THEREFORE, the parties hereto mutually agree as follows:

1. RESPONSIBILITIES OF CONTRACTOR:

- A. Description of Services. CONTRACTOR hereby agrees to provide the services described in Exhibit A – Scope of Services, which is attached hereto and incorporated herein by reference as if set forth in full. In providing such services, CONTRACTOR agrees to fully cooperate with the DHHS – Behavioral Health Director, or a designee thereof, hereinafter referred to as “Director.”
- B. Availability of Services. CONTRACTOR shall make any and all services provided pursuant to the terms and conditions of this Agreement available to eligible DHHS – Behavioral Health clients in accordance with any and all applicable local, state and federal laws, regulations and standards, including, without limitation, the national standards promulgated by the federal Office of Minority Health Culturally and Linguistically Appropriate Service.
- C. Faith-Based Activities. CONTRACTOR shall not engage in inherently religious activities, including, without limitation, worship, religious instruction and proselytization, or otherwise exert any religious influence whatsoever, as part of the services provided pursuant to the terms and conditions of this Agreement. If CONTRACTOR conducts any religious activities as part of its standard operations, such activities must be offered separately, in time and location, from the services provided hereunder, and participation must be voluntary with respect to any individuals who have been referred to CONTRACTOR by COUNTY pursuant to the terms and conditions of this Agreement.

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- D. Counselor Certification. CONTRACTOR shall ensure that any and all counselors responsible for providing services pursuant to the terms and conditions of this Agreement, including, without limitation, intake, service need assessments, treatment or recovery planning, individual and/or group counseling to participants, patients or residents, is certified as defined in Sections 13000, *et seq.* of Title 9 of the California Code of Regulations (“C.C.R.”) or registered with a DHCS approved counselor certification agency prior to initial date of hire, and will obtain their certifications within the timelines required by 9 C.C.R. Section 13035(f)(1).
- E. Cultural and Linguistic Proficiency Policies. In order to ensure equal access to the Recovery Residence Services provided pursuant to the terms and conditions of this Agreement by diverse populations, CONTRACTOR shall develop, implement and maintain comprehensive policies, procedures and strategies that are designed to accomplish, without limitation, all of the following goals and objectives in accordance with the Federal Office of Minority Health Culturally and Linguistically Appropriate Services Standards:
1. Promotion of the attitudes, behaviors, knowledge and skills necessary for staff to work respectfully and effectively with Beneficiaries and each other in a culturally diverse work environment, including, without limitation, recruiting, retaining and promoting qualified, diverse and culturally competent administrative, clinical and support staff that are trained to address the needs of the racial and ethnic communities being served thereby.
 2. Promotion and provision of culturally and linguistically appropriate services that can be provided to Beneficiaries with limited English proficiency, including, without limitation, providing access to bilingual staff and interpretation services, providing oral and written notices, signage, educational materials and other commonly used materials to Beneficiaries in their primary language, informing Beneficiaries of the right to receive no-cost interpreter services and ensuring that each Beneficiary’s primary language and self-identified race and ethnicity are included in CONTRACTOR’s records and information management system.
 3. Promotion and provision of ongoing education and training that is designed to ensure that administrative, clinical and support staff remain adequately qualified to deliver culturally and linguistically appropriate services to members of the predominant cultural and language groups in the service area.
 4. Promotion and provision of ongoing education and training that is designed to ensure that interpreters and bilingual staff maintain adequate bilingual proficiency with regard to the skills, ethics and knowledge relevant to clinical and non-clinical encounters.
- F. Intravenous Drug Use Treatment Policies. CONTRACTOR shall develop, implement and maintain comprehensive policies, procedures and strategies that are designed to ensure that individuals referred by COUNTY who are in need of intravenous drug use treatment are encouraged to undergo substance use disorder treatment in accordance with any and all applicable local, state and federal laws, regulations and standards.
- G. Tuberculosis Treatment Policies. CONTRACTOR shall develop, implement and maintain comprehensive policies, procedures and strategies that are designed to ensure that any and all services provided pursuant to the terms and conditions of this Agreement are made available to clients with Tuberculosis. Such policies, procedures and strategies shall also be designed to reduce any and all barriers that may prevent clients with Tuberculosis from receiving the services provided pursuant to the terms and conditions of this Agreement, and improve follow-up monitoring, particularly after treatment has ended, through the dissemination of educational bulletins and other materials.

H. Consultation and Collaboration with Tribal Communities and Organizations. CONTRACTOR shall regularly review Tribal population information available through the federal Census, and compare such information with data obtained through the California Outcome Measurement System for Treatment, to determine whether Tribal populations are being adequately reached, and survey Tribal representatives for insight in potential barriers to the substance use disorder service needs of the Native American and Alaskan Native populations within Humboldt County. CONTRACTOR shall engage in regular and meaningful consultation and collaboration with elected officials of the Tribes and Rancherias within Humboldt County, or designees thereof, for the purpose of identifying barriers to service delivery and improvement of the quality, effectiveness and accessibility of the services provided pursuant to the terms and conditions of this Agreement.

2. TERM:

The term of this Agreement shall begin on January 1, 2023 and shall remain in full force and effect until June 30, 2024, unless extended by a valid amendment hereto or sooner terminated as set forth herein.

3. TERMINATION:

A. Termination for Cause. COUNTY may, in its sole discretion, immediately terminate this Agreement, if CONTRACTOR fails to adequately perform the recovery residence services required hereunder, 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 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 CONTRACTOR seven (7) days advance written notice of its intent to terminate this Agreement due to insufficient funding.

D. Compensation upon Termination. In the event this Agreement is terminated, CONTRACTOR shall be entitled to compensation for uncompensated services provided hereunder 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 CONTRACTOR.

4. COMPENSATION:

A. Maximum Amount Payable. The maximum amount payable by COUNTY for any and all recovery residence services provided, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement is One Hundred Ninety-One Thousand Eight Hundred Dollars (\$191,800.00). In no event shall the maximum amount paid under this Agreement exceed Sixty-Four Thousand Fifty Dollars (\$64,050.00) for fiscal year 2022-2023 and One Hundred Twenty-Seven Thousand Seven Hundred Fifty Dollars (\$127,750.00) for fiscal year 2023-2024. CONTRACTOR hereby agrees to perform any and all 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 set forth herein.

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- B. Rate of Compensation. COUNTY shall compensate CONTRACTOR at a flat daily rate of Thirty-Five Dollars (\$35.00) per client, per day, for any and all housing and supportive services provided pursuant to the terms and conditions of this Agreement.
- C. Provisional Bed Rate. In the event CONTRACTOR's annual year-end cost report prepared pursuant to the terms and conditions of this Agreement fails to justify or support the established rate of compensation set forth herein, COUNTY reserves the right to negotiate a provisional bed rate that reflects CONTRACTOR's actual program costs.
- D. Additional Services. Any additional services not otherwise set forth herein, shall not be provided by CONTRACTOR, or compensated by COUNTY, without COUNTY's prior written authorization. Any and all unauthorized costs and expenses incurred above the maximum payable amount set forth herein shall be the responsibility of CONTRACTOR. CONTRACTOR shall notify COUNTY in writing, at least six (6) weeks prior to the date upon which CONTRACTOR estimates that the maximum payable amount will be reached.

5. PAYMENT:

- A. Submission and Payment of Invoices. CONTRACTOR shall submit to COUNTY monthly invoices substantiating the costs and expenses incurred pursuant to the terms and conditions of this Agreement no later than thirty (30) days after the end of each month. CONTRACTOR shall submit a final invoice for payment within thirty (30) days following the expiration or termination of this Agreement. Invoices shall be prepared using a format that is substantially similar to the format set forth in Exhibit B – Sample Invoice Form, which is attached hereto and incorporated herein by reference as if set forth in full. Payment for any and all costs and expenses incurred, pursuant to the terms and conditions of this Agreement shall be made within thirty (30) days after the receipt of approved invoices. Any and all invoices submitted pursuant to the terms and conditions of this Agreement shall be sent to COUNTY at the following address:

COUNTY: Humboldt County DHHS – Behavioral Health
Attention: Financial Services
507 F Street
Eureka, California 95501

- B. Suspension of Payments. COUNTY, in its sole discretion, may suspend any and all payments relating to the 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 CONTRACTOR.
- C. Disputed Costs. COUNTY shall have the right to reasonably and in good faith dispute any portion of any amount billed by CONTRACTOR. If COUNTY believes that CONTRACTOR has billed COUNTY incorrectly, COUNTY must contact CONTRACTOR's customer support department no later than thirty (30) days after the date on the invoice in which the error or problem appeared, in order to receive an adjustment or credit. Such notification shall include written documentation which identifies and substantiates the disputed amount. Notwithstanding the foregoing, COUNTY shall submit to CONTRACTOR, prior to the invoice due date, full payment of the undisputed portion of any fees billed by CONTRACTOR.
- D. Recovery of Overpayments. If it is determined that the costs identified in CONTRACTOR's annual year-end cost report prepared pursuant to the terms and conditions of this Agreement are less than the actual payments made by COUNTY, CONTRACTOR shall be responsible for repaying any and all overpayments as set forth herein.

- E. Payment of Amounts Due to COUNTY. Any and all payments due to 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 CONTRACTOR, 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. CONTRACTOR shall notify COUNTY as to which of the payment options CONTRACTOR requests be used as the method to recover the amount owed to COUNTY within ten (10) days after receiving written notice thereof. Regardless of CONTRACTOR'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.

- F. Interest Charges on Delinquent Payments Due to COUNTY. If CONTRACTOR, without good cause, as determined in the sole judgment of Director, fails to pay 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 CONTRACTOR, 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 to CONTRACTOR under this Agreement or otherwise. CONTRACTOR 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 the failure to pay COUNTY.

6. NOTICES:

Any and all notices required to be given pursuant to the terms and conditions 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 – Behavioral Health
Attention: Deanna Bay, Substance Use Disorder Administrator
134 D Street
Eureka, California 95501

CONTRACTOR: Feather House Sober Living, LLC
Attention: Britain Davis, Owner
P.O. Box 35
Fortuna, California 95540

7. REPORTS:

- A. General Reporting Requirements. CONTRACTOR hereby 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. CONTRACTOR shall submit one (1) hard copy and one (1) electronic copy of any and all reports required pursuant to the terms and conditions of this Agreement in a format that complies with the Americans with Disabilities Act and any other applicable local, state and federal accessibility laws, regulations and standards. Any and all reports required pursuant to the terms and conditions of this Agreement shall be submitted in accordance with any and all applicable timeframes using the format required by the State of California as appropriate.

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- B. Year-End Cost Reports. If applicable to a specific local, state or federal funding source covered by this Agreement, CONTRACTOR shall submit an unaudited year-end cost report, which includes, an accurate and complete statement of any and all costs and expenses incurred pursuant to the terms and conditions of this Agreement, within sixty (60) days after the end of each fiscal year in which services are provided hereunder. CONTRACTOR shall also submit a final year-end cost report within sixty (60) days after the expiration or termination date of this Agreement. Year-end cost reports shall be separated into each type of 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 pursuant to the terms and conditions of this Agreement 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 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.

8. RECORD PREPARATION, RETENTION AND INSPECTION:

- A. Preparation of Performance Records. CONTRACTOR shall 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 services provided pursuant to the terms and conditions of this Agreement, including, without limitation, documents regarding CONTRACTOR'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 services provided hereunder, including, but not limited to, any and all matching costs and expenses. The foregoing constitutes "performance records" purposes of this provision.
- B. Record Preservation. CONTRACTOR 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 this Agreement.
1. If this Agreement is completely or partially terminated, any and all records and/or documentation relating to the terminated 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 before the expiration of the above-referenced ten (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.
 3. If any records or documentation prepared and maintained pursuant to the terms and conditions of this Agreement relate to services provided to clients under eighteen (18) years of age, such records and/or documentation shall be preserved and maintained until one (1) year beyond the client's eighteenth (18th) birthday, or for a period of ten (10) years beyond the date that such services were provided, whichever is later.
- C. Record Inspection. CONTRACTOR 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 Alcohol and Drug Programs (“DADP”), 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. CONTRACTOR 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.

- D. Record Storage and Reproduction. Following the receipt of final payment hereunder, CONTRACTOR 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, DADP or any other duly authorized local, state or federal agency to inspect, audit or obtain copies of said records and/or documentation, CONTRACTOR shall make available any and all applicable devices, hardware and/or software necessary to view, copy and/or print such records and/or documentation.
- E. Effect of Non-Compliance. CONTRACTOR’s failure to comply with the requirements set forth herein may result in the imposition of any and all applicable penalties pertaining to the obstruction of governmental investigations.

9. AUDIT AND EXAMINATION OF PERFORMANCE RECORDS:

- 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 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, DADP, 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. CONTRACTOR agrees to allow COUNTY, DHCS, DADP and any other duly authorized local, state or federal agencies access to such facilities, activities, records, 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 this Agreement.
- B. Local, State and Federal Financial Audits. In accordance with any and all applicable local, state and federal laws, regulations and standards, including, without limitation, the Single Audit Act and the audit reporting requirements set forth in Office of Management and Budget (“OMB”) Circular A-133, as revised on June 27, 2003, any and all expenditures of local, state and federal funds related to the services provided pursuant to the terms and conditions of this Agreement shall be subject to audit by COUNTY, DHCS, DADP, 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 CONTRACTOR 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 Performance Agreement (State Standard Agreement No. 21-10082) and the Substance Abuse Prevention and Treatment

Block Grant Agreement (Biennial 2022-2024 SABG County Application) 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 services provided pursuant to the terms and conditions of this Agreement prepared by COUNTY, DHCS, DADP, 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. CONTRACTOR 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 date that such corrective action plans are finalized.
- D. Audit Settlement. In the event that any audit conducted by COUNTY, DHCS, DADP, 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 services provided pursuant to the terms and conditions of this Agreement are more than the amounts allowable hereunder, CONTRACTOR 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 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 CONTRACTOR as set forth herein.
- E. Disallowances. In the event any 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, CONTRACTOR shall be responsible for repaying any amounts paid for such disallowed or denied services or claims to COUNTY as set forth herein. CONTRACTOR 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. CONTRACTOR may appeal any audit exception or settlement related to the services provided pursuant to the terms and conditions of this Agreement by submitting a written appeal to COUNTY within thirty (30) days after CONTRACTOR's receipt of the audit report containing the disputed audit exception or settlement.

10. PROGRAM INSPECTION AND MONITORING:

- A. Local, State and Federal Inspection Rights. CONTRACTOR shall allow COUNTY, DHCS, DADP, 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 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

CONTRACTOR, and its subcontractors hereunder, pertaining to such 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 CONTRACTOR’s performance hereunder, including, but not limited to, working papers, reports, financial records and books of account, client records, prescription files, subcontracts and any other documentation pertaining to the services provided pursuant to the terms and conditions of this Agreement. Upon request, at any time during the above-referenced ten (10) year period, CONTRACTOR shall furnish any such record, or copy thereof, to COUNTY, DHCS, DADP, 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.

- B. Local, State and Federal Monitoring. CONTRACTOR hereby agrees that COUNTY and any other duly authorized local, state or federal agencies, including, without limitation, DHCS, DADP 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 CONTRACTOR’s records, policies, procedures and overall business operations, at any time, in order to ensure compliance with the terms and conditions of this Agreement. CONTRACTOR shall cooperate with a corrective action plan, if deficiencies in CONTRACTOR’s records, policies, procedures or business operations 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 CONTRACTOR’s performance hereunder.
- C. Utilization Review. COUNTY may designate appropriate DHHS – Behavioral Health staff to perform a utilization and/or professional standards review of all clients receiving services pursuant to the terms and conditions of this Agreement. In the event any 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, CONTRACTOR shall be responsible for repaying any amounts paid for such disallowed or denied claims to COUNTY as set forth herein. CONTRACTOR shall hold COUNTY harmless from and against any and all disallowances resulting from any local, state or federal claims process or error correction procedures.
- D. Additional Utilization Controls. CONTRACTOR hereby acknowledges that COUNTY may, in the interest of program integrity or the welfare of clients receiving services pursuant to the terms and conditions of this Agreement, introduce additional utilization controls, as may be necessary, at any time and without advance notice to CONTRACTOR. Such additional controls may take effect immediately upon CONTRACTOR’s receipt of notice thereof.

11. CONFIDENTIAL INFORMATION:

- A. Legal Compliance. CONTRACTOR hereby agrees to protect all confidential records and client 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, 1280.18, 11812, 11845.5, 123100 and 123149.5; California Department of General Services State Administrative Manual Sections 1600 through 1695; the California Information

Practices Act of 1977; the California Confidentiality of Medical Information Act (“CMIA”); 22 C.C.R. Section 51009; the United States Health Information Technology and Clinical Health Act (“HITECH Act”); the United States Health Information Portability and Accountability Act of 1996 (“HIPAA”); Sections 290dd-2, 1320(a) and 1320d through 1320d-8 of Title 42 of the United States Code (“U.S.C.”); and any current and future implementing regulations promulgated thereunder, all as may be amended from time to time.

- B. State Contractual Requirements. CONTRACTOR hereby agrees to comply with any and all applicable confidentiality requirements contained in the Mental Health Performance Agreement (State Standard Agreement No. 21-10082) and the Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial 2022-2024 SABG County Application) that COUNTY has with DHCS, which are incorporated herein by reference as if set forth in full.
- C. HIPAA Covered Entity Requirements. Each party hereto represents itself to be a “covered entity,” as that term is defined by HIPAA, and agrees to use and disclose any and all confidential information concerning persons receiving services pursuant to this Agreement in accordance with any and all applicable laws, regulations and standards. COUNTY and CONTRACTOR acknowledge that the exchange of such confidential information shall only be for the purposes of treatment, payment and health care operations.
- D. Assistance in Litigation or Administrative Proceedings. CONTRACTOR shall make itself, and any agents, officers, directors, employees and subcontractors assisting CONTRACTOR in the performance of its duties and obligations hereunder, available to DHCS, at CONTRACTOR’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 the parties hereto, except where either party is a named adverse party.
- E. Continuing Compliance with Confidentiality Requirements. Each party hereby 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 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.

12. PRIVACY AND DATA SECURITY REQUIREMENTS:

- A. Legal Compliance. CONTRACTOR 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 Parts 160 and 164 of Title 45 of the Code of Federal Regulations (“C.F.R.”); 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. Part 2; 42 C.F.R. Sections 431.300, *et seq.*; 42 C.F.R. Part 2, Subparts A-E; and 45 C.F.R. Sections 96.132(e) and 205.50, all as may be amended from time to time.
- B. State Contractual Requirements. CONTRACTOR hereby agrees to comply with any and all applicable privacy and data security requirements contained in the Mental Health Performance Agreement (State Standard Agreement No. 21-10082) and the Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial 2022-2024 SABG County Application) that COUNTY has with DHCS, which are incorporated herein by reference as if set forth in full.

C. Definitions. For purposes of this provision, the following definitions shall apply:

1. Public Information. As used herein, the term “Public Information” shall include, without limitation, any and all information that is not exempt from disclosure under the provisions of the California Public Records Act (California Government Code Sections 7920.000, *et seq.*) or any other applicable local, state or federal laws, regulations or standards.
2. Exempt Information. As used herein, the term “Exempt Information” shall include, without limitation, any and all information that is exempt from disclosure under the provisions of the California Public Records Act (California Government Code Sections 7920.000, *et seq.*) or any other applicable local, state or federal laws, regulations or standards.
3. Sensitive Information. As used herein, the term “Sensitive Information” shall include, without limitation, any and all information that requires special precautions to protect against unauthorized use, access, disclosure, modification, loss or deletion. Sensitive Information may be either Public Information or Exempt Information that requires a higher than normal assurance of accuracy and completeness. Typically, Sensitive Information includes records of an agency’s financial transactions and regulatory actions.
4. Personal Information. As used herein, the term “Personal Information” shall include, without limitation, any and all information that identifies or describes an individual, including, but not limited to, his or her name, physical description, home address, home telephone number, education, financial matters, medical or employment history and statements made by, or attributed to, the individual. It is DHCS’ policy to consider all information about individuals private that must be protected from inappropriate access, use or disclosure, unless such information is determined to be a public record.
5. Personally Identifiable Information. As used herein, the term “Personally Identifiable Information” 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, fingerprints, voice prints and photographs (California Civil Code Sections 1798.29 and 1798.82).
6. Protected Health Information. As used herein, the term “Protected Health Information” 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.

D. Nondisclosure of Identifying Information. In connection with the execution of this Agreement, CONTRACTOR shall protect from unauthorized disclosure the names and other identifying information, including Personal Information (“PI”), Personally Identifiable Information (“PII”), Sensitive Information and Exempt Information (referred to collectively as (“PSEI”), concerning individuals whose PSEI becomes available to CONTRACTOR as a result of the services provided pursuant to the terms and conditions of this Agreement, except for statistical information not identifying any such person.

1. Unauthorized Disclosures of Identifying Information. CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client,

any PSEI 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 laws, regulations or standards.

2. Use of Identifying Information. CONTRACTOR shall not use any PSEI for any purpose other than carrying out its duties and obligations under this Agreement.
 3. Notification of Requests for Identifying Information. CONTRACTOR shall promptly transmit to COUNTY all requests for disclosure of any PSEI not emanating from an individual whose PSEI becomes available to CONTRACTOR as a result of the services provided pursuant to the terms and conditions of this Agreement.
- E. Nondisclosure of Protected Health Information. In connection with the execution of this Agreement, CONTRACTOR shall protect from unauthorized disclosure any and all Protected Health Information (“PHI”) concerning individuals whose PHI becomes available to CONTRACTOR as a result of the services provided pursuant to the terms and conditions of this Agreement.
1. Use and Disclosure of Protected Health Information. CONTRACTOR shall not use or disclose PHI 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.
 2. Minimum Use and Disclosure of Protected Health Information. CONTRACTOR shall use or disclose only the minimum amount of PHI necessary to accomplish the intended purpose of this Agreement.
 3. Legal Standards Pertaining to Protected Health Information. CONTRACTOR shall only use, store, disclose or access PHI in compliance with the terms and conditions of this Agreement and any and all applicable local, state and federal laws, regulations and standards.
 4. Downloading Protected Health Information. CONTRACTOR shall not download PHI to any personal device, including, without limitation, flash drives, cell phones or tablets without COUNTY’s prior written approval.
 5. Maintenance and Preservation of Disclosure Records. CONTRACTOR hereby 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.
 6. Accounting Requirements. CONTRACTOR 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.
 7. Data Transmission Requirements. CONTRACTOR shall comply with any and all local, state and federal data transmission requirements applicable to any transfers of PHI completed pursuant to the terms and conditions of this Agreement.

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- a. No Changes. CONTRACTOR hereby agrees that it will not change any definition, data condition or use of a data element or segment as proscribed for PHI in the Federal Health and Human Services (“HHS”) Transaction Standard Regulations and any other applicable local, state and federal laws, regulations and standards.
 - b. No Additions. CONTRACTOR hereby agrees that it will not add any proscribed data elements or segments to the maximum data set for PHI in the HHS Transaction Standard Regulations and any other applicable local, state and federal laws, regulations and standards.
 - c. No Unauthorized Uses. CONTRACTOR hereby agrees that it will not use any code or data elements that either are marked “not used” in the HHS Transaction’s Implementation specification or are not in the HHS Transaction Standard’s implementation specifications for PHI.
 - d. No Changes to Meaning or Intent. CONTRACTOR hereby agrees that it will not change the meaning or intent of any of the HHS Transaction Standard’s implementation specification for PHI.
8. Concurrence for Test Modifications to HHS Transaction Standards. CONTRACTOR understands that there exists the possibility that DHCS or others may request an extension from the uses of a standard in the HHS Transaction Standards. If this occurs, CONTRACTOR agrees that it will participate in such test modifications.
 9. Adequate Testing. CONTRACTOR hereby agrees to work with COUNTY to adequately test all business rules appropriate to their types and specialties.
 10. Deficiencies. CONTRACTOR hereby agrees to work with COUNTY to correct transactions, errors or deficiencies identified by DHCS or either party hereto.
 11. Code Set Retention. CONTRACTOR understands, and hereby agrees, to keep open code sets being processed or used hereunder for the entire term of this Agreement, or any applicable appeal period, whichever is longer.
 12. Data Transmission Log. CONTRACTOR shall establish and maintain a data Transmission log which shall record any and all data transmissions taking place between the parties hereto during the term of this Agreement. CONTRACTOR shall take necessary and reasonable steps to ensure that such data transmission log constitutes a current, accurate, complete and unaltered record of any and all data transmissions between the parties hereto, and shall be retained by CONTRACTOR for no less than twenty-four (24) months following the date of the data transmission. The data transmission log may be maintained on computer media or other suitable means provided that, if it is necessary to do so, the information contained in the data transmission log may be retrieved in a timely manner and presented in readable form.
- F. Security Incidents and Suspected Breaches of Confidential Information. If CONTRACTOR has reason to believe that PSEI or PHI transmitted hereunder may have been accessed, disclosed or acquired in breach of this Agreement, CONTRACTOR 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:

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1. Reporting Breaches of Confidential Information. CONTRACTOR shall notify COUNTY immediately, by telephone and e-mail or fax, upon the discovery of a breach of PSEI or PHI in electronic media or any other medium, if the PSEI or PHI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person.
2. Discovery of Breaches and Security Incidents. For purposes of this Agreement, a breach of, or security incident involving, PSEI or PHI shall be treated as discovered by CONTRACTOR as of the first (1st) day on which such breach or security incident is known, or by exercising reasonable diligence would have been known, to CONTRACTOR, or any employee or agent thereof, other than the person committing the suspected breach.
3. Reporting Suspected Security Incidents. CONTRACTOR shall notify COUNTY, by telephone and e-mail or fax, within twenty-four (24) hours after discovering any suspected security incident, intrusion, loss, use or disclosure of PSEI or PHI in violation of this Agreement or any applicable local, state or federal laws, regulations or standards.
4. Reporting Suspected Breaches and Security Incidents to Affected Individuals. To the extent deemed warranted, CONTRACTOR shall provide notice to any and all individuals affected by the suspected breach of, or security incident involving, PSEI or PHI. CONTRACTOR 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, CONTRACTOR 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 suspected breach of, or security incident involving, PSEI or PHI, 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 PSEI or PHI 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 CONTRACTOR to remediate the breach of, or security incident involving, PSEI or PHI, mitigate losses and protect against any further breaches or security incidents.
5. Investigation of Suspected Breaches and Security Incidents. CONTRACTOR shall immediately investigate any and all suspected breaches of, or security incidents involving, PSEI or PHI. Within seventy-two (72) hours after the discovery of such suspected breach or security incident, CONTRACTOR shall submit an updated "Privacy Incident Report" containing the applicable information to the extent known at that time.
6. Remediation of Breaches and Security Incidents. Upon discovery of a breach of, or security incident involving, PSEI or PHI, CONTRACTOR 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.

7. Cooperation with COUNTY's Remediation Efforts. Upon discovery of a breach of, or security incident involving, PSEI or PHI, CONTRACTOR 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, CONTRACTOR 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 CONTRACTOR's assistance is required to reinstall software, such assistance shall be provided, at CONTRACTOR's expense, in accordance with COUNTY's policies and procedures.
 8. Remediation Report. CONTRACTOR shall provide to COUNTY a written report of the investigation of a breach of, or security incident involving, PSEI or PHI within ten (10) business days after the discovery of such breach or security incident. The report shall include, without limitation, the information specified above, as well as a full, detailed corrective action plan, including information on measures that were taken to remediate and/or contain the breach or security incident.
- G. Safeguarding Confidential Information. CONTRACTOR shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of all PSEI and PHI related to the services provided pursuant to the terms and conditions of this Agreement, including, without limitation, electronic PSEI and PHI that CONTRACTOR creates, receives, maintains, uses or transmits on behalf of COUNTY. CONTRACTOR 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 CONTRACTOR'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, CONTRACTOR, for itself, and its principals, assignees and successors in interest, agrees as follows:
 - a. Employee Training. Any and all employees who assist in the performance of CONTRACTOR's duties and obligations hereunder, or access or disclose PSEI or PHI, 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 employee'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.
 - c. Confidentiality Statement. Any and all employees that will be accessing PSEI or PHI 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 PSEI or PHI and on an annual basis thereafter. CONTRACTOR 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 PSEI or PHI must be conducted before access to any PSEI or PHI is granted, in order to assure that there is no indication that the employee may present a risk to the security or integrity of confidential data or a risk for theft or misuse of confidential data. Background screenings 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. CONTRACTOR 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, CONTRACTOR, for itself, and its principals, assignees and successors in interest, agrees as follows:
 - a. Workstation and Laptop Encryption. Any and all workstations and laptops that store PSEI or PHI either directly or indirectly 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 PSEI or PHI 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 PSEI or PHI required to perform necessary business functions may be copied, downloaded or exported.
 - d. Removable Media Devices. Any and all electronic files that contain PSEI or PHI 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 PSEI or PHI 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 PSEI or PHI 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.
 - g. User Identification and Password Controls. Any and all users of any system providing access to PSEI or PHI 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).
- h. Data Destruction. When no longer needed, all PSEI or PHI 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.
 - i. System Timeout. Any and all systems providing access to PSEI or PHI 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 PSEI or PHI 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 PSEI or PHI must maintain an automated audit trail that can identify any user or process which alters PSEI or PHI and store access-related data for at least ten (10) years. The audit trail must be date and time stamped, log successful and failed accesses, be read only, be restricted to authorized users and be capable of logging PSEI or PHI stored in databases.
 - l. Access Controls. Any and all systems providing access to PSEI or PHI must use role-based user authentication controls that enforce the principle of least privilege.
 - m. Transmission Encryption. Any and all transmissions of PSEI or PHI 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 PSEI or PHI in motion such as website access and e-mail.
 - n. Intrusion Detection. Any and all systems involved in accessing, holding, transporting or protecting PSEI or PHI that are accessible via the internet must be protected by a comprehensive intrusion detection and prevention solution.
3. Audit Controls. By executing this Agreement, CONTRACTOR, for itself, and its principals, assignees and successors in interest, agrees as follows:
 - a. System Security Review. CONTRACTOR must ensure audit control mechanisms which record and examine system activity are in place. Any and all systems processing and/or storing PSEI or PHI 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 PSEI or PHI 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 PSEI or PHI 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, CONTRACTOR, for itself, and its principals, assignees and successors in interest, agrees as follows:
- a. Emergency Mode Operation Plan. CONTRACTOR must establish a documented plan to enable continuation of critical business processes and protection of the security of PSEI or PHI 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. CONTRACTOR must have documented procedures to backup PSEI or PHI which allows retrievable exact copies of PSEI or PHI 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 PSEI or PHI. At a minimum, the schedule must include weekly data backup and monthly offsite storage.
5. Paper Document Controls. By executing this Agreement, CONTRACTOR, for itself, and its principals, assignees and successors in interest, agrees as follows:
- a. Supervision of Data. PSEI or PHI 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. PSEI or PHI in paper form shall not be left unattended in vehicles or airplanes and shall not be checked in baggage on commercial airplanes.
 - b. Escorting Visitors. Visitors to areas where PSEI or PHI is contained shall be escorted and PSEI or PHI shall be kept out of sight while visitors are in the area.
 - c. Confidential Destruction. PSEI or PHI 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 PSEI or PHI may be removed from CONTRACTOR’s premises except with written permission from COUNTY. PSEI or PHI shall not be considered “removed from the premises,” if it is only being transported from one (1) of CONTRACTOR’s locations to another.
 - e. Faxing. Faxes containing PSEI or PHI 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 PSEI or PII shall be sealed and secured from damage or inappropriate viewing to the extent possible. Mailings which include five hundred (500) or more individually identifiable records 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.

13. ADMISSION REQUIREMENTS:

- A. Admission Policies and Procedures. In order to ensure equal access to the services provided pursuant to the terms and conditions of this Agreement, CONTRACTOR shall develop, implement and maintain comprehensive policies and procedures that are designed to assure compliance with the following:
 1. CONTRACTOR shall confirm that all referrals made pursuant to the terms and conditions of this Agreement have been authorized by Substance Use Navigator prior to making an admission decision.
 2. CONTRACTOR shall schedule initial appointments with clients within ten (10) business days after receipt of referrals made pursuant to the terms and conditions of this Agreement.
 3. CONTRACTOR shall establish appropriate mechanisms to record the date on which a particular referral was received.
 4. CONTRACTOR shall immediately notify Substance Use Navigator of, and the reasons leading to, the denial of any referral made pursuant to the terms and conditions of this Agreement.
 5. CONTRACTOR 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.
- B. Admission Priority. CONTRACTOR shall provide COUNTY with periodic reports of openings in its facility, and give priority to the admission of COUNTY's clients.

14. CLIENTS' RIGHTS:

- A. Legal Compliance. Each party hereto shall comply with any and all applicable local, state and federal laws, regulations and standards relating to clients' 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 clients' rights, and shall ensure that its staff and subcontractors take those rights into account when providing services hereunder, 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.

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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 their housing, including, without limitation, the right to refuse housing.
 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 their rights without adversely affecting the way in which they are treated by CONTRACTOR.
- 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.

15. FEDERAL HEALTH CARE PROGRAM EXCLUSION:

- A. Certification of Eligibility. By executing this Agreement, CONTRACTOR 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 CONTRACTOR will notify COUNTY in writing, within thirty (30) days after the receipt of a fully executed copy of this Agreement, of any event that would require the mandatory exclusion of CONTRACTOR, 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 which directly or indirectly bars, either in whole or in part, CONTRACTOR, or one (1) or more of its staff members, from participation in a federally funded health care program.
- B. Employment of Ineligible or Excluded Individuals or Entities. CONTRACTOR 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.
- C. Eligibility Screening. CONTRACTOR shall screen, on a monthly basis, all staff employed or retained to provide services pursuant to the terms and conditions of 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). CONTRACTOR shall screen prospective staff prior to hire or engagement.
- D. Eligibility Notification. CONTRACTOR shall provide COUNTY with written attestations that its staff are eligible to participate in federally funded health care programs on a monthly basis.
- E. Disclosure Requirements. CONTRACTOR shall immediately disclose to COUNTY any debarment, exclusion or other event that causes CONTRACTOR, or any member of its staff to be ineligible for, or excluded from, participation in federally funded health care programs. If CONTRACTOR discovers that a staff member has become ineligible for, or excluded from,

participation in any federally funded health care program, CONTRACTOR shall remove such individual from responsibility for, or involvement with, the provision of any services required pursuant to the terms and conditions of this Agreement.

- F. Defense and Indemnification. CONTRACTOR shall hold harmless, defend and indemnify COUNTY against any and all loss or damage arising from any exclusion of CONTRACTOR, or any of 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.

16. USE AND PROTECTION OF LOCAL, STATE AND FEDERAL FUNDING:

- A. Informational Materials Regarding the Unlawful Use of Drugs. By executing this Agreement, CONTRACTOR certifies that it will not use any of the funds received pursuant to the terms and conditions of this Agreement to prepare, distribute or endorse any informational materials which include any message regarding the responsible use of unlawful drugs or alcohol as required by California Health and Safety Code Sections 11999 through 11999.3. CONTRACTOR further certifies that that any and all informational materials pertaining to the services provided hereunder will contain a written statement that there shall be no unlawful use of drugs or alcohol associated with CONTRACTOR's treatment program.
- B. Promotion of Legalization of Controlled Substances. By executing this Agreement, CONTRACTOR certifies that it will not use any of the funds received pursuant to the terms and conditions of this Agreement for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act.
- C. Distribution of Sterile Needles. By executing this Agreement, CONTRACTOR certifies that it will not use any of the funds received pursuant to the terms and conditions of this Agreement to carry out any program that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug, unless the State of California chooses to implement a demonstration syringe services program for injecting drug users.
- D. Cannabis Restrictions. CONTRACTOR hereby agrees that no part of any funding provided pursuant to the terms and conditions of this Agreement shall be used, directly or indirectly, to purchase, prescribe, or provide cannabis or treatment using cannabis. Treatment in this context includes the treatment of opioid use disorder. CONTRACTOR understands and agrees that it is barred from providing or permitting cannabis use for the purposes of treating substance use or mental disorders.
- E. Payment of Salaries. By executing this Agreement, CONTRACTOR hereby agrees that no part of any federal funds provided pursuant to the terms and conditions of this Agreement shall be used to pay the salary of an individual providing services hereunder at a rate in excess of Level 1 of the Executive Schedule that can be found online at <https://www.opm.gov/oca>, as may be amended from time to time. Any and all funds used to pay salaries that exceed the rate of basic pay set forth in Level 1 of the above-referenced Executive Schedule shall be subject to disallowance. The amount disallowed shall be determined by subtracting the individual's actual salary from the level 1 rate of basic pay set forth in the above-referenced Executive Schedule and multiplying the result by the percentage of the individual's salary that was paid with funds received pursuant to the terms and conditions of this Agreement.

- F. Religious Activities. CONTRACTOR hereby agrees that no part of any federal funds provided pursuant to the terms and conditions of this Agreement shall be used, directly or indirectly, to support sectarian worship, instruction and proselytization or any other religious activities.

17. SUSPENSION AND DEBARMENT:

- A. Legal Compliance. CONTRACTOR 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, 34 C.F.R. Part 85 and 42 C.F.R. Part 1001.
- B. Certification of Eligibility. By executing this Agreement, CONTRACTOR 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.
 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 used herein shall have the meanings set forth in the definition 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 set forth herein.
- E. Incorporation of Provisions. CONTRACTOR hereby 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.

18. INTELLECTUAL PROPERTY RIGHTS:

CONTRACTOR hereby agrees to comply with any and all applicable intellectual property rights provisions contained in the Mental Health Performance Agreement (State Standard Agreement No. 21-10082) and the Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial

2022-2024 SABG County Application) that COUNTY has with DHCS, which are incorporated herein by reference as if set forth in full.

A. Ownership. By executing this Agreement, CONTRACTOR, for itself, and its principals, 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 CONTRACTOR 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, CONTRACTOR will utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, CONTRACTOR 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, CONTRACTOR 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 CONTRACTOR 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, CONTRACTOR accesses any third-party Intellectual Property that is licensed to DHCS, CONTRACTOR hereby agrees to abide by any and all license and confidentiality restrictions applicable to DHCS in the third-party’s license agreement.
3. CONTRACTOR 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 CONTRACTOR enters into any agreements or subcontracts with other parties in order to perform its duties and obligations

hereunder, CONTRACTOR shall require the terms of such agreements or subcontracts to include all of the Intellectual Property provisions set 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, CONTRACTOR or DHCS as a direct or indirect result of this Agreement or any subcontract related hereto.

4. CONTRACTOR 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, CONTRACTOR, for itself, and its principals, assignees and successors in interest, agrees as follows:

1. Except for Intellectual Property made, conceived, derived from or reduced to practice by CONTRACTOR or DHCS as a direct or indirect result of this Agreement, CONTRACTOR 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. CONTRACTOR hereby grants to DHCS, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display or perform, distribute and dispose CONTRACTOR's Intellectual Property resulting from this Agreement, unless CONTRACTOR 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 CONTRACTOR from using any ideas, concepts, know-how, methodology or techniques related to the performance of its duties and obligations hereunder, provided that CONTRACTOR'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 applicable local, state or federal laws, regulations or standards relating to confidentiality, data security or privacy.

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

1. CONTRACTOR agrees that for purposes of copyright law, all works, as defined herein, of authorship made by or on behalf of CONTRACTOR in connection with the performance of its duties and obligations hereunder shall be deemed "works made for hire." CONTRACTOR further agrees that the work of each person utilized by CONTRACTOR in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of CONTRACTOR or has entered into an agreement with CONTRACTOR to perform the work. CONTRACTOR shall enter into a written agreement with any such person which provides that: all work performed for CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR 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, CONTRACTOR 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, CONTRACTOR 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, CONTRACTOR agrees that the performance of its obligations and duties hereunder shall not be dependent upon or include any Intellectual Property of CONTRACTOR 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 CONTRACTOR'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 CONTRACTOR's performance of, this Agreement, CONTRACTOR shall obtain a license under terms acceptable to DHCS.
- F. Warranties. By executing this Agreement, CONTRACTOR, for itself, and its principals, 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 CONTRACTOR's performance of this Agreement, nor the exercise by either party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display or performance, distribution and disposition of the Intellectual Property made, conceived, derived from or reduced to practice by CONTRACTOR 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 CONTRACTOR.
 4. Neither CONTRACTOR'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.

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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.
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 CONTRACTOR'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, copyright or the like.

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

1. CONTRACTOR shall indemnify, defend and hold harmless DHCS, 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, whether or not CONTRACTOR 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 CONTRACTOR pertaining to Intellectual Property; or any Intellectual Property infringement, or any 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 CONTRACTOR or DHCS as a direct or indirect result of this Agreement. CONTRACTOR's indemnity obligations hereunder 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 CONTRACTOR's expense, any such infringement action brought against DHCS.
2. Should any Intellectual Property licensed by CONTRACTOR to DHCS under this Agreement become the subject of an Intellectual Property infringement claim, CONTRACTOR 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 CONTRACTOR's expense, in any such claim or action. In the defense or settlement of the claim, CONTRACTOR 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.

3. CONTRACTOR agrees that damages alone would be inadequate to compensate DHCS for CONTRACTOR's breach of the Intellectual Property provisions set forth herein. CONTRACTOR 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.

19. NON-DISCRIMINATION COMPLIANCE:

A. Compliance with Anti-Discrimination laws. CONTRACTOR 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, Title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, the Age Discrimination in Employment Act, 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, the Drug Abuse Office and Treatment Act of 1972 and any other applicable local, state and federal laws, regulations or 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 Professional 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), CONTRACTOR 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 any and all applicable local, state or federal laws, regulations or standards, all as may be amended from time to time. CONTRACTOR shall not discriminate against clients on the basis of health status or need for health care services.

- C. Employment Practices. In connection with the services provided hereunder, CONTRACTOR, 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 any and all applicable local, state or federal laws, regulations or standards, all as may be amended from time to time. CONTRACTOR 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, CONTRACTOR 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. CONTRACTOR 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 CONTRACTOR's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin, physical or mental 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 Employee Representatives. CONTRACTOR shall send to each labor union or representative of employees 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 employee representative of CONTRACTOR'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. CONTRACTOR 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. CONTRACTOR 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 CONTRACTOR’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 CONTRACTOR 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 applicable local, state and federal laws, regulations and standards.
- J. Incorporation of Provisions. CONTRACTOR shall include the foregoing provisions in every subcontract related to the 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. CONTRACTOR shall take such action with respect to any subcontract related to the 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, in the event CONTRACTOR becomes involved in, or is threatened with, litigation by a subcontractor or vendor as a result of such direction by DHCS, CONTRACTOR may request in writing to DHCS, who, in turn, may request the United States to enter into such litigation.

20. LOBBYING RESTRICTIONS:

- A. Certification Regarding Lobbying Activities. CONTRACTOR shall file a certification, as set forth in Exhibit C – 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. CONTRACTOR shall file a disclosure, as set forth in Exhibit D – Disclosure of Lobbying Activities, which is attached hereto and incorporated herein by reference as if set forth in full, if CONTRACTOR 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. CONTRACTOR shall file a disclosure, as set forth in Exhibit D – 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 a covered federal action.
 2. A change in the 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. CONTRACTOR shall incorporate the provisions set forth herein, without substantial modification, into any subcontracts related to the services provided pursuant to the terms and conditions of this Agreement.

21. CLEAN AIR AND WATER POLLUTION COMPLIANCE:

- A. Certification of Compliance. During the performance of this Agreement, CONTRACTOR, 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. CONTRACTOR shall incorporate the provisions set forth herein, without substantial modification, into any subcontracts related to the services provided pursuant to the terms and conditions of this Agreement, unless exempted by law.

22. SMOKE-FREE FACILITY 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 indirectly, or by federal grant, contract or loan. 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, 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.
- B. Certification of Compliance. By executing this Agreement, CONTRACTOR 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. CONTRACTOR agrees that it will incorporate the provisions contained herein into any subcontracts related to the services provided pursuant to the terms and conditions of this Agreement.

23. NUCLEAR-FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

By executing this Agreement, CONTRACTOR certifies that it is not a Nuclear Weapons Contractor, in that CONTRACTOR 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. CONTRACTOR 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 CONTRACTOR subsequently becomes a Nuclear Weapons Contractor.

24. DRUG-FREE WORKPLACE CERTIFICATION:

By executing this Agreement, CONTRACTOR hereby certifies that it will provide a drug-free workplace in accordance with the requirements of the Drug-Free Workplace Act of 1990 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. CONTRACTOR'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 services pursuant to the terms and conditions of this Agreement will:
 - 1. Receive a copy of CONTRACTOR's Drug-Free Policy Statement; and
 - 2. Agree to abide by CONTRACTOR'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 of this Agreement and/or ineligibility for award of future contracts.

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25. INDEMNIFICATION:

- A. Hold Harmless, Defense and Indemnification. CONTRACTOR 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, CONTRACTOR'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 CONTRACTOR from liability under this provision. This provision shall apply to all claims for damages related to CONTRACTOR'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 pursuant to the terms and conditions of this Agreement.

26. INSURANCE REQUIREMENTS:

This Agreement shall not be executed by COUNTY, and CONTRACTOR 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 CONTRACTOR's indemnification obligations set forth herein, CONTRACTOR, and its subcontractors hereunder, shall 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 CONTRACTOR 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. As stated in Exhibit A – Scope of Services, CONTRACTOR will not drive an automobile in the performance of the services provided pursuant to the terms and conditions of this Agreement. If CONTRACTOR's responsibilities are changed in such a way that driving will be required during the performance of the services set forth herein, CONTRACTOR shall take out and maintain 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. If CONTRACTOR has no employees, CONTRACTOR may sign the following in lieu of Workers' Compensation Insurance:

"I hereby agree to comply with the provisions of California Labor Code Section 3700, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with state law, throughout the term of this Agreement."

CONTRACTOR: _____
Britain Davis, Owner Date

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, CONTRACTOR. 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 CONTRACTOR 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, CONTRACTOR's insurance is the primary coverage to COUNTY, and any insurance or self-insurance programs maintained thereby are excess to CONTRACTOR's insurance and will not be used to contribute therewith.
5. Any failure to comply with the terms and conditions of this Agreement shall not affect the coverage provided to COUNTY or its agents, officers, officials, employees and volunteers.
6. CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR shall be required to purchase additional coverage to meet the above-referenced aggregate limits.

C. Insurance Notices. Any and all notices regarding the insurance 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

CONTRACTOR: Feather House Sober Living, LLC
Attention: Britain Davis, Owner
P.O. Box 35
Fortuna, California 95540

27. 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 agents, servant, employee, partnership, joint venture, or any other similar association. Both parties further agree that CONTRACTOR shall not be entitled to any benefits to which COUNTY employees are entitled, including, without limitation, overtime, retirement, leave or workers' compensation benefits. CONTRACTOR shall be solely responsible for the acts and omissions of its agents, officers, employees, assignees and subcontractors.

28. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND STANDARDS:

A. General Legal Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal laws, regulations, policies, procedures and standards applicable to the services provided pursuant to the terms and conditions of this Agreement, including, without limitation, any and all applicable provisions of 42 C.F.R. Section 438.214.

B. Licensure Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal licensure, certification and accreditation standards applicable to the services provided pursuant to the terms and conditions of this Agreement, including, without limitation, the business licensure requirements set forth in Section 811-6(b) of the Humboldt County Code.

C. Program Control Requirements. CONTRACTOR hereby agrees to comply with any and all applicable local, state and federal accounting procedures, requirements and standards pertaining to the services provided pursuant to the terms and conditions of this Agreement, including, without limitation: California Health and Safety Code Sections 11760, *et seq.*; California Government Code Sections 16367.8 and 53130, *et seq.*; 9 C.C.R. Sections 9000, *et seq.*; 42 U.S.C. Sections 300x-21 through 300x-35; 31 U.S.C. Sections 7501 through 7507 and OMB Circular A-133, as revised on June 27, 2003; 45 C.F.R. Sections 96.30 through 96.33 and 96.120

through 96.137; 42 C.F.R. Sections 8.1 through 8.34; 21 C.F.R. Sections 1301.01 through 1301.93; and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, all as may be amended from time to time.

D. Accessibility Requirements. CONTRACTOR hereby agrees to comply with any and all applicable provisions of the Americans with Disabilities Act, Sections 504 and 508 of the Rehabilitation Act of 1973, as amended, California Government Code Section 11135 and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including without limitation, the federal accessibility standards set forth in 36 C.F.R. Section 1194.1, all as may be amended from time to time. Compliance with the accessibility requirements applicable to the services provided pursuant to the terms and conditions of this Agreement shall include, without limitation, all of the following:

1. CONTRACTOR shall ensure that any and all written information that is provided regarding CONTRACTOR's programs shall also be provided in alternate formats, including braille, large print audio recording and electronic formats, upon request.
2. CONTRACTOR shall enter into contracts or make other arrangements with qualified sign language and oral interpreters to ensure their availability when required for effective communication with persons who are deaf or hearing impaired. The type of aid that will be required for effective communication will depend on the individual's usual method of communication and the nature, importance and duration of the communication at issue. In many circumstances, oral communication supplemented by gestures and visual aids, an exchange of written notes, use of a computer or typewriter or use of an assistive listening device may be effective. In other circumstances, qualified sign language or oral interpreters are needed to communicate effectively with persons who are deaf or hearing impaired. The more lengthy, complex and important the communication, the more likely it is that a qualified interpreter will be required for effective communication with a person whose primary means of communication is sign language or speech reading.
3. If CONTRACTOR operates a hotline to take telephone calls of an emergency nature, CONTRACTOR shall ensure that it provides equivalent service for persons who use teletypewriters, including, without limitation, providing direct-connection service for teletypewriter users with hotline operators, without requiring teletypewriter users to call through a third-party operator, such as through the state or local Telecommunication Relay Procedures, and provide the training necessary to ensure effective communication by hotline staff with direct-connection callers using teletypewriters, as well as the training necessary to respond to callers who use the Telecommunication Relay Services.
4. CONTRACTOR shall survey facilities used as shelters or designated as potential shelters, or for counseling, job training, education, clothing or household provisioning or other aspects of programs, to ensure that adequate arrangements are available for clients and family members with disabilities, including, without limitation, adults and children who have mobility impairments, are blind or vision impaired and are deaf or hearing impaired.
5. CONTRACTOR shall have written procedures and eligibility criteria necessary to ensure that no person with a disability is turned away from a shelter or otherwise denied the opportunity to benefit from the services provided pursuant to the terms and conditions of this Agreement on the basis of disability.
6. CONTRACTOR shall have written procedures to ensure that persons with disabilities who use service animals are not denied or discouraged from participating in CONTRACTOR's

program, are able to be housed and served in an integrated environment, and are not separated from their service animals while participating in the program even if pets are normally not permitted in the facilities where such programs are conducted. The procedures shall not unnecessarily segregate persons who use service animals from others, but may take into account the potential presence of persons who, for safety or health reasons, should not be in contact with certain types of animals.

7. CONTRACTOR shall have written procedures to ensure that reasonable modifications are made to CONTRACTOR's program when necessary for a client or family member with a disability to participate in such programs, unless doing so would fundamentally alter the nature of the program.
 8. CONTRACTOR shall have written policies to ensure that despite any "drug-free" policy of CONTRACTOR's program, persons with disabilities who use medication prescribed for their use are able to continue using such medication while participating in such programs or being housed in a shelter.
- E. Conflict of Interest Requirements. CONTRACTOR hereby 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.
- F. Political Activity Requirements. CONTRACTOR hereby agrees to comply with any and all applicable political activity requirements set forth in the Hatch Act (5 U.S.C. Sections 7321, *et seq.*) and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, all as may be amended from time to time.
- G. Human Trafficking Requirements. CONTRACTOR hereby agrees to comply with any and all applicable requirements set forth in Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended by 22 U.S.C. Section 7104 and 2 C.F.R. Part 175, and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, all as may be amended from time to time.
- H. Linguistic Proficiency Requirements. CONTRACTOR hereby agrees to comply with any and all applicable requirements set forth in Executive Order 13166, the Dymally-Alatorre Bilingual Services Act (California Government Code Sections 7290, *et seq.*), Section 1557 of the Affordable Care Act (45 C.F.R. Part 92), including, without limitation, 45 C.F.R. Section 92.201, and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, all as may be amended from time to time.
- I. Humboldt County Mental Health Performance Agreement. CONTRACTOR hereby agrees to comply with any and all applicable provisions of the Mental Health Performance Agreement (State Standard Agreement No. 21-10082) 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. 21-10082) 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. 21-10082) shall have priority. COUNTY's Mental Health Performance Agreement can be obtained online at <https://humboldt.gov.org>.

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- J. Humboldt County Substance Abuse Prevention and Treatment Block Grant Agreement. CONTRACTOR hereby agrees to comply with any and all applicable provisions of the Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial 2022-2024 SABG County Application) 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 Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial 2022-2024 SABG County Application) and the terms and conditions set forth in this Agreement, the terms and conditions set forth in COUNTY's Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial 2022-2024 SABG County Application) shall have priority. COUNTY's Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial 2022-2024 SABG County Application) can be obtained online at the following address <https://humboldt.gov.org>.
- K. Humboldt County Recovery Residence Standards and Guidelines. CONTRACTOR hereby agrees to comply with any and all applicable provisions of the Humboldt County Recovery Residence Standards and Guidelines, which is attached hereto as Exhibit E – Recovery Residence Standards and Guidelines and incorporated herein by reference as if set forth in full.

29. PROVISIONS REQUIRED BY LAW:

This Agreement may be subject to 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 incorrectly stated, the parties agree to amend the pertinent section to make such insertion or correction.

30. 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.

31. PROTOCOLS:

Each party hereby agrees that the inclusion of additional protocols may be required to make this Agreement specific. Any and all such protocols related to the services provided pursuant to the terms and conditions of this Agreement shall be negotiated, determined and agreed upon by each of the parties hereto.

32. NOTIFICATION OF LITIGATION:

CONTRACTOR shall notify COUNTY of any claim for damages, lawsuit or other professional litigation filed against CONTRACTOR, which relates to the 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.

33. 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.

34. 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 CONTRACTOR 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.

35. 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.

36. 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 CONTRACTOR. 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 CONTRACTOR shall promptly refund, any funds which COUNTY determines were not expended in accordance with the terms and conditions of this Agreement.

37. 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.

38. AMENDMENT:

This Agreement may be amended at any time during the term hereof 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 authorized representatives of the parties hereto.

39. STANDARD OF PRACTICE:

CONTRACTOR hereby 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. CONTRACTOR's duty is to exercise such care, skill and diligence as professionals engaged in the same profession ordinarily exercise under like circumstances.

40. 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 Performance Agreement (State Standard Agreement No. 21-10082) and the Substance Abuse Prevention and Treatment Block Grant Agreement (Biennial 2022-2024 SABG County Application) that COUNTY has with DHCS. Any dispute arising hereunder, or relating hereto, shall be litigated in 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.

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41. 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. CONTRACTOR shall inform COUNTY of any and all requests for interviews by the media related to this Agreement before such interviews take place. COUNTY shall be entitled to have a representative present at any and all interviews concerning the subject matter of this Agreement. Any and all notices required by this provision shall be given to Director in accordance with the notice requirements set forth herein.

42. SUBCONTRACTS:

CONTRACTOR shall obtain prior written approval from COUNTY before subcontracting any of the services to be provided pursuant to the terms and conditions of this Agreement. Any and all subcontracts shall be subject to all applicable terms and conditions of this Agreement, including, without limitation, the licensing, certification, privacy, security and confidentiality requirements set forth herein. CONTRACTOR shall remain legally responsible for the performance of all terms and conditions of this Agreement, including, without limitation, any and all services provided by third parties under subcontracts, whether approved by COUNTY or not.

43. 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. As used herein, the term "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.

44. SURVIVAL OF PROVISIONS:

The obligations set forth in Section 3(D) – Compensation upon Termination, Section 8 – Record Preparation, Retention and Inspection, Section 9 – Audit and Examination of Performance Records, Section 10 – Program Inspection and Monitoring, Section 11 – Confidential Information, Section 12 – Privacy and Data Security Requirements, Section 18 – Intellectual Property Rights and Section 25 – Indemnification shall survive the expiration or termination of this Agreement.

45. 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.

46. 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.

47. 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.

48. 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, pandemics, 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.

59. 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 its 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 and conditions of this Agreement are hereby ratified.

50. 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. This Agreement, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. 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.

51. 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 last date written below.

TWO SIGNATURES ARE REQUIRED FOR LIMITED LIABILITY COMPANIES PURSUANT TO THE CALIFORNIA CORPORATIONS CODE:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER; OR
- (3) ANY OTHER PROPERLY AUTHORIZED OFFICIAL OR EMPLOYEE.

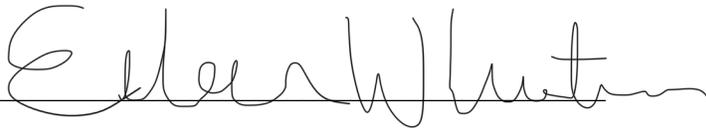
FEATHER HOUSE SOBER LIVING, LLC:

By:  _____

Date: _____

Name: _____

Title: _____

By:  _____

Date: _____

Name: _____

Title: _____

COUNTY OF HUMBOLDT:

By: _____

Date: _____

Steve Madrone, Chair
Humboldt County Board of Supervisors

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: _____

Date: _____

Risk Management

LIST OF EXHIBITS:

- Exhibit A – Scope of Services
- Exhibit B – Sample Invoice Form
- Exhibit C – Certification Regarding Lobbying Activities
- Exhibit D – Disclosure of Lobbying Activities
- Exhibit E – Recovery Residence Standards and Guidelines

EXHIBIT A
SCOPE OF SERVICES
Feather House Sober Living, LLC
For Fiscal Years 2022-2023 through 2023-2024

CONTRACTOR shall provide separate safe, clean and stable low barrier social model housing in which skills vital for sustaining recovery from substance use are practiced in a residential setting (“Recovery Residence”), for eligible men and women who are participating in a DHHS – Behavioral Health outpatient Drug Medi-Cal program (“Target Population”), as part of the Substance Abuse Block Grant Program.

1. SERVICES:

- A. Provision of Recovery Residences. CONTRACTOR shall provide, in accordance with any and all applicable local, state and federal laws, regulations, policies, procedures and standards, including, without limitation, any and all applicable provisions of the Humboldt County Recovery Residence Standards and Guidelines, Recovery Residence(s) for up to ten (10) eligible members of the Target Population that will be served thereby. Each Recovery Residence provided pursuant to the terms and conditions of this Agreement shall be free from external indicators identifying residents as in recovery from substance use and include, without limitation, personal living quarters, a shared kitchen space and a common dwelling area that are free from alcohol and other drugs. Individuals residing at the Recovery Residence(s) provided pursuant to the terms and conditions this Agreement shall attend an orientation and receive, and agree to abide by, a policy and procedure manual and residential agreement which set forth any and all applicable expectations, rules, regulations and policies, including, without limitation, attendance at house meetings, participation in peer-run support groups and activities and involvement with treatment services as managed by the Substance Use Navigator.
- B. Provision of Supportive Services. CONTRACTOR shall provide, in accordance with any and all applicable local, state and federal laws, regulations, policies, procedures and standards, including, without limitation, any and all applicable provisions of the Humboldt County Recovery Residence Standards and Guidelines, culturally and linguistically appropriate supportive services that are designed to assist residents with participation in the Substance Abuse Block Grant Program. The types of supportive services that CONTRACTOR will be required to provide pursuant to the terms and conditions of this Agreement shall include, without limitation, establishing and maintaining regular communication with the Substance Abuse Block Grant Program Substance Use Navigator regarding resident needs, overseeing house activities, such as cooking, laundry, housecleaning and yardwork, supervising residents, upholding any and all applicable house rules, policies and procedures, including, but not limited to, ensuring adherence to parking restrictions and maintaining all appropriate records, reports, and information.

2. ACCEPTANCE CRITERIA:

CONTRACTOR shall provide the housing and supportive services required pursuant to the terms and conditions of this Agreement to a minimum of eighty percent (80%) of eligible members of the Target Population referred by the Substance Use Navigator during each fiscal quarter.

3. COUNTY RESPONSIBILITIES:

COUNTY will designate a Substance Use Navigator to provide case management services as part of the Substance Abuse Block Grant Program, including, without limitation, referring eligible members of the Target Population for housing and supportive services provided pursuant to the terms and conditions of this Agreement, transporting residents to and from treatment appointments, developing

Relapse Prevention Plans and arranging for the provision of drug-testing of residents. COUNTY shall refer eligible members of the Target Population who have been preapproved to receive housing and supportive services pursuant to the terms and conditions of this Agreement to CONTRACTOR's Recovery Residence(s) using COUNTY's standard recovery residence referral form.

4. RESTRICTIONS:

CONTRACTOR shall not drive an automobile in the performance of the services provided pursuant to the terms and conditions of this Agreement. If CONTRACTOR's receptibilities are changed in such a way that driving will be required during the performance of the services required hereunder, CONTRACTOR shall take out and maintain Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage prior to the commencement of any such driving. 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).

EXHIBIT C
CERTIFICATION REGARDING LOBBYING ACTIVITIES

Feather House Sober Living, LLC
For Fiscal Years 2022-2023 through 2023-2024

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.

Name of Contractor

Printed Name of Person Signing for Contractor



Contract / Grant Number

Signature of Person Signing for Contractor

Date

Title

EXHIBIT E
RECOVERY RESIDENCE STANDARDS AND GUIDELINES

Feather House Sober Living, LLC
For Fiscal Years 2022-2023 through 2023-2024

The Humboldt County Department of Health and Human Services – Behavioral Health (“DHHS – Behavioral Health”) has established the following standards and guidelines to ensure safe, clean and stable low barrier social model housing in which skills vital for sustaining recovery from substance use are practiced in a residential setting (“Recovery Residence”) for individuals actively engaged in outpatient substance use disorder treatment. DHHS – Behavioral Health reserves the right to update these standards and guidelines as necessary to comply with regulation, align with the Department’s principles and meet the needs of the population we serve.

1. GENERAL REQUIREMENTS:

- A.** Documentation of legal business entity (e.g., organizational documents or business license).
- B.** Documentation that the owner/operator has current liability coverage and other insurance appropriate to the level of support.
- B.** Written permission from the property owner of record, if the owner is other than the recovery residence operator, to operate a recovery residence on the property.
- C.** Written statement attesting to compliance with any and all applicable local, state and federal nondiscrimination requirements.
- D.** Written mission and vision statements that reflect a commitment to those served and identifies the population served which, at a minimum, includes persons in recovery from a substance use disorder.
- E.** The Recovery Residence must attest to the following:
 - 1.** Electrical, mechanical, and structural components of the property are functional and free of fire and safety hazards;
 - 2.** The residence meets local health and safety codes appropriate to the type of occupancy (e.g., single family or other) OR provide documentation from a government agency or credentialed inspector attesting to the property meeting health and safety standards; and
 - 3.** Residents are oriented to emergency procedures.
- F.** The Recovery Residence attests that claims made in marketing materials and advertising will be honest and substantiated and that it does not employ any of the following:
 - 1.** False or misleading statements or unfounded claims or exaggerations;
 - 2.** Testimonials that do not reflect the real opinion of the involved individual;
 - 3.** Price claims that are misleading;
 - 4.** Therapeutic strategies for which licensure and/or counseling certifications are required but not applicable at the site; or

- 5. Misleading representation of outcomes.
- G. Recovery Residence staff must never become involved in residents' personal financial affairs, including lending or borrowing money, or other transactions involving property or services, except that the operator may make agreements with residents with respect to payment of fees.
- H. Prior to the initial acceptance of any funds, the Recovery Residence must inform prospective residents of all fees and charges for which they will be, or could potentially be, responsible for; refund policies; and payment from third-party payers for any fees paid on their behalf. Additionally, prospective residents must be informed of their rights, services to be provided, recovery goals, relapse policies and policies regarding their personal property, including removal of personal property left at the Recovery Residence. This information needs to be in writing and signed by the applicant.
- I. Use of an accounting system which documents all resident financial transactions such as fees, payments and deposits, and the ability to:
 - 1. Produce clear statements of a resident's financial dealings with the Recovery Residence within reasonable timeframes;
 - 2. Accurately record all resident charges and payments; and
 - 3. Record payments made by third-party payers.
- J. Staff and residents must treat neighbors and concerned parties with respect and interact with them as appropriate. Upon request, the Recovery Residence must provide neighbors with the house manager's contact information and the house manager is responsible to respond to expressed concerns.

2. HOUSE MANAGER REQUIREMENTS (IF APPLICABLE):

- A. Overall supervision of each Recovery Residence shall be adequate for the number of people in residence and the house managers must be accessible on an on-call basis twenty-four (24) hours per day, seven (7) days per week.
- B. House managers must have the following qualifications:
 - 1. At least two (2) years of sobriety (if in recovery);
 - 2. CPR certification (proof required);
 - 3. Training in application of Narcan©; and
- C. At a minimum, house managers are responsible for the safety of the premises and those who reside there. Additional responsibilities may include:
 - 1. Collection of rent, if appropriate;
 - 2. Documentation and maintenance of records;
 - 3. Upholding Recovery Residence rules, policies and procedures;

4. Supervision of residents, as needed;
 5. Knowledge and dissemination of community resources;
 6. Maintenance of the Recovery Residence inside and out; and
 7. Ensuring adherence to parking restrictions.
- D. If more than one (1) house manager is appointed to the Recovery Residence, a log or shift notes must be kept as a means of documenting incidents, if they occur.

3. STANDARDS OF OPERATION:

- A. The Recovery Residence shall provide twenty-four (24) hour safe housing, free from alcohol and other drugs.
- B. The Recovery Residence must notify residents of a list of prohibited items on the premises and the Recovery Residence's right to conduct a search for such items, as appropriate and necessary.
- C. The Recovery Residence may hold weekly house meetings that all residents are required to attend. Sign-in sheets may be used to document attendance and retained by the Recovery Residence.
- D. Residents shall engage in regular household activities such as cooking, laundry, housecleaning, and yard work.
- E. Residents shall be required to maintain their designated areas in a clean and orderly manner.
- F. A "common area" with adequate space for all current residents to assemble for social and/or other group activities.
- H. Each resident must always have adequate personal space with appropriate privacy, which is defined by The Uniform Housing Code as follows:
 1. At least one (1) room in a dwelling unit must have one hundred twenty (120) square feet.
 2. Other rooms must have at least seventy (70) square feet (except kitchens).
 3. If more than two (2) persons are using a room for sleeping purposes, there must be an additional fifty (50) square feet for each additional person.
- I. The Recovery Residence shall take appropriate measures to ensure that the personal property of each resident is secure.
- J. The Recovery Residence shall establish and maintain a culture and environment that is welcoming and understanding to those they serve, including transgender and gender-nonconforming individuals.
- K. All residents must have access to the Recovery Residence at all times. The house manager may not close the Recovery Residence at any time, unless there is a hazard or safety issue that warrants evacuation.

- L. All residents shall have access to a kitchen, refrigerator, stove, dining room, laundry facilities, restrooms and showers to ensure basic needs are met.
- M. A written description of the procedural processes regarding chores, assignment of roommates, and primary Recovery Residence rules must be posted in a space that's accessible to every resident at all times.
- N. If the Recovery Residence's policy allows smoking on the property, a smoking area shall be clearly designated in an outdoor space where smoke will not affect other residents or neighbors and complies with all local smoking rules/ordinances. Any and all litter generated in a designated smoking area must be cleaned up daily.
- O. The Recovery Residence is responsible for ensuring neighborhood parking complies with town/city ordinances and is not intrusive to neighbors.
- P. Recovery Residence providers are required to have Naloxone accessible at each location, and appropriate staff are knowledgeable and trained in its use.

4. **PHYSICAL ENVIRONMENT:**

- A. Exit doors must be clearly marked.
- B. Heating and cooling units must be in working order and sufficient to keep residents comfortable at all times.
- C. Zoning conformance shall be maintained, possess all required permits and follow all minimum fire prevention requirements.
- D. Smoking of any kind shall not be permitted inside the building. All smoking materials must be disposed of safely and neatly outside the residence.
- E. Stoves and cooking areas must be kept clean and adequately maintained.
- F. Smoke detectors and fire extinguishers must be installed in accordance with the local Fire Marshal regulations and requirements.
- G. A bloodborne pathogen clean up kit and at least one first aid kit must be located in a common area of the residence that all residents have access to at all times.
- H. Emergency exit routes, emergency telephone numbers and disaster plans shall be clearly posted in common areas and reviewed at least annually.
- I. Appropriate locks must be placed on all doors and windows.
- J. Recovery Residence must be clean, safe, sanitary and in good condition at all times for the safety and wellbeing of participants, employees and visitors.
- K. The Recovery Residence must be free from:
 - 1. Broken glass, filth, litter, or debris;
 - 2. Flies, insects, or other vermin;

3. Toxic chemicals or noxious fumes and odors;
 4. Exposed electrical wiring;
 5. Peeling paint or broken plaster; and
 6. Other health or safety hazards.
- L. The Recovery Residence shall maintain all carpets and floors free from filth, holes, cracks, tears, broken tiles, or other safety hazards.
- M. All outdoor and indoor passageways, stairways, inclines, ramps, open porches and other areas of potential hazard must be kept free of obstruction and lighted for the visibility and safety of all participants.
- N. Recovery Residence equipment and supplies must be stored in appropriate space and shall not be stored in space designated for other activities (i.e., chemicals for cleaning or pest control cannot be stored where food or clothing is stored).
- O. Every resident must have adequate space to store their personal belongings.
- P. The Recovery Residence shall provide lamps or lights as necessary in all rooms and other areas to ensure the safety of all residents.
- Q. Hot water faucets used by residents for personal care shall meet the following requirements:
1. Hot water delivered to plumbing fixtures used by residents shall not be less than one hundred five (105) degrees Fahrenheit and not more than one hundred thirty (130) degrees Fahrenheit; and
 2. Taps delivering water at one hundred thirty-one (131) degrees Fahrenheit or above must be prominently identified by warning signs.
- R. All toilets, handwashing and bathing facilities must be maintained in safe and sanitary operating conditions.
- S. The Recovery Residence shall provide each resident with an individual bed maintained in good condition, equipped with good springs and a clean mattress and supplied with pillow(s), linens and blankets, as appropriate, which are clean and in good condition. Bunk beds may be utilized provided they meet these requirements.

5. ELIGIBILITY FOR RESIDENCY:

- A. Eligibility shall be determined through a referral process from the DHHS – Behavioral Health Substance Use Navigator. At a minimum, prospective residents must meet the following criteria:
1. Residents must be actively participating in an outpatient substance use disorder Medi-Cal program;
 2. Residents must be eighteen years or older.

- B. Residents must possess a willingness and demonstrate the ability to comply with all admission requirements, Recovery Residence rules, policies and procedures.

6. ADMISSION AND DISCHARGE:

- A. Prospective residents with a DHHS – Behavioral Health referral shall be interviewed and assessed by the recovery residence program.
- B. If the interviewer has concerns about the prospective resident, they must contact the referral source to obtain information about the suitability of the prospective resident. Referral sources can include, but are not limited to, Humboldt County Dual Recovery Program, Healthy Moms Program, and Humboldt County Programs for Recovery.
- C. As part of the admission process, individuals seeking to enter Recovery Residence must agree to sign a release of information with their substance use disorder treatment program prior to residency. The release of information will allow designated Recovery Residence program to verify required attendance in outpatient substance use disorder treatment or engagement in recovery services.
- D. Prospective residents must disclose all prescription medications and have a minimum of a seven (7) day supply on hand prior to moving in. Prospective residents cannot be denied services based on prescribed medications.
- E. Copies of all policies, procedures, Recovery Residence rules and expectations must be presented to the prospective resident during the interview process.
- F. The Recovery Residence Program must establish a file for each resident that includes admission and residency documents. Resident files must be kept on the premises at all times in a secured, locked file cabinet accessible only to the Recovery Residence Program.

7. POLICIES AND PROCEDURES:

- A. Each Recovery Residence shall have a current Policies and Procedures Manual that sets forth the rules, regulations, expectations, governance and grievance procedures. All residents shall be familiar with the policies and procedures contained in the manual and must sign an agreement to abide by them while a resident of the RR. Additionally, a copy of the Policies and Procedures Manual must be centrally located in a common area of the RR that's accessible to every resident at all times. The Recovery Residence must provide residents with the opportunity to provide suggestions and feedback regarding the policies and procedures (e.g., a suggestion box).
- B. DHHS – Behavioral Health reserves the right to request copies of the program's policies and/or procedures at any time.
- C. At a minimum, the Recovery Residence's Policies and Procedures Manual shall contain policy and procedure that ensures appropriate background checks (due diligence practices) are conducted for all staff who will have direct and regular interaction with residents.
- D. If the Recovery Residence employs, contracts with or enters into a paid work agreement with residents, a policy must be in place to ensure the following conditions are met:
 - 1. Paid work arrangements are completely voluntary;

2. Residents do not suffer consequences for declining work;
 3. Residents who accept paid work are not treated more favorably than residents who do not;
 4. All qualified residents are given equal opportunity for available work;
 5. Paid work does not impair residents' progress towards their recovery goals;
 6. The paid work is treated the same as any other employment situation;
 7. Wages are commensurate with marketplace value and at least minimum wage;
 8. Paid work does not confer special privileges on residents doing the work;
 9. Work relationships do not negatively affect the recovery environment or morale of the home; and
 10. Unsatisfactory work relationships are terminated without recriminations that can impair recovery.
- E.** The Recovery Residence shall have a written admission and discharge procedure.
- F.** The Recovery Residence shall have a written policy for discharge due to disciplinary reasons. The policy must include the grounds for potential discharge and discharge protocols that address the handling of personal property of residents, community re-entry supports such as a referral to affordable housing, a final accounting of monies paid by resident for rent, and information sharing through a release of information, if applicable.
- G.** The Recovery Residence shall have a written policy for discharge due to no longer accessing services through a DHHS- Behavioral Health outpatient Drug Medi-Cal program. The policy must include a plan to transition the resident into independent living and integration into the community, handing of the personal property of residents, a final accounting of monies paid by resident for rent, and coordination with the substance use treatment program.
- H.** A policy that addresses weapons and illegal activity by residents and staff. The policy must strictly prohibit the possession, and/or use of firearms, other weapons, illegal activities, erratic behavior, and acts or threats of violence on the property. The occurrence of illegal activities must be reported to the local law enforcement agencies immediately. Residents will be terminated from the Recovery Residence for such offenses and their substance use disorder treatment provider will be notified. House managers, if applicable, found to have violated the policy may face immediate termination.
- I.** A policy addressing visitation including hours, terms of contact, visitation areas, visitor access, child visitation and monitoring.
- J.** A confidentiality policy stating the Recovery Residence will protect the privacy of its residents and will not disclose confidential information without express written consent, except as required or permitted by law. Prior to the release of information, the Recovery Residence Program must ensure a completed release of information form is on file and covers the release of the specific information requested. The Recovery Residence Program shall also affirmatively inform residents of the privacy of information disclosed in meetings or other activities. Management shall remain knowledgeable of and obey all state and federal laws and regulations relating to

confidentiality of records. Confidential information acquired during residency must be safeguarded from illegal or inappropriate use, access and disclosure, or from loss, unsecured maintenance of records or recording of an activity or presentation without appropriate releases. Forms will be provided to residents for the authorization to release information.

- K.** A policy regarding collection of resident's information. At a minimum data collection will protect the residents' identity, be used for continuous quality improvement, and be part of day-to-day operations and regularly reviewed by staff and residents (where appropriate).
- L.** A sexual harassment and verbal abuse policy that includes zero-tolerance of any behavior that is abusive, harassing or intimidating toward house manager, volunteers, residents or visitors.
- M.** Each Recovery Residence must have a written policy regarding the use, storage and proper disposal of residents' prescribed medications. Medications must be properly secured by the resident at all times. The policy concerning the storage of medications does not apply to those medications, such as an asthma inhaler, to which medical necessity requires immediate access. The Recovery Residence shall not dispense medication but must ensure all residents store their medications securely.
- N.** The Recovery Residence must have a specific policy addressing relapse and the actions taken to address an incident of relapse. Relapse cannot be the only reason for discharge if resident is compliant with their treatment program.
- O.** A safety inspection policy that requires regular verification of:
 - 1. Functional smoke detectors in all bedroom spaces and elsewhere as code demands;
 - 2. Functional carbon monoxide detectors, if residence has gas heating, ventilation, air-conditioning, hot water or appliances;
 - 3. Functional fire extinguishers placed in plain sight and/or clearly marked locations;
 - 4. Regular, documented inspections of smoke detectors, carbon monoxide detectors and fire extinguishers; and
 - 5. Fire and other emergency evacuation drills take place regularly and are documented.
- P.** A grievance and appeal policy.

8. OPTIONAL POLICIES OR PROCEDURES:

Any optional policies or procedures the Recovery Residence chooses to adopt shall be in the best interest of the residents, shall not be overly burdensome and must be applied to all residents.

9. DOCUMENTATION/RECORD KEEPING:

- A.** The Recovery Residence Program shall maintain the following in all resident files:
 - 1. Resident's date of birth, emergency contact information, emergency medical information, current medications, pharmacy where prescriptions are on file, employer or school contact information;

2. Name and contact information for the resident's substance use disorder treatment provider(s) and/or counselor(s);
3. Documentation of current engagement in an outpatient treatment program
4. Documentation of employment, education, volunteer work, job search and other activities that support recovery;
5. Any releases of information that are deemed necessary;
6. Incidents of non-compliance with the Recovery Residence's policies and procedures; and
7. Record of rent and expenses paid, including copies of receipts provided to the resident, as appropriate, when rent and other expenses are paid.

10. INCIDENT REPORTING:

- A. An incident is any event which jeopardizes the health and/or safety of clients, employees, or members of the community. Incidents include, but are not limited to:
 1. All client deaths;
 2. Attempted suicide (resulting in serious injury);
 3. Homicide or attempts at homicide;
 4. Injury connected to services or at a service site (self-inflicted or by accident);
 5. Medical emergency connected to services or at a service site;
 6. Violence, abuse or assault connected to services or at a service site (toward clients, others or property resulting in serious injury); and
 7. Other (e.g., clients escaping from a locked facility, medication errors, *etc.*).
- B. All providers are required to complete an incident report which must be signed by the Recovery Residence member involved in or first notified of the incident. The Recovery Residence Program is responsible for ensuring the incident report is completed, signed, dated and submitted to DHHS – Behavioral Health within twenty-four (24) hours of the incident.
- C. All incident reports must be centrally located in a secure area and documented in each involved resident's file.
- D. The Recovery Residence Program will be responsible for reviewing incident reports to determine opportunities for improvement, if applicable.

11. GRIEVANCE AND APPEAL POLICY:

- A. Recovery Residence must have a written grievance procedure. Residents must be provided grievance information during the admission process. The Recovery Residence Program will explain the grievance procedure clearly and, after this explanation and review, both the resident

and the Recovery Residence Program will sign the grievance procedure acknowledgement form that will be maintained in the resident's file. The Recovery Residence Program will advise residents whether they have cause or not to file a grievance about any violation of their rights or organizational policies and procedures, but the resident may do so at their discretion. The Recovery Residence Program shall post the DHHS – Behavioral Health grievance/complaint information at each Recovery Residence, which includes the Notice to the Public Grievance/Complaint Process along with grievance forms and postage-paid envelopes. The Recovery Residence Program will provide necessary help and materials in order for the grievance form to be completed and properly submitted. If a grievance is made, DHHS – Behavioral Health will address it as follows:

1. Evaluate the grievance thoroughly and objectively;
 2. Assign an appropriate DHHS – Behavioral Health staff member to investigate the grievance and obtain additional information, as needed;
 3. Provide written acknowledgement of the grievance request upon receiving/reviewing the grievance. Additionally, DHHS – Behavioral Health will respond to the beneficiary in writing within sixty (60) calendar days regarding the grievance final decision;
 4. If the problem is not resolved by the Recovery Residence Program or the resident is uncomfortable discussing the matter with the Recovery Residence Program, the resident may contact DHHS – Behavioral Health to have their grievance handled directly by DHHS – Behavioral Health Administration or the California Department of Health Care Services to have their grievance addressed at the State level.
- B.** All grievances will be filed and documented by DHHS – Behavioral Health, including the final disposition and kept record of it in a central file. DHHS – Behavioral Health does not restrict, discourage or interfere with residents who communicate with an attorney or other organizations for the purposes of filing or pursuing a grievance. DHHS – Behavioral Health adheres to these standards to protect the welfare of the resident, Recovery Residence Program and the community at large.
- C.** Recovery Residence are required to maintain a log of internal grievances and submit the log to DHHS – Behavioral Health as requested.

12. CONFLICT OF INTEREST STATEMENT:

No volunteer, agent, or resident is to attempt to secure privileges or advantages from any resident in the Recovery Residence.

13. CONTINUITY OF CARE:

In the event the Recovery Residence discontinues services, the residents must be referred to another Recovery Residence prior to the date of discontinuing service.

14. MONITORING REVIEWS:

- A.** DHHS – Behavioral Health will conduct monitoring reviews at each Recovery Residence at least once per year, which will include on-site and administrative components. Reviews will be based on the guidelines and standards set forth in this document as well as the formal agreement between the Recovery Residence and DHHS – Behavioral Health. Contracted Recovery

Residence providers are expected to adhere any new standards created through future federal, state, or local legislation as well as changes to standards, required certifications, and oversight required by DHHS – Behavioral Health. The on-site review will include, but is not limited to:

1. A review of the Recovery Residence quality and safety standards;
2. Verification that the facility is a clean, safe alcohol and drug-free environment; and
3. A review of client files for documentation related to intake documentation, confirmation of engagement in treatment, and participation in house activities.

B. The administrative review will include, but is not limited to:

1. Timely and accurate invoices as well as other monthly report submissions;
2. A review of resident lengths of stay to ensure invoicing is submitted with the proper rates;
3. Current insurance certificates are on file; and
4. A review of Recovery Residence’s Policies and Procedures Manual.