

ORANGE COUNTY BOARD OF SUPERVISORS

A g e n d a R e v i s i o n s a n d S u p p l e m e n t a l s

Note: *This supplemental agenda is updated daily showing items that have been added, continued, deleted or modified. No new supplemental items will be added to the agenda following close of business on Friday immediately prior to a Board meeting.*

May 7, 2024

DISCUSSION

9. Continued to 5/21/24, 9:30 a.m.
14. Continued to 5/21/24, 9:30 a.m.
29. Revised Title to read:
County Executive Office - Approve grant applications/awards submitted by *Health Care Agency and OC Community Resources* and retroactive grant applications/awards submitted by *John Wayne Airport* in 5/7/24 grant report and other actions as recommended; and adopt resolution authorizing *HCA Director or designee* to execute applications, related documents and amendments to *State Department of Resources Recycling and Recovery (CalRecycle)* for *Used Oil Payment Program* ending 8/15/26; adopt resolution approving standard agreement AD-2223-22, Amendment 2 with *California Department of Aging*, 7/1/24 - 6/30/25 (\$750,739, cumulative total \$3,106,139); and authorizing *OCCR Director or designee* to execute amendment and related documents - All Districts

THE FOLLOWING AGENDA ITEMS HAVE HAD CHANGES TO THEIR RECOMMENDED ACTIONS SINCE RELEASE OF THE AGENDA TO THE PUBLIC:

Item: 29

S u p p l e m e n t a l I t e m (s)

- S34A. Revised Title to read:
County Executive Office - Adopt resolution authorizing joint application for participation in Homekey Program and authorizing *OC Community Resources Director or designee* to execute application, standard agreement (\$17,000,000) and related documents; approve Amended and Restated Ground Lease with *AFH NCRC Beach Blvd L.P.* for the *Huntington Beach Oasis Homekey Project*; and authorize *Chief Real Estate Officer or designee* to make minor modifications under certain conditions and execute ground lease and related documents - District 1
- S34B. **Treasurer-Tax Collector** - Approve retroactive contract with *City of Westminster* for water billing and payment processing services, 5/1/23 - 4/30/28; and authorize *Treasurer-Tax Collector* or authorized delegate to execute contract - District 1

ORANGE COUNTY BOARD OF SUPERVISORS


A g e n d a R e v i s i o n s a n d S u p p l e m e n t a l s

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- S34C. Continued to 5/21/24, 9:30 a.m.
Health Care Agency - Approve master services agreement MA-042-24011432 with Mind OC for mental health and recovery services, Irvine Campus, 1/1/25 - 12/31/27 (\$95,434,758); renewable for one additional two-year term; approve amendment 2 to master services agreement MA-042-23010291 with Mind OC for mental health and recovery services, Orange Campus, term ending 6/30/25 (\$2,974,333; cumulative total \$66,806,613); and authorize County Procurement Officer or Deputized designee to exercise cost contingency increase not to exceed 10% under certain conditions and execute agreement and amendment - Districts 2 and 3
- S34D. **Supervisor Sarmiento** - Campaign Finance and Ethics Commission - Appoint Judson Brown, Orange, for term ending 5/6/27
- S34E. **Supervisor Sarmiento** - Orange County Older Adults Advisory Commission - Appoint Richard Hernandez, Tustin, for term concurrent with 2nd District Supervisor's term of office
- SCS1. **County Counsel** - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1):
Name of Case: Christopher Beuler v. County of Orange, WCAB Case: ADJ11898147
- SCS2. **County Counsel** - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1):
Name of Case: Giang Nguyen v. County of Orange, et al., United States District Court Case No. 8:22-cv-01433



Continuation or Deletion Request

Date: 5/6/2024
To: Clerk of the Board of Supervisors
From: Veronica Kelley, Agency Director, Health Care Agency 
Re: ASR Control #: 24-000259, Meeting Date 5/7/24 Agenda Item No. # 9
Subject: Approve Resolution for the Ambulance Contract Policy

Request to continue Agenda Item No. # 9 to the 5/21/2024 Board Meeting.


Comments:

Request deletion of Agenda Item No. # _____

Comments:



Continuation or Deletion Request

Date: 5/3/2024
To: Clerk of the Board of Supervisors
From: Veronica Kelley, Agency Director, Health Care Agency 
Re: ASR Control #: 23-000750, Meeting Date 5/7/24 Agenda Item No. # 14
Subject: **Contracts for Early Childhood Mental Health Consultation Services**

Request to continue Agenda Item No. # 14 to the 5/21/2024 Board Meeting.

Comments:

Request deletion of Agenda Item No. # _____

Comments:



AGENDA STAFF REPORT

Agenda Item **29**

ASR Control 23-001041

MEETING DATE: 05/07/24

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): All Districts

SUBMITTING AGENCY/DEPARTMENT: County Executive Office (Approved)

DEPARTMENT CONTACT PERSON(S): Peter DeMarco (714) 834-5777
Charles Dulac (714) 834-3141

SUBJECT: Grant Applications/Awards Report

CEO CONCUR Concur	COUNTY COUNSEL REVIEW Approved Resolution to Form	CLERK OF THE BOARD Discussion 3 Votes Board Majority
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Budgeted: N/A **Current Year Cost:** N/A **Annual Cost:** N/A

Staffing Impact: No **# of Positions:** **Sole Source:** N/A

Current Fiscal Year Revenue: N/A

Funding Source: N/A **County Audit in last 3 years:** No

Levine Act Review Completed: N/A

Prior Board Action: N/A

RECOMMENDED ACTION(S):

Approve grant applications/awards as proposed and other actions as recommended.

1. Approve Grant Application and Adopt Resolution – Health Care Agency – Used Oil Payment Program – Cycle 15 – \$296,540
2. Approve Grant Application – OC Community Resources – Proposition 1 Watershed Restoration Grant Programs – Modjeska Canyon Nature Preserve Habitat Restoration Planning – \$951,373
3. Approve Grant Award – OC Community Resources – 2023 Family Self-Sufficiency Coordinators Grant Award – \$429,864
4. Approve Grant Agreement and Adopt Resolution – OC Community Resources – Aging and Disability Resource Connection, Amendment 2 – \$750,739
5. Approve Retroactive Grant Application – John Wayne Airport – FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant - Facility Accessibility Improvements Phase I: Restroom Renovation and Exterior Path of Travel Improvements – \$23,261,051

6. Approve Retroactive Grant Application – John Wayne Airport – FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant – Vertical Conveyance Improvement Phase I: Replacement of Escalators 2, 3, 5, and 6 – \$12,186,551
7. Receive and File Grants Report.

SUMMARY:

See the attached Grants Report.

BACKGROUND INFORMATION:

See the attached Grants Report.

FINANCIAL IMPACT:

N/A

STAFFING IMPACT:

N/A

ATTACHMENT(S):

Attachment A - Grants Report

Attachment B - Used Oil Payment Program Resolution

Attachment B - Aging and Disability Resource Connection Resolution



Grants Report

DRAFT

County Executive Office/Legislative Affairs

May 7, 2024
Item No: 29

County of Orange Report on Grant Applications/Awards

The Grants Report is a condensed list of grant requests by County Agencies/Departments that allows the Board of Supervisors to discuss and approve grant submittals in one motion at a Board meeting. County policy dictates that the Board of Supervisors must approve all grant applications prior to submittal to the grantor. This applies to grants of all amounts, as well as to new grants and those that have been received by the County for many years as part of an ongoing grant. Receipt of grants \$50,000 or less is delegated to the County Executive Officer. Grant awards greater than \$50,000 must be presented to the Board of Supervisors for receipt of funds. This report allows for better tracking of county grant requests, the success rate of our grants, and monitoring of County's grants activities. It also serves to inform Orange County's Sacramento and Washington, D.C. advocates of County grant activities involving the State or Federal Governments.

On May 7, 2024, the Board of Supervisors will consider the following actions:

RECOMMENDED ACTIONS

Approve grant applications/awards as proposed and other actions as recommended.

ACTION ITEMS:

1. Approve Grant Application and Adopt Resolution – Health Care Agency – Used Oil Payment Program – Cycle 15 – \$296,540
2. Approve Grant Application – OC Community Resources – Proposition 1 Watershed Restoration Grant Programs – Modjeska Canyon Nature Preserve Habitat Restoration Planning – \$951,373
3. Approve Grant Award – OC Community Resources – 2023 Family Self-Sufficiency Coordinators Grant Award – \$429,864
4. Approve Grant Agreement and Adopt Resolution – OC Community Resources – Aging and Disability Resource Connection, Amendment 2 – \$750,739
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6. Approve Retroactive Grant Application – John Wayne Airport – FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant – Vertical Conveyance Improvement Phase I: Replacement of Escalators 2, 3, 5, and 6 – \$12,186,551
7. Receive and File Grants Report.

If you or your staff have any questions or require additional information on any of the items in this report, please contact Charles Dulac at 714-834-3141.



**CEO-Legislative Affairs Office
Grant Authorization eForm**

GRANT APPLICATION / **GRANT AWARD**

Today's Date:	April 24, 2024														
Requesting Agency/Department:	Health Care Agency / Environmental Health														
Grant Name and Project Title:	Used Oil Payment Program – Cycle 15														
Sponsoring Organization/Grant Source: <small>(If the grant source is not a government entity, please provide a brief description of the organization/foundation)</small>	Department of Resources Recycling and Recovery (CalRecycle)														
Application Amount Requested:	\$296,540														
Application Due Date:	June 28, 2024														
Board Date when Board Approved this Application:	N/A														
Awarded Funding Amount:	N/A														
Notification Date of Funding Award:	N/A														
Is this an Authorized Retroactive Grant Application/Award? No <small>(If yes, attach memo to CEO)</small>															
Recurrence of Grant	New <input type="checkbox"/> Recurrent <input checked="" type="checkbox"/> Other <input type="checkbox"/> Explain:														
If this is a recurring grant, please list the funding amount applied for and awarded in the past:	<table border="0"> <tr> <td>Award is based on a specified formula that includes a per capita factor:</td> <td>Awarded:</td> </tr> <tr> <td>Cycle 9 – 23 cities</td> <td>Cycle 9 - \$483,183</td> </tr> <tr> <td>Cycle 10 – 24 cities</td> <td>Cycle 10 - \$516,529</td> </tr> <tr> <td>Cycle 11 – 26 cities</td> <td>Cycle 11 - \$247,030</td> </tr> <tr> <td>Cycle 12 – 26 cities</td> <td>Cycle 12 - \$285,879</td> </tr> <tr> <td>Cycle 13 – 26 cities</td> <td>Cycle 13 - \$324,372</td> </tr> <tr> <td>Cycle 14 – 26 cities</td> <td>Cycle 14 - \$296,540</td> </tr> </table>	Award is based on a specified formula that includes a per capita factor:	Awarded:	Cycle 9 – 23 cities	Cycle 9 - \$483,183	Cycle 10 – 24 cities	Cycle 10 - \$516,529	Cycle 11 – 26 cities	Cycle 11 - \$247,030	Cycle 12 – 26 cities	Cycle 12 - \$285,879	Cycle 13 – 26 cities	Cycle 13 - \$324,372	Cycle 14 – 26 cities	Cycle 14 - \$296,540
Award is based on a specified formula that includes a per capita factor:	Awarded:														
Cycle 9 – 23 cities	Cycle 9 - \$483,183														
Cycle 10 – 24 cities	Cycle 10 - \$516,529														
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Cycle 12 – 26 cities	Cycle 12 - \$285,879														
Cycle 13 – 26 cities	Cycle 13 - \$324,372														
Cycle 14 – 26 cities	Cycle 14 - \$296,540														
Does this grant require CEQA findings?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>														
What Type of Grant is this?	Competitive <input type="checkbox"/> Other Type <input checked="" type="checkbox"/> Explain: CalRecycle is mandated to provide payment to applying entities.														
County Match?	Yes <input type="checkbox"/> Amount _____ or _____ % No <input checked="" type="checkbox"/>														
How will the County Match be Fulfilled? <small>(Please include the specific budget)</small>	N/A														
Will the grant/program create new part or full-time positions?	No														
Purpose of Grant Funds:	Provide a summary and brief background of why Board of Supervisors why should accept this grant application/award, and how the grant will be implemented.														
<p>This is a State Payment Program. Acting as a Lead Agency on behalf of participating cities throughout the County, HCA Environmental Health, receives this payment from CalRecycle to promote used oil recycling in 26 cities throughout the county, including public outreach at community events, education, and advertisements. This program provides public education on the environmental hazards of dumping used motor oil and provides certification to used oil collection centers to accept used oil from the public.</p> <p>Grant awards are paid from the Used Oil Recycling Fund, which has decreased due to multiple factors, including the COVID-19 pandemic, car owners going longer intervals between oil changes and increased use of electric vehicles.</p>															
Board Resolution Required? <small>(Please attach document to eForm)</small>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>														
Deputy County Counsel Name: <small>(Please list the Deputy County Counsel that approved the Resolution)</small>	Massoud Shamel														



Recommended Action/Special Instructions

(Please specify below)

CalRecycle requires a resolution that lists each city that has authorized HCA to apply on their behalf. Because this is a mandated Payment Program, the award is automatic based on a specified formula that includes a per capita factor.

Adopt by resolution:

1. Authorize the Health Care Agency Director or designee to submit a Used Oil Payment Program regional application on behalf of itself as Lead Agency and its designated participating cities.
2. Authorize the Health Care Agency Director or designee as Signature Authority to execute on behalf of Orange County all documents, including but not limited to, applications, agreements, amendments and requests for payment; necessary to secure funds and implement the Used Oil Payment Program.
3. Authorize the resolution to be effective until August 15, 2026.

Authorize the Health Care Agency to accept subsequent payment without further Board action.

Authorize the Health Care Agency Director, or designee, to execute such future amendments to the Agreement referenced above that do not change the Agreement amount by more than 10% of the original amount and/or immaterial changes to the scope of work.

Department Contact :

List the name and contact information (telephone, e-mail) of the staff person to be contacted for further information.

Jenna Sarin (714) 834-4099 lbaker@ochca.com
Darwin Cheng (714) 433-6471 dcheng@ochca.com

Name of the individual attending the Board Meeting:

List the name of the individual who will be attending the Board Meeting for this Grant Item:

Veronica Kelley (714) 834-7024

RESOLUTION OF THE BOARD OF SUPERVISORS OF
ORANGE COUNTY, CALIFORNIA

May 7, 2024

WHEREAS, pursuant to Public Resources Code sections 48000 et seq., 14581, and 42023.1(g), the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs; and

WHEREAS, the payment program allows regional participation; and

WHEREAS, CalRecycle's procedures for administering payment programs require, among other things, a regional applicant's governing body to declare by resolution certain authorizations related to the administration of the payment programs.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Orange County authorizes Orange County Health Care Agency to submit a Used Oil Payment Program regional application on behalf of itself as Lead Agency and its designated participating jurisdictions: Cities of Aliso Viejo, Brea, Buena Park, Costa Mesa, Cypress, Dana Point, Fountain Valley, Fullerton, Irvine, Laguna Hills, Laguna Niguel, Lake Forest, La Habra, La Palma, Los Alamitos, Mission Viejo, Newport Beach, Orange, Rancho Santa Margarita, San Clemente, San Juan Capistrano, Stanton, Tustin, Villa Park, Westminster, and Yorba Linda; and

BE IT FURTHER RESOLVED that the Health Care Agency Director, or his/her designee, is hereby authorized as Signature Authority to execute on behalf of Orange County all documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure funds and implement the Used Oil Payment Program; and

BE IT FURTHER RESOLVED that this authorization is effective until August 15, 2026.



**CEO-Legislative Affairs Office
Grant Authorization eForm**

GRANT APPLICATION / **GRANT AWARD**

Today's Date:	4/19/2024
Requesting Agency/Department:	OC Community Resources/OC Parks
Grant Name and Project Title:	Proposition 1 Watershed Restoration Grant Programs – Modjeska Canyon Nature Preserve Habitat Restoration Planning
Sponsoring Organization/Grant Source: <small>(If the grant source is not a government entity, please provide a brief description of the organization/foundation)</small>	California Department of Fish and Wildlife (CDFW)
Application Amount Requested:	\$951,373
Application Due Date:	None: rolling applications
Board Date when Board Approved this Application:	N/A
Awarded Funding Amount:	N/A
Notification Date of Funding Award:	N/A
Is this an Authorized Retroactive Grant Application/Award? <small>(If yes, attach memo to CEO)</small>	No
Recurrence of Grant	New <input checked="" type="checkbox"/> Recurrent <input type="checkbox"/> Other <input type="checkbox"/> Explain:
If this is a recurring grant, please list the funding amount applied for and awarded in the past:	
Does this grant require CEQA findings?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
What Type of Grant is this?	Competitive <input checked="" type="checkbox"/> Other Type <input type="checkbox"/> Explain:
County Match?	Yes <input checked="" type="checkbox"/> Amount: \$42,000 or __ % No <input type="checkbox"/>
How will the County Match be Fulfilled? <small>(Please include the specific budget)</small>	OC Parks Fund 405 Budget FY 2028-29, 2029-30, 2030-31 Budgets
Will the grant/program create new part or full-time positions?	No
Purpose of Grant Funds:	Provide a summary and brief background of why Board of Supervisors why should accept this grant application/award, and how the grant will be implemented.
The Modjeska Canyon Nature Preserve project seeks to restore two ecologically sensitive riparian areas at the location of a flood control structure and a meadow adjacent to a creek. An existing riprap area is to be augmented with locally sourced soil. Both sites will be enhanced through elimination of invasive species and planting with native vegetation. The Phase 1 application (\$62,113) will cover initial planning, design, and permits. The Phase 2 (\$857,660) and Phase 3 (\$31,600) application will cover implementation and monitoring.	
Board Resolution Required? <small>(Please attach document to eForm)</small>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Deputy County Counsel Name: <small>(Please list the Deputy County Counsel that approved the Resolution)</small>	
Recommended Action/Special Instructions <small>(Please specify below)</small>	



CEO-Legislative Affairs Office Grant Authorization eForm

Attachment A

1. Authorize the OC Community Resources Director or designee to apply for a California Department of Fish and Wildlife Restoration Grant for Modjeska Canyon Nature Preserve Habitat Restoration.
2. Authorize the OC Community Resources Director, OC Parks Director, or designee to sign and submit all documents required for participation in the program.

Department Contact:

List the name and contact information (telephone, e-mail) of the staff person to be contacted for further information.

Marisa O'Neil, OC Parks Grants Manager - 714-973-6876; marisa.oneil@ocparks.com
Sheila Cedervall, Senior Landscape Architect – 949-585-6442; sheila.cedervall@ocparks.com

Name of the individual attending the Board Meeting:

List the name of the individual who will be attending the Board Meeting for this Grant Item:

Dylan Wright, Director, OC Community Resources



**CEO-Legislative Affairs Office
Grant Authorization eForm**

GRANT APPLICATION / GRANT AWARD

Today's Date:	April 25, 2024																		
Requesting Agency/Department:	OC Community Resources/Orange County Housing Authority																		
Grant Name and Project Title:	2023 Family Self-Sufficiency Coordinators Grant Award																		
Sponsoring Organization/Grant Source: <small>(If the grant source is not a government entity, please provide a brief description of the organization/foundation)</small>	United States Department of Housing and Urban Development																		
Application Amount Requested:	\$429,864																		
Application Due Date:	October 3, 2022																		
Board Date when Board Approved this Application:	June 28, 2022																		
Awarded Funding Amount:	\$429,864																		
Notification Date of Funding Award:	April 16, 2024																		
Is this an Authorized Retroactive Grant Application/Award? (If yes, attach memo to CEO)																			
Recurrence of Grant	New <input type="checkbox"/> Recurrent <input checked="" type="checkbox"/> Other <input type="checkbox"/> Explain:																		
If this is a recurring grant, please list the funding amount applied for and awarded in the past:	<table border="1"> <thead> <tr> <th>Amount Applied</th> <th>Amount Awarded</th> <th>Year Awarded</th> </tr> </thead> <tbody> <tr> <td>\$429,864</td> <td>\$429,864</td> <td>2022</td> </tr> <tr> <td>\$429,864</td> <td>\$429,864</td> <td>2021</td> </tr> <tr> <td>\$288,000</td> <td>\$288,000</td> <td>2020</td> </tr> <tr> <td>\$288,000</td> <td>\$288,000</td> <td>2019</td> </tr> <tr> <td>\$263,507</td> <td>\$263,507</td> <td>2018</td> </tr> </tbody> </table>	Amount Applied	Amount Awarded	Year Awarded	\$429,864	\$429,864	2022	\$429,864	\$429,864	2021	\$288,000	\$288,000	2020	\$288,000	\$288,000	2019	\$263,507	\$263,507	2018
Amount Applied	Amount Awarded	Year Awarded																	
\$429,864	\$429,864	2022																	
\$429,864	\$429,864	2021																	
\$288,000	\$288,000	2020																	
\$288,000	\$288,000	2019																	
\$263,507	\$263,507	2018																	
Does this grant require CEQA findings?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>																		
What Type of Grant is this?	Competitive <input checked="" type="checkbox"/> Other Type <input type="checkbox"/> Explain:																		
County Match?	Yes <input type="checkbox"/> Amount _____ or _____ % No <input checked="" type="checkbox"/>																		
How will the County Match be Fulfilled? <small>(Please include the specific budget)</small>	N/A																		
Will the grant/program create new part or full-time positions?	No																		
Purpose of Grant Funds:	Provide a summary and brief background of why Board of Supervisors why should accept this grant application/award, and how the grant will be implemented.																		
<p>The Family Self-Sufficiency (FSS) Program provides critical tools that are utilized by Housing Choice Voucher FSS participants to access services and training needed to help increase their income, build assets through an escrow savings account and prepare for homeownership. Their achievements are intended to lead to self-sufficiency and eliminate dependency on public assistance.</p> <p>In calendar year 2023, 69% or 120 FSS participant households had escrow savings accounts. Two households who graduated from the FSS Program are working full time and received disbursement from their escrow savings accounts totaling \$51,708. Authorizing acceptance of these funds will provide OCHA the funding necessary to continue to administer the FSS Program.</p>																			
Board Resolution Required? <small>(Please attach document to eForm)</small>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>																		
Deputy County Counsel Name: <small>(Please list the Deputy County Counsel that approved the Resolution)</small>	N/A																		
Recommended Action/Special Instructions <small>(Please specify below)</small>																			



CEO-Legislative Affairs Office Grant Authorization eForm

Attachment A

1. Authorize the OC Community Resources Director or designee to accept the grant funds and administer the FSS Program utilizing said funds.
2. Authorize the OC Community Resources Director or designee to sign documents applicable to this Award.

Department Contact :

List the name and contact information (telephone, e-mail) of the staff person to be contacted for further information.

Julia Bidwell – (714) 480-2991 julia.bidwell@occr.ocgov.com

Name of the individual attending the Board Meeting:

List the name of the individual who will be attending the Board Meeting for this Grant Item:

Dylan Wright – (714) 480-2788 dylan.wright@occr.ocgov.com



**CEO-Legislative Affairs Office
Grant Authorization eForm**

GRANT APPLICATION / GRANT AWARD

Today's Date:	4/30/2024
Requesting Agency/Department:	OC Community Resources/OC Community Services
Grant Name and Project Title:	Aging and Disability Resource Connection, Amendment 2
Sponsoring Organization/Grant Source: <small>(If the grant source is not a government entity, please provide a brief description of the organization/foundation)</small>	California Department of Aging (CDA)
Application Amount Requested:	N/A
Application Due Date:	N/A
Board Date when Board Approved this Application:	N/A
Awarded Funding Amount:	\$750,739
Notification Date of Funding Award:	4/17/2024
Is this an Authorized Retroactive Grant Application/Award? No <small>(If yes, attach memo to CEO)</small>	
Recurrence of Grant	New <input type="checkbox"/> Recurrent <input checked="" type="checkbox"/> Other <input type="checkbox"/> Explain:
If this is a recurring grant, please list the funding amount applied for and awarded in the past:	FY 2023-24: \$809,464 FY 2022-23: \$1,545,936
Does this grant require CEQA findings?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
What Type of Grant is this?	Competitive <input type="checkbox"/> Other Type <input checked="" type="checkbox"/> Explain: Program funds are distributed to the County by CDA based on an allocation methodology.
County Match?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
How will the County Match be Fulfilled? <small>(Please include the specific budget)</small>	N/A
Will the grant/program create new part or full-time positions?	No
Purpose of Grant Funds:	Provide a summary and brief background of why Board of Supervisors should accept this grant application/award, and how the grant will be implemented.
The Aging and Disability Resource Connection (ADRC) program provides information and counseling to older adults, persons with disabilities and caregivers looking for services, resources, and programs in areas such as disability and long-term care, living arrangements, employment and training for people with disabilities, and transition services using a No Wrong Door (NWD) service model. The NWD service model creates a process that is efficient and seamless for older adults, persons with disabilities, and caregivers by enabling partner organizations to streamline consumer access to public programs, eliminate duplication of effort, reduce consumer confusion, and proactively provide a broad base of information that consumers can use to make informed decisions. The Orange County ADRC is a partnership between Office on Aging (OoA) and Dayle McIntosh Center for the Disabled (DMC), with OoA serving as the fiscal lead and DMC sharing the role of program lead and contracted service provider for the ADRC. This amendment adds funding for FY 2024-25. In addition to providing the four core ADRC program services (information & assistance, options counseling, service coordination, and facility transition services), the FY 2024-25 funding will be used to update all ADRC collateral materials, which includes efforts to translate the material into the County threshold languages and continued outreach to promote ADRC services to the community.	
Board Resolution Required? <small>(Please attach document to eForm)</small>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>



CEO-Legislative Affairs Office Grant Authorization eForm

Attachment A

Deputy County Counsel Name: (Please list the Deputy County Counsel that approved the Resolution)	John Cleveland
Recommended Action/Special Instructions (Please specify below)	
<ol style="list-style-type: none">1. Adopt the resolution as approved by the County Council to receive \$750,739 in funds from the California Department of Aging for the Aging and Disability Resource Connection Program.2. Approve the State Standard Agreement AD-2223-22, Amendment 2 with the California Department of Aging in the amount of \$750,739 for the term of July 1, 2024, through June 30, 2025, for a new cumulative contract amount of \$3,106,139.3. Authorize the OC Community Resources Director or designee to execute the State Standard Agreement AD-2223-22, Amendment 2.4. Authorize the OC Community Resources Director or designee to execute all documents required to accept additional Aging and Disability Resource Connection grant award funding.	
Department Contact:	List the name and contact information (telephone, e-mail) of the staff person to be contacted for further information.
Dylan Wright (714) 480-2788 / Dylan.Wright@occr.ocgov.com Renee Ramirez (714) 480-6483 / Renee.Ramirez@occr.ocgov.com	
Name of the individual attending the Board Meeting:	List the name of the individual who will be attending the Board Meeting for this Grant Item:
Dylan Wright, Director, OC Community Resources	

RESOLUTION OF THE BOARD OF SUPERVISORS OF
ORANGE COUNTY, CALIFORNIA
May 7, 2024

WHEREAS, OC Community Resources Office on Aging has received State Standard Agreement AD-2223-22, Amendment 2 in the amount of \$750,739 from the California Department of Aging containing funding allocations for the Aging and Disability Resource Connection Program; and

WHEREAS, the County of Orange assures that it will abide by the terms and conditions of Agreement AD-2223-22, Amendment 2; and

WHEREAS this Board agrees with the terms of the State Standard Agreement and the allocation of funds contained therein.

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby:

1. Approve State Standard Agreement AD-2223-22, Amendment 2 with the California Department of Aging in the amount of \$750,739 for the term July 1, 2024, through June 30, 2025, for a new cumulative contract amount of \$3,106,139.
2. Authorize the OC Community Resources Director or designee to execute State Standard Agreement AD-2223-22, Amendment 2.
3. Authorize the OC Community Resources Director or designee to execute all documents required to accept the additional Aging and Disability Resource Connection Program grant award funding.

**JOHN WAYNE AIRPORT
ORANGE COUNTY**



MEMORANDUM

DATE: April 24, 2024

TO: County Executive Office

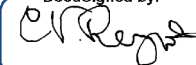
FROM: Charlene V. Reynolds, Airport Director

SUBJECT: Request to Approve Retroactive Application – FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant – Facility Accessibility Improvements Phase I

This memo is being submitted to request that the County Executive Office include the subject grant application on the May 7, 2024, Board of Supervisors (Board) Meeting agenda.

John Wayne Airport (JWA) requests retroactive approval of the application for the FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant. The competitive grant program opportunity was unexpectedly advertised on April 1, 2024, with a deadline of May 2, 2024. The comprehensive process of selecting a grant-eligible project, vetting the project with the Federal Aviation Administration (FAA), and the quick turnaround requirement did not allow for advance notification to the Board. JWA plans to return to the Board with a request to accept funding if the grant application is awarded.

The application for the FY 2023 AIP Supplemental Discretionary Grant - Facility Accessibility Improvements Phase I will be submitted electronically by May 2, 2024, to the FAA as instructed to meet the eligibility requirements.

DocuSigned by:

A1A526A921AF49F...

4/24/2024

Department Head or Designee

Date

Approved:


Digitally signed by Frank Kim
DN: cn=Frank Kim, ou=County Executive
Office, ou=County of Orange,
email=frank.kim@ocgov.com, c=US
Date: 2024.04.30 13:41:32 -0700
Adobe Acrobat version: 2024.002.20687

County Executive Officer or
Designee

Date



**CEO-Legislative Affairs Office
Grant Authorization eForm**

GRANT APPLICATION / **GRANT AWARD**

Today's Date:	April 24, 2024
Requesting Agency/Department:	John Wayne Airport
Grant Name and Project Title:	FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant - Facility Accessibility Improvements Phase I: Restroom Renovation and Exterior Path of Travel Improvements
Sponsoring Organization/Grant Source: <small>(If the grant source is not a government entity, please provide a brief description of the organization/foundation)</small>	Federal Aviation Administration (FAA)
Application Amount Requested:	\$23,261,051
Application Due Date:	May 2, 2024
Board Date when Board Approved this Application:	N/A
Awarded Funding Amount:	TBD
Notification Date of Funding Award:	N/A
Is this an Authorized Retroactive Grant Application/Award? Yes <small>(If yes, attach memo to CEO)</small>	
Recurrence of Grant	New <input checked="" type="checkbox"/> Recurrent <input type="checkbox"/> Other <input type="checkbox"/> Explain:
If this is a recurring grant, please list the funding amount applied for and awarded in the past:	
Does this grant require CEQA findings?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
What Type of Grant is this?	Competitive <input checked="" type="checkbox"/> Other Type <input type="checkbox"/> Explain:
County Match?	Yes <input checked="" type="checkbox"/> Amount \$5,602,395 (19.41%) No <input type="checkbox"/>
How will the County Match be Fulfilled? <small>(Please include the specific budget)</small>	Fund 281 – Airport Construction Fund
Will the grant/program create new part or full-time positions?	The grant will not create new positions.
Purpose of Grant Funds:	Provide a summary and brief background on why the Board of Supervisors should accept this grant application/award, and how the grant will be implemented.
<p>The grant will reimburse costs for the Facility Accessibility Improvements Phase I project. The project addresses the Americans with Disabilities Act (ADA) compliance and includes accessibility improvements and renovation of 12 restrooms in Terminals A and B, the addition of lactation pods/lounges, and accessible path of travel improvements from the roadway to the John Wayne Airport terminal facility.</p> <p>The grant will fund eligible costs up to \$23,261,051 (80.59%). The Airport is required to fund \$5,602,395 (19.41%), which will be included in the Fund 281 – Airport Construction budget.</p>	



CEO-Legislative Affairs Office Grant Authorization eForm

Attachment A

Board Resolution Required? (Please attach document to eForm)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Deputy County Counsel Name: (Please list the Deputy County Counsel that approved the Resolution)		
Recommended Action/Special Instructions (Please specify below)		
Authorize the Airport Director or designee to apply for the FY 2023 AIP Supplemental Discretionary Grant with the FAA and execute any forms needed in the application process. JWA plans to return to the Board with a request to accept funding if the grant application is awarded.		
Department Contact:	List the name and contact information (telephone, e-mail) of the staff person to be contacted for further information.	
Charlene V. Reynolds, Airport Director, (949) 252-5171, CReynolds@ocair.com		
Name of the individual attending the Board Meeting:	List the name of the individual who will be attending the Board Meeting for this Grant Item:	
Charlene V. Reynolds, Airport Director, (949) 252-5171, CReynolds@ocair.com		

JOHN WAYNE AIRPORT
ORANGE COUNTY



MEMORANDUM

DATE: April 24, 2024

TO: County Executive Office

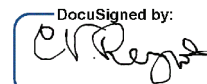
FROM: Charlene V. Reynolds, Airport Director

SUBJECT: Request to Approve Retroactive Application – FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant – Vertical Conveyance Improvements Phase I

This memo is being submitted to request that the County Executive Office include the subject grant application on the May 7, 2024, Board of Supervisors (Board) Meeting agenda.

John Wayne Airport (JWA) requests retroactive approval to apply for the FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant. The competitive grant program opportunity was unexpectedly advertised on April 1, 2024, with a deadline of May 2, 2024. The comprehensive process of selecting a grant-eligible project, vetting the project with the Federal Aviation Administration (FAA), and the quick turnaround requirement did not allow for advance notification to the Board. JWA plans to return to the Board with a request to accept funding if the grant application is awarded.

The application for the FY 2023 AIP Supplemental Discretionary Grant - Vertical Conveyance Improvements Phase I will be submitted electronically by May 2, 2024, to the FAA as instructed to meet the eligibility requirements.

DocuSigned by:

A1A526A921AF49F...

4/24/2024

Department Head or Designee

Date

Approved:


Digitally signed by Frank Kim
DN: cn=Frank Kim, o=County Executive
Office, ou=County of Orange,
email=frank.kim@ocgov.com, c=US
Date: 2024.04.24 13:45:21 -0700
Adobe Acrobat version: 2024.002.20687

County Executive Officer or Designee

Date



**CEO-Legislative Affairs Office
Grant Authorization eForm**

GRANT APPLICATION / **GRANT AWARD**

Today's Date:	April 24, 2024
Requesting Agency/Department:	John Wayne Airport
Grant Name and Project Title:	FY 2023 Airport Improvement Program (AIP) Supplemental Discretionary Grant – Vertical Conveyance Improvement Phase I: Replacement of Escalators 2, 3, 5, and 6
Sponsoring Organization/Grant Source: <small>(If the grant source is not a government entity, please provide a brief description of the organization/foundation)</small>	Federal Aviation Administration (FAA)
Application Amount Requested:	\$12,186,551
Application Due Date:	May 2, 2024
Board Date when Board Approved this Application:	N/A
Awarded Funding Amount:	TBD
Notification Date of Funding Award:	N/A
Is this an Authorized Retroactive Grant Application/Award? Yes <small>(If yes, attach memo to CEO)</small>	
Recurrence of Grant	New <input checked="" type="checkbox"/> Recurrent <input type="checkbox"/> Other <input type="checkbox"/> Explain:
If this is a recurring grant, please list the funding amount applied for and awarded in the past:	
Does this grant require CEQA findings?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
What Type of Grant is this?	Competitive <input checked="" type="checkbox"/> Other Type <input type="checkbox"/> Explain:
County Match?	Yes <input checked="" type="checkbox"/> Amount \$2,935,115 or 19.41% No <input type="checkbox"/>
How will the County Match be Fulfilled? <small>(Please include the specific budget)</small>	Fund 281 – Airport Construction Fund
Will the grant/program create new part or full-time positions?	The grant will not create new positions.
Purpose of Grant Funds:	Provide a summary and brief background on why the Board of Supervisors should accept this grant application/award, and how the grant will be implemented.
<p>The grant will reimburse costs for the replacement and modernization of four escalators in Terminal A (escalators 5 and 6) and B (escalators 2 and 3) at John Wayne Airport. This modernization and safety effort is an excellent opportunity for the airport to advance capital improvement planning and strategic initiatives.</p> <p>The grant will fund eligible costs up to \$12,186,551 (80.59%). The Airport is required to fund up to \$2,935,115 (19.41%), which will be included in the Fund 281 – Airport Construction budget.</p>	
Board Resolution Required? <small>(Please attach document to eForm)</small>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Deputy County Counsel Name: <small>(Please list the Deputy County Counsel that approved the Resolution)</small>	



CEO-Legislative Affairs Office Grant Authorization eForm

Attachment A

Recommended Action/Special Instructions (Please specify below)	
Authorize the Airport Director or designee to apply for the FY 2023 AIP Supplemental Discretionary Grant with the FAA and execute any forms needed in the application process. JWA plans to return to the Board with a request to accept funding if the grant application is awarded.	
Department Contact :	List the name and contact information (telephone, e-mail) of the staff person to be contacted for further information.
Charlene V. Reynolds, Airport Director, (949) 252-5171, CReynolds@ocair.com	
Name of the individual attending the Board Meeting:	List the name of the individual who will be attending the Board Meeting for this Grant Item:
Charlene V. Reynolds, Airport Director, (949) 252-5171, CReynolds@ocair.com	



Revision to ASR and/or Attachments

Date: 5/2/24
To: Clerk of the Board of Supervisors
CC: County Executive Office *Frank Kim*
From: **Thomas A. Miller, Chief Real Estate Officer** *TAM*
Re: ASR Control #: _____, Meeting Date 5/7/2024, Item No. # S34A
Subject: Approve Amended and Restated Ground Lease for Huntington Beach Oasis

2024 MAY -3 11:10:15
RECEIVED
COUNTY OF ORANGE
BOARD OF SUPERVISORS

Digitally signed by Frank Kim
DN: cn=Frank Kim, o=County of
Orange, ou=CCO
email=frank.kim@ocgov.com,
c=US
Date: 2024.05.03 10:12:05 -0700

Explanation:

Revised Recommended Action(s)

1. Approve and authorize the Chief Real Estate Officer or designee to execute the Amended and Restated Ground Lease with AFH NCRC Beach Blvd L.P., a California Limited Partnership, in substantially the form attached, to replace the current lease dated June 24, 2022, to facilitate financing, with minor modifications that do not materially alter the terms or financial obligations to the County, with approval of County Counsel, and perform all activities specified under the terms of the Amended and Restated Ground Lease for the Huntington Beach Oasis project.
2. Authorize the Chief Real Estate Officer or designee to sign additional documents and lease amendments as necessary to facilitate the construction and financing consistent with the Amended and Restated Ground Lease for the Huntington Beach Oasis project with AFH NCRC Beach Blvd L.P., a California Limited Partnership, consistent with the lease and loan terms, approved as to form by County Counsel.
3. Approve and authorize the Chief Real Estate Officer or designee to execute the enclosed California Tax Credit Allocation Committee Lease Rider for the Huntington Beach Oasis project in substantially the form attached, with minor modifications and amendments thereto that do not materially alter the terms or financial obligations to the County, and perform all activities specified under the terms of the lease rider.
4. Approve and authorize the Chief Real Estate Officer or designee to execute the enclosed Estoppel Certificate in substantially the form attached, with minor modifications thereto that do not materially alter the terms or financial obligations to the County, and perform all activities specified under the terms of the Estoppel certificate for the Huntington Beach Oasis project.
5. Adopt Resolution ~~approving and authorizing terms and conditions as required for Project Homekey~~; the OC Community Resource Director or designee to approve, enter into, execute, and deliver a Standard Agreement, as amended, in a total amount not to exceed \$17,000,000, any and all other documents required or deemed necessary or appropriate to secure the Homekey funds from the Department of Housing and Community Development and to participate in the Homekey Program, and all amendments thereto for the Huntington Beach Oasis project.

May 3, 2024

Make modifications to the:

Subject Background Information Summary Financial Impact

Revised Attachments (attach revised attachment(s) and redlined copy(s))



County Executive Office
Memorandum

RECEIVED

2024 MAY -2 PM 11:55

CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS

May 1, 2024

To: Clerk of the Board of Supervisors

From: Frank Kim, County Executive Officer

Digitally signed by Frank Kim
DN: cn=Frank Kim, o=County
of Orange, ou=CEO,
email=frank.kim@ocgov.com,
c=US
Date: 2024.05.01 13:37:45
+0700

Subject: Exception to Rule 21

S34A

The County Executive Office is requesting a Supplemental Agenda Staff Report for the May 7, 2024, Board Hearing.

Agency: County Executive Office

Subject: Approve Amended and Restated Ground Lease for Huntington Beach Oasis

Districts: 1

Reason Item is Supplemental: The subject lease originally received Board approval on December 14, 2021, however, revisions were necessary for this project's application for Tax Credit Allocation Committee (TCAC) financing. As a result, the Agenda Staff Report and attachments were finalized after the filing deadline to the Clerk of the Board, with several documents requiring approval by the Board of Supervisors. Due to this firm closing deadline, County Executive Office/Real Estate and OC Community Resources do not have the ability to postpone this Board action to a later date.

Justification: This item must be heard on May 7, 2024. The closing deadline for this project's TCAC financing is May 20, 2024. It is imperative that this project meet its TCAC financing deadline, or the developer and the affordable housing project will be financially impacted.

Concur:

Donald R. Wagner, Chairman of the Board of Supervisors

cc: Board of Supervisors
County Executive Office
County Counsel



SUPPLEMENTAL AGENDA ITEM AGENDA STAFF REPORT

MEETING DATE: 05/07/24

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): 1

SUBMITTING AGENCY/DEPARTMENT: County Executive Office

DEPARTMENT HEAD REVIEW: Thomas A. Miller
Department Head Signature

DEPARTMENT CONTACT PERSON(S): Thomas A. Miller (714) 834-6019
Dylan Wright (714) 480-2788

SUBJECT: Approve Amended and Restated Ground Lease for Huntington Beach Oasis

<p>CEO CONCUR</p>  <p><small>Digitally signed by Frank Kim DN: cn=Frank Kim, o=County of Orange, ou=CEO, email=frank.kim@ocgov.com, c=US Date: 2024.05.01 13:37:21 -0700</small></p> <p><i>CEO Signature</i></p>	<p>COUNTY COUNSEL REVIEW Approve as to form</p> <p><i>Resigned by:</i> <u>Michael Haubert</u> <i>County Counsel Signature</i></p>	<p>CLERK OF THE BOARD Discussion</p> <p>3 Votes Board Majority</p>
---	--	---

Budgeted: No **Current Year Cost:** N/A **Annual Cost:** N/A

Staffing Impact: N/A **# of Positions:** N/A **Sole Source:** N/A

Current Fiscal Year Revenue: N/A

Funding Source: See Financial Impact Section **County Audit in last 3 years** No

Levine Act Review Completed: Yes

Prior Board Action: 7/18/2023 #S29E, 2/28/2023 #32, 12/14/2021 #S39G

RECOMMENDED ACTION(S)

1. Approve and authorize the Chief Real Estate Officer or designee to execute the Amended and Restated Ground Lease with AFH NCRC Beach Blvd L.P., a California Limited Partnership, in substantially the form attached, to replace the current lease dated June 24, 2022, to facilitate financing, with minor modifications that do not materially alter the terms or financial obligations to the County, with approval of County Counsel, and perform all activities specified under the terms of the Amended and Restated Ground Lease.
2. Authorize the Chief Real Estate Officer or designee to sign additional documents and lease amendments as necessary to facilitate the construction and financing consistent with the Amended and Restated Ground Lease with AFH NCRC Beach Blvd L.P., a California Limited Partnership, consistent with the lease and loan terms, approved as to form by County Counsel.

3. Approve and authorize the Chief Real Estate Officer or designee to execute the enclosed California Tax Credit Allocation Committee Lease Rider Agreement in substantially the form attached, with minor modifications and amendments thereto that do not materially alter the terms or financial obligations to the County, and perform all activities specified under the terms of the Lease Rider Agreement.
4. Approve and authorize the Chief Real Estate Officer or designee to execute the enclosed Estoppel Certificate in substantially the form attached, with minor modifications thereto that do not materially alter the terms or financial obligations to the County, and perform all activities specified under the terms of the Estoppel certificate.
5. Adopt Resolution approving and authorizing terms and conditions as required for Project Homekey.

SUMMARY:

Approval of the Amended and Restated Ground Lease, the form Tax Credit Allocation Committee Lease Rider Agreement and adopting the resolution will help facilitate financing for the developer and its financial partners which will help facilitate long-term financing needs for the Huntington Beach Oasis Homekey project.

BACKGROUND INFORMATION:

Building on the success of the first round of Homekey funds, the Homekey Program Round 2 (Homekey) was a state grant funding program administered by the California Department of Housing and Community Development (HCD). Approximately \$1.45 billion in grant funding was made available statewide as part of the Round 2 Notice of Funding Availability to continue the State's efforts to rapidly expand housing for persons experiencing homelessness or at risk of homelessness and who are inherently impacted by or at increased risk due to the COVID-19 pandemic.

On December 14, 2021, the Board of Supervisors (Board) approved submittal by the County of Orange (County) of an application for Homekey program funding with co-applicants American Family Housing, Inc. (AFH) and National Community Renaissance of California (National CORE), both California nonprofit public benefit corporations, for Huntington Beach Oasis (HB Oasis), a prior Quality Inn motel located at 17251 Beach Boulevard in the City of Huntington Beach, as an interim to permanent housing project and a commitment of up to \$5 million in funding for interim housing operations. The County received a \$17 million Homekey program award for acquisition, construction/rehabilitation and operations of the property.

On June 24, 2022, the County acquired HB Oasis with the Homekey program funds and entered into a ground lease (Lease) with AFH and National CORE; HB Oasis has been operating as interim housing since 2022 pursuant to this Lease. The Homekey program requires conversion of the interim housing to permanent supportive housing (PSH) within five years to serve chronically homeless and homeless individuals and will ultimately be converted into PSH for extremely low-income persons experiencing homelessness or at risk of homelessness.

On February 28, 2023, the Board approved the recommended changes in policy and process for the 2023 Supportive Housing Notice of Funding Availability (2023 NOFA) and authorized OC Community Resources (OCCR) Director or designee to issue the 2023 NOFA making up to \$67.1 million in funding

and up to 210 Project-Based Housing Choice Vouchers (PBVs) available for the development of extremely low-income housing and return to the Board for funding commitments to individual projects.

AFH and National CORE responded to the 2023 NOFA with a funding application for the HB Oasis development to finance the conversion of the 64-room motel operating as interim housing into 62 supportive housing units restricted at 30 percent area median income (AMI) and one (1) one-bedroom manager's unit, for a total of 63 units.

Permanent Financing and PBVs

On July 18, 2023, the Board approved the utilization of up to \$5,121,130 in available funding, for a construction to permanent loan under the 2023 NOFA, to be available to AFH and National Core for the HB Oasis project. The County loan will be subordinate to the project's permanent financing. Additionally on this date, the Board approved the selection of HB Oasis to utilize 62 PBVs to be guaranteed for 20 years, consistent with U.S. Department of Housing and Urban Development (HUD) regulations.

In response to AFH and National Core's recent pursuit of permanent financing, its investors have requested certain revisions to the Lease to facilitate the long-term financing of the project. The tax credit investor has requested that the existing 55-year term of its Lease be extended to 75-years to establish long-term tax "ownership" by these tax credit investors, as typically the longer the term, the more likely these investments will be viewed as ownership interests for tax purposes. Accordingly, the additional lease term will provide sufficient time to provide the basis for an appropriate tax opinion required by these tax credit investors. This additional term will help satisfy the "facts and circumstances" analysis under Internal Revenue Service tax ownership treatment. The parties have mutually agreed on the necessity to extend the existing primary term to 75 years to allow for an appropriate investment to facilitate this project's permanent financing.

Several additional changes were required by AFH and National Core and its prospective financial partners to help them facilitate financing. One of the changes includes an assignment of HB Oasis from the ground lessee, AFH and National CORE, to a newly formed entity, AFH NCRC Beach Blvd L.P., a California limited partnership, that was set up to facilitate tax credit financing and the future development of the HB Oasis Homekey project. In consideration for the assumption of these obligations and the assignment, the County agrees to the assignment of this ground lease to AFH NCRC Beach Blvd L.P. Transfers of this sort were contemplated in the original Lease as an excluded transfer that would not require express County consent with proper notification by the lessee.

As a result of these various changes set forth above, it was decided that an amended and restated ground lease agreement (Amended and Restated Ground Lease) would help address these revisions. A copy of the proposed Amended and Restated Ground Lease is enclosed as Attachment A.

In addition, approval of a lease rider is required by the California Tax Credit Allocation Committee (TCAC) for all tax credit housing projects developed under a leasehold interest and prior to the lease rider being executed by all parties after permanent loan conversion. In order to assist with this financing, a TCAC Lease Rider Agreement in substantially the form enclosed as Attachment B will be executed when the tax credits are issued. An estoppel certificate is a required condition in connection with the financing, and will be executed in substantially the form enclosed as Attachment C.

Finally, the newly formed entities will need to be added to the Homekey Standard Agreement as Co-Applicants and the County will need to submit a new authorizing resolution (Resolution) to the Department of Housing and Community Development (HCD) to initiate the amendment process. A copy of the proposed Resolution is enclosed as Attachment D.

Compliance with CEQA: The proposed project was previously determined to be Categorical Exempt from the California Environmental Quality Act pursuant to Public Resources Code Section 21080.50 of the CEQA Guidelines on December 14, 2021 when it was originally approved, because it is an interim motel housing project, which will provide permanent supportive housing and affordable housing dwellings and for activities funded by Homekey Program funds pursuant to Health & Safety Code sections 50675.1.3 and 50675.1.4. The proposed project is still consistent with this determination.

FINANCIAL IMPACT:

The increased ground lease term should result in an increase in future cash flow from receipt of residual receipts. The amount of this increased future cash flow is presently unknown.

STAFFING IMPACT:

N/A

ATTACHMENT(S):

- Attachment A - Amended and Restated Ground Lease
- Attachment B - California Tax Credit Allocation Committee Lease Rider Agreement
- Attachment C - Estoppel Certificate
- Attachment D - Homekey Resolution



Attachment A

AMENDED AND RESTATED GROUND LEASE

THIS AMENDED AND RESTATED GROUND LEASE (“**Lease**”) is made and effective as of the _____ day of _____, 2024 (“**Effective Date**”) by and between the COUNTY OF ORANGE, a political subdivision of the State of California (“**County**”), and AFH NCRC Beach Blvd L.P., a California limited partnership (hereinafter called “**Tenant**”) (also referred to hereinafter each as a “**Party**” or collectively as the “**Parties**”).

RECITALS

A. County owns the Premises (as hereinafter defined) located at 17251 Beach Boulevard, in the City of Huntington Beach, County of Orange, State of California.

B. Pursuant to that certain Ground Lease entered into between AMERICAN FAMILY HOUSING, a California nonprofit public benefit corporation, and NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit public benefit corporation (collectively the “**Original Tenant**”), dated June 24, 2022 (the “**Original Lease**”), County leased the Premises to the Original Tenant for the purposes of the Project, as more fully defined hereafter, to entitle and redevelop a sixty-three (63) room motel commonly known as the “Huntington Beach Oasis ” property (formerly known as the Quality Inn & Suites), for interim housing, and following certain rehabilitation work, for use as sixty-two (62) permanent supportive housing units and one (1) manager unit, all as more fully described herein, upon the fulfillment of certain conditions precedent as set forth therein.

C. Concurrently with entering into the Original Lease, County and the Original Tenant executed that certain Memorandum of Lease, which was recorded on June 24, 2022, as Instrument No. 2022000226968 (hereinafter referred to as “**Original Memorandum**”).

D. In connection with entering into the Original Lease, County sold and transferred to the Original Tenant fee title to all personal property and improvements on the Premises as of the date of the Original Lease, pursuant to (i) that certain Bill of Sale for Personal Property, executed by County and the Original Tenant (hereinafter referred to as “**Bill of Sale**”), and (ii) that certain Quitclaim Deed, executed by County and recorded on June 29, 2022, as Instrument No. 2022000231187 (hereinafter referred to as “**Quitclaim Deed**”).

E. Concurrently with entering into the Original Lease, the County recorded a Declaration of Restrictive Covenant (Supportive Housing Program), which was recorded on June 24, 2022, as Instrument No. 2022000226967, for the purpose of encumbering the Original Tenant’s leasehold interest created by the Original Lease

F. On or about the same date hereof, the Original Tenant assigned to Tenant, and Tenant assumed from the Original Tenant, all of the Original Tenant’s rights and obligations under, among other agreements, the Original Lease, and the Restrictive Covenant.

G. County and Tenant have jointly agreed to enter into this Lease as of the Effective Date set forth above for purposes of amending and restating the Original Lease.

H. The Amended and Restated Lease is intended to amend and restate, in its entirety, the Original Lease.

Attachment A

NOW, THEREFORE, in consideration of the above Recitals, which are hereby incorporated into this Lease by reference, and mutual covenants and agreements hereinafter contained, County and Tenant mutually agree to the following:

ARTICLE I
DEFINITIONS

1.1 **Definitions:** The following defined terms used in this Lease shall have the meanings set forth below. Other terms are defined in other provisions of this Lease and shall have the definitions given to such terms in such other provisions.

1.1.1. “**Affiliate**” shall mean, with respect to any person (which as used herein includes an individual, trust or entity), any other person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such person.

1.1.2. **Intentionally Deleted.**

1.1.3. “**Aggregate Transfer**” shall refer to the total “Ownership Interest(s)” in Tenant transferred or assigned in one transaction or a series of related transactions (other than an Excluded Transfer) occurring since the latest of (a) the Effective Date, (b) the execution by Tenant of this Lease, or (c) the most recent Tenant Ownership Change; provided, however, that there shall be no double counting of successive transfers of the same interest in the case of a transaction or series of related transactions involving successive transfers of the same interest. Isolated and unrelated transfers shall not be treated as a series of related transactions for purposes of the definition of “Aggregate Transfer.”

1.1.4. “**Annual Operating Expenses**” means all regular and customary annual expenses incurred in relation to the operation of the Premises, including the Improvements, as reflected on the annual budget that Tenant shall prepare and abide by each year during the Term of this Ground Lease, commencing on the Commencement Date, as approved in writing by the County, in County’s reasonable discretion. Said Annual Operating Expenses shall include a reasonable property management and administrative fee, fees related to the tax credit syndication of the Premises, all reasonable and customary costs and fees related to the provision of resident services related to the Permanent Supportive Housing at the Project, utility charges, operating and maintenance expenses, Project property taxes and Project insurance premiums, and such other costs as approved by the County, in his/her reasonable discretion. Tenant will deliver an annual budget for the following year no later than December 1 for each year following issuance of a permanent certificate of occupancy for the Improvements. County shall deliver any comments, or its approval to such operating budget within thirty (30) days of receipt thereof. If an operating budget for the following year has not been approved by County and Tenant prior to January 1 of such year, the annual operating budget from the previous year, increased by three percent (3%), with the actual cost of property tax and insurance premiums, shall apply until a new operating budget is approved. Notwithstanding the foregoing, in no event shall Annual Operating Expenses include any costs, fees, fines, charges, penalties, awards, judgments or expenses (including, but not limited to legal and accounting fees and expenses) which are due to or arising out of the Tenant’s (A) breach or default of any mortgage loan, (B) fraudulent acts or willful misconduct or (C) breach or default under any other contract, lease or agreement pertaining to the Project. Annual Operating Expenses shall also not include other expenses not related to the Project’s operations such as depreciation, amortization, accrued principal and interest expense on deferred payment debt and capital improvement expenditures.

Attachment A

1.1.5. “**Annual Project Revenue**” means all annual revenue generated by the Project from any source, including, but not limited to, rent payments, governmental assistance housing payments, laundry and other vending machine and pay telephone income. Notwithstanding the foregoing, Annual Project Revenue shall not include the following items: (a) security deposits from subtenants (except when applied by Tenant to rent or other amounts owing by subtenants); (b) capital contributions to Tenant by its members, partners or shareholders (including capital contributions required to pay deferred developer fee); (c) condemnation or insurance proceeds; (d) there shall be no line item, expense, or revenue shown allocable to vacant unit(s) at the Project; or (e) receipt by an Affiliate of management fees or other bona fide arms-length payments for reasonable and necessary Operating Expenses associated with the Project.

1.1.6. “**Auditor-Controller**” shall mean the Auditor-Controller, County of Orange, or designee, or upon written notice to Tenant, such other person as may be designated by the Board of Supervisors.

1.1.7. “**Base Rent**” shall mean rent paid pursuant to Section 3.1.

1.1.8. “**Board of Supervisors**” shall mean the Board of Supervisors of the County of Orange, a political subdivision of the State of California, the governing body of the County.

1.1.9. “**Certificate of Occupancy**” shall mean a temporary or final certificate of occupancy (or other equivalent entitlement, however designated) which entitles Tenant to commence normal operation and occupancy of the Improvements in connection with the Permanent Supportive Housing.

1.1.10. “**Chief Real Estate Officer**” shall mean the Chief Real Estate Officer, County Executive Office, County of Orange, or designee, or upon written notice to Tenant, such other person as may be designated by the County Board of Supervisors. The Chief Real Estate Officer shall have authority to administer the terms of this Lease, including the granting of approvals, waivers, and consents, as required hereunder, except to the extent any of such actions would increase the costs, or decrease the revenues of County hereunder.

1.1.11. “**City**” shall mean the City of Huntington Beach, California.

1.1.12. “**Claims**” shall mean liens, claims, demands, suits, judgments, liabilities, damages, fines, losses, penalties, costs and expenses (including without limitation reasonable attorneys' fees and expert witness costs, and costs of suit), and sums reasonably paid in settlement of any of the foregoing.

1.1.13. “**Commencement Date**” shall have the same meaning as the “**Conversion Date**” as referenced in the Tenant’s “Affordable Housing Agreement” with the City of Huntington Beach, dated June 7, 2022, and is the date the Project transitions to Permanent Supportive Housing. Notwithstanding anything to the contrary in the County Loan Agreement (if any) or the County Regulatory Agreement (if any), the Commencement Date shall take place no later than five (5) years from the date of the Original Lease (June 24, 2022). Tenant shall be responsible for informing the County in writing of the Conversion Date, which will also be the Commencement Date. Base Rent shall become due and payable beginning on the Commencement Date.

1.1.14. “**Contractor**” shall mean Tenant’s general contractor for the work to be performed.

1.1.15. “**County**” shall mean the County of Orange, a political subdivision of the State of California.

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1.1.16. “**County’s Interest**” shall mean all of County’s interests in the real property, the Premises, this Lease and its existing and reversionary interest in the real property, Premises, as well as the Improvements upon the expiration of the Term or earlier termination thereof.

1.1.17. “**County Parties**” shall mean, collectively and individually, the County and its respective Affiliates, special districts, governing boards, agents, employees, members, officers, directors and attorneys.

1.1.18. “**Effective Date**” is defined in the introductory paragraph to this Lease.

1.1.19. “**Event of Default**” is defined in Section 11.1.

1.1.20. “**Excluded Transfer**” shall mean any of the following:

(a) A transfer by any direct or indirect partner, shareholder, or member of Tenant (or of a limited partnership, corporation, or limited liability company that is a direct or indirect owner in Tenant’s ownership structure) as of the Effective Date or the date on which a Tenant Ownership Change occurred as to the interest transferred, to any other direct or indirect partner, shareholder, or member of Tenant or to an entity exclusively controlled by such direct or indirect partner, shareholder or member of Tenant (or of a limited partnership, corporation, or limited liability company that is a direct or indirect owner in Tenant’s ownership structure) as of the Effective Date, including in each case to or from a trust for the benefit of the immediate family of any direct or indirect partner or member of Tenant who is an individual;

(b) A transfer of an Ownership Interest in Tenant or in constituent entities of Tenant (i) to a member of the immediate family of the transferor (which for purposes of this Lease shall be limited to the transferor’s spouse, children, parents, siblings, and grandchildren); (ii) to a trust for the benefit of a member of the immediate family of the transferor; (iii) from such a trust or any trust that is an owner in a constituent entity of Tenant as of the Effective Date, to the settlor or beneficiaries of such trust or to one or more other trusts created by or for the benefit of any of the foregoing persons, whether any such transfer described in this subsection is the result of gift, devise, intestate succession, or operation of law; or (iv) in connection with a pledge by any partners or members of a constituent entity of Tenant to an Affiliate of such partner or member;

(c) A transfer of a direct or indirect interest resulting from public trading in the stock or securities of an entity, when such entity is a corporation or other entity whose stock and/or securities is/are traded publicly on a national stock exchange or traded in the over-the-counter market and the price for which is regularly quoted in recognized national quotation services;

(d) A mere change in the form, method, or status of ownership (including, without limitation, the creation of single-purpose entities) as long as the ultimate beneficial ownership remains the same as of the Effective Date, or is otherwise excluded in accordance with subsections (a) – (c) above;

(e) A transfer to an Affiliated nonprofit public benefit corporation or for-profit corporation, or to a limited partnership whose general partner is a nonprofit corporation, for-profit corporation or limited liability company Affiliated with the Tenant or the Tenant’s general partner, subject to the County and Agency’s right to reasonably approve the agreement to effect such assignment or transfer;

(f) The lease, assignment of lease or sublease of any individual residential unit in the Improvements;

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(g) A transfer of the Tenant's interest in the Premises by foreclosure or deed in lieu of foreclosure (i) to any bona fide third-party lender holding a lien encumbering the Premises (or its nominee), and (ii) by a Lender Foreclosure Transferee to a third-party made in accordance with Section 17.6.5;

(h) Transfers of any limited partnership or membership interest in the Tenant to an investor solely in connection with the tax credit syndication of the Premises in accordance with Section 42 of the Internal Revenue Code of 1986, as amended (the "**Tax Credit Laws**"), (including, without limitation, a subsequent transfer of the Limited Partner's interest to an Affiliate of the Limited Partner), provided, such syndication shall not extend the Term of this Lease; i) The grant or exercise of an option agreement or right of first refusal solely in connection with the tax credit syndication of the Premises in accordance with the Tax Credit Laws provided that the syndication shall not extend the Term of this Lease;

(j) The removal and replacement of one or both of Tenant's general partners pursuant to the terms of Tenant's Partnership Agreement as of the Effective Date and replacement by the Limited Partner, or an Affiliate thereof; or

(k) Any assignment of the Lease by Tenant to an Affiliate of Tenant or to a Leasehold Mortgagee as security in which there is no change to the direct and indirect beneficial ownership of the leasehold interest or a conveyance of a security interest in the Tenant's leasehold interest or Improvements or any portion thereof or interest therein, in connection with a Leasehold Mortgage.

1.1.21. "**Force Majeure Event**" is defined in Article XIV.

1.1.22. "**Hazardous Material(s)**" is defined in Section 4.5.

1.1.23. "**HCD**" shall mean the California Department of Housing and Community Development.

1.1.24. "**Improvements**" shall mean and includes all buildings (including above-ground and below ground portions thereof, and all foundations and supports), building systems and equipment (such as HVAC, electrical and plumbing equipment), physical structures, fixtures, hardscape, paving, curbs, gutters, sidewalks, fences, landscaping and all other improvements of any type or nature whatsoever now or hereafter made, constructed and/or rehabilitated on the Premises, in accordance with the terms of this Lease. During the entire Term, the Improvements, as they may be reconstructed or rehabilitated, will be restricted to the following uses:

- (a) multifamily affordable housing,
- (b) interim housing,
- (c) permanent supportive housing units and related services, and
- (d) related commercial and community-serving uses as needed for the siting of the affordable housing and supportive housing units, as approved by the County.

For purposes hereof, the following terms shall have the meanings set forth below:

"Interim Housing" means temporary shelter or lodging for the Target Population (as such term is defined in the documents evidencing the Housing Authority Loan), and which does not require occupants to sign leases or occupancy agreements, or to pay any rent, fees, or charges. Except as may be required by applicable law, no occupant of the Interim Housing shall be considered a tenant, renter, or permanent resident. Interim Use and Interim Use Work shall support Interim Housing.

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"Permanent Supportive Housing" has the same meaning as "supportive housing" as defined at Health & Safety Code Section 50675.14, subdivision (b)(2), except "that "Permanent Supportive Housing" shall include associated facilities if used to provide services to housing residents. Permanent housing shall be distinguished from interim housing in that "permanent housing" shall mean a housing unit where the landlord does not limit length of stay in the housing unit, the landlord does not restrict the movements of the tenant, and the tenant has a lease and is subject to the rights and responsibilities of tenancy. The Project and Permanent Conversion Work shall support Permanent Supportive Housing.

1.1.25. "**Includes**" shall mean "includes but is not limited to" and "**including**" shall mean "including but is not limited to."

1.1.26. "**Interest Rate**" shall mean the lower of: (a) the reference or prime rate of U.S. Bank National Association, in effect from time to time plus three percent (3%); or (b) the highest rate of interest permissible under the Laws not to exceed the rate of twelve percent (12%) per annum.

1.1.27. "**Interim Use Work**" shall mean rehabilitation or other construction activities to the Improvements in order for the Improvements to be used as interim housing and does not include Permanent Conversion Work as defined in Section 1.1.40.

1.1.28. "**Laws**" shall mean all laws, codes, ordinances, statutes, orders and regulations now or hereafter made or issued by any federal, state, county, local or other governmental agency or entity that are binding on and applicable to the Premises, Improvements, and Work to be performed.

1.1.29. "**Lease**" shall mean this Ground Lease (including any and all addenda, amendments and exhibits hereto), as now or hereafter amended.

1.1.30. "**Leasehold Estate**" is defined in Section 17.1.1.

1.1.31. "**Leasehold Foreclosure Transferee**" is defined in Section 17.1.2.

1.1.32. "**Leasehold Mortgage**" is defined in Section 17.1.3.

1.1.33. "**Leasehold Mortgagee**" is defined in Section 17.1.4.

1.1.34. "**Lender**" shall mean: (a) a bank, savings bank, investment bank, savings and loan association, mortgage company, insurance company, trust company, commercial credit corporation, real estate investment trust, pension trust or real estate mortgage investment conduit; or (b) some other type of lender engaged in the business of making commercial loans, provided that such other type of lender has total assets of at least \$2,000,000 and capital/statutory surplus or shareholder's equity of at least \$500,000,000 (or a substantially similar financial capacity if the foregoing tests are not applicable to such type of lender); or (c) a local, state or federal governmental entity, including but not limited to HCD, which provides predevelopment, acquisition, construction and/or permanent financing for Tenant's acquisition and development of the Property.

1.1.35. "**Limited Partner**" shall mean any limited partner or investor member (and its successors and/or assigns) of Tenant and shall include all references to "investor" in this Ground Lease.

1.1.36 "**New Lease**" is defined in Section 17.7.1.

1.1.37. "**Operating Costs**" is defined in Section 3.4.1.

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1.1.38. “**Ownership Interests**” shall mean the share(s) of stock, partnership interests, membership interests, other equity interests or any other direct or indirect ownership interests in Tenant, regardless of the form of ownership and regardless of whether such interests are owned directly or through one or more layers of constituent partnerships, corporations, limited liability companies, or trusts.

1.1.39. “**Partnership Related Fees**” shall mean the following fees of Tenant (or partners thereof pursuant to Tenant’s Partnership Agreement) which are actually paid including:

(i) a limited partner asset management fee payable to the Limited Partner in the annual amount of up to \$7,500 (increased annually by 3%); and

(ii) partnership management fee (administrative and/or managing general partner) payable to the general partners of Tenant in the aggregate annual amount of \$25,000 (increased annually by 3%).

1.1.40. “**Permanent Conversion Work**” shall mean both Tenant’s rehabilitation activity with respect to the Improvements, including permitted future changes, alterations and renovations thereto and also including, without limiting the generality of the foregoing, site preparation, landscaping, installation and/or rehabilitation of utilities, street construction or improvement and grading or filling in or on the Premises necessary for the Project as set forth on **Exhibit B**. This Permanent Conversion Work shall not include Interim Use Work as set forth in Section 1.1.27.

1.1.41. “**Person**” shall include firms, associations, partnerships, joint ventures, trusts, corporations and other legal entities, including public or governmental bodies, agencies or instrumentalities, as well as natural persons.

1.1.42. “**Premises**” shall mean that certain real property containing approximately 0.91 acres located at 17251 Beach Boulevard, the City of Huntington Beach CA 92647, and its improvements, parking areas, and fixtures affixed thereto together with all easements, rights and privileges appurtenant thereto, to be leased to Tenant pursuant to this Lease and on which Tenant shall rehabilitate and/or construct, as necessary, the existing motel, the Huntington Beach Oasis, formerly known as the Quality Inn & Suites, into interim housing and then permanent supportive housing. The legal description of the Premises is attached hereto as **Exhibit A**. A rendering showing the approximate boundaries of the Premises is attached hereto as **Exhibit A-1**.

1.1.43. “**Project**” shall mean the completed Work for the Tenant’s rehabilitation and/or construction of the Premises, as necessary, for its use as permanent supportive housing after the Interim Use, as defined below.

1.1.44. “**Rent**” shall mean and includes the Base Rent and Additional Rent payable by Tenant under this Lease.

1.1.45 “**Residual Receipts**” means the Annual Project Revenue less (A) Annual Operating Expenses (hereinafter defined), (B) obligated debt service on Leasehold Mortgages and all other mandatory payments to the Leasehold Mortgagees under their approved loan documents for the funding of the Project, or as otherwise approved pursuant to Section 17.2, below, (C) payment obligations approved in writing by the County at the closing of the construction financing for the Project, including reasonable and customary annual fees to public agencies specifically related to the operation of the Project, (D) amounts due to the Limited Partner for any tax credit adjustments pursuant to Sections 5.01(d) and Section 8.08(c)(iii) of Tenant's Partnership Agreement. (E) Partnership Related Fees (including accrued by unpaid Partnership Related Fees from the prior year or years, (F) repayment of loans, if any, made by Limited Partner to Tenant for development and/or operating expense deficits on terms reasonably acceptable to County, (G)

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repayment of loans, if any, made by a general partner of Tenant solely for development and/or operating expense deficits on terms reasonably acceptable to County, (H) deferred developer fee, and (I) scheduled deposits to reserves approved in writing by the County at the closing of the construction financing for the Project (or such higher reserve deposits as may be reasonably required by the Limited Partner or any Leasehold Mortgagee).

1.1.46. “**Risk Manager**” shall mean the Manager of County Executive Office, Risk Management, County of Orange, or designee, or upon written notice to Tenant, such other person as may be designated by the Board of Supervisors, or designee, or upon written notice to Tenant, such other person as may be designated by the City Council.

1.1.47. “**Taxes**” is defined in Section 3.11.2.

1.1.48. “**TCAC**” is defined as the California Tax Credit Allocation Committee.

1.1.49 “**Tenant Ownership Change**” shall mean (a) any transfer or assignment by Tenant of the Leasehold Estate or (b) any “Aggregate Transfer” of at least twenty five percent (25%) of the “Ownership Interest(s)” in Tenant, in each case that is not an “Excluded Transfer.”

1.1.50. “**Tenant’s Partnership Agreement**” shall mean an Amended and Restated Agreement of Limited Partnership to be entered into in connection with the closing of constructing financing for the Project, a copy of which will be provided to the County.

1.1.51. “**Term**” is defined in Section 2.2.

1.1.52. “**Transfer**” is defined in Section 10.1.1.

1.1.53. “**Transfer Notice**” is defined in Section 10.4.

1.1.54. “**Treasurer-Tax Collector**” shall mean the Treasurer-Tax Collector, County of Orange, or designee, or upon written notice to Tenant, such other person or entity as may be designated by the Board of Supervisors.

1.1.55. “**Utility Costs**” is defined in Section 3.4.1.

ARTICLE II LEASE OF PROPERTY

2.1 Lease of Premises.

2.1.1. Leasehold. County hereby leases the Premises to Tenant for the Term for the purposes of the Project, and Tenant hereby leases the Premises from County for the Term, subject to the terms, conditions, covenants, restrictions and reservations of this Lease.

2.1.2. Warranty of Peaceful Possession. County covenants and warrants that, subject to the Tenant’s payment of Rent and performance and observation of all of the covenants, obligations and agreements herein contained and provided to Tenant, Tenant shall and may peaceably and quietly have, hold, occupy, use and enjoy the Premises during the Term and may exercise all of its rights hereunder. Except as otherwise set forth herein, the County covenants and agrees that they shall not grant

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any mortgage or lien on or in respect of its fee interest in the Premises unless the same is expressly subject and subordinate to this Lease or any New Lease.

2.2 Term. The “**Term**” of this Lease shall commence on the Effective Date, and shall expire at 12:00 midnight Pacific Standard Time on the Seventy-Fifth (75th) anniversary of the Commencement Date, unless sooner terminated as a result of Tenant’s non-compliance with any terms, conditions, covenants, restrictions or reservations of this Lease.

2.3 Termination at End of Term. This Lease shall terminate, without need of further notice by any Party, at 12:00 midnight Pacific Standard Time on the last day of the Term.

2.4 Condition of the Premises. **TENANT HEREBY ACCEPTS THE PREMISES “AS IS” AND ACKNOWLEDGES THAT THE PREMISES IS IN SATISFACTORY CONDITION. COUNTY MAKES NO WARRANTY, IMPLIED OR OTHERWISE, AS TO THE SUITABILITY OF THE PREMISES FOR TENANT’S PROPOSED USES. COUNTY MAKE NO COVENANTS OR WARRANTIES, IMPLIED OR OTHERWISE, RESPECTING THE CONDITION OF THE SOIL, SUBSOIL, OR ANY OTHER CONDITIONS OF THE PREMISES OR THE PRESENCE OF HAZARDOUS MATERIALS, NOR DOES COUNTY COVENANT OR WARRANT, IMPLIED OR OTHERWISE, AS TO THE SUITABILITY OF THE PREMISES FOR THE PROPOSED REHABILITATION OR USE BY TENANT. COUNTY SHALL NOT BE RESPONSIBLE FOR ANY LAND SUBSIDENCE, SLIPPAGE, SOIL INSTABILITY OR DAMAGE RESULTING THEREFROM. COUNTY SHALL NOT BE REQUIRED OR OBLIGATED TO MAKE ANY CHANGES, ALTERATIONS, ADDITIONS, IMPROVEMENTS OR REPAIRS TO THE PREMISES. TENANT SHALL RELY ON ITS OWN INSPECTION AS TO THE SUITABILITY OF THE PREMISES FOR THE INTENDED USE.**

TENANT INITIALS: _____

2.5 Limitations of the Leasehold. This Lease and the rights and privileges granted Tenant in and to the Premises are subject to all covenants, conditions, restrictions, and exceptions of record as of the date hereof or otherwise disclosed to Tenant prior to the date hereof. Nothing contained in this Lease or in any document related hereto shall be construed to imply the conveyance to Tenant of rights in the Premises which exceed those owned by County, or any representation or warranty, either express or implied, relating to the nature or condition of the Premises or County’s interest therein.

2.6 Tenant’s Investigation. Tenant acknowledges that it is solely responsible for investigating the Premises to determine the suitability thereof for the uses contemplated by Tenant. Tenant further acknowledges by executing this Lease that it has completed its investigation and has made such determinations as Tenant believes may be required under the circumstances.

ARTICLE III RENT

3.1 Base Rent. Beginning on the Commencement Date, “**Base Rent**” shall mean a total of Ten Million Eight Hundred Thousand dollars (\$10,800,000) due and owing and payable in full on the Commencement Date, but if not paid in full on the Commencement Date, then payment to the County shall consist of annual payments from the Tenant to the County of fifty percent (50%) of the then available Residual Receipts (defined above), but only to the extent said Residual Receipts are available. Notwithstanding the foregoing, Base Rent shall only become due after the Tenant has repaid those loans from the County for a construction to permanent loan of Five Million One Hundred Twenty One Thousand One Hundred Thirty Dollars (\$5,121,130)(“**County Loan**”), and the

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Huntington Beach Housing Authority (the "**Housing Authority**") of Two Million Four Hundred Thousand Dollars (\$2,400,000), as documented in a separate loan agreement and promissory note, dated June 7, 2022, between the Housing Authority and Tenant ("**Housing Authority Loan**"). The County Loan and Housing Authority Loan shall be paid out of Residual Receipts and shall be paid sequentially (34% to the County, and 16% to the Housing Authority), and then the Base Rent, out of the same 50% of Residual Receipts. If not paid in full on the Commencement Date, Base Rent will bear interest at the simple rate of three percent (3%) per year for the Term until paid in full. On the last day of the Term the then outstanding amount of the Base Rent shall be paid in full if not already paid by that time. Once the Base Rent has been paid in full, Tenant shall have no further obligation for Base Rent under this Lease.

At such time as the Premises is no longer subject to the County Regulatory Agreement or any other such covenants restricting occupancy or rents at the Premises, the Base Rent due under this Lease shall be reset to a monthly rate based on the fair market value of the remaining leasehold interest under this Lease (taking into account the restrictions contained in this Lease and the County's Regulatory Agreement) as independently appraised as determined by a qualified, independent appraiser (conducted by a certified appraiser reasonably acceptable to the County and Tenant). Such independent appraisal(s) shall determine the fair market value of the Premises (but taking the prior County Regulatory Agreement into account) at the time of such appraisal and set a monthly Base Rent rate, which shall be incorporated into this Lease through a lease amendment agreed to and executed by the Tenant and the County's Chief Real Estate Officer.

3.2 Net Refinancing Proceeds/Net Syndication Proceeds. Any net refinancing and net syndication proceeds received by Tenant shall be used to pay any unpaid Base Rent in the same proportions and percentages as the Residual Receipts are allocated as set forth in Section 3.1. For purposes of this Section 3.2, such proceeds shall be net of all of the following: closing costs; costs to rehabilitate the Project, including the costs necessary to obtain refinancing or syndication proceeds (such as consultant, legal, and other consultant costs); the soft costs related to the rehabilitation (such as architecture, engineering and other consultant costs, and all required relocation costs), payment of any previously approved developer fee, funding of all required reserves and; all hard costs of the rehabilitation, all of which have been reviewed and reasonably approved by the Lessor. Additionally, the Tenant's right and obligation to use such net proceeds to pay Base Rent is subject to the rights of Leasehold Mortgagees to control the use of such proceeds pursuant to the terms of their respective loan documents, all of which have been reviewed and reasonably approved by the Lessor. Without limiting application of those loan documents, in no case shall Tenant be permitted to retain proceeds from the net refinancing and net syndication without the prior written consent of the Lessor, until full satisfaction of the unpaid Base Rent. Notwithstanding the foregoing, this Section 3.2 shall not apply to (i) any Excluded Transfer or (ii) any financing described in Section 17.2.

3.3 Triple Net Rent. It is the intent of the Parties that all Rent shall be absolutely net to County and that, except as otherwise provided herein, Tenant will pay all costs, charges, insurance premiums, taxes, utilities, expenses and assessments of every kind and nature incurred for, against or in connection with the Premises which arise or become due during the Term as a result of Tenant's use and occupancy of the Premises. Under no circumstances or conditions, whether now existing or hereafter arising, or whether beyond the present contemplation of the Parties, shall County be obligated or required to make any payment of any kind whatsoever or be under any other obligation or liability under this Lease except as expressly provided herein.

3.4 Insufficient Funds. For purposes of this Section 3.4, Rent shall have the same meaning as stated in Section 1.1.44. If any payment of Rent or other fees made by check is returned due to insufficient funds or otherwise, County shall have the right to require Tenant to make all subsequent Rent payments by cashier's check, certified check or automated clearing house debit system. All Rent or other fees shall be paid in lawful money of the United States of America, without offset or deduction or prior notice or

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demand. No payment by Tenant or receipt by County of a lesser amount than the Rent or other fees due shall be deemed to be other than on account of the Rent or other fees due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and County shall accept such check or payment without prejudice to County's right to recover the balance of the Rent or other fees or pursue any other remedy available to the County in this Lease.

3.5 Intentionally Deleted.

3.6 Additional Rent.

3.6.1. **Additional Rent.** During the Term, the Base Rent shall be absolutely net to County so that all costs (including but not limited to Operating Costs and Utility Costs, as defined below), fees, taxes (including but not limited to Real Estate Taxes and Equipment Taxes, as defined below), charges, expenses, impositions, reimbursements, and obligations of every kind relating to the Premises shall be paid or discharged by Tenant as additional rent ("**Additional Rent**"). Additional Rent shall also include such amounts as described in Article XI. As more particularly set forth in Sections 3.6.3 and 3.6.6, below, Tenant has the right to pay under protest the foregoing Additional Rent, as applicable, and defend against the same. Any imposition rebates shall belong to Tenant.

3.6.2. **Taxes.** During the Term, Tenant shall pay directly to the taxing authorities all Taxes (as herein defined) at least ten (10) days prior to delinquency thereof. For purposes hereof, "**Taxes**" shall include any form of assessment, license fee, license tax, business license fee, commercial rental tax, levy, penalty, sewer use fee, real property tax, charge, possessory interest tax, tax or similar imposition (other than inheritance or estate taxes), imposed by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, drainage, flood control, water pollution control, public transit or other special district thereof, as against any legal or equitable interest of County in the Premises or any payments in lieu of taxes required to be made by County, including, but not limited to, the following:

(a) Any assessment, tax, fee, levy, improvement district tax, charge or similar imposition in substitution, partially or totally, of any assessment, tax, fee, levy, charge or similar imposition previously included within the definition of Taxes. It is the intention of Tenant and County that all such new and increased assessments, taxes, fees, levies, charges and similar impositions be included within the definition of "**Taxes**" for the purpose of this Lease.

(b) Any assessment, tax, fee, levy, charge or similar imposition allocable to or measured by the area of the Premises or the rent payable hereunder, including, without limitation, any gross income tax or excise tax levied by the city, county, state or federal government, or any political subdivision thereof, with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises, or any portion thereof;

(c) Any assessment, tax, fee, levy, charge or similar imposition upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises, including any possessory interest tax levied on the Tenant's interest under this Lease;

(d) Any assessment, tax, fee, levy, charge or similar imposition by any governmental agency related to any transportation plan, fund or system instituted within the geographic area of which the Premises are a part.

The definition of "**Taxes**," including any additional tax the nature of which was previously included within the definition of "**Taxes**," shall include any increases in such taxes, levies, charges or assessments

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occasioned by increases in tax rates or increases in assessed valuations, whether occurring as a result of a sale or otherwise.

3.6.3. Contest of Taxes. Tenant shall have the right to contest, oppose or object to the amount or validity of any Taxes or other charge levied on or assessed against the Premises and/or Improvements or any part thereof; provided, however, that the contest, opposition or objection must be filed before such time the Taxes or other charge at which it is directed becomes delinquent. Furthermore, no such contest, opposition or objection shall be continued or maintained after the date the tax, assessment or other charge at which it is directed becomes delinquent unless Tenant has either: (i) paid such tax, assessment or other charge under protest prior to its becoming delinquent; or (ii) obtained and maintained a stay of all proceedings for enforcement and collection of the tax, assessment or other charge by posting such bond or other matter required by law for such a stay; or (iii) delivered to County a good and sufficient undertaking in an amount specified by County and issued by a bonding corporation authorized to issue undertakings in California conditioned on the payment by Tenant of the tax, assessments or charge, together with any fines, interest, penalties, costs and expenses that may have accrued or been imposed thereon within thirty (30) days after final determination of Tenant's contest, opposition or objection to such tax, assessment or other charge.

3.6.4. Payment by County. Should Tenant fail to pay any Taxes required by this Article III to be paid by Tenant within the time specified herein, subject to Tenant's right to contest such Taxes in accordance with Section 3.6.3, and if such amount is not paid by Tenant within fifteen (15) days after receipt of County's written notice advising Tenant of such nonpayment, County may, without further notice to or demand on Tenant, pay, discharge or adjust such tax, assessment or other charge for the benefit of Tenant. In such event Tenant shall promptly on written demand of County reimburse County for the full amount paid by County in paying, discharging or adjusting such tax, assessment or other charge, together with interest at the Interest Rate from the date advanced until the date repaid.

3.6.5. Operating Costs. Tenant shall pay all Operating Costs during the Term prior to delinquency. As used in this Lease, the term "**Operating Costs**" shall mean all charges, costs and expenses related to the Premises, including, but not limited to, management, operation, maintenance, overhaul, improvement, replacement or repair of the Improvements and/or the Premises.

3.6.6. Utility Costs. Tenant shall pay all Utility Costs during the Term prior to delinquency. As used in this Lease, the term "**Utility Costs**" shall include all charges, surcharges, taxes, connection fees, service fees and other costs of installing and using all utilities required for or utilized in connection with the Premises and/or the Improvements, including without limitation, costs of heating, ventilation and air conditioning for the Premises, costs of furnishing gas, electricity and other fuels or power sources to the Premises, and the costs of furnishing water and sewer services to the Premises. Tenant agrees to indemnify and hold harmless the County against any liability, claim, or demand for the late payment or non-payment of Utility Costs.

ARTICLE IV USE OF PREMISES

4.1 Permitted Use of Premises. Tenant shall use the Premises for the Project, including the rehabilitation, construction, entitlement, operation, maintenance, replacement and repair (as necessary to perform both the Interim Use Work and Permanent Conversion Work and complete the Project) of the Improvements as follows:

4.1.1. Required Services and Uses. County's primary purpose for entering into this Lease is to promote the development of the Project consistent with this Lease. In furtherance of that purpose,

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Tenant shall rehabilitate and during the entire Term operate, maintain, replace and repair the Improvements in a manner consistent with the Laws and for the following uses:

- (a) multifamily affordable housing, and appurtenant improvements, including, without limitation, parking,
- (b) permanent supportive housing units and related services, and
- (c) related commercial and community-serving uses, as approved by the County.

Notwithstanding anything in this Lease to the contrary, commencing as of the Effective Date, Tenant shall perform necessary rehabilitation or other construction activities to the Improvements for the Interim Use Work in order for the Improvements to be used as interim housing (the “**Interim Use**”). The Interim Use shall be permitted for a period of not more than five (5) years following the Effective Date, which may be extended with the prior written approval of the Chief Real Estate Officer. For the avoidance of doubt, all references in this Lease to Permanent Conversion Work and/or rehabilitation of the Improvements shall refer to the substantial rehabilitation work that comprises the Project after the Interim Use, and not the earlier rehabilitation Interim Use Work necessary to enable Tenant to use the Premises for the Interim Use; provided, however, that such minor rehabilitation Interim Use Work and such Interim Use shall be performed and carried out in accordance with all applicable Laws. Plans for the Interim Use shall be approved in writing in advance by the Chief Real Estate Officer, which approval shall not be unreasonably withheld, conditioned or delayed.

4.1.2. Ancillary Services and Uses. Subject to the prior written approval of County, which approval may be granted or withheld in the sole discretion of the County, Tenant may provide those additional services and uses which are ancillary to and compatible with the required services and uses set forth in Section 4.1.1., above.

4.1.3. Additional Concessions or Services. Tenant may establish, maintain, and operate such other additional facilities, concessions, and services as Tenant and County may jointly from time to time reasonably determine to be reasonably necessary for the use of the Premises and which are otherwise permitted by Law for the sole purpose to provide affordable housing and/or emergency shelter.

4.1.4. Restricted Use. The services and uses listed in this Section 4.1, both required and optional, shall be the only services and uses permitted. Tenant agrees not to use the Premises for any other purpose or engage in or permit any other activity within or from the Premises unless approved in writing by the County, which approval may be granted or withheld in the sole discretion of the County.

4.1.5. Continuous Use. During the Term, Tenant shall continuously conduct Tenant’s business in the Premises in the manner provided under this Lease and shall not discontinue use of the Premises for any period of time except in the case of a Force Majeure Event or as permitted in advance and in writing by the County.

4.1.6. Alcohol Restrictions. Tenant shall not permit the sale or service of alcoholic beverages on the Premises.

4.1.7. Permits and Licenses. Tenant shall be solely responsible to obtain, at its sole cost and expense, any and all permits, licenses or other approvals required for the uses permitted herein and shall maintain such permits, licenses or other approvals for the entire Term.

4.2 Nuisance; Waste. Tenant shall not maintain, commit, or permit the maintenance or commission of any nuisance as now or hereafter defined by any statutory or decisional law applicable to the

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Premises and Improvements or any part thereof. Tenant shall not commit or allow to be committed any waste in or upon the Premises or Improvements and shall keep the Premises and the Improvements thereon in good condition, repair and appearance.

4.3 Compliance with Laws. Tenant shall not use or permit the Premises or the Improvements or any portion thereof to be used in any manner or for any purpose that violates any applicable Laws. Tenant shall have the right to contest, in good faith, any such Laws, and to delay compliance with such Laws during the pendency of such contest (so long as there is no material threat to life, health or safety that is not mitigated by Tenant to the satisfaction of the applicable authorities). County may cooperate with Tenant in all reasonable respects in such contest, including joining with Tenant in any such contest if County joinder is required in order to maintain such contest; provide, however, that any such contest shall be without cost to County, and Tenant shall indemnify, defend (with attorneys acceptable to County), and hold harmless the County from any and all claims, liabilities, losses, damages, or actions of any kind and nature, including reasonable attorneys' fees, arising or related to Tenant's failure to observe or comply with the contested Law during the pendency of the contest.

4.4 Hazardous Materials.

4.4.1. Definition of Hazardous Materials. For purposes of this Lease, the term "**Hazardous Material**" or "**Hazardous Materials**" shall mean any hazardous or toxic substance, material, product, byproduct, or waste, which is or shall become regulated by any governmental entity, including, without limitation, the County acting in its governmental capacity, the State of California or the United States government.

4.4.2. Use of Hazardous Materials. Except for those Hazardous Materials which are customarily used in connection with the rehabilitation, operation, maintenance and repair of the Improvements or used in connection with any permitted use of the Premises and Improvements under this Lease (which Hazardous Materials shall be used in compliance with all applicable Laws), Tenant or Tenant's employees, agents, independent contractors or invitees (collectively "**Tenant Parties**") shall not cause or permit any Hazardous Materials to be brought upon, stored, kept, used, generated, released into the environment or disposed of on, under, from or about the Premises (which for purposes of this Section shall include the subsurface soil and ground water).

4.4.3. Tenant Obligations. If the presence of any Hazardous Materials on, under or about the Premises caused or permitted by Tenant or Tenant Parties, and excluding Hazardous Materials existing on the Premises prior to the Effective Date (the "**Existing Hazardous Materials**"), results in (i) injury to any person, (ii) injury to or contamination of the Premises (or a portion thereof), or (iii) injury to or contamination or any real or personal property wherever situated, Tenant, at its sole cost and expense, shall promptly take all actions necessary or appropriate to cause the Premises to be returned to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination in accordance with all applicable laws. Without limiting any other rights or remedies of County under this Lease, Tenant shall pay the cost of any cleanup or remedial work performed on, under, or about the Premises as required by this Lease or by applicable Laws in connection with the removal, disposal, neutralization or other treatment of such Hazardous Materials caused or permitted by Tenant or Tenant Parties, excluding the Existing Hazardous Materials. Notwithstanding the foregoing, Tenant shall not take any remedial action in response to the presence, discharge or release, of any Hazardous Materials on, under or about the Premises caused or permitted by Tenant or Tenant Parties, or enter into any settlement agreement, consent decree or other compromise with any governmental or quasi-governmental entity without first obtaining the prior written consent of the County. All work performed or caused to be performed by Tenant as provided for above shall be done in good and workmanlike manner and in compliance with plans, specifications, permits and other requirements for such work approved by County.

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4.4.4. Indemnification for Hazardous Materials.

(a) To the fullest extent permitted by law, Tenant hereby agrees to indemnify, hold harmless, protect and defend (with attorneys acceptable to County) County, its elected officials, officers, employees, agents, independent contractors, and the Premises, from and against any and all liabilities, losses, damages (including, but not limited, damages for the loss or restriction on use of rentable or usable space or any amenity of the Premises or damages arising from any adverse impact on marketing and diminution in the value of the Premises), judgments, fines, demands, claims, recoveries, deficiencies, costs and expenses (including, but not limited to, reasonable attorneys' fees, disbursements and court costs and all other professional or consultant's expenses), whether foreseeable or unforeseeable (collectively, "**Liabilities**"), arising out of the presence, use, generation, storage, treatment, on or off-site disposal or transportation of Hazardous Materials on, into, from, under or about the Premises by Tenant or Tenant Parties, and excluding all Existing Hazardous Materials.

(b) The foregoing indemnity shall also specifically include the cost of any required or necessary repair, restoration, clean-up or detoxification of the Premises and the preparation of any closure or other required plans.

(c) The foregoing indemnity and defense obligations of this Lease shall survive its expiration or termination; provided, however, that the indemnity contained in this Section 4.4.4 shall not apply to any Liabilities arising or occurring (a) prior to the Effective Date of this Ground Lease, (b) after the expiration or earlier termination of the Term of this Ground Lease, or (c) as a result of the grossly negligent or wrongful acts or omissions of County.

4.5 Access by County. County reserves the right for County and its authorized representatives to enter the Premises upon two (2) business days' prior written notice to Tenant, during normal business hours, in order to determine whether Tenant is complying with Tenant's obligations hereunder, or to enforce any rights given to County under this Lease. County and its representatives shall report to the Tenant's on-site office and must be accompanied by a representative of Tenant at all times while on the Property and obey Tenant's rules and regulations. Tenant acknowledges County have the authority to enter the Premises and perform work on the Premises at any time as needed to provide immediate or necessary protection for the general public. County will take all necessary measures not to unreasonably interfere with Tenant's business at the Premises in exercising its rights under this Section.

County shall indemnify and hold Tenant harmless from and against any loss, cost, damage or liability, including, without limitation, attorneys' fees, which results from County's willful misconduct or gross negligence, or willful misconduct or gross negligence committed by any party acting under County's authority, of the rights granted by this Section 4.5.

ARTICLE V

WORK ON IMPROVEMENTS

5.1 Work on Improvements

5.1.1. Rehabilitation for Permanent Supportive Housing. Upon the fulfillment of the Preconditions set forth in Section 5.1.2, below, and payment for and issuance of all permits required under the Laws (whether from County in its governmental capacity, or otherwise), Tenant shall cause the work to be performed and the Improvements to be completed on the Property in compliance with Exhibit B.

5.1.2. Preconditions. No work (including Interim Use Work and the Permanent Conversion Work) shall be commenced, and no building or other materials shall be delivered to the Premises, until:

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(a) Tenant has obtained a permit through the City, submitted Project design, conceptual development, plans and special provisions for the work in accordance with the County's criteria, standard and practices;

(b) Tenant has given County written notice of the proposed commencement of work on the Premises or the delivery of construction materials in order to allow County to take all necessary actions under California Civil Code section 3094, including posting of a notice of non-responsibility at the Premises; and

(c) Tenant has provided to County evidence that (i) Tenant has entered into a Construction Contract with a Contractor in accordance with Section 5.2 below, (ii) Tenant has secured the construction funding required under Section 5.1.4 below, and (iii) Tenant has provided County with assurances sufficient to complete the Project in accordance with Section 5.3 below.

5.1.3. Utilities. Tenant, at no cost to County, shall perform any necessary rehabilitation with respect to the water, gas, heat, light, power, air conditioning, telephone, broadband internet, and other utilities and related services supplied to and/or used on the Premises at Tenant's sole cost and expense for the purposes of conducting Tenant's operations thereon. Nothing contained in this Section is to be construed or implied to give Tenant the right or permission to install or to permit any utility poles or communication towers to be constructed or installed on the Premises.

5.1.4. Construction Funding. Prior to commencement of any work (including the Permanent Conversion Work), Tenant shall provide to County evidence reasonably satisfactory to County of funding available to Tenant that is sufficient to pay for Tenant's estimated total cost of the work, which evidence may consist of (i) a written commitment to Tenant from a Lender selected by Tenant to provide a construction loan to Tenant for the purpose of the work (which may be secured by a Leasehold Mortgage encumbering Tenant's leasehold interest under this Lease), (ii) actual equity funds then held by Tenant or irrevocably committed to be paid to Tenant for the purpose of the work, or (iii) any combination of the foregoing. Tenant may from time to time change any of the foregoing funding sources and the allocation thereof, so long as the aggregate available funding continues to be sufficient to pay for Tenant's estimated remaining cost of rehabilitating the Improvements, provided that Tenant shall promptly notify County of any such change.

5.1.5. Compliance with Laws and Permits. Tenant shall cause all work to be performed in substantial compliance with all applicable Laws, including all applicable grading permits, building permits, and other permits and approvals issued by governmental agencies and bodies having jurisdiction over the Project. No permit, approval, or consent given hereunder by County, in its governmental capacity, shall affect or limit Tenant's obligations hereunder, nor shall any approvals or consents given by County, as a Party to this Lease, be deemed approval as to compliance or conformance with applicable governmental codes, laws, rules, or regulations.

5.1.6. Reports. Not less than monthly from the commencement of the work (including Interim Use Work and the Permanent Conversion Work), Tenant shall provide County with written Project status reports in the form of AIA No. G702 ("**Application and Certification for Payment**") or comparable form, augmented by oral reports if so requested by County.

5.1.7. Certificate of Occupancy. Tenant shall provide County with a copy of the Certificate of Occupancy promptly following issuance thereof or other local governmental approvals which allow for one hundred percent (100%) of the residential units in the Project to be immediately occupied.

5.1.8. Insurance. Tenant (or the Contractor, as applicable) shall deliver to County both (i) certificates of insurance evidencing coverage for "builder's risk," as specified in Section 8.1, and (ii)

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evidence of worker's compensation insurance, which provide the requisite insurance levels in accordance with Article VIII, for all persons employed in connection with the work on the Premises and with respect to whom death or bodily injury claims could be asserted against County or the Premises. Tenant shall (or shall cause Contractor to) maintain, keep in force and pay all premiums required to maintain and keep in said insurance herein at all times during which construction work is in progress.

5.1.9. Mechanic's Liens.

(a) **Payment of Liens.** Tenant shall pay or cause to be paid the total cost and expense of all "work of Improvement," as that phrase is defined in the California Mechanics' Lien law in effect and as amended from time to time. Tenant shall not suffer or permit to be enforced against the Premises or Improvements or any portion thereof, any mechanics', materialmen's, contractors' or subcontractors' liens arising from any work of improvement, however it may arise. Tenant may, however, in good faith and at Tenant's sole cost and expense contest the validity of any such asserted lien, claim, or demand, provided Tenant (or any contractor or subcontractor, as applicable) has furnished the release bond (if required by County or any construction lender) required in California Civil Code section 8000 *et seq.* (or any comparable statute hereafter enacted for providing a bond freeing the Premises from the effect of such lien claim). In the event a lien or stop-notice is imposed upon the Premises as a result of such construction, repair, alteration, or installation, and provided the lien is not the result of actions of, or work performed by, the County, Tenant shall either:

(1) Record a valid Release of Lien, or

(2) Procure and record a bond in accordance with Section 8424 of the Civil Code, which releases the Premises from the claim of the lien or stop-notice and from any action brought to foreclose the lien, or

(3) Post such security as shall be required by Tenant's title insurer to insure over such lien or stop-notice, or

(4) Should Tenant fail to accomplish either of the three optional actions above within 30 days after Tenant receives notice of the filing of such a lien or stop-notice, it shall constitute an Event of Default hereunder.

(b) **Indemnification.** Tenant shall at all times indemnify, defend with counsel approved in writing by County and hold County harmless from all claims, losses, demands, damages, cost, expenses, or liability costs for labor or materials in connection with rehabilitation, repair, alteration, or installation of structures, improvements, equipment, or facilities within the Premises (including, but not limited to, the Interim Use Work and the Permanent Conversion Work), and from the cost of defending against such claims, including reasonable attorneys' fees and costs, but excluding any liability to the extent resulting from the gross negligence or willful misconduct of County, and excluding any liens resulting from the actions of, or work performed by, the County.

(c) **Protection Against Liens.** County shall have the right to post and maintain on the Premises any notices of non-responsibility provided for under applicable California law. During the course of the work, Tenant shall obtain customary mechanics' lien waivers and releases. Upon completion of the Project, Tenant shall record a notice of completion in accordance with applicable law. Promptly after completion of the Project, Tenant shall (or shall cause Contractor to) record a notice of completion as defined and provided for in California Civil Code section 8000 *et seq.*

(d) **County's Rights.** If Tenant (or any contractor or subcontractor, as applicable) does not cause to be recorded the bond described in California Civil Code section 8000 *et seq.* or otherwise

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protect the Premises and Improvements under any alternative or successor statute, and a final judgment has been rendered against Tenant by a court of competent jurisdiction for the foreclosure of a mechanic's, materialman's, contractor's or subcontractor's lien claim, and if Tenant fails to stay the execution of judgment by lawful means or to pay the judgment, County shall have the right, but not the duty to pay or otherwise discharge, stay or prevent the execution of any such judgment or lien or both. Upon any such payment by County, Tenant shall immediately upon receipt of written request therefor by County, reimburse County for all sums paid by County under this paragraph together with all County reasonable attorney's fees and costs, plus interest at the Interest Rate from the date of payment until the date of reimbursement.

5.1.10. No Responsibility. Any approvals by County with respect to any Improvements shall not make County responsible for the Improvement with respect to which approval is given or the construction thereof. Tenant shall indemnify, defend and hold County harmless from and against all liability and all claims of liability (including, without limitation, reasonable attorneys' fees and costs) arising during the Term of this Lease for damage or injury to persons or property or for death of persons arising from or in connection with the Improvement or construction thereof, but excluding any liability to the extent resulting from the active negligence or willful misconduct of County, and excluding any liens resulting from the actions of, or work performed by, the County.

5.2 Construction Contracts.

5.2.1. Construction Contract. Tenant shall enter into a written contract with a general contractor ("**Contractor**") for the work (including the Interim Use Work and the Permanent Conversion Work) and completion of the Project. All work shall be performed by contractors and subcontractors duly licensed as such under the laws of the State of California. Tenant shall give County a true copy of the contract or contracts with the Contractor.

5.2.2. Assignment to County. Tenant shall obtain the written agreement of the Contractor that, at County election and in the event that Tenant fails to perform its contract with the Contractor, such Contractor will recognize County as the assignee of the contract with the Contractor, and that County may, upon such election, assume such contract with credit for payments made prior thereto. Notwithstanding the foregoing, the County's rights under this Section 5.2.2 are hereby made subject and subordinate to the lien of each Leasehold Mortgage.

5.3 Tenant's Assurance of Construction Completion. Prior to commencement of construction of the work (including the Interim Use Work and the Permanent Conversion Work), or any phase thereof, within the Premises by Tenant, Tenant shall furnish to County evidence that assures County that sufficient monies will be available to complete the work. The amount of money available shall be at least the total estimated construction cost. Such evidence may take one of the following forms, with such form to be elected by Tenant, subject to the approval of County, which approval shall not be unreasonably withheld, conditioned, or delayed:

5.3.1. Performance bond and labor and materials bond in a principal sum equal to the total estimated construction cost supplied by Contractor or subcontractors, provided said bonds are issued jointly to Tenant, County, and any Leasehold Mortgagees as obligees.

5.3.2. Irrevocable letter of credit issued to County from a financial institution to be in effect until County acknowledges satisfactory completion of the work;

5.3.3. Cash deposited with the County (may be in the form of cashier's check or money order or may be electronically deposited);

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5.3.4. A completion guaranty, in favor of County from the Tenant, in a form reasonably acceptable to County;

5.3.4. Any combination of the above.

All bonds and letters of credit must be issued by a company qualified to do business in the State of California and acceptable to County. All bonds and letters of credit shall be in a form acceptable to County, and County's Risk Manager in their reasonable discretion, and shall insure faithful and full observance and performance by Tenant of all terms, conditions, covenants, and agreements relating to work within the Premises.

Tenant shall provide or cause its Contractor to provide payment and/or performance bonds in connection with the construction of the work and shall name the County as an additional obligee on, with the right to enforce, any such bonds.

5.4 Ownership of Improvements.

5.4.1. For purposes of this Section 5.4, "**Term**" shall have the meaning stated in Section 2.2.3.

5.4.2. **During Term.** Fee title to all personal property and Improvements on the Premises, including Improvements transferred pursuant to the Bill of Sale and Quitclaim Deed, and as rehabilitated, and/or any new Improvements that are constructed or placed on the Premises by Tenant are and shall be vested in Tenant during the Term of this Lease, until the expiration or earlier termination thereof. Any and all depreciation, amortization and tax credits for federal or state purposes relating to the Improvements located on the Premises and any and all additions thereto shall be deducted or credited exclusively by Tenant during the Term. The Parties agree for themselves and all persons claiming under them that the Improvements are real property.

5.4.3. **Upon Expiration or Earlier Termination of Term.** All Improvements on the Premises at the expiration or earlier termination of the Term of this Lease shall, without additional payment to Tenant, then become County's property free and clear of all claims to or against them by Tenant and free and clear of all Leasehold Mortgages and any other liens and claims arising from Tenant's use and occupancy of the Premises, and with Taxes paid current as of the expiration or earlier termination date. Tenant shall execute a quitclaim deed in favor of the County as necessary for any Improvements at the expiration of the Term, in the same form and substance as the Quitclaim Deed. Tenant shall upon the expiration or earlier termination of the Term deliver possession of the Premises and the Improvements to County in good order, condition and repair consistent with the requirements of this Lease and in compliance with all applicable laws and regulations for the occupancy of the Project, taking into account reasonable wear and tear and the age of the Improvements. In order to ensure that Tenant has sufficient funds reserved to make certain necessary repairs and/or replacements to the Improvements so as to meet its obligation stated herein, County, five (5) years prior to the expiration of the Term, may request, and Tenant must deliver, an estimate showing estimated costs of all repairs and/or replacements necessary to allow Tenant to deliver possession of the Premises and the Improvements to County in a well-maintained condition. If funds in the Capital Improvement Fund, as more particularly described in Section 5.6, below, are insufficient to bring the Improvements into compliance with this Section 5.4.3, Tenant shall be solely responsible for securing any funding necessary to perform any rehabilitation or maintenance required to timely bring the Improvements into compliance with this Section 5.4.3, which funding shall not be secured by the Improvements on the Premises.

Notwithstanding anything to the contrary herein, at all times during the Term of this Lease, (i) the improvements shall be owned by Tenant, (ii) Tenant alone shall be entitled to all of the tax attributes of

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ownership, including, without limitation, the right to claim depreciation or cost recovery deductions and the right to claim the low-income housing tax credit described in Section 42 of the Internal Revenue Code of 1986, as amended, and (iii) Tenant shall have the right to amortize capital costs and to claim any other federal or state tax benefit attributable to the Project.

5.5 “AS-BUILT” Plans. Within sixty (60) days following completion of any substantial improvement within the Premises, including the work, to the extent such improvement, or the work, consists of the construction of new Improvements or the expansion of the existing Improvements, Tenant shall furnish the County a complete set of reproducible and two sets of prints of “As-Built” plans and a magnetic tape, disk or other storage device containing the “As-Built” plans in a form usable by County, to County’s satisfaction, on County’s computer aided mapping and design (“CAD”) equipment. CAD files are also to be converted to Acrobat Reader (pdf format), which shall be included on the disk or CD ROM. In addition, Tenant shall furnish County copy of the final construction costs for the construction of such improvements.

5.6 Capital Improvement Fund.

5.6.1. As of the Commencement Date, Tenant shall establish and maintain, for the remainder of the Term (as “Term” is defined in Section 2.2), a reserve fund (the "**Capital Improvement Fund**") in accordance with the provisions of this Section 5.6 designated to pay for Permitted Capital Expenditures (as defined below) for the Improvements during the Term of this Lease.

5.6.2. Tenant and County agree and acknowledge that the purpose of the Capital Improvement Fund shall be to provide sufficient funds to pay for the costs of major replacements, renovations or significant upgrades of or to the Improvements, including without limitation building facade or structure and major building systems (such as HVAC, mechanical, electrical, plumbing, vertical transportation, security, communications, structural or roof) that significantly affect the capacity, efficiency, useful life or economy of operation of the Improvements or their major systems, after the completion of the Project (“**Permitted Capital Expenditure(s)**”).

5.6.3. The Capital Improvement Fund shall not be used to fund any portion of the cost of the work. In addition, Permitted Capital Expenditures shall not include the cost of periodic, recurring or ordinary maintenance expenditures or maintenance, repairs or replacements that keep the Improvements in an ordinarily efficient operating condition, but that do not significantly add to their value or appreciably prolong their useful life. Permitted Capital Expenditures must constitute capital replacements, improvements or equipment under generally accepted accounting principles consistently applied or constitute qualifying aesthetic improvements.

5.6.4. All specific purposes and costs for which Tenant desires to utilize amounts from the Capital Improvement Fund shall be at Tenant’s reasonable discretion and subject to County’s written approval as provided for in Section 5.6.9, below. Tenant shall furnish to the County applicable invoices, evidence of payment and other back-up materials concerning the use of amounts from the Capital Improvement Fund.

5.6.5. The Capital Improvement Fund shall be held in an account established with a Lender acceptable to the County, into which deposits shall be made by Tenant pursuant to Section 5.6.8, below.

5.6.6. Tenant shall have the right to partly or fully satisfy the Capital Improvement Fund obligations of this Section 5.6 with capital improvement reserves (or replacement reserves) required by Tenant’s Leasehold Mortgagees or the Limited Partner, as long as such capital improvement reserves or replacement reserves are in all material respects administered and utilized in accordance, and otherwise comply, with the terms, provisions and requirements of this Section 5.6.

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5.6.7. In the event of default by Tenant and the early termination of this Lease, the County shall have full access to the Capital Improvement Fund, provided the Tenant's Leasehold Mortgagee does not use it within a reasonable time for the purposes stated in this Section 5.6; provided, however, that County's rights under this Section 5.6.7 are hereby made subject and subordinate to the lien of each Leasehold Mortgage.

5.6.8. Commencing on the fifteenth (15th) day of the month during which the fifth (5th) anniversary of the Commencement Date occurs, and continuing on or before the fifteenth (15th) day of each month thereafter until five (5) years prior to the expiration of the Term, Tenant shall make an annual contribution to the Capital Improvement Fund in an amount equal to five-hundred dollars (\$500) per unit per year, and deposited in an interest bearing account at a rate which shall be the prevailing rate earned by other such deposits made with banking organizations in such area. All interest and earnings on the Capital Improvement Fund shall be added to the Capital Improvement Fund, but shall not be treated as a credit against the Capital Improvement Fund deposits required to be made by Tenant pursuant to this Section 5.6. Notwithstanding the foregoing, annual contribution requirements of the tax credit investor and/or senior lender, if any, to a replacement reserve shall fulfill the requirement set forth herein.

5.6.9. Disbursements shall be made from the Capital Improvement Fund only for costs which satisfy the requirements of this Section 5.6. For the purpose of obtaining the County's prior approval of any Capital Improvement Fund disbursements, Tenant shall submit to the County on an annual calendar year basis a capital expenditure plan for the upcoming year which details the amount and purpose of anticipated Capital Improvement Fund expenditures ("**Capital Improvement Plan**"). County shall approve or disapprove such Capital Improvement Plan within thirty (30) days of receipt, which approval shall not be unreasonably withheld, conditioned or delayed. Any expenditure set forth in the approved Capital Improvement Plan shall be considered pre-approved by County (but only up to the amount of such expenditure set forth in the Capital Improvement Plan) for the duration of the upcoming year. Tenant shall have the right during the course of each year to submit to the County for the County's approval revisions to the then current Capital Improvement Plan, or individual expenditures not noted on the previously submitted Capital Improvement Plan. In the event of an unexpected emergency that necessitates a Permitted Capital Expenditure not contemplated by the Capital Improvement Plan, the Tenant may complete such work using the funds from the Capital Improvement Fund with contemporaneous or prior (if possible) written notice to the County and provide applicable documentation to the County thereafter for approval. If the County disapproves the emergency expenditure which was not previously approved by County, Tenant shall refund the amount taken from the Capital Improvement Fund within thirty (30) days of written notice from the County of its decision.

5.6.10. Notwithstanding anything above to the contrary, if Tenant incurs expenditures that constitute Permitted Capital Expenditures but which are not funded out of the Capital Improvement Fund because sufficient funds are not then available in such fund, then Tenant may credit the Permitted Capital Expenditures so funded by Tenant out of its own funds against future Capital Improvement Fund contribution obligations of Tenant; provided, that such credit must be applied, if at all, within four (4) years after such Permitted Capital Expenditure is incurred by the Tenant.

ARTICLE VI

REPAIRS, MAINTENANCE, ADDITIONS AND RECONSTRUCTION

6.1 **Maintenance by Tenant.** Throughout the Term of this Lease, Tenant shall, at Tenant's sole cost and expense, keep and maintain the Premises and any and all Improvements now or hereafter constructed and installed on the Premises in good order, condition and repair (*i.e.*, so that the Premises does not deteriorate more quickly than its age and reasonable wear and tear would otherwise dictate) and in a safe and sanitary condition and in compliance with all applicable Laws in all material respects. Tenant shall immediately notify the County of any damage relating to the Premises.

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6.2 Interior Improvements, Additions and Reconstruction of Improvements. Following the completion of the Project, Tenant shall have the right from time to time to make any interior improvements to the Improvements that are consistent with the County's approved use of the Premises as reflected in this Lease, without County's prior written consent, but with prior written notice to the County (except in the event of an emergency, in which case no prior written notice shall be required but Tenant shall notify County of any emergency work done as soon as practicable). With prior written approval of County, Tenant may restore and reconstruct the Improvements, and in that process make any modifications otherwise required by changes in Laws, following any damage or destruction thereto (whether or not required to do so under Article VII); and/or to make changes, revisions or improvements to the Improvements for uses consistent with the County approved use of the Premises as reflected in this Lease. Tenant shall perform all work authorized by this Section at its sole cost and expense, including, without limitation, with insurance proceeds approved for such use in accordance with Article VII, if any, and in compliance with all applicable Laws in all material respects.

6.3 All Other Construction, Demolition, Alterations, Improvements and Reconstruction. Following the completion of the Project, and except as specified in Sections 6.1 and 6.2, any construction, alterations, additions, major repairs, demolition, improvements or reconstruction of any kind shall require the prior written consent of the Chief Real Estate Officer, which consent shall not be unreasonably conditioned, delayed or withheld and may require the approval of the Board of Supervisors. Tenant shall perform all work authorized by this Section at its sole cost and expense, including, without limitation, with insurance proceeds approved for such use in accordance with Article VII, if any, and in compliance with all applicable Laws in all material respects.

6.4 Requirements of Governmental Agencies. At all times during the Term of this Lease, Tenant, at Tenant's sole cost and expense, shall: (i) make all alterations, improvements, demolitions, additions or repairs to the Premises and/or the Improvements required to be made by any law, ordinance, statute, order or regulation now or hereafter made or issued by any federal, state, county, local or other governmental agency or entity; (ii) observe and comply in all material respects with all Laws now or hereafter made or issued respecting the Premises and/or the Improvements (subject to Tenant's right to contest such Laws in accordance with Section 4.4); (iv) indemnify, defend and hold County, the Premises and the Improvements free and harmless from any and all liability, loss, damages, fines, penalties, claims and actions resulting from Tenant's failure to comply with and perform the requirements of this Article VI.

6.5 County Obligations. Tenant specifically acknowledges and agrees that County, and County Parties do not and shall not have any obligations with respect to the maintenance, alteration, improvement, demolition, replacement, addition or repair of any Improvements.

6.6 County Reservations. Without limiting County's rights with respect to the Premises, County reserves for themselves, its successors and assigns those rights necessary to assure proper maintenance and operation of the Premises and to permit any steps to be taken which the County deems necessary or desirable to maintain, repair, improve, modify or reconstruct the Premises. The rights reserved to County in this section or any other section of this Lease shall be exercised by the County at its sole discretion, unless otherwise provided herein.

ARTICLE VII DAMAGE AND RESTORATION

7.1 Damage and Restoration. In the event the whole or any part of the Improvements shall be damaged or destroyed by fire or other casualty, damage or action of the elements which is fully covered by insurance required to be carried by Tenant pursuant to this Lease or in fact caused by Tenant, at any time during the Term, Tenant shall with all due diligence, at Tenant's sole cost and expense, repair, restore and rebuild the Improvements on substantially the same plan and design as existed immediately prior to such

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damage or destruction and to substantially the same condition that existed immediately prior to such damage, with any changes made by Tenant to comply with then applicable Laws and with any upgrades or improvements that Tenant may determine in its reasonable discretion. If Tenant desires to change the use of the Premises following such casualty, then Tenant may make appropriate changes to the Premises to accommodate such changed use after approval of such change of use by the County pursuant to Article IV above. This Article shall not apply to cosmetic damage or alterations. In the event that Tenant shall determine, subject to the rights of the Leasehold Mortgagees and Limited Partner, if applicable, by notice to the County given by the later of ninety (90) days after the date of the damage or destruction or thirty (30) days after receipt by Tenant of any such insurance proceeds, that there are not adequate proceeds to restore the Improvements and/or the Premises to substantially the same condition in which they existed prior to the occurrence of such damage or destruction, then Tenant may terminate this Lease as of a date that is not less than thirty (30) days after the date of such notice. Notwithstanding Section 17.9, if Tenant terminates this Lease pursuant to this Section 7.1, Tenant shall surrender possession of the Premises to the County immediately and assign to the County (or, if same has already been received by Tenant, pay to the County) all of its right, title and interest in and to the proceeds from Tenant's insurance upon the Premises, less (i) any costs, fees, or expenses incurred by Tenant in connection with the adjustment of the loss or collection of the proceeds, (ii) any reasonable costs incurred by Tenant in connection with the Premises after the damage or destruction, which costs are eligible for reimbursement from such insurance proceeds, and (iii) the proceeds of any rental loss or business interruption insurance applicable prior to the date of surrender of the Premises to the County.

7.2 Restoration. In the event of any restoration or reconstruction pursuant to this Section, all such work performed by Tenant shall be constructed in a good and workmanlike manner according to and in conformance with the Laws, rules and regulations of all governmental bodies and agencies and the requirements of this Lease applicable to the work.

7.3 No Rental Abatement. Tenant shall not be entitled to any abatement, allowance, reduction, or suspension of Rent because part or all of the Improvements become untenable as a result of the partial or total destruction of the Improvements, and Tenant's obligation to keep and perform all covenants and agreements on its part to be kept and performed hereunder, shall not be decreased or affected in any way by any destruction of or damage to the Improvements; except as otherwise provided herein.

7.4 Application of Insurance Proceeds. If following the occurrence of damage or destruction to the Premises or Improvements, Tenant is obligated to or determines that there are adequate proceeds to restore the Premises and Improvements pursuant to this Article VII, then all proceeds from the insurance required to be maintained by Tenant on the Premises and the Improvements shall be applied to fully restore the same, and, subject to the rights of the Leasehold Mortgagees and Limited Partner, if applicable, any excess proceeds shall be paid to Tenant and any deficit in necessary funds plus the amount of any deductible shall be paid by Tenant. If Tenant after commencing or causing the commencement of the restoration of Premises and Improvements shall determine that the insurance proceeds are insufficient to pay all costs to fully restore the Improvements, Tenant shall pay the deficiency and shall nevertheless proceed to complete the restoration of Premises and the Improvements and pay the cost thereof. Upon lien free completion of the restoration, subject to the rights of the Leasehold Mortgagees, if applicable, any balance of the insurance proceeds remaining over and above the cost of such restoration shall be paid to Tenant.

7.5 Exclusive Remedies. Notwithstanding any destruction or damage to the Premises and/or the Improvements, Tenant shall not be released from any of its obligations under this Lease, except to the extent and upon the conditions expressly stated in this Article VII. County and Tenant hereby expressly waive the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any damage or destruction of the Premises and/or the Improvements and agree that its rights shall be exclusively governed by the provisions of this Article VII.

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7.6 Damage Near End of Term. If, during the last five (5) years of the Term, as applicable, the Improvements shall be damaged or destroyed for which the repair and/or replacement cost is fifty percent (50%) or more of then replacement cost of the Improvements, then Tenant shall have the option, to be exercised within ninety (90) days after such damage or destruction:

7.6.1. to notify the County of its election to repair or restore the Improvements as provided in this Article VII; or

7.6.2. subject to the rights of Leasehold Mortgagees and such provisions of this Lease that survive termination, to terminate this Lease by notice to the County, which termination shall be deemed to be effective as of the date of the damage or destruction. If Tenant terminates this Lease pursuant to this Section 7.6.2, Tenant shall surrender possession of the Leased Premises to the County immediately and assign to the County (or, if same has already been received by Tenant, pay to the County) all of its right, title and interest in and to the proceeds from Tenant's insurance upon the Premises less (i) any costs, fees, or expenses incurred by Tenant in connection with the adjustment of the loss or collection of the proceeds, (ii) any reasonable costs incurred by Tenant in connection with the Premises after the damage or destruction, which costs are eligible for reimbursement from such insurance proceeds, and (iii) the proceeds of any rental loss or business interruption insurance applicable prior to the date of surrender of the Premises to the County.

ARTICLE VIII INSURANCE AND INDEMNITY

8.1 Tenant's Required Insurance.

8.1.1. Tenant agrees to purchase all required insurance at Tenant's expense and to deposit with Chief Real Estate Officer certificates of insurance, including all endorsements required herein, necessary to satisfy Chief Real Estate Officer that the insurance provisions of this Lease have been complied with and to keep such insurance coverage and the certificates and endorsements therefore on deposit with Chief Real Estate Officer during the entire term of this Lease.

8.1.2. Tenant agrees that it shall not operate on the Premises at any time the required insurance is not in full force and effect as evidenced by a certificate of insurance and necessary endorsements or, in the interim, an official binder being in the possession of Chief Real Estate Officer; rent however shall not be suspended. In no cases shall assurances by Tenant, its employees, agents, including any insurance agent, be construed as adequate evidence of insurance. Chief Real Estate Officer will only accept valid certificates of insurance and endorsements, or in the interim, an insurance binder as adequate evidence of insurance. Tenant also agrees that upon cancellation, termination, or expiration of Tenant's insurance, Chief Real Estate Officer may take whatever steps are necessary to interrupt any operation from or on the Premises until such time as the Chief Real Estate Officer reinstates the Lease.

8.1.3. If Tenant fails to provide Chief Real Estate Officer with a valid certificate of insurance and endorsements, or binder at any time during the term of the Lease, County and Tenant agree that this shall constitute a material breach of the Lease. Whether or not a notice of default has or has not been sent to Tenant, said material breach shall permit Chief Real Estate Officer to take whatever steps are necessary to interrupt any operation from or on the Premises, and to prevent any persons, including, but not limited to, members of the general public, and Tenant's employees and agents, from entering the Premises until such time as the Chief Real Estate Officer is provided with adequate evidence of insurance required herein. Tenant further agrees to hold County harmless for any damages resulting from such interruption of business and possession, including, but not limited to, damages resulting from any loss of income or business resulting from Chief Real Estate Officer's action.

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8.1.4. All contractors and subcontractors performing work on behalf of Tenant pursuant to this Lease shall obtain insurance subject to the terms and limits of insurance as described in Section 8.1.6 (e), Section 8.1.6 (f) and Section 8.1.6 (g). Tenant shall not allow contractors or subcontractors to work if contractors have less than the level of coverage required by County under this Lease. It is the obligation of the Tenant to provide written notice of the insurance requirements to every contractor and to receive proof of insurance prior to allowing any contractor to begin work within the Premises. Such proof of insurance must be maintained by Tenant through the entirety of this Lease and be available for inspection by Chief Real Estate Officer at any reasonable time.

8.1.5. All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by the County's Risk Manager, or designee, upon review of Tenant's current audited financial report. If Tenant's SIR is approved, Tenant, in addition to, and without limitation of, any other indemnity provision(s) in this Lease, agrees to all of the following:

- 1) In addition to the duty to indemnify and hold the County harmless against any and all liability, claim, demand or suit resulting from Tenant's, its agents, employee's or subcontractor's performance of this Lease, Tenant shall defend the County at its sole cost and expense with counsel approved by Board of Supervisors against same; and
- 2) Tenant's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
- 3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and the Tenant's SIR provision shall be interpreted as though the Tenant was an insurer and the County was the insured.

If the Tenant fails to maintain insurance acceptable to the County for the full term of this Lease, the County may terminate this Lease.

8.1.6. All policies of insurance required under this Article VIII must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer must be licensed to do business in the state of California.

(a) If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the Chief Real Estate Officer retains the right to approve or reject a carrier after a review of the carrier's performance and financial ratings.

(b) If the insurance carrier is not an admitted carrier in the state of California and does not have an A.M. Best rating of A-/VIII, the Chief Real Estate Officer retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

(c)

(c.1) The policy or policies of insurance maintained by the **TENANT DURING CONSTRUCTION** shall provide the minimum limits and coverage as set forth below:

Coverages	Minimum Limits
Builder's Risk (during the Construction Period)	Project value and no coinsurance

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naming retained General Contractor	provision.
Commercial General Liability	\$5,000,000 per occurrence \$5,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 limit per occurrence
Workers' Compensation	Statutory Minimum
Employers' Liability Insurance	\$1,000,000 per occurrence

(c.2) The policy or policies of insurance maintained by the **TENANT'S GENERAL CONTRACTOR DURING CONSTRUCTION** shall provide the minimum limits and coverage as set forth below:

Coverages	Minimum Limits
Commercial General Liability	\$5,000,000 per occurrence \$10,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$2,000,000 limit per occurrence
Workers' Compensation	Statutory Minimum
Employers' Liability Insurance	\$1,000,000 per occurrence
Contractor's Pollution Liability including NODS	\$5,000,000 per claims made or per occurrence

(d) The policy or policies of insurance maintained by the **TENANT'S SUBCONTRACTORS DURING CONSTRUCTION** shall provide the minimum limits and coverage as set forth below:

Coverages	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 limit per occurrence
Workers' Compensation	Statutory Minimum

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Employer's Liability Insurance (not required for self-employed subcontractors)	\$1,000,000 per occurrence
Contractor's Pollution Liability including NODS (Required only of those subcontractors involved in pollution remediation)	\$1,000,000 per claims made or per occurrence

(e) The policy or policies of insurance maintained by the **ARCHITECT-ENGINEER** shall provide the minimum limits and coverage as set forth below:

Coverages	Minimum Limits
Professional Liability (architect, structural, electrical engineer, mechanical/plumbing engineering, environmental engineer, civil engineer, landscape architect, and geotechnical engineer)	\$2,000,000 per occurrence \$2,000,000 aggregate
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 limit per occurrence
Workers' Compensation	Statutory Minimum
Employers' Liability Insurance	\$1,000,000 per occurrence

(f) The policy or policies of insurance maintained by the **TENANT AFTER CONSTRUCTION** shall provide the minimum limits and coverage as set forth below:

Coverages	Minimum Limits
Commercial General Liability Including Sexual Misconduct (defined as abuse, molestation and assault and battery)	\$5,000,000 per occurrence \$5,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 limit per occurrence
Workers' Compensation	Statutory Minimum
Employers' Liability Insurance	\$1,000,000 per occurrence
Commercial Property Insurance on an "All Risk" or "Special Causes of Loss" basis covering all buildings, contents and any tenant improvements	100% of the Replacement Cost Value and no coinsurance provision

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including Business Interruption/Loss of Rents with a 12 month limit	
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Tenant shall provide a builder's risk policy, naming the Contractor, providing coverage for the full project value and no coinsurance provision. The policy shall provide coverage for all perils excluding earthquake, and flood. Tenant is responsible for any deductible amount. The County of Orange shall be named as a Loss Payee as its financial interests may appear. This shall be evidenced by a Loss Payee endorsement which shall accompany the Certificate of Insurance.

The Builder's Risk policy shall not be required to cover any tools, equipment, or supplies, unless such tools, equipment, or supplies are part of the work being constructed. The Contractor shall be responsible for securing and maintaining appropriate insurance on any tools, equipment, or supplies that are not part of the work being constructed.

The County and the Contractor waive all rights against each other and the subcontractors, sub-subcontractors, officers, and employees of each other, and the Contractor waives all rights against County's separate contractors, if any, and its subcontractors, sub-subcontractors, officers and employees for damages caused by fire or other perils to the extent paid by the Builder's Risk insurance, except such rights as they may have to the proceeds of such insurance. The Contractor shall require of its subcontractors and sub-subcontractors by appropriate agreements, similar waivers, each in favor of all other parties enumerated in the preceding sentence.

(g) The policy or policies of insurance maintained by the **TENANT'S CONTRACTOR AFTER CONSTRUCTION** shall provide the minimum limits and coverage as set forth below when performing maintenance and minor work after the building is in operation:

Coverages	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 limit per occurrence
Workers' Compensation	Statutory Minimum
Employers' Liability Insurance	\$1,000,000 per occurrence

8.1.7. Required Coverage Forms.

(a) The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

(b) The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing liability coverage as broad.

8.1.8. Required Endorsements. The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of insurance:

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- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the County of Orange, and its respective elected and appointed officials, officers, employees, agents as Additional Insureds. Blanket coverage may also be provided which will state, as required by Lease.
- 2) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad, evidencing that the TENANT's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.
- 3) A Products and Completed Operations endorsement using ISO Form CG2037 (ed.04/13) or a form at least as broad, or an acceptable alternative is the ISO from CG2010 (ed. 11/85). (Pertains to contractors and subcontractors performing major construction). Contractors shall maintain Products and Completed Operations coverage for ten (10) years following completion of construction.

The Contactors Pollution Liability and Pollution Liability policies shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement naming the County of Orange, and its respective elected and appointed officials, officers, employees, and agents as Additional Insureds.
- 2) A primary non-contributing endorsement evidencing that the Contractor's insurance is primary and any insurance or self-insurance maintained by County shall be excess and non-contributing.

(a) The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the County of Orange, and its respective elected and appointed officials, officers, agents and employees.

(b) All insurance policies required by this Lease shall waive all rights of subrogation against the County of Orange, and its respective elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

(c) The Commercial Property Building policy shall include the County of Orange as a Named Insured. A Certificate of Insurance shall be submitted as evidence of this requirement. The Builders' Risk policy shall be endorsed to include the County of Orange as a Loss Payee. A Loss Payee endorsement shall be submitted with the Certificate of Insurance as evidence of this requirement.

(d) Tenant shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to the County. Failure to provide written notice of cancellation may constitute a material breach of the Lease, after which the County may suspend or terminate this Lease.

(e) The Commercial General Liability policy shall contain a severability of interests clause, also known as a "separation of insureds" clause (standard in the ISO CG 001 policy).

(f) If Contractor's Pollution Liability and Pollution Liability are claims-made policies, Contractor shall agree to maintain coverage for five (5) years following completion of the construction. If Contractor's Professional Liability is a claims-made policy, Contractor shall agree to maintain coverage for ten (10) years following the completion of construction. Products and Completed Operations coverage shall be maintained for ten (10) years following the completion of construction.

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(g) Insurance certificates should be forwarded to the County addresses provided in Section 18.19 below. Tenant has ten (10) business days to provide adequate evidence of insurance or it shall constitute an Event of Default.

(h) County expressly retains the right to require Tenant to increase or decrease insurance of any of the above insurance types throughout the term of this Lease which shall be mutually agreed upon by County and Tenant.

(i) Chief Real Estate Officer shall notify Tenant in writing of changes in the insurance requirements consistent with subsection (h) above. If Tenant does not deposit copies of certificates of insurance and endorsements with Chief Real Estate Officer incorporating such changes within thirty (30) days of receipt of such notice, it shall constitute an Event of Default.

(j) The procuring of such required policy or policies of insurance shall not be construed to limit Tenant's liability hereunder nor to fulfill the indemnification provisions and requirements of this Lease, nor in any way to reduce the policy coverage and limits available from the insurer.

8.2 Indemnification. Tenant agrees to assume all risks, financial or otherwise, associated with the Premises. Tenant hereby releases and waives all claims and recourse against County, including the right of contribution for loss or damage of persons or property, arising from, growing out of or in any way connected with or related to this Lease, including any damage to or interruption of use of the Premises including, but not limited to, loss of business, damage to, destruction of, or relocation costs of Tenant's Improvements or impaired utility of the Premises caused by erosion, flood, or flood overflow, or caused by any action undertaken in the operation, maintenance, repair, reconstruction, replacement, enlargement or improvement of the Premises except to the extent claims arise from the gross negligence or willful misconduct of County, its officers, agents, employees and contractors. Tenant hereby agrees to indemnify, defend (with counsel approved in writing by County in County's reasonable discretion), and hold harmless, County, its elected and appointed officials, officers, agents, employees and contractors against any and all claims, losses, demands, damages, cost, expenses or liability for injury to any persons or property, arising out of the operation or maintenance of the Premises, and/or Tenant's exercise of the rights under this Lease, except to the extent liability arises out of the gross negligence or willful misconduct of County, or any of its elected and appointed officials, officers, agents, employees or contractors including the cost of defense of any lawsuit arising therefrom, and except for claims arising after the later to occur of the expiration or earlier termination of the Term, or the date Tenant vacates the Premises. If County is named as co-defendant in a lawsuit in connection with this Lease, Tenant shall notify County of such fact and shall represent the County in such legal action unless County undertakes to represent themselves as co-defendant in such legal action, in which event, Tenant shall be responsible to pay County's litigation costs, expenses, and reasonable attorneys' fees. If judgment is entered against County and Tenant by a court of competent jurisdiction because of the concurrent active negligence of County and Tenant, County and Tenant agree that liability will be apportioned as determined by the court. Neither Party shall request a jury apportionment. A judgment or other judicial determination regarding County's negligence shall not be a condition precedent to Tenant's obligations stated in this Section.

Tenant acknowledges that it is familiar with the language and provisions of California Civil Code Section 1542 which provides as follows:

A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

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Tenant, being aware of and understanding the terms of Section 1542, hereby waives all benefit of its provisions to the extent described in this paragraph.

The foregoing indemnity and defense obligations of this Lease shall survive its expiration or termination. This Section 8.2 notwithstanding, indemnification with respect to Hazardous Materials shall be governed by Section 4.4.4.

8.3 Damage to Tenant's Premises. County shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise, or other property of Tenant, of Tenant's employees, invitees, customers, or of any other person in or about the Premises or the Improvements caused by or resulting from any peril which may affect the Premises or Improvements, including fire, steam, electricity, gas, water, or rain which may leak or flow from or into any part of the Premises or the Improvements, whether such damage or injury results from conditions arising upon the Premises or from other sources; provided, however, County shall be liable for injury or damage under this Section 8.3 resulting from County and/or its elected and appointed officials, officers, agents, employees or contractor's gross negligence or willful misconduct.

ARTICLE IX CONDEMNATION

9.1 Definitions.

9.1.1. "**Condemnation**" means (i) the taking or damaging, including severance damage, by eminent domain or by inverse condemnation or for any public or quasi-public use under any statute, whether by legal proceedings or otherwise, by a Condemnor (hereinafter defined), and (ii) a voluntary sale or transfer to a Condemnor, either under threat of condemnation or while condemnation legal proceedings are pending.

9.1.2. "**Date of Taking**" means the later of (i) the date actual physical possession is taken by the Condemnor; or (ii) the date on which the right to compensation and damages accrues under the law applicable to the Premises.

9.1.3. "**Award**" means all compensation, sums or anything of value awarded, paid or received for a Total Taking, a Substantial Taking or a Partial Taking (hereinafter defined), whether pursuant to judgment or by agreement or otherwise.

9.1.4. "**Condemnor**" means any public or quasi-public authority or private corporation or individual having the power of condemnation.

9.1.5. "**Total Taking**" means the taking by Condemnation of all of the Premises and all of the Improvements.

9.1.6. "**Substantial Taking**" means the taking by Condemnation of so much of the Premises or Improvements or both that one or more of the following conditions results, as reasonably determined by Tenant: (i) The remainder of the Premises would not be economically and feasibly usable by Tenant; and/or (ii) A reasonable amount of reconstruction would not make the Premises and Improvements a practical improvement and reasonably suited for the uses and purposes for which the Premises were being used prior to the Condemnation; and/or (iii) The conduct of Tenant's business on the Premises would be materially and substantially prevented or impaired.

9.1.7. "**Partial Taking**" means any taking of the Premises or Improvements that is neither a Total Taking nor a Substantial Taking.

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9.1.8. **“Notice of Intended Condemnation”** means any notice or notification on which a reasonably prudent person would rely and which he would interpret as expressing an existing intention of Condemnation as distinguished from a mere preliminary inquiry or proposal. It includes but is not limited to service of a Condemnation summons and complaint on a Party hereto. The notice is considered to have been received when a Party receives from the Condemnor a notice of intent to condemn, in writing, containing a description or map reasonably defining the extent of the Condemnation.

9.2 Notice and Representation.

9.2.1. **Notification.** The Party receiving a notice of one or more of the kinds specified below shall promptly notify the other Party and any Leasehold Mortgagees (and the Limited Partner, if during the Compliance Period) of the receipt, contents and dates of such notice: (i) a Notice of Intended Condemnation; (ii) service of any legal process relating to the Condemnation of the Premises or Improvements; (iii) any notice in connection with any proceedings or negotiations with respect to such a Condemnation; (iv) any notice of an intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of Condemnation.

9.2.2. **Separate Representation.** County and Tenant each have the right to represent its respective interest in each Condemnation proceeding or negotiation and to make full proof of his claims. No agreement, settlement, sale or transfer to or with the Condemnor shall be made without the consent of County and Tenant and any Leasehold Mortgagees. County and Tenant shall each execute and deliver to the other any instruments that may be required to effectuate or facilitate the provisions of this Lease relating to Condemnation.

9.3 Total or Substantial Taking.

9.3.1. **Total Taking.** On a Total Taking, this Lease shall terminate on the Date of Taking.

9.3.2. **Substantial Taking.** If a taking is a Substantial Taking, Tenant may, with the consent of each Leasehold Mortgagee and the Limited Partner, to the extent required, by notice to County given within ninety (90) days after Tenant receives a Notice of Intended Condemnation, elect to treat the taking as a Total Taking. If Tenant does not so notify County, the taking shall be deemed a Partial Taking.

9.3.3. **Early Delivery of Possession.** Tenant may continue to occupy the Premises and Improvements until the Condemnor takes physical possession. At any time following Notice of Intended Condemnation, Tenant may in its sole discretion, with the consent of each Leasehold Mortgagee and the Limited Partner, to the extent required, elect to relinquish possession of the Premises to County before the actual Taking. The election shall be made by notice declaring the election and agreeing to pay all Rent required under this Lease to the Date of Taking. Tenant’s right to apportionment of or compensation from the Award shall then accrue as of the date that the Tenant relinquishes possession.

9.3.4. **Apportionment of Award.** On a Total Taking all sums, including damages and interest, awarded for the fee or leasehold or both shall be distributed and disbursed as finally determined by the court with jurisdiction over the Condemnation proceedings in accordance with applicable law. Notwithstanding anything herein to the contrary, subject to the rights of any Leasehold Mortgagees, Tenant shall be entitled to receive compensation for the value of its leasehold estate under this Lease including its fee interest in all Improvements, personal property and trade fixtures located on the Premises, its relocation and removal expenses, its loss of business goodwill and any other items to which Tenant may be entitled under applicable law.

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9.4 Partial Taking.

9.4.1. **Effect on Rent.** On a Partial Taking this Lease shall remain in full force and effect covering the remainder of the Premises and Improvements, and Tenant shall not be entitled to any refund of the Base Rent.

9.4.2. **Restoration of Improvements.** Promptly after a Partial Taking, Tenant shall repair, alter, modify or reconstruct the Improvements (“**Restoring**”) so as to make them reasonably suitable for Tenant’s continued occupancy for the uses and purposes for which the Premises are leased.

9.4.3. **Apportionment of Award.** On a Partial Taking, County shall be entitled to receive the entire award for such Partial Taking, except that (i) the proceeds of such Partial Taking shall first be applied towards the cost of Restoring the Premises pursuant to Section 9.4.2 and (ii) Tenant shall be entitled to receive any portion of such award allocated to Tenant’s interest in any of Tenant’s Improvements, Personal property and trade fixtures taken, and any part of the award attributable to the low income housing tax credits.

9.5 **Waiver of Termination Rights.** Both Parties waive their rights under Section 1265.130 of the California Code of Civil Procedure (and any successor provision) and agree that the right to terminate this Lease in the event of Condemnation shall be governed by the provisions of this Article IX.

ARTICLE X**ASSIGNMENT, SUBLETTING AND ENCUMBERING**

10.1 **General.** Except as provided in Sections 10.3 and 17.6.4, below, Tenant shall not mortgage, pledge, hypothecate, encumber, transfer, sublease Tenant’s interest in this Lease or assign (including an assignment by operation of law) Tenant’s interest in the Premises or Improvements or any part or portion thereof (hereinafter referred to collectively as “**Transfer**”) without the written consent of the County, which consent may not be unreasonably withheld, conditioned or delayed. County’s consent may be subject to approval by its respective governing bodies (e.g. Board of Supervisors). Tenant’s failure to obtain the County’s written consent to a Transfer shall render such Transfer void. Occupancy of the Premises by a prospective transferee, sublessee, or assignee prior to County’s written consent of a Transfer shall constitute an Event of Default, except as set forth in Section 10.3, below.

10.1.1. Except as provided in Section 10.3, below, if Tenant hereunder is a corporation, limited liability company, an unincorporated association or partnership, the sale or transfer of any stock or interest in said corporation, company, association and partnership in the aggregate exceeding 25% shall require the written consent of the County, as set forth in Section 10.3, below, which consent may not be unreasonably withheld, conditioned or delayed, provided, however, that changes in the board of directors of any nonprofit corporation shall not require the prior written consent of the County.

10.1.2. Should County consent to any Transfer, such consent and approval shall not constitute a waiver of any of the terms, conditions, covenants, restrictions or reservations of this Lease nor be construed as County’s consent to any further Transfer. Such terms conditions, covenants, restrictions and reservations shall apply to each and every Transfer hereunder and shall be severally binding upon each and every party thereto. Any document to regarding the Transfer of the Premises or any part thereof shall not be inconsistent with the provisions of this Lease and in the event of any such inconsistency, the provisions of this Lease shall control.

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10.1.3. This Section shall not be interpreted to prohibit, disallow or require County's consent to space leases (subleases of less than Tenant's entire Lease interest), including leases of individual residential units in the Improvements, which are consistent with the approved uses under this Lease.

10.2 Leasehold Mortgage. Under no circumstances may Tenant mortgage, encumber or hypothecate County's Fee Interest, other than as required by TCAC pursuant to its lease rider, if any, in connection with the award of low income housing tax credits to Tenant, the form of which shall have been approved by County.

10.3 Excluded Transfers. County's consent, as set forth in Section 10.1, above, shall not be required to for any Excluded Transfer (each party to whom an Excluded Transfer may be made is a "**Permitted Transferee**"), provided, however, that (1) Tenant shall notify County of such Excluded Transfer at least twenty (20) days prior to the consummation of such Excluded Transfer, and shall provide County with information regarding the transferee evidencing that the Transfer falls within the scope of this Section 10.3 and the definition of Excluded Transfer, set forth in Section 1.1.20, above, and (2) if such Transfer involves an assignment of Tenant's rights under this Lease, except with respect to any Leasehold Mortgage, Tenant or such transferee shall provide County with a written assumption of Tenant's obligations and liabilities under this Lease executed by such transferee in a form approved by the County, which approval shall not be unreasonably withheld, conditioned or delayed in the event that the assignment is consistent with the terms of this Lease; provided, however, that the provisions of this Section 10.3 shall not apply to any Transfer to a Foreclosure Transferee.

10.4 Transfer Procedure. The provisions of this Section 10.4 shall not be applicable to an Excluded Transfer, which shall be governed by Sections 1.1.20 and 10.3, above. If Tenant desires at any time to enter into a Transfer for which County's consent is required hereunder, Tenant shall provide County with written notice ("**Transfer Notice**") at least ninety (90) days prior to the proposed effective date of the Transfer. The Transfer Notice shall include (i) the name and address of the proposed transferee, (ii) the nature of the Transfer (*e.g.*, whether an assignment, sublease, etc.), (iii) the proposed effective date of the Transfer, (iv) income statements and "fair market" balance sheets of the proposed transferee for the two (2) most recently completed fiscal or calendar years (provided however, if the proposed transferee is a newly formed entity and has not been in existence for such two (2) year period, the financial statements submitted shall be those of its principals), (v) a detailed description of the proposed transferees qualifications and experience that demonstrates the transferee meets the criteria for a Tenant as established by this Lease, and (vi) a bank or other credit reference. Thereafter, Tenant shall furnish such supplemental information as County may reasonably request concerning the proposed transferee. County shall, no later than ninety (90) days after County's receipt of the information specified above, deliver written notice to Tenant which shall (i) indicate whether County give or withhold consent to the proposed Transfer, and (ii) if County withhold consent to the proposed Transfer, setting forth a detailed explanation of County's grounds for doing so. If County consents to a proposed Transfer, then Tenant may thereafter effectuate such Transfer to the proposed transferee based upon the specific terms of the County's approval and after execution of a consent to assignment by County in a form approved by the County, which approval shall not be unreasonably withheld, conditioned or delayed in the event that the assignment is consistent with the terms of this Lease; provided, however, that the provisions of this Section 10.4 shall not apply to any Transfer to a Foreclosure Transferee.

10.5 Liability of Transferors/Transferees For Lease Obligations. In the case of an assignment, including an assignment pursuant to Section 17.6.5, each Permitted Transferee and any other assignees or transferees of this Lease shall assume in writing all of Tenant's obligations thereafter arising under this Lease. All assignees or transferees of any interest in this Lease or the Premises or Improvements (whether or not directly liable on this Lease) shall be subject to the terms, conditions, covenants, restrictions and reservations of this Lease. Except as otherwise provided in Section 17.6.5, the transferor may be released from all liability under this Lease only if the Permitted Transferee or other transferee agrees in writing to

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assume all of transferor's obligations and liabilities and provides to County evidence of sufficient and adequate assets, including any required insurance policies, subject to approval by County, which approval shall not be unreasonably withheld, that evidence said Permitted Transferee's or other transferees' financial and otherwise competence to assume transferor's obligations and liability (an "**Approved Release**"). Except as otherwise provided in Section 17.6.5 and except for an Approved Release, for all other Transfers, any transferor of any interest in this Lease or the Premises or Improvements shall remain primarily liable for all obligations hereunder and shall be subject to the terms, conditions, covenants, restrictions and reservations of this Lease. Except as otherwise provided in Section 17.6.5 and except for an Approved Release, the County may proceed directly against the transferor in its sole and absolute discretion, with no obligation to exhaust its remedies against the transferee. Notwithstanding anything to the contrary contained herein, County consent shall not be required for any of the following: (i) the exercise by the Limited Partner of its rights pursuant to Tenant's Partnership Agreement to remove a general partner of the Tenant and appoint the Limited Partner or an Affiliate thereof as interim general partner of the Tenant; (ii) the exercise by the Limited Partner of its right to enforce any repurchase requirements under Tenant's Partnership Agreement; and/or (iii) a transfer by the Limited Partner of its partnership interest in Tenant to an Affiliate of the Limited Partner.

10.6 Conditions of Certain County Consent.

10.6.1. County may withhold consent to a Transfer (excluding Excluded Transfers which shall not require County consent) at its and absolute sole discretion if any of the following conditions exist:

- (a) An Event of Default exists under this Lease.
- (b) The prospective transferee has not agreed in writing to keep, perform, and be bound by all the terms conditions, covenants, restrictions and reservations of this Lease.
- (c) In the case of an assignment, the prospective transferee has not agreed in writing to assume all of transferor's obligations and liabilities.
- (d) The Permanent Conversion Work has not been completed, subsequent to the Interim Use.
- (e) Any construction required of Tenant as a condition of this Lease has not been completed.
- (f) All the material terms, covenants, and conditions of the Transfer that are relevant to the County's approval of the Transfer have not been disclosed in writing to the County.

10.7 Transfer of Mortgages of County's Interest. Notwithstanding anything to the contrary set forth in this Amended and Restated Ground Lease, unless required by statute, court order or operation of law, County shall not transfer, assign, pledge or hypothecate its fee interest in the Premises (other than to entities under common control with County or other governmental entities under applicable law) without the prior written consent of Tenant, all Leasehold Mortgagees and the Limited Partner (provided, the Limited Partner's consent shall be required only during the tax credit compliance period). Any and all mortgages or liens placed or suffered by the County encumbering the County's fee interest in the Premises shall be expressly subject and subordinate to this Lease, (and all amendments, modifications, extensions and renewals hereof), to all obligations of County hereunder, to all of the rights, titles, interests, and estates of the Tenant created or arising hereunder, to each New Lease and to each Leasehold Mortgage. Furthermore, any Person succeeding to the County's fee interest as a consequence of any conveyance, foreclosure or other transfer shall succeed to all of the obligations of the County hereunder. During the term of any mortgage held by Leasehold Mortgagee applicable herein, County shall, at the request of any Leasehold

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Mortgagee, require the holder of each such mortgage, deed of trust, and other security instrument to execute and deliver to the requesting Leasehold Mortgagee a written and recordable subordination agreement in form and substance as required by such Leasehold Mortgagee in its sole and absolute discretion.

ARTICLE XI
DEFAULT AND REMEDIES

11.1 Event of Default. Each of the following events shall constitute an “**Event of Default**” by Tenant:

11.1.1. Failure to Pay. Tenant’s failure or omission to pay any Rent or other sum payable hereunder on or before the date due where such failure shall continue for a period of thirty (30) days after the date such Rent or other sum is due.

11.1.2. Failure to Perform. The failure or inability by Tenant to observe or perform any of its obligations under this Lease (other than those specified in Sections 11.1.1, 11.1.3, 11.1.6, or 11.1.8 herein, which have their own notice and cure periods), where such failure shall continue for a period of thirty (30) days after written notice thereof from County to Tenant or past any such longer period as reasonably agreed upon by the Tenant, County in writing as may be necessary for completion of its cure; provided, however, that any such notice by County shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 *et. seq.*; provided, further, that if the nature of such failure is such that it can be cured by Tenant but that more than thirty (30) days are reasonably required for its cure (for any reason other than financial inability), then Tenant shall not be deemed to be in default if Tenant shall commence such cure within said thirty (30) days, and thereafter diligently pursues such cure to completion.

11.1.3. Abandonment. The abandonment (as defined in California Civil Code Section 1951.3) or vacation of the Premises by Tenant for a period of thirty (30) days or more.

11.1.4. Assignments.

(a) The making by Tenant of any assignment of its leasehold estate under this Lease without County’s consent, as set forth in Article X;

(b) A case is commenced by or against Tenant under Chapters 7, 11 or 13 of the Bankruptcy Code, Title 11 of the United States Code as now in force or hereafter amended and if so commenced against Tenant, the same is not dismissed within ninety (90) days of such commencement;

(c) the appointment of a trustee or receiver to take possession of substantially all of Tenant’s assets located at the Premises or of Tenant’s interest in this Lease, where such seizure is not discharged within sixty (60) days; or

(d) Tenant’s convening of a meeting of its creditors or any class thereof for the purpose of effecting a moratorium upon or composition of its debts. In the event of any such default, neither this Lease nor any interests of Tenant in and to the Premises shall become an asset in any of such proceedings.

11.1.5. Failure to Reimburse County. Tenant’s failure to reimburse the County pursuant to Section 3.6.4.

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11.1.6. **Termination of and Failure to Reinstate Insurance Coverage.** Termination of Tenant's insurance coverage and lack of reinstatement within ten (10) business days after notice from County of such termination.

11.1.7. **Failure to Provide Evidence of Insurance.** Tenant's failure to provide County with a valid and adequate certificate of insurance and endorsements, or binder, at any time during the Term of the Lease, within the time period required under Section 8.1.3.

11.1.8. **County's Consent and Approval of Transfer.** Occupancy of the Premises by a prospective transferee, sublessee, or assignee which requires County's consent or approval, before County's written consent and approval of a Transfer is obtained as required in Section 10.1.

11.1.9. Tenant's failure to make Additional Rent payment(s) as set forth in Sections 11.3 and 11.10.

11.1.10 Tenant's failure to convert the use of the Property to Permanent Supportive Housing as required pursuant to section 1.1.13 of this Lease on or before the Commencement Date.

11.2 **County's Remedies.** If an Event of Default occurs, County shall have the following remedies in addition to all rights and remedies provided by law or equity to which County may resort cumulatively or in the alternative:

11.2.1. **Termination of Lease.** Subject to Article 17, as applicable, County shall have the right to terminate this Lease and all rights of Tenant hereunder including Tenant's right to possession of the Premises. In the event that County shall elect to so terminate this Lease then County may recover from Tenant:

(a) The worth at the time of award of the unpaid Rent and other charges, which had been earned as of the date of the termination hereof; plus

(b) The worth at the time of award of the amount by which the unpaid Rent and other charges which would have been earned after the date of the termination hereof until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid Rent and other charges for the balance of the Term hereof after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(d) Any other amount necessary to compensate County for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary repair, renovation and alteration of the Premises, reasonable attorneys' fees, expert witness costs; plus

(e) Subject to the rights of any Leasehold Mortgagees and TCAC, the funds in the Capital Improvement Fund; plus(f) Any other amount which County may by law hereafter be permitted to recover from Tenant to compensate County for the detriment caused by Tenant's default as permitted under applicable California law.

The term "**Rent**" as used herein shall mean as defined in Section 1.1.44. Additional Rent shall be computed on the basis of the average monthly amount thereof accruing during the 24-month period immediately prior to default, except that if it becomes necessary to compute such Additional Rent before

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such 24-month period has occurred, then it shall be computed on the basis of the average monthly amount during such shorter period. As used in Sections 11.2.1(a) and 11.2.1(b) above, the "worth at the time of award" shall be computed by allowing interest at the Interest Rate. As used in Section 11.2.1 (c) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%), but not in excess of the Interest Rate.

11.2.2. Continue Lease in Effect. County may continue this Lease in effect without terminating Tenant's right to possession and to enforce all of County's rights and remedies under this Lease, at law or in equity, including the right to recover the Rent as it becomes due under this Lease; provided, however, that County may at any time thereafter elect to terminate this Lease for the underlying Event(s) of Default by notifying Tenant in writing that Tenant's right to possession of the Premises has been terminated.

11.2.3. Removal of Personal Property Following Termination of Lease. County shall have the right, following a termination of this Lease and Tenant's rights of possession of the Premises under Section 11.2.1 above, to re-enter the Premises and, subject to applicable law, to remove Tenant's personal property from the Premises. Such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant, or disposed of without such storage, in accordance with applicable California law.

11.3 County's Right to Cure Tenant Defaults. If Tenant shall have failed to cure, after expiration of the applicable time for curing, a particular default under this Lease, County may at its election, but is not obligated to, make any payment required of Tenant under this Lease or perform or comply with any term, agreement or condition imposed on Tenant hereunder, and the amount so paid plus the reasonable cost of any such performance or compliance, plus interest on such sum at the Interest Rate from the date of payment, performance or compliance until reimbursed shall be deemed to be Additional Rent payable by Tenant on County's demand. Tenant's failure to reimburse the County within 30 days of County's demand shall constitute an Event of Default under this Lease. No such payment, performance or compliance shall constitute a waiver of default or of any remedy for default, or render County liable for any loss or damage resulting from the same.

11.4 County's Default. County shall not be considered to be in default under this Lease unless Tenant has given County written notice specifying the default, and either (i) as to monetary defaults, County have failed to cure the same within ten (10) business days after written notice from Tenant, or (ii) as to nonmonetary defaults, County have failed to cure the same within thirty (30) days after written notice from Tenant, or if the nature of County's nonmonetary default is such that more than thirty (30) days are reasonably required for its cure, then such thirty (30) day period shall be extended automatically so long as County commences a cure within such thirty (30) day period and thereafter diligently pursues such cure to completion. Tenant shall have no right to offset or abate alleged amounts owing by County under this Lease against any amounts owing by Tenant under this Lease. Additionally, Tenant's sole remedy for any monetary default shall be towards the County's interest in the property and not to any other assets. Any and all claims or actions accruing hereunder shall be absolutely barred unless such action is commenced within six (6) months of the event or action giving rise to the default.

11.5 Remedies Cumulative. All rights and remedies of County contained in this Lease shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and County shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease.

11.6 Waiver by County. No delay or omission of County to exercise any right or remedy shall be construed as a waiver of such right or remedy or any default by Tenant hereunder. The acceptance by

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County of Rent or any other sums hereunder shall not be (a) a waiver of any preceding breach or default by Tenant of any provision thereof, other than the failure of Tenant to pay the particular rent or sum accepted, regardless of County's knowledge of such preceding breach or default at the time of acceptance of such rent or sum, or (b) waiver of County's right to exercise any remedy available to County by virtue of such breach or default. No act or thing done by County agents during the term of this Lease shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender shall be valid unless in writing and signed by County.

11.7 Interest. Any installment or Rent due under this Lease or any other sums not paid to County when due (other than interest) shall bear interest at the Interest Rate from the date such payment is due until paid, provided, however, that the payment of such interest shall not excuse or cure the default.

11.8 Conditions Deemed Reasonable. Tenant acknowledges that each of the conditions to a Transfer, and the rights of County set forth in this Article X in the event of a Transfer is a reasonable restriction for the purposes of California Civil Code Section 1951.4.

11.9 Waiver by Tenant. Tenant's waiver of any breach by County of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained.

11.10 Tenant Covenants and Agreements. All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expenses and without any abatement of Rent. If Tenant shall fail to pay any sum of money, other than Rent required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, or to provide any insurance or evidence of insurance to be provided by Tenant within the time period required under this Lease, then in addition to any other remedies provided herein, County may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such act on Tenant's part to be made or performed as provided in this Lease or to provide such insurance. Any payment or performance of any act or the provision of any such insurance by County on Tenant's behalf shall not give rise to any responsibility of County to continue making the same or similar payments or performing the same or similar acts. All costs, expenses, and other sums incurred or paid by County in connection therewith, together with interest at the Interest Rate from the date incurred or paid by County, shall be deemed to be Additional Rent hereunder and shall be paid by Tenant within thirty (30) days of receipt of a demand and invoice from County, and Tenant's failure to pay the County, as stated herein, shall constitute an Event of Default under this Lease.

ARTICLE XII HOLDING OVER

If Tenant holds over after the expiration or earlier termination of the Term hereof without the express written consent of County, Tenant shall become a Tenant at sufferance only, at a monthly rental rate of (a) Fifty Thousand Dollars (\$50,000) to the extent the Premises are not subject to any tenant income or rent restrictions and all units may be rented at market-rate rents, or (b) Twenty Five Thousand Dollars (\$25,000) to the extent the Premises are subject to any tenant income or rent restrictions ("**Hold Over Rent**"), increased annually commencing with commencement of the hold over period by an amount equal to the greater of (i) three percent (3%) for each year of the Term, or (ii) a percentage equal to the percentage increase from the Base Period of the Consumer Price Index ("**CPI**") for Los Angeles- Riverside-Orange County [All Urban Consumers-All Items, not seasonally adjusted (Base Period 1982-84=100)]. Said CPI for the month of December for the second year of the Term shall be considered the "**Base Period.**" Said adjustment shall be made by comparing the CPI for the Base Period to the CPI for the month of December immediately preceding each such adjustment. If at any time there shall not exist the CPI, County shall substitute any official index published by the Bureau of Labor Statistics, or successor or similar

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governmental agency, as may then be in existence, and shall be most nearly equivalent thereto. If Tenant fails to surrender the Premises and the Improvements as stated herein, and County shall take legal action to cause Tenant's eviction from the Premises and is successful in such action, Tenant shall be responsible for all costs and expenses, including reasonable attorney's fees and costs, incurred by County in connection with such eviction action; Tenant shall also indemnify and hold County harmless from all loss or liability or reasonable attorney's fees and costs, including any claim made by any succeeding tenant, incurred by County founded on or resulting from such failure to surrender.

ARTICLE XIII ESTOPPEL CERTIFICATES

At any time and from time to time, within ten (10) business days after written request by either County or Tenant (the "**requesting party**"), the other Party (the "**responding party**") shall execute, acknowledge and deliver an estoppel certificate addressed to the requesting party, and/or to such other beneficiary (as described below) as the requesting party shall request, certifying (i) that this Lease is in full force and effect, (ii) that this Lease is unmodified, or, if there have been modifications, identifying the same, (iii) the dates to which Rent has been paid in advance, (iv) that, to the actual knowledge of the responding party, there are no then existing and uncured defaults under the Lease by either County or Tenant, or, if any such defaults are known, identifying the same, and (v) any other factual matters (which shall be limited to the actual knowledge of the responding party) as may be reasonably requested by the requesting party. Such certificate may designate as the beneficiary thereof the requesting party, and/or any third party having a reasonable need for such a certificate (such as, but not limited to, a prospective purchaser, transferee or lender) and any such certificate may be relied upon by the Parties.

ARTICLE XIV FORCE MAJEURE

Unless otherwise specifically provided herein, the period for performance of any nonmonetary obligation by either Party shall be extended by the period of any delay in performance caused by Acts of God, strikes, boycotts, lock-outs, inability to procure materials not related to the price thereof, failure of electric power, riots, civil unrest, acts of terrorism, insurrection, war, declaration of a state or national emergency, weather that could not have reasonably been anticipated, changes in the Laws which would prevent the Premise from being operated in accordance with this Lease, or other reasons beyond the reasonable control of County, Tenant, or their respective agents or representatives (collectively, "**Force Majeure Events**"). In no event, however, shall Force Majeure Events include the financial inability of a Party to this Lease to pay or perform its obligations hereunder. Further, nothing herein shall extend the time for performance of any monetary obligation owing under this Lease (including Tenant's obligation to pay Rent owing hereunder).

ARTICLE XV RECORDS AND ACCOUNTS

15.1 Financial Statements. Within one hundred eighty (180) after the end of each accounting year, Tenant shall at his own expense submit to Auditor-Controller a balance sheet and income statement prepared by a Certified Public Accountant ("**CPA**") who is a member of the American Institute of Certified Public Accountants ("**AICPA**") and the California Society of CPAs, reflecting business transacted on or from the Premises during the preceding accounting year. The Certified Public Accountant must attest that the balance sheet and income statement submitted are an accurate representation of Tenant's records as reported to the United States of America for income tax purposes. At the same time, Tenant shall submit to Auditor-Controller a statement certified as to accuracy by a Public Accountant who is a member of AICPA

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and the California Society of CPAs, wherein the total Gross Receipts for the accounting year are classified according to the categories of business established for percentage rent and listed in Section 3.4.1(d) and for any other business conducted on or from the Premises. Tenant shall provide County with copies of any CPA's management letters prepared in conjunction with their audits of Tenant's operations from the Premises. Copies of management letters shall be provided directly to County by the CPA at the same time Tenant's copy is provided to Tenant. In the event that when such financial statements are submitted, the Tenant has a budget for the following accounting year, Tenant, at the same time, shall also provide County with such budget.

15.1.1. Tenant acknowledges its understanding that any and all of the Financial Statement submitted to the County pursuant to this Lease become Public Records and may be subject to public inspection and copying pursuant to §§ 6250 *et. seq.* of the California Government Code.

15.1.2. All Tenant's books of account and records and supporting source documents related to this Lease or to business operations conducted within or from the Premises shall be kept and made available at one location within the limits of the County unless an alternative location is approved in writing by the County. County shall, through its duly authorized agents or representatives, have the right to examine and audit said books of account and records and supporting source documents at any and all reasonable times for the purpose of determining the accuracy thereof in connection with such Sections of this Lease as the Parties mutually and reasonably agree the audit is relevant thereto.

15.2 **Reports.** In the event that the Tenant commissions, requests or is required to produce any reports related to the physical condition of the Improvements or Premises, Tenant shall submit copies of such reports to County along with the financial statements required above in Section 15.1.

ARTICLE XVI OPERATIONAL OBLIGATIONS OF TENANT

16.1 Standards of Operation.

16.1.1. Tenant shall operate the Premises in a manner reasonably comparable to other comparable facilities or businesses within the County of Orange. Tenant shall at all times during the Term provide adequate security measures to reasonably protect persons and property on the Premises.

16.1.2. The ultimate purpose of this Lease is to permit the construction and operation of a multifamily affordable residential rental development, including permanent supportive housing, in accordance with Section 4.1.1. Accordingly, Tenant covenants and agrees to operate said Premises fully and continuously to accomplish said purposes and not to abandon or vacate the Premises at any time.

16.1.3. The facilities on the Premises shall be operated during normal business hours, subject to any temporary interruptions in operations or closures due to ordinary maintenance and repair and any Force Majeure Event, defined in Article XIV above.

16.2 Protection of Environment. Tenant shall take all reasonable measures available to:

16.2.1. Avoid any pollution of the atmosphere or littering of land or water caused by or originating in, on, or about Tenant's facilities.

16.2.2. Maintain a reasonable noise level on the Premises so that persons in the general neighborhood will be able to comfortably enjoy the other facilities and amenities in the area.

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16.2.3. Prevent the light fixtures of the Premises from emitting light that could negatively affect the operation of cars, boats, or airplanes in the area.

16.2.4. Prevent all pollutants from Tenant's operations on the Premises from being discharged, including petroleum products of any nature, except as may be permitted in accordance with any applicable permits or as permitted by applicable Law. Tenant and all of Tenant's agents, employees and contractors shall conduct operations under this Lease so as to ensure that pollutants do not enter the municipal storm drain system (including but not limited to curbs and gutters that are part of the street systems), or directly impact receiving waters (including but not limited to rivers, creeks, streams, estuaries, lakes, harbors, bays and the ocean), except as may be permitted by any applicable permits or as permitted by applicable law.

16.2.5. The County may enter the Premises in accordance with Section 4.5 and/or review Tenant records at all reasonable times to assure that activities conducted on the Premises comply with the requirements of this Section.

16.3 On-Site Manager. Tenant shall employ a competent manager who shall be responsible for the day-to-day operation and level of maintenance, cleanliness, and general order for the Premises. Such person shall be vested with the authority of Tenant with respect to the supervision over the operation and maintenance of the Premises, including the authority to enforce compliance by Tenant's agents, employees, concessionaires, or licensees with the terms and conditions of this Lease and any and all rules and regulations adopted hereunder. Tenant shall notify County in writing of the name of the Manager currently so employed as provided in Section 19.20 of this Lease.

16.4 Policies and Procedures to be Established by Tenant. Prior to the completion of construction, Tenant shall submit to County proposed policies and procedures pertinent to the operation of the multifamily affordable residential rental development and manner of providing the uses required by this Lease ("**Policies and Procedures**").

ARTICLE XVII LEASEHOLD MORTGAGES

17.1 Definitions. The following definitions are used in this Article (and in other Sections of this Lease):

17.1.1. "**Leasehold Estate**" shall mean Tenant's leasehold estate in and to the Premises, including Tenant's rights, title and interest in and to the Premises and the Improvements, or any applicable portion thereof or interest therein.

17.1.2. "**Leasehold Foreclosure Transferee**" shall mean any person (which may, but need not be, a Leasehold Mortgagee) which acquires the Leasehold Estate pursuant to a foreclosure, assignment in lieu of foreclosure or other enforcement of remedies under or in connection with a Leasehold Mortgage.

17.1.3. "**Leasehold Mortgage**" shall mean and includes a mortgage, deed of trust, security deed, conditional deed, deed to secure debt or any other security instrument (including any assignment of leases and rents, security agreement and financing statements) held by a Lender by which Tenant's Leasehold Estate is mortgaged to secure a debt or other obligation, including a purchase money obligation.

17.1.4. "**Leasehold Mortgagee**" shall mean a Lender which is the holder of a Leasehold Mortgage.

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17.1.5. “**Tenant**” shall mean all of the following: (i) the Tenant under this Lease; (ii) an approved assignee, transferee or subtenant of the Tenant under this Lease who is or becomes directly and primarily liable to County; and (iii) any further assignee, transferee or subtenant of any of the parties listed in (ii) who is or becomes directly and primarily liable to County.

17.2 Tenant’s Right to Encumber Leasehold Estate; No Right to Encumber County’s Fee Interest. Provided that an Event of Default has not occurred and is continuing, Tenant may, at any time during the Term of this Lease (with consent of County after prior written notice providing evidence that all requirements of this Lease have been complied with, which consent shall not be unreasonably withheld, conditioned or delayed), encumber all or any portion of Tenant’s Leasehold Estate with one (1) or more Leasehold Mortgages; provided, however:

17.2.1. Such Leasehold Mortgage(s) (as of the date recorded) shall not exceed (a) if recorded before completion of the work, One Hundred Percent (100%) of the costs of the work, or (b) if recorded after completion of the work, eighty percent (80%) of the Leasehold Estate value (including the value of all improvements) after completion;

17.2.2. That Tenant shall not have the power to encumber, and no Leasehold Mortgage shall encumber, County’s Fee Interest;

17.2.3. Except as expressly provided in this Lease, the Leasehold Mortgage and all rights acquired under it shall be subject to each and all of the covenants, conditions, and restrictions set forth in this Lease and to all rights and interests of County hereunder; and

17.2.4. Nothing in this Lease shall be construed so as to require or result in a subordination in whole or in part in any way of the County’s Fee Interest to any Leasehold Mortgage, and;

17.2.5. Except as otherwise expressly provided herein, in the event of any conflict between the provisions of this Lease and the provisions of any such Leasehold Mortgage, the provisions of this Lease shall control.

Tenant’s encumbrance of its Leasehold Estate with a Leasehold Mortgage, as provided in this Section 17.2, shall not constitute an assignment or other Transfer under Article X or otherwise, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Lease or of the Leasehold Estate so as to require such Leasehold Mortgagee, as such, to assume the Tenant’s obligations and liabilities under this Lease.

Notwithstanding the foregoing, if any Leasehold Mortgagee (or its nominee) acquires title to the Premises by foreclosure or deed in lieu thereof, any required consent of the County under this Section 17.2 shall not be unreasonably withheld.

17.3 Notification to County of Leasehold Mortgage. Tenant or any Leasehold Mortgagee shall, prior to making any Leasehold Mortgage, provide County with written notice of such Leasehold Mortgage and the name and address of the Leasehold Mortgagee. At the time of notice, Tenant or such Leasehold Mortgagee shall furnish to County a complete copy of any trust deed and note to be secured thereby, together with the name and address of the holder thereof. Thereafter, Tenant or any Leasehold Mortgagee shall notify County of any change in the identity or address of such Leasehold Mortgagee. County shall be entitled to rely upon the addresses provided pursuant to this Section for purposes of giving any notices required by this Article XVII.

17.4 Notice and Cure Rights of Leasehold Mortgagees and Limited Partner with Respect to Tenant Defaults. County, upon delivery to Tenant of any notice of a default or demand for payment by

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Tenant under this Lease or a matter as to which County may predicate or claim a default, will promptly deliver a copy of such notice to each Leasehold Mortgagee and to the Limited Partner. Each notice or demand required to be given by County to a Leasehold Mortgagee and the Limited Partner under this Lease shall be in writing and shall be given by certified or registered mail, postage prepaid, return receipt requested, to such Leasehold Mortgagee and the Limited Partner at the address(es) provided by such Leasehold Mortgagee and the Limited Partner, as applicable, to County from time to time in writing and shall be effective upon receipt (or refusal to accept receipt). No notice or demand given by County to Tenant shall be effective until the duplicate copy of such notice or demand to the Tenant shall have been effectively given to each Leasehold Mortgagee and the Limited Partner in accordance with this Lease. From and after the date such notice has been given to any Leasehold Mortgagee and to the Limited Partner, such Leasehold Mortgagee and the Limited Partner shall have the same cure period (but no obligation to cure) for such default (or act or omission which is the subject matter of such notice) that is provided to Tenant under this Lease or as otherwise agreed upon by County and the Tenant, to commence and/or complete a cure of such default (or act or omission which is the subject matter of such notice). County shall accept any and all performance by or on behalf of any Leasehold Mortgagee(s) and/or by the Limited Partner, including by any receiver obtained by any Leasehold Mortgagee(s), as if the same had been done by Tenant. Tenant authorizes each Leasehold Mortgagee and the Limited Partner to take any such action at such Leasehold Mortgagee's or Limited Partner's (as applicable) option, and hereby authorizes any Leasehold Mortgagee and Limited Partner (or any receiver or agent) to enter upon the Premises for such purpose.

17.5 Limitation on County's Termination Right. If following the delivery of notice pursuant to Section 17.4, above, the default by Tenant continues and is not cured by Tenant (or any Leasehold Mortgagee or the Limited Partner as allowed under Section 17.4, above), and such failure entitles County to terminate this Lease, County shall have no right to terminate this Lease unless County shall notify in writing each and every Leasehold Mortgagee and the Limited Partner who has complied with Section 17.3 of County's intent to so terminate at least ninety (90) days in advance of the proposed effective date of such termination. If any Leasehold Mortgagee or the Limited Partner, within such ninety (90) day period, (i) notifies County of such Leasehold Mortgagee's or Limited Partner's desire to cure such default and initiates such cure and (ii) pays or cause to be paid the amount that is necessary to cure any monetary default as stated in such notice, if any, then Section 17.6 shall apply. The County, at its sole discretion, may permit such additional time as necessary for any Leasehold Mortgagee and/or Limited Partner to commence the cure or make payment(s), as stated herein. If any Leasehold Mortgagee and Limited Partner fails to respond to said notice of termination within the allotted ninety (90) days as consistent with the conditions of this Section 17.5, County are entitled to immediately terminate this Lease.

17.6 Leasehold Mortgagee Foreclosure Period. If any Leasehold Mortgagee complies with Section 17.5 above, then the following provisions shall apply:

17.6.1. If County's notice under Section 17.5 specifies only monetary Events of Default as the basis for County's election to terminate this Lease, and Leasehold Mortgagee has fully paid the monetary amount designated by County in its notice, then such payment shall be deemed to have cured the Event of Default. If County's notice under Section 17.5 specifies both monetary and non-monetary Events of Default or non-monetary Events of Default as the basis for County's election to terminate this Lease, and Leasehold Mortgagee has fully paid the monetary amount designated by County in its notice, as applicable, then the date of termination specified in County's notice shall be extended for a period of twelve (12) months, provided that such Leasehold Mortgagee shall, during such twelve (12) month period:

(a) pay or cause to be paid all Rent under this Lease as the same becomes due (subject to the notice and cure rights expressly set forth herein); and

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(b) continue (subject to any stay as described in Section 17.6.2 below) its good faith efforts to perform (and complete performance of) all of Tenant's nonmonetary obligations under this Lease that are capable of being performed by the Leasehold Mortgagee without having possession of the Premises, excepting nonmonetary obligations (whether or not a default exists with respect thereto) that are not then reasonably susceptible of being cured by Leasehold Mortgagee; and

(c) commence and pursue with reasonable diligence until completion (subject to any stay as described in Section 17.6.2 below) a judicial or nonjudicial foreclosure or other enforcement of remedies under its Leasehold Mortgage.

17.6.2. The twelve (12) month period described in Section 17.6.1, above shall automatically be extended as long as the Leasehold Mortgagee is diligently and in good faith prosecuting the judicial or nonjudicial foreclosure to completion, provided Tenant or the Leasehold Mortgagee has provided evidence reasonably acceptable to County of such good faith prosecution by the Leasehold Mortgagee. In the event of a judicial or non-judicial foreclosure, the twelve (12) month period described in Section 17.6.1, above, shall automatically be extended by the length of any delay caused by any stay (including any automatic stay arising from any bankruptcy or insolvency proceeding involving Tenant), injunction or other order arising under applicable Laws or issued by any court (which term as used herein includes any other governmental or quasi-governmental authority having such power) (the foregoing being collectively referred to as a "**Stay**"). Further, Leasehold Mortgagee's obligations stated in Section 17.6.1(b) and (c) shall be automatically suspended during any period that any Stay prevents Leasehold Mortgagee from taking any such actions. Nothing herein, however, shall be construed to extend this Lease beyond the Term hereof nor to require a Leasehold Mortgagee to continue such foreclosure proceedings after the Event of Default has been cured. If the Event of Default has been cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Lease shall continue in full force and effect as if Tenant had not defaulted under this Lease.

17.6.3. In the event the Leasehold Mortgage requires a new lease between the County and the Leasehold Mortgagee, County shall enter into such new lease with the Leasehold Mortgagee pursuant to Section 17.7, below, provided County are provided with the necessary and adequate documents related to the new lease requirements in the Leasehold Mortgage as described in Section 17.7.

17.6.4. So long as any Leasehold Mortgagee is complying with Sections 17.6.1 and 17.6.2 above, then upon the acquisition of Tenant's Leasehold Estate by a Leasehold Foreclosure Transferee, this Lease shall continue in full force and effect as if Tenant had not defaulted under this Lease; provided that no Leasehold Foreclosure Transferee shall have any liability for the performance of any of the Tenant's obligations under this Lease until the Leasehold Foreclosure Transferee has acquired the Tenant's interest under the Lease, and then the Leasehold Foreclosure Transferee shall be liable for the performance of only those obligations of the Tenant arising from and after the effective date of the Leasehold Foreclosure Transferee's acquisition of the Tenant's Leasehold Estate. Any such Leasehold Foreclosure Transferee shall be deemed to be an assignee or transferee and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of the Tenant to be performed hereunder from and after the effective date on which such Leasehold Foreclosure Transferee acquires title to the Leasehold Estate, but only for so long as such purchaser or assignee is the owner of the leasehold estate.

17.6.5. Any Leasehold Mortgagee (or its designee) that becomes a Leasehold Foreclosure Transferee, upon acquiring title to Tenant's Leasehold Estate without obtaining County's consent and provided it is not in default of any of the provisions of this Lease, shall have a one-time right to assign the Leasehold Estate to an assignee (a) which is an Affiliate of the Leasehold Foreclosure Transferee, or (b) which has substantial experience, or will employ a property management company with substantial experience, managing, maintaining and operating affordable housing developments like that on the Premises. Upon such assignment, the Leasehold Foreclosure Transferee shall automatically be released of

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all obligations thereafter accruing under this Lease, provided that, substantially concurrently with such assignment, the assignee delivers to County a written agreement assuming Tenant's obligations under the Lease thereafter accruing. Any subsequent Transfers occurring after the one-time assignment permitted under this Section shall be subject to Article X.

17.7 Leasehold Mortgagee's Right to New Lease.

17.7.1. In the event of any termination of this Lease (including any termination because of an Event of Default, or because of any rejection or disaffirmance of this Lease pursuant to bankruptcy law or any other law affecting creditor's rights, but other than by reason of a Total Taking), County shall give prompt written notice of such termination to each Leasehold Mortgagee and shall (subject to Section 17.8 below if more than one Leasehold Mortgagee then exists) enter into a new lease ("**New Lease**") of the Premises with the Leasehold Mortgagee holding the Leasehold Mortgage that has the most senior lien priority, in accordance with Section 17.8 below, or its designee, upon notice to County by such Leasehold Mortgagee. The New Lease shall commence as of its effective date and shall continue for the remainder of the scheduled Term of this Lease, at the same Rent that is payable under this Lease, and on the same terms, conditions, covenants, restrictions and reservations that are contained in this Lease (including any extension options, purchase options and rights of first refusal, if any, provided for in this Lease), and subject to the rights of any tenants under residential subleases or other subtenants then in valid occupancy of the Premises and Improvements and further subject to any then existing senior Leasehold Mortgages; provided that, substantially concurrently with the delivery of a notice by Leasehold Mortgagee requiring County to enter into a New Lease, Leasehold Mortgagee shall pay to County all Rent or any other amounts payable by Tenant hereunder which are then due and shall commence and proceed with diligence to cure all nonmonetary defaults under this Lease, other than those nonmonetary defaults which are personal to the foreclosed tenant and impossible for the Leasehold Mortgagee to remedy.

17.7.2. If such Leasehold Mortgagee elects to enter into a New Lease pursuant to Section 17.7.1 above, then County and the Leasehold Mortgagee (or its designee) shall promptly prepare and enter into a written New Lease; but until such written New Lease is mutually executed and delivered, this Lease shall govern, from and after the giving of notice pursuant to Section 17.7.1 but prior to the execution of the New Lease, the County's and Leasehold Mortgagee's relationship with respect to the Premises and the Improvements and the Leasehold Mortgagee shall (i) be entitled to possession of the Premises and to exercise all rights of Tenant hereunder, (ii) pay to County any Rent accruing under the New Lease as it becomes owing, and (iii) perform or cause to be performed all of the other covenants and agreements under this Lease. Further, at such time as the written New Lease is mutually executed and delivered, Leasehold Mortgagee (or its designee) shall pay to County its reasonable expenses, including reasonable attorneys' fees and costs, incurred in connection with the preparation, execution and delivery of such written New Lease. In addition, upon execution of any such New Lease, County shall execute, acknowledge and deliver to such Leasehold Mortgagee (or its designee) a grant deed, in recordable form, conveying to such Leasehold Mortgagee (or its designee) fee title to all Improvements in the event that title to such Improvements have vested with the County.

17.7.3. In the event that County receives any net income (*i.e.*, gross income less gross expenses on a cash basis), if any, from the Premises and Improvements during any period that County may control the same, then the Leasehold Mortgagee under the New Lease shall be entitled to such net income received by County except to the extent that it was applied to cure any default of Tenant.

17.7.4. All rights and claims of Tenant under this Lease shall be subject and subordinate to all right and claims of the tenant under the New Lease.

17.8 Multiple Leasehold Mortgages. If more than one Leasehold Mortgagee shall make a written request upon County for a New Lease in accordance with the provisions of Section 17.7, then such New

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Lease shall be entered into pursuant to the request of the Leasehold Mortgagee holding the Leasehold Mortgage that has the most senior lien priority.

Notwithstanding anything herein to the contrary, County shall have no duty or obligation to resolve any disputes or conflicting demands between Leasehold Mortgagees. In the event of any conflicting demands made upon County by multiple Leasehold Mortgagees, County may (subject to any applicable court orders to the contrary) rely on the direction of the senior Leasehold Mortgagee whose Leasehold Mortgage is either recorded first in time or another Leasehold Mortgage is in senior position by means of a recorded County approved subordination agreement, all of which shall have been recorded in the Official Records of the County, as determined by any national title company.

17.9 Condemnation and Insurance Proceeds. Notwithstanding anything to the contrary contained herein, all condemnation proceeds (other than proceeds payable on account of the value of the County's Fee Interest as encumbered by this Lease) or insurance proceeds shall be subject to and paid in accordance with the requirements of the most senior (in order of lien priority) Leasehold Mortgage, subject, however, to any requirement in this Lease that, to the extent not in conflict with the terms of the applicable Leasehold Mortgage, such proceeds must be used to repair and restore the Improvements to the Premises which were damaged or destroyed by such condemnation or casualty (including, without limitation, as required in Article VII following a casualty and in Section 9.4.3 following a condemnation). The handling and disbursement of any such proceeds used to repair or restore the Improvements to the Premises shall be subject to the requirements of such senior Leasehold Mortgage.

17.10 Mortgagee Clauses. A standard mortgagee clause naming each Leasehold Mortgagee may be added to any and all insurance policies required to be carried by Tenant hereunder, provided that any such Leasehold Mortgagee shall hold and apply such insurance proceeds subject to the provisions of this Lease.

17.11 No Waiver. No payment made to County by a Leasehold Mortgagee shall constitute agreement that such payment was, in fact, due under the terms of this Lease; and a Leasehold Mortgagee having made any payment to County pursuant to County's wrongful, improper or mistaken notice or demand shall be entitled to the return of any such payment or portion thereof.

17.12 Fees and Costs. Tenant agrees to reimburse County for its reasonable attorneys' fees and costs incurred in connection with County's review and/or approval of any documentation which may be required in connection with any Leasehold Mortgage by Tenant as provided herein.

17.13 No Termination, Cancellation, Surrender or Modification. Without the prior written consent of each Leasehold Mortgagee, (a) this Lease may not be terminated or cancelled by mutual agreement of County and Tenant, (b) County may not accept the surrender this Lease or the Leasehold Estate created hereunder without the consent of each Leasehold Mortgagee, and (c) this Lease may not be amended, modified or supplemented (and any action taken in furtherance of any of the foregoing without the required consent of each Leasehold Mortgagee shall be void and of no effect). In addition, if any term or provision of this Lease gives Tenant the right to terminate or cancel this Lease, in whole or in part, no such termination or cancellation shall be or become effective unless Tenant has first received approval in writing by each Leasehold Mortgagee.

17.14 Effect of Foreclosure upon Base Rent. Notwithstanding anything to the contrary contained elsewhere in this Lease, (i) in no event shall any Leasehold Mortgagee (or its designee) be required to pay or cure, in order to prevent the termination of this Lease, to exercise its cure rights hereunder or to obtain a New Lease or otherwise, any Base Rent, and (ii) in no event shall any Leasehold Mortgagee (or its designee) or its (or their) successors and assigns be required to pay or cure any Base Rent which otherwise

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became due and payable prior to completion of any foreclosure under any Leasehold Mortgage (or acceptance of any assignment or deed in lieu thereof).

ARTICLE XVIII
BEST MANAGEMENT PRACTICES

18.1 Tenant and all of Tenant's, subtenant, agents, employees and contractors shall conduct operations under this Lease so as to assure that pollutants do not enter municipal storm drain systems, in violation of applicable Laws, which systems are comprised of, but are not limited to curbs and gutters that are part of the street systems ("**Stormwater Drainage System**"), and to ensure that pollutants do not directly impact "**Receiving Waters**" (as used herein, Receiving Waters include, but are not limited to, rivers, creeks, streams, estuaries, lakes, harbors, bays and oceans).

18.2 The Santa Ana and San Diego Regional Water Quality Control Boards have issued National Pollutant Discharge Elimination System ("**NPDES**") permits ("**Stormwater Permits**") to the County of Orange, and to the Orange County Flood Control District ("**District**") and cities within Orange County, as co-permittees (hereinafter collectively referred to as "**NPDES Parties**") which regulate the discharge of urban runoff from areas within the County of Orange, including the Premises leased under this Lease. The NPDES Parties have enacted water quality ordinances that prohibit conditions and activities that may result in polluted runoff being discharged into the Stormwater Drainage System.

18.3 To assure compliance with the Stormwater Permits and water quality ordinances, the NPDES Parties have developed a Drainage Area Management Plan ("**DAMP**") which includes a Local Implementation Plan ("**LIP**") for each jurisdiction that contains Best Management Practices ("**BMPs**") that parties using properties within Orange County must adhere to. As used herein, a BMP is defined as a technique, measure, or structural control that is used for a given set of conditions to manage the quantity and improve the quality of stormwater runoff in a cost effective manner. These BMPs are found within the District and/or County's LIP in the form of Model Maintenance Procedures and BMP Fact Sheets (the Model Maintenance Procedures and BMP Fact Sheets contained in the DAMP/LIP shall be referred to hereinafter collectively as "**BMP Fact Sheets**") and contain pollution prevention and source control techniques to eliminate non-stormwater discharges and minimize the impact of pollutants on stormwater runoff.

18.4 BMP Fact Sheets that apply to uses authorized under this Lease include the BMP Fact Sheets that are attached hereto as **Exhibit C**. These BMP Fact Sheets may be modified during the term of the Lease; and the County shall provide Tenant with any such modified BMP Fact Sheets. Tenant, its agents, contractors, representatives and employees and all persons authorized by Tenant to conduct activities on the Premises shall, throughout the term of this Lease, comply with the BMP Fact Sheets as they exist now or are modified, and shall comply with all other requirements of the Stormwater Permits, as they exist at the time this Lease commences or as the Stormwater Permits may be modified. Tenant agrees to maintain current copies of the BMP Fact Sheets on the Premises throughout the term of this Lease. The BMPs applicable to uses authorized under this Lease must be performed as described within all applicable BMP Fact Sheets.

18.5 Tenant may propose alternative BMPs that meet or exceed the pollution prevention performance of the BMP Fact Sheets. Any such alternative BMPs shall be submitted to the County for review and approval prior to implementation.

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18.6 County may enter the Premises and/or review Tenant's records at any reasonable time during normal business hours to ensure that activities conducted on the Premises comply with the requirements of this Section. Tenant may be required to implement a self-evaluation program to demonstrate compliance with the requirements of this Section.

ARTICLE XIX
GENERAL CONDITIONS & MISCELLANEOUS PROVISIONS

19.1 **Signs.** Tenant agrees not to construct, maintain, or allow any signs, banners, flags, etc., upon the Premises except (a) as approved in writing in advance by County, which approval may be withheld in the sole and absolute discretion of the County, or (b) required by any of Tenant's lenders, provided that any such signage is in compliance with all applicable Laws. Tenant further agrees not to construct, maintain, or allow billboards or outdoor advertising signs upon the Premises. Unapproved signs, banners, flags, etc., may be removed by County without prior notice to Tenant.

19.2 **Nondiscrimination.** Tenant agrees not to discriminate against any person or class of persons by reason of sex, age (except as permitted by law), race, color, creed, physical handicap, or national origin in employment practices and in the activities conducted pursuant to this Lease.

19.3 **Taxes and Assessments.** Pursuant to California Revenue and Taxation Code Section 107.6, Tenant is specifically informed that this Lease may create a possessory interest which is subject to the payment of taxes levied on such interest. It is understood and agreed that all taxes and assessments (including but not limited to said possessory interest tax) which become due and payable upon the Premises or upon fixtures, equipment, or other property installed or constructed thereon, shall be the full responsibility of Tenant, and Tenant shall cause said taxes and assessments to be paid promptly.

19.4 **Quitclaim of Interest upon Termination.** Upon termination of this Lease for any reason whatsoever in accordance with the terms of the Lease, Tenant shall execute, acknowledge, and deliver to County, within five (5) business days, a good and sufficient deed, in a form as approved by the County, whereby all right, title, and interest of Tenant in the Premises is quitclaimed back to County ("**Quitclaim Deed**"). The Quitclaim Deed shall then be recorded by County to remove any cloud on title created by this Lease. In the event that the Tenant fails to provide such Quitclaim Deed within five (5) additional business days after written demand by the County, the Parties agree that the County will be damaged and entitled to compensation for those damages. Such actual damages will, however, be extremely difficult to ascertain. Therefore, if the Tenant does not provide the required Quitclaim Deed after such notice and cure period, in addition to any other remedy provided by law or equity, the Tenant shall pay the County \$2,000 per day for every day that passes until a Quitclaim Deed is delivered, which amount shall be deemed to constitute a reasonable estimate of County's damages and not a penalty. Such amount shall become due and payable by Tenant to County for each calendar day that passes beyond the cure period. Notwithstanding the foregoing, if the Tenant has disputed the termination of the Lease by County, upon a final determination by a court of competent jurisdiction that the Lease has not been terminated, Tenant shall not be subject to payment of the foregoing damages.

19.5 **Public Records.** Tenant acknowledges that any written information submitted to and/or obtained by County from Tenant or any other person or entity having to do with or related to this Lease and/or the Premises, either pursuant to this Lease or otherwise, is a "public record" open to inspection and copying by the public pursuant to the California Public Records Act (Government Code §6250, *et seq.*) ("**CPRA**") as now in force or hereafter amended, or any Law in substitution thereof, or otherwise made available to the public, unless such information is exempt from disclosure pursuant to the applicable sections of CPRA. In the event that a CPRA request is made for any financial statements and records (not including Gross Receipts Statements) and the County determines that the records must be turned over, the

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County will give Tenant fifteen (15) days' written notice prior to turning over such records so that Tenant can take any necessary action, including, but not limited to, injunctive relief, to prevent County from turning over such financial statements and records.

19.6 Attorney's Fees. In any action or proceeding brought to enforce or interpret any provision of this Lease, or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorneys' fees and costs.

19.7 Payment Card Compliance. Should Tenant conduct credit/debit card transactions in conjunction with Tenant's business with the County, on behalf of the County, or as part of the business that Tenant conducts on the Premises, Tenant covenants and warrants that it will during the course of such activities be Payment Card Industry Data Security Standard ("PCI/DSS") and Payment Application Data Security Standard ("PA/DSS") compliant and will remain compliant during the entire duration of its conduct of such activities. Tenant agrees to immediately notify County in the event Tenant should ever become non-compliant at a time when compliance is required hereunder, and will take all necessary steps to return to compliance and shall be compliant within ten (10) days of the commencement of any such interruption. Upon demand by County, Tenant shall provide to County written certification of Tenant's PCI/DSS and/or PA/DSS compliance.

19.8 Right to Work and Minimum Wage Laws.

19.8.1. Tenant shall comply with the United States Immigration Reform and Control Act of 1986 if and as applicable.

19.8.2. Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of California Labor Code, Section 1178.5, Tenant shall pay no less than the greater of the Federal or California Minimum Wage to all its employees that directly or indirectly service the Premises, in any manner whatsoever. Tenant shall require and verify that all its contractors or other persons servicing the Premises on behalf of the Tenant also pay their employees no less than the greater of the Federal or California Minimum Wage.

19.8.3. Tenant shall comply and verify that its general contractor complies with all other Federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor standards pursuant to the servicing of the Premises or terms and conditions of this Lease.

19.9 Declaration of Knowledge by Tenant. Tenant warrants that Tenant has carefully examined this Lease and by investigation of the site and of all matters relating to the Lease arrangements has fully informed itself as to all existing conditions and limitations affecting the construction of the Lease improvements and business practices required in the operation and management of the uses contemplated hereunder.

19.10 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of California and the City. Tenants understands and agrees that funding for this project has been provided pursuant to the State of California under the Homekey Program and that Tenant must comply with the California Department of Housing and Community Development's Notice of Funding Availability for this program and Assembly Bill No. 140 (2021-2022 Reg. Sess.) which created the statutory basis for the Homekey Program.

19.11 Venue. The Parties hereto agree that this Lease has been negotiated and executed in the State of California and shall be governed by and construed under the laws of California. In the event of any legal action to enforce or interpret this Lease, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to

Attachment A

the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties hereto specifically agree to waive any and all rights to request that an action be transferred for trial to another county.

19.12 Headings and Titles. The captions of the Articles or Sections of this Lease are only to assist the Parties in reading this Lease and shall have no effect upon the construction or interpretation of any part hereof.

19.13 Interpretation. Whenever required by the context of this Lease, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the conduct, acts or omissions of Tenant, the term “**Tenant**” shall include Tenant’s agents, employees, contractors, invitees, successors or others using the Premises with Tenant’s expressed or implied permission. In any provision relating to the conduct, acts or omissions of County, the term “**County**” shall include County’s agents, employees, contractors, invitees, successors or others using the Premises with County’s expressed or implied permission.

19.14 Ambiguities. Each Party hereto has reviewed this Lease with legal counsel, and has revised (or requested revisions of) this Lease based on the advice of counsel, and therefore any rules of construction requiring that ambiguities are to be resolved against a particular Party shall not be applicable in the construction and interpretation of this Lease or any exhibits hereto.

19.15 Successors and Assigns. Except as otherwise specifically provided in this Lease, all of the covenants, conditions and provisions of this Lease shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, personal representatives, successors and assigns.

19.16 Time is of the Essence. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

19.17 Severability. If any term or provision of this Lease is held invalid or unenforceable to any extent under any applicable law by a court of competent jurisdiction, the remainder of this Lease shall not be affected thereby, and each remaining term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

19.18 Integration. This Lease, along with any exhibits, attachments or other documents affixed hereto or referred to herein and related permits, constitute the entire agreement between County, and Tenant relative to the leasing of the Premises. This Lease and such exhibits, attachments and other documents may be amended or revoked only by an instrument in writing signed by County and Tenant. County and Tenant hereby agree that no prior agreement, understanding or representation pertaining to any matter covered or mentioned in this Lease shall be effective for any purpose.

19.19 Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, or electronic mail, shall be deemed received upon the earlier of (a) if personally delivered, the date of delivery to the address of the person to receive such notice, (b) if mailed, three (3) business days after the date of posting by the United States post office, (c) if given by electronic mail, when sent if before 5:00 p.m., otherwise on the next business day, or (d) if delivered by overnight delivery, one (1) business day after mailing. Any notice, request, demand, direction or other communication sent by electronic mail must be confirmed within by letter mailed or delivered within two business days in accordance with the foregoing.

Either Party may change the address for notices by giving the other Party at least ten (10) calendar days’ prior written notice of the new address.

Attachment A

If to County: County of Orange
c/o CEO Real Estate
400 W. Civic Center Drive, 5th Floor
Santa Ana, CA 92701
Attn: Chief Real Estate Officer

With a copy to: Office of County Counsel
400 W. Civic Center Drive., 2nd Floor
Santa Ana, California 92701
Attn: Michael Haubert, Senior Deputy
Fax: (714) 834-2359

If to Tenant: American Family Housing
15161 Jackson Street
Midway City, CA 92655
Attn: Myles A. Peinemann II
Chief Executive Officer

National Community Renaissance of California
9421 Haven Avenue
Rancho Cucamonga, CA 91730
Attention: Michael Finn
Fax (909) 291-0302

With a copy to:

Gubb & Barshay LLP
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Attention: Lauren B. Fechter

19.20 **Amendments.** This Lease is the sole and only agreement between the Parties regarding the subject matter hereof; other agreements, either oral or written, are void. Any changes to this Lease shall be in writing and shall be properly executed by all Parties.

19.21 **Limited Partner Cure Rights.** In the event the Tenant is a partnership, the County agrees to accept a cure of any Event of Default by Tenant made by any one or more of the Tenant's limited partners as if such cure had been made by Tenant, provided such cure is made in accordance with the applicable provisions of this Lease.

19.22 **Dispositions of Abandoned Property.** If Tenant abandons or quits the Premises or is dispossessed thereof by process of law or otherwise, title to any personal property belonging to and left on the Premises thirty (30) days after such event shall, at County's option, be deemed to have been transferred to County. County shall have the right to remove and to dispose of such property at Tenant's cost, including the cost of labor, materials, equipment and an administrative fee equal to fifteen percent (15%) of the sum of such costs without liability therefor to Tenant or to any person claiming under Tenant, and shall have no need to account therefor. At County's option, County may provide Tenant with an invoice for such costs, which invoice Tenant agrees to pay within fifteen (15) days of receipt.

Attachment A

19.23 **Brokers.** If Tenant has engaged a broker in this transaction pursuant to a separate agreement, Tenant shall be solely responsible for the payment of any broker commission or similar fee payable pursuant to such separate agreement. Tenant each hereby agree to indemnify and hold the County harmless from and against all costs, expenses or liabilities (including attorney fees and court costs, whether or not taxable and whether or not any action is prosecuted to judgment) incurred by the County in connection with any claim or demand by a person or entity for any broker's, finder's or other commission or fee from the County in connection with the Tenant's entry into this Lease and the transactions contemplated hereby based upon any alleged statement or representation or agreement of the Tenant. No broker, finder or other agent of any Party hereto shall be a third-party beneficiary of this Lease

19.24 **No Partnership.** This Lease shall not be construed to constitute any form of partnership or joint venture between County and Tenant. County and Tenant mutually acknowledge that no business or financial relationship exists between them other than as County and Tenant, and that County is not responsible in any way for the debts of Tenant or any other Party.

19.25 **Authorization.** County and Tenant (each, a "**signing party**") each represents and warrants to the other that the person or persons signing this Lease on behalf of the signing party has full authority to do so and that this Lease binds the signing party. Concurrently with the execution of this Lease, the Tenant shall deliver to the County a certified copy of a resolution of the signing party's board of directors or other governing board authorizing the execution of this Lease by the signing party.

19.26 **Recording.** This Lease shall not be recorded, but in the event that the Tenant encumbers the leasehold as set forth in Article XVII, an amended and restated memorandum of lease substantially in the form attached hereto as Exhibit D shall be executed concurrently with this Lease and thereafter recorded in the Official Records of the County Recorder on the Effective Date of this Lease (the "**Memorandum**"). Tenant shall be responsible for the payment of all charges imposed in connection with the recordation of the Memorandum, including, without limitation, any documentary transfer tax imposed in connection with this transaction and all recording fees and charges.

19.27 **Exhibits.** This Lease contains the following exhibits, schedules and addenda, each of which is attached to this Lease and incorporated herein in its entirety by this reference:

- Exhibit A: Legal Description of the Premises
- Exhibit A-1: Rendering of the Premises
- Exhibit B: Project Description and Work to be Completed
- Exhibit C: Best Management Practices Fact Sheets
- Exhibit D: Amended and Restated Form of Memorandum of Lease

19.28 **Consent/Duty to Act Reasonably.** Except as otherwise expressly provided herein, whenever this Lease grants County and/or Tenant the right to take any action, grant any approval or consent, or exercise any discretion, County and/or Tenant shall act reasonably and in good faith and take no action which might result in the frustration of the other Party's reasonable expectations concerning the benefits to be enjoyed under this Lease.

19.29 **Counterparts.** For the convenience of the Parties to this Lease, this Lease may be executed in several original counterparts, each of which shall together constitute but one and the same agreement. Original executed pages may be assembled together into one fully executed document.

19.30. **No Merger.** The interests created by this Lease shall not be extinguished by merger of any or all of the ownership interests the Premises or the Improvements in one person or entity.

Attachment A

19.31 **Cooperation of County.** County hereby agrees to work cooperatively and expeditiously to provide written consent (or written refusal to provide consent) to Tenant, the Leasehold Mortgagees and Limited Partner hereunder.

19.32 **Amendment and Restatement of Original Lease.** This lease amends and restates, in its entirety, the Original Lease.

[Signatures On Following Pages]

Attachment A

IN WITNESS WHEREOF, the Parties have executed this Lease on the date first written above.

	<p><u>TENANT</u></p> <p>AFH NCRC Beach Blvd L.P., a California limited partnership</p> <p>By: _____ Print Name: Name: Title:</p>
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<p>APPROVED AS TO FORM: COUNTY COUNSEL</p> <p>DocuSigned by: By: <u>Michael Haubert</u> Deputy <small>36E2C12961F4B3...</small></p> <p>Date: <u>4/29/2024</u></p>	<p><u>COUNTY</u></p> <p>COUNTY OF ORANGE, a political subdivision of the State of California</p> <p>_____ Thomas A. Miller, Chief Real Estate Officer Orange County, California</p>
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Attachment A

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

All that certain real property situated in the County of Orange, State of California, described as follows:

The North 132 feet of the East 330 feet of the North Half of the Southeast Quarter of the Northeast Quarter of section 26, in the Township 5 South, Range 11 West, in the Rancho Las Bolas, in the City of Huntington Beach, County of Orange, State of California, as per map recorded in Book 51, Page 13 of Miscellaneous Maps, in the Office of the County Recorder of said County.

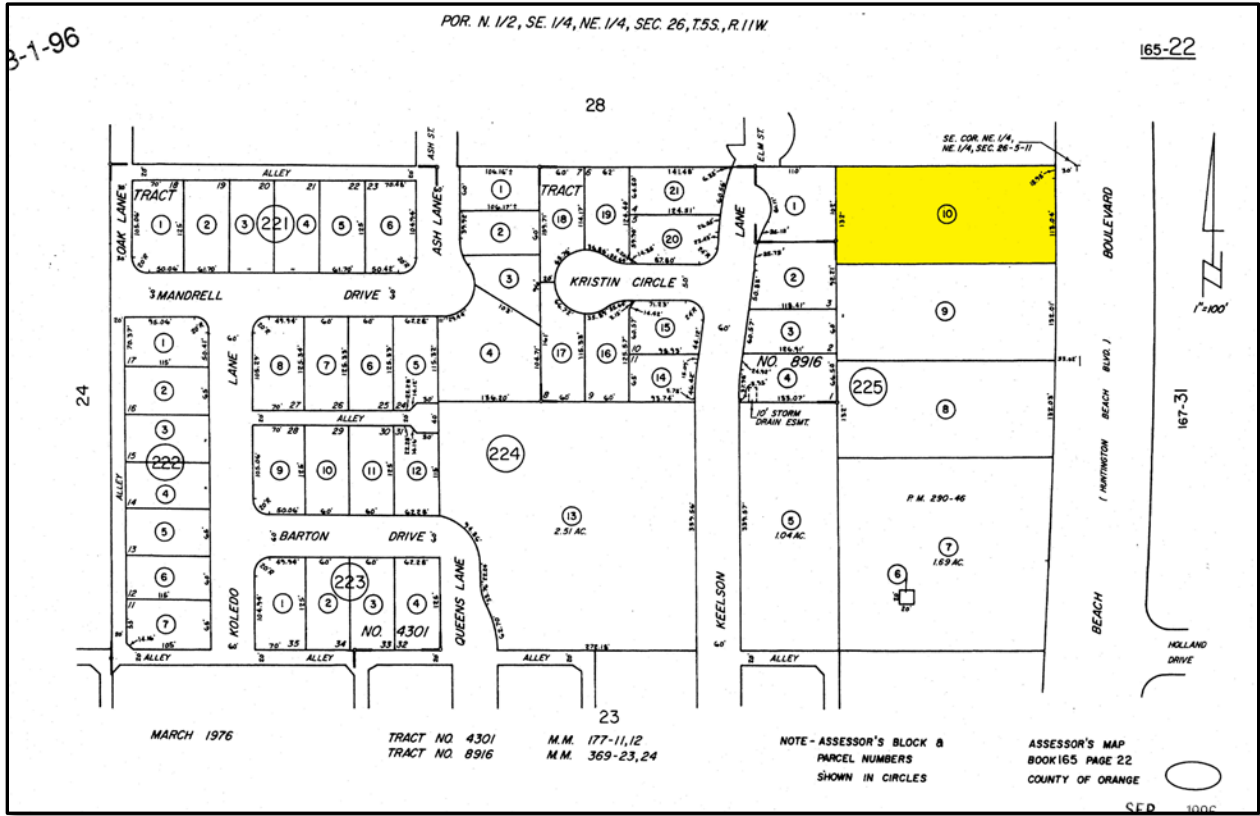
Excepting therefrom that portion described as follows:

Beginning at the Northeast Corner of said Southeast Quarter of the Southeast Quarter thence along the East line of said Section, South 0° 40' 28" East, 132.00 Feet to the South line of the North 132.00 feet of said Southeast Quarter; thence along said South line, South 89° 29' 54" West, 30.65 feet to a curve, concave Westerly, having a radius of 9,934.00 feet; thence Northerly along said curve from a tangent bearing North 0° 01' 21 West, an arc distance of 113.04 feet, thence tangent North 0° 40' 28" West, 18.98 feet to the North line of said Southeast quarter of the Northeast quarter; thence along said North line, North 89° 29' 54" East, 30.00 feet to the point of beginning, as conveyed to the State of California by deed recorded in Book 2442, Pages 491 Official records.

Assessor's Parcel Number: **165-225-10**
(End of Legal Description)

Attachment A

EXHIBIT A-1 RENDERING OF THE PROPERTY



Attachment A

EXHIBIT B
PROJECT DESCRIPTION AND WORK TO BE PERFORMED

The Premises are developed with an existing three-story hotel (Huntington Beach Oasis fka the Quality Inn & Suites) building with sixty-three (63) units with approximately 36,651 sf. The interim phase Project includes the redevelopment of the Huntington Beach Oasis to include immediate necessary repairs to the building that comprises the motel so they can be rapidly occupied and operated as interim housing (for a maximum of an eight-year period) until tax credits and project-based voucher can be secured to further improve the property and convert it into permanent supportive housing.

The Project will be 100% affordable to households earning no more than 30 percent of Area Median Income (AMI) for Orange County of which, following the subsequent comprehensive rehabilitation, all 62 units will be set-aside for Permanent Supportive Housing (PSH) as set forth below, except as may otherwise be approved by the Tenant, County and the State of California Housing and Community Development department. The unit mix and rent restrictions are as follows, provided, however, the rent and income restrictions applicable to the Project shall be set forth in and subject to the terms (including the term of affordability period) of the County Loan Agreement, if any and County Regulatory Agreement, if any, and this Lease does not impose any additional unit mix and/or rent restrictions; and any lifting of the rent, income, or target population restrictions made in accordance with the County Loan Agreement and the County Regulatory Agreement shall be deemed to result in the corresponding lifting of the same requirements hereunder.

				Assessor Parcel Number (APN): 165-225-10	
# of Bedrooms	Units	Non-Homekey Units	Homekey-Assisted Units	AMI Income Limit	Restriction to Subset of Target Population
Manager Unit (One-Bedroom)	1	0	1	N/A	N/A
0 (Studio)	31	0	31	30%	Homeless
0 (Studio)	31	0	31	30%	Chronically Homeless
Totals:	63		63		

Attachment A

EXHIBIT C Best Management Practices ("BMPs" Fact Sheets)

Best Management Practices can be found at: <http://www.ocwatersheds.com/documents/bmp> which website may change from time to time.

BMPs apply to the TENANT's defined Premises and BMPs also apply to the TENANT's Contractor therefore TENANT shall cause Contractor to be responsible for implementing and complying with all BMP Fact Sheet requirements that apply to construction activity with respect to the Improvements, and also including, without limiting the generality of the foregoing, site preparation, landscaping, installation of utilities, street construction or improvement and grading or filling in or on the Premises. TENANT is to be aware that the BMP clause within this Lease, along with all related BMP Exhibits, may be revised, and may incorporate more than what is initially being presented in this Lease. Suggested BMPs Fact Sheets may include, but may not be limited to, the following list shown below and can be found at:

<http://www.ocwatersheds.com/documents/bmp/industrialcommercialbusinessesactivities> (which website may change from time to time):

IC3 Building Maintenance

IC4 Carpet Cleaning

IC6 Contaminated or Erodible Surface Areas

IC7 Landscape Maintenance

IC9 Outdoor Drainage from Indoor Areas

IC10 Outdoor Loading/Unloading of Materials

IC12 Outdoor Storage of Raw Materials, Products, and Containers

IC14 Painting, Finishing, and Coatings of Vehicles, Boats, Buildings, and Equipment

IC15 Parking & Storage Area Maintenance

IC17 Spill Prevention and Cleanup

IC21 Waste Handling and Disposal

IC22 Eating and Drinking Establishments

IC23 Fire Sprinkler Testing/Maintenance

IC24 Wastewater Disposal Guidelines

Attachment A

EXHIBIT D
FORM OF AMENDED AND RESTATED MEMORANDUM OF LEASE

AMENDED AND RESTATED MEMORANDUM OF LEASE

This is an Amended and Restated Memorandum of Lease (“**Memorandum**”) made and entered into as of this _____ day of _____, 2024 (the “**Effective Date**”), by and between the County of Orange, a political subdivision of the State of California (collectively, the “**County**”) and _____, (“**Tenant**”), residing at (see below), upon the following terms:

1. **Lease.** The provisions set forth in a written lease between the parties hereto dated _____ (“**Lease**”), are hereby incorporated by reference into this Memorandum.
2. **Subject Premises.** The Premises which are the subject of the Lease are more particularly described as on **Exhibit A**, attached hereto
3. **Effective Date of Lease.** The Lease shall be deemed to have commenced on the “**Effective Date**” as set forth within the terms of the Lease.
4. **Term.** The Term of the Lease shall commence on the Effective Date as stated in the written Lease and terminate Seventy-Five (75) years from the Commencement Date.
5. **Duplicate Copies** of the originals of the Lease are in the possession of the County and Tenant and reference should be made thereto for a more detailed description thereof and for resolution of any questions pertaining thereto. The addresses for County and Tenant are as follows:

If to County: County of Orange
c/o CEO Real Estate
400 W. Civic Center Drive, 5th Floor
Santa, Ana, CA 92701
Attn: Chief Real Estate Officer

With a copy to: Office of County Counsel
400 W. Civic Center Drive, 3rd Floor
Santa Ana, California 92701
Attn: Michael Haubert
Fax: (714) 834-2359

If to Tenant:

American Family Housing
15161 Jackson Street
Midway City, CA 92655
Attn: Myles A. Peinemann II
Chief Executive Officer

National Community Renaissance of California
9421 Haven Avenue
Rancho Cucamonga, CA 91730
Attention: Michael Ruane
Fax (909) 291-0302

Attachment A

With a copy to:

Gubb & Barshay LLP
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Attention: Lauren B. Fechter

To the Investor Limited Partner: RJ MT HB Oasis Apartments L.L.C.
c/o Raymond James Affordable Housing Investments, Inc.
880 Carillon Parkway
St. Petersburg, Florida 33716
Email Address: Steve.Kropf@RaymondJames.com
Attention: Steven J. Kropf, President

With copies to: Kyle Arndt, Esq.
Bocarsly Emden Cowan Esmail & Arndt LLP
633 W. 5th Street, Suite 5880
Los Angeles, California 90071
Email Address: kardnt@bocarsly.com

7. Purpose. It is expressly understood and agreed by all Parties that the sole purpose of this Memorandum is to give record notice of the Lease; it being distinctly understood and agreed that said Lease constitutes the entire lease and agreement between County and Tenant with respect to the Premises and is hereby incorporated by reference. The Lease contains and sets forth additional rights, terms, conditions, duties, and obligations not enumerated within this instrument which govern the Lease. This Memorandum is for informational purposes only and nothing contained herein may be deemed in any way to modify or vary any of the terms or conditions of the Lease. In the event of any inconsistency between the terms of the Lease and this instrument, the terms of the Lease shall control. The rights and obligations set forth herein shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, representatives, successors, and assigns.

8. Amendment and Restatement of Original Memorandum. This Memorandum amends and restates, in its entirety, that certain Memorandum of Lease dated as of _____ recorded in the Official Records on _____ as Document Number _____.

//

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Attachment A

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum pursuant to due authorization on the dates herein acknowledged.

COUNTY:

By: _____

Name: _____

Title: _____

TENANT:

AFH NCRC Beach Blvd L.P.,
a California limited partnership

By: _____

Print Name:

Name:

Title:

Attachment A

EXHIBIT E

**BILL OF SALE
FOR PERSONAL PROPERTY**

This Bill of Sale for Personal Property (“**Bill of Sale**”) is made by and between the COUNTY OF ORANGE, a political subdivision of the State of California (“**County**”) and _____ (“**Seller**”).

For good and valuable consideration as more fully set forth in that certain “Purchase and Sale Agreement and Joint Escrow Instructions” dated as of _____, between the County and the Seller, the receipt and sufficiency of which is hereby acknowledged, the Seller hereby grants, releases, quitclaims and transfers title and ownership of the Personal Property, as described below.

The Seller agrees that County may take any action whatsoever with respect to the Personal Property, including disposing of it and Seller hereby waives any and all rights to such Personal Property.

The Seller’s signature below signifies that the Seller is the lawful owner of the Personal Property listed herein and the Seller has the right to transfer such Personal Property as the Seller chooses. Upon full execution of this Bill of Sale, the County shall acquire full rights and ownership to the Personal Property.

Personal Property transferred by Seller:

Room assets	Units
Queen beds	79
King beds	30
Microwaves	65
Nightstands	111
Desk Chairs	65
Desks	65
40" TV's	85
TV Cabinets	85
Table Lamps	111
Armchairs	14
Sofas	12
Hairdryers	65
Irons	65
Clock Radios	65
Telephones	65

Laundry rooms	
----------------------	--

Attachment A

Commercial Dryer	1
Commercial Washer	1
Coin Operated Washer	1
Coin Operated Dryer	1

Food Prep Area	
Ice maker	1
Commercial Fridge	1
Commercial Freezer	1
Kitchen Metal Shelving	4

Common Areas/Offices	
Dining Chairs	19
Dining Tables	6
50-inch Television-breakfast area	1
40-inch Television-lobby	1
Toaster	1
Commercial Microwave	1
Loveseat – Lobby	1
Armchairs – Lobby	2
End Table – Lobby	1
Office Stool – Lobby	1
Office Desk	1
Office Chairs	2
Metal File Cabinet	1
16 Camera DVR Security System	1

Seller Signature: _____ Date: _____

County Signature: _____ Date: _____

Attachment A

EXHIBIT F

Recording Requested By And
When Recorded Mail To:

(Space Above for Recorder's Use)
Exempt from Recordation Fee per Gov. Code § 6103 and 27383

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **COUNTY OF ORANGE**, a political subdivision of the State of California (the "Grantor"), do(es) hereby remise, release and forever quitclaim to _____ (the "Grantee"), all of the Grantor's interests in and to the buildings and improvements located on that certain real property described in Exhibit A attached hereto.

"Grantor"

COUNTY OF ORANGE, a political subdivision of
the State of California

Dated _____

By: _____
Name: _____
Its: _____

APPROVED AS TO FORM:
COUNTY COUNSEL

By: _____
Deputy

Date: _____

Attachment A

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

Attachment A

EXHIBIT "A"

LEGAL DESCRIPTION

APN:

(End of Legal Description)

Attachment B

Free recording in accordance with
California Government Code
Section 27383

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

California Tax Credit Allocation Committee
915 Capitol Mall, Rm 485
Sacramento, CA 95814

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

**LEASE RIDER
AGREEMENT (TAX CREDITS)**
Ground Lease

TCAC NUMBER CA-
[PROJECT NAME]

THIS LEASE RIDER AGREEMENT (the "Lease Rider Agreement") is dated this day of _____, _____, and is made and entered into for reference purposes only, by and among the County of Orange, a political subdivision of the State of California (the "Lessor"), AFH NCRC Beach Blvd L.P., a California limited partnership (the "Lessee"), and the California Tax Credit Allocation Committee, a public agency of the State of California established under Section 50199.8 of the Health and Safety Code ("TCAC") in consideration of the following facts and circumstances:

A. Lessor is the fee simple owner of that certain real property described in Exhibit A attached hereto and incorporated herein (the "Property");

B. Lessor and Lessee entered into the following ground lease of the Property: that certain ground lease, which is on file with the Lessor as a public record (the "Lease") and a memorandum of which was recorded in the official records of Orange County, California, as Instrument No. _____ (the "Memorandum of Lease");

C. Pursuant to the Lease, Lessee has agreed to acquire a leasehold in the Property for a term described below in Paragraph 2.f. which is at least as long as the TCAC Regulatory Agreement and to develop, construct, rehabilitate], own, operate and manage a rental housing development on the Property consisting of not less than 63 residential rental units. During the term of the Lease, Lessee is the owner of all of those certain buildings, improvements and fixtures now or hereafter erected on the Property described in the Lease, and all appurtenances thereto now or hereafter affixed to, placed upon or used in connection with such real property and owned by Lessee or in which Lessee has an interest, together with all additions to, substitutions for, changes in and replacements of the whole or any part of said articles of property (collectively, the "Improvements"). Collectively, the Lessee's leasehold interest in the Property and its

Attachment B

interest in the Improvements constructed pursuant to the Lease are hereinafter sometimes referred to as the Development (the "Development");

D. TCAC has authorized an allocation of federal low-income housing tax credits by a Reservation Letter dated _____ (the "Allocation") to Lessee to finance, in part, the Development, pursuant to the Low Income Housing Tax Credit Program ("Program"). The Allocation is subject to numerous terms and conditions, including without limitation, the execution and delivery of this Lease Rider Agreement and the TCAC Regulatory Agreement which sets forth certain use restrictions affecting the Development, which TCAC Regulatory Agreement is to be recorded in Orange County, as required by Section 42 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (collectively, "Section 42");

E. As a further condition of the Allocation and pursuant to the requirements of the Program, Lessee and TCAC will enter into a Regulatory Agreement, including any amendments thereto (the "Regulatory Agreement"), securing performance related to the Allocation, and governing the use, occupancy, operation, management and ownership of the Development. Consistent with the provisions of Section 17 hereof, Lessor and Lessee have agreed to waive any such provisions of the Lease in conflict with or which would frustrate Lessee's compliance with the Regulatory Agreement in favor of the terms of the Regulatory Agreement;

F. In order to induce TCAC to make the Allocation, Lessor and Lessee have agreed to enter into and record this Lease Rider Agreement for the benefit of TCAC, its successors, and assigns; and

G. It is the intent of TCAC that, except in unique circumstances, it will exercise its rights and remedies under this Lease Rider Agreement only after written notice of any Lease defaults have been provided to Lessor, any Senior Lender, the Tax Credit Partner, and any other party known by TCAC to have either an ownership or other equitable interest in the Development. In addition, it is the intent of TCAC that the exercise of its rights and remedies under this Lease Rider Agreement generally shall be undertaken as part of a judicial action in a court of competent jurisdiction unless Lessor and any Senior Lenders otherwise agree.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants hereinafter contained, TCAC, Lessee and Lessor hereby agree as follows:

1. Definitions and Lease Rider Term.

a. As used herein, "Leasehold" means all of Lessee's leasehold interest in the Property described in Exhibit A, in the Development, in the Improvements now or hereafter located on the Property, all options contained in the Lease or granted in connection with the Lease, all other rights of Lessee under the Lease, and all subleases entered into in connection with the Lease (the "Subleases").

Attachment B

b. For the purposes of this Lease Rider Agreement, if Lessor is a corporate or governmental entity, the obligation to assert facts related to the “Lessor’s knowledge” shall include a duty for the Chief Real Estate Officer to perform or otherwise be responsible for pursuit of reasonably diligent efforts to ascertain the existence or nonexistence of the facts asserted, contemporaneous to the assertion. This duty may be fulfilled by use of an estoppel agreement executed by the Lessee.

c. For the purposes of this Lease Rider Agreement, the holders of all mortgage liens set forth in the Report and any other lenders approved by TCAC and all successors and assigns thereof including the holders of any mortgage lien against the Improvements or Lessee’s interest in the Leasehold are collectively referred to as “Senior Lenders.”

d. Lease Rider Agreement Term. This Lease Rider Agreement becomes effective on the date the TCAC Regulatory Agreement is recorded and remains in effect for at least the term of the Regulatory Agreement. Upon the expiration or sooner termination of the TCAC Regulatory Agreement, this Lease Rider Agreement shall terminate and be of no further force or effect.

2. Representations and Warranties of Lessor and Lessee. Lessor and Lessee hereby represent and warrant to TCAC as of the date of this Lease Rider Agreement as follows:

a. Title. (1) By Lessor: Lessor warrants and represents to TCAC that, to the best of Lessor’s knowledge, Lessor’s fee interest in the Property is free and clear of all liens, encumbrances, covenants, easements, licenses, judgments, or other matters of record except those shown as affecting the fee interest of the Property in that certain Preliminary Report regarding the Property issued on _____ by _____, Order # _____, Policy No. _____ (the “Report”). Lessor has not required or permitted, and has no knowledge of any other matters of record to be recorded that are not contained in the Report.

(2) By Lessee: Lessee has entered into one or more loan agreements (the “Agreement(s)”) which will be secured as more fully described in the Agreement(s). Lessee warrants and represents that it will provide a true and correct copy of said Agreement(s) to TCAC as part of TCAC’s placed in service review, for which the issuance of the IRS Form 8609 shall constitute approval.

b. Priority. Lessor warrants and represents to TCAC that except as otherwise referenced in the Report, the Lease is superior to any and all mortgage liens on the Property and nothing encumbers fee title of the Property which would interfere with Lessee’s ability to construct and operate the Development on the Property.

c. Transfers by Lessor. Lessor warrants and represents to the best of Lessor’s knowledge that it has not assigned, mortgaged, or otherwise hypothecated or transferred, or agreed to assign, mortgage or otherwise hypothecate or transfer, its interest in the Property in whole or in part, except as referenced in the Report

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and except as security for any loans or any other liens, conditions, covenants, or restrictions on the Property identified in the Report and approved in writing by TCAC.

d. Status of Lease. Lessor warrants and represents that:

(1) Lessor is the current Lessor under the Lease. To the best of Lessor's knowledge, the Lease is in full force, the Lease is not void, voidable or terminable as of the date hereof without an uncured default by Lessee except pursuant to Section 5 at the option of any party thereto or of any other person or entity claiming an interest in or to such Lease or the Development, and to the best of Lessor's knowledge, there has been no default thereunder on the part of Lessee nor has any event occurred which, with the giving of notice or the passage of time, or both, would be an event of default thereunder. Lessor has not given notice of any violation under the Lease to Lessee. Lessor has not been informed of and has not otherwise received notice from Lessee or from any other person or entity concerning any alleged default on the part of Lessor under the Lease. To the best of Lessor's knowledge, there exist no defenses or offsets to enforcement of the Lease by Lessee.

(2) Any consent or approval of any third party (including any lender or government agency) that is required in order for Lessor to deliver this Lease Rider Agreement has been obtained.

(3) To the best of Lessor's knowledge, no alterations, improvements or additions now exist on the Property that have not been approved by the Lessor.

e. Other Agreements. All terms and conditions of the Lessee's tenancy under the Lease are set forth in the Lease and Lessor and Lessee each certify to the best of its knowledge that there have been no other agreements and no further or other supplements, amendments, modifications or extensions thereof except those submitted to and approved by TCAC.

f. Lease Term. The date of the commencement of the Lease term is and will end on _____ unless terminated sooner pursuant to its terms and consistent with this Lease Rider Agreement. All conditions precedent to the effectiveness of the Lease or the exercise of any of Lessee's rights thereunder at the effective date of the Lease have been fully satisfied.

g. Development. To the best of Lessor's knowledge, the Improvements constructed, or to be constructed, by Lessee on the Property satisfy or are expected to satisfy all requirements affecting the design, use or characteristics of such Improvements imposed by Lessor under the Lease or otherwise, including a requirement by Lessor for Lessee to comply with any and all applicable provisions of federal, state and local laws, and all agreements with any public entities concerning the Development, as amended from time to time.

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h. Insurance. All notices, certificates, binders, endorsements, copies of policies, and receipts required under the Lease have been delivered to and approved by Lessor.

3. Cancellation, Transfer of Interest.

a. Subject to matters of record referenced in the Report, the rights of Senior Lenders and the Tax Credit Partner and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record, Lessor and Lessee agree that so long as TCAC, its successor or assigns holds the Regulatory Agreement encumbering the Development, no termination of the Lease or efforts by Lessor to terminate the Lease except a termination consistent with Section 5, and no subordination, cancellation, surrender, amendment or modification of the Lease shall be effective without the prior written consent of TCAC, which consent shall be in TCAC's reasonable discretion and may be conditioned upon the satisfaction of such terms and conditions as TCAC may reasonably prescribe. TCAC shall have 30 days after its receipt of such a notice and any clarifications thereof requested by TCAC to consent to or deny any such variation from those obligations. Failure by TCAC to act within such a 30-day period shall constitute consent to such a variation. Any attempt by Lessor to take such action shall be void without TCAC's prior written consent or implied consent as provided for in this Section 3.a.

b. Subject to matters of record referenced in the Report, the rights of Senior Lenders and the Tax Credit Partner, and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record, Lessor agrees that it shall not transfer, convey, sell, hypothecate, assign, encumber or permit any liens against its interest, or any portion thereof, in the Property or the Development unless Lessor requires, and any purchaser, assignee, or transferee agrees, that the purchaser, assignee, or transferee will expressly assume all obligations of Lessor under the Lease and this Lease Rider Agreement by a written instrument recordable in the Official Records. Any variation from those obligations shall require prior written approval of TCAC, which consent shall be in TCAC's reasonable discretion, and may be conditioned upon the satisfaction of such terms and conditions as TCAC may reasonably prescribe. If Lessor or Lessor's successor is seeking a variation from these obligations, Lessor or Lessor's successors and assigns shall provide TCAC with copies of all documents related to the transfer, conveyance, sale, hypothecation, assignment, encumbrance or lien at least 30 days prior to the effective date of that transaction and TCAC shall have 30 days after its receipt to reasonably consent or deny any such variation from those obligations. Failure by TCAC to act within such a 30-day period shall constitute consent to such a variation.

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c. Foreclosure. Nothing contained in this Lease Rider Agreement shall prevent a Senior Lender from foreclosing on its security interest or accepting a conveyance in lieu of foreclosure.

d. No Merger. There shall be no merger of the Lease or any interest in the Lease, nor of the Leasehold interest, with the fee estate in the Property if the Lease or such interest therein, or such Leasehold interest may be directly or indirectly held by or for the account of any person who shall hold the fee estate in the Property, or any interest in such fee estate, nor shall there be such a merger by reason of the fact that all or any part of the Leasehold interest created thereby may be conveyed or mortgaged in a leasehold mortgage, deed of trust, or other security instrument to a leasehold mortgagee that shall hold the fee estate in the Property or any interest of the Lessor under the Lease.

4. Consent to Assignment, Payment of Rent.

a. Subject to any matters of record as referenced in the Report, the rights of Senior Lenders, and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record, Lessor hereby consents to and approves the following to the extent such consents or approvals are required under the Lease:

(1) Lessee's encumbering the Lease, the Leasehold and the Development by the Regulatory Agreement; possession of the Leasehold and any Development thereon by TCAC or by a receiver under the Regulatory Agreement; and sale of the Leasehold and the Development pursuant to a court order or other agreement enforcing the Regulatory Agreement;

(2) Assignments to TCAC or its designee of any subleases and any and all rents from such subleases; and

(3) Sale or assignment of all or any part of any interest in the Leasehold to any purchaser or transferee pursuant to a court order or other agreement enforcing the Regulatory Agreement (such purchaser or transferee, including TCAC, is collectively referred to as the "Transferee"), and to any subsequent transfers (all such assignments, transfers, and subsequent transfers referred to in this Lease Rider Agreement as the "Transfer").

b. Nothing in this Lease Rider Agreement, in the Regulatory Agreement or in the Lease shall impose on TCAC the obligations of Lessee under the Lease or require TCAC to assume the Lease unless TCAC takes possession or ownership of the Development pursuant to a court order or other agreement under the Regulatory Agreement, or becomes the lessee under the Lease or a New Lease (defined in Section 6, below).

5. Notice of Defaults; Termination Notice.

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a. Notice and Cure. Lessor shall provide concurrently to TCAC a written copy of all notices and demands, including, without limitation, notices of default or breach which Lessor gives, delivers, or sends to Lessee under the Lease. No notice or demand under the Lease shall be effective as to TCAC unless and until a copy of such notice is provided to TCAC as provided herein. Any notice of default under the Lease or this Lease Rider Agreement shall describe the default(s) with reasonable detail. TCAC shall have the right, but not the obligation, to cure any breach or default within the time period given in the Lease; provided that, if such notice to TCAC is not given or is delayed for any reason, the period of time within which TCAC may cure any such breach or default shall commence upon receipt by TCAC of such notice. Lessor and Lessee authorize TCAC to enter the Property and Improvements after reasonable prior written notice or pursuant to a court order for the purpose of mitigating defaults or exercising its right to cure and any other powers given TCAC under the Regulatory Agreement, this Lease Rider Agreement or the Lease.

b. Termination Notice. After the expiration of the grace period given Lessee under the Lease to cure a default, Lessor shall not terminate the Lease on account of such default but shall give TCAC a written notice (the "Termination Notice") that Lessee has failed to cure the default within the grace period and that, on account thereof, Lessor intends to terminate the Lease, which notice shall set a termination date not earlier than ninety (90) days after TCAC's receipt of the Termination Notice, provided that Lessor agrees to extend such termination date for a reasonable period if TCAC reasonably requires additional time to accommodate TCAC's taking possession of the Development where possession is necessary to cure Lessee's default, all of which is subject to any Senior Lender's security instruments. In the event the default results in the existence of an immediate or imminent serious health and safety threat to the residents or the public, Lessor may request TCAC to approve a shorter termination date which shall not be unreasonably denied. In addition, TCAC may waive its right to the 90-day period to cure under the Termination Notice after its receipt of the Termination Notice if TCAC determines that it will not take action to effect a cure for the default. No Termination Notice shall become effective to terminate the Lease if:

(1) Except as provided in Section 5.c., within ninety (90) days after receipt of the Termination Notice, TCAC cures all defaults which can be cured by payment or expenditure of money or without possession of the Development; or provides reasonable assurance and undertakings for the cure of such default. To effect a cure of Lessee's default, TCAC may, subject to the rights of all Senior Lenders, make any repair or improvement, do any other act or thing required of Lessee under the Lease, or do any act or thing which may be necessary or proper to prevent termination of the Lease. TCAC and its agents and contractors, subject to the rights of all Senior Lenders, shall have full access to the Property and Improvements for purposes of accomplishing the curing of defaults under the Lease. Any of the foregoing done by TCAC

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shall be as effective to prevent a termination of the Lease as the same would have been if done by Lessee; or

(2) TCAC commences and diligently pursues judicial and/or administrative proceedings commenced under the Regulatory Agreement to cure a default.

(3) If TCAC has not cured a default upon the expiration of such Termination Notice pursuant to Subsection (1) above or fails to commence and diligently pursue a cure pursuant to Subsection (2) above, and subject to compliance with other provisions of this Section 5.b. and any limitations on termination in the Lease, Lessor may terminate the Lease and pursue such other remedies as are available under the terms of the Lease.

c. Defaults Not Susceptible to TCAC Cure. TCAC shall not be required to perform any act which is not susceptible to performance by TCAC, such as to cure a filing or condition of bankruptcy or insolvency or to cure or commence the cure of any default which is Lessee's failure to pay or comply with any lien, charge or encumbrance which is junior in priority to the Regulatory Agreement, or to pay any amount owed under an indemnity of Lessor by Lessee based on an event occurring prior to TCAC's possession of the Development. If any such act not susceptible to performance by TCAC constitutes a breach under the Lease, Lessor may resort to any and all of its remedies for such breach under the Lease.

d. Reimbursement of Lessor's Payment of Arrears. Lessor agrees that if Lessor cures Lessee's failure to make any payment due under the Lease or any loan identified in Section 2.a., it shall seek reimbursement of amounts so paid solely from Lessee and TCAC shall have no obligation to pay such amounts to Lessor.

e. Waiver of Breach or Default. Subject to the rights of Senior Lenders, on transfer of the Leasehold interest pursuant to a court order or other agreement enforcing the Regulatory Agreement, all violations, defaults and breaches by Lessee under the Lease occurring prior to such transfer, including, without limitation, nonpayment of rent or other amounts payable under the Lease, shall be deemed personal obligations of Lessee, and TCAC or other Transferee shall be entitled to the New Lease as described in Section 6 below without incurring or assuming any liability or obligation of, or claim against, Lessee under the Lease. However, upon transfer of the Leasehold interest, TCAC or the Transferee, as applicable, shall be responsible for correcting all defaults in existence at the time of the transfer; Lessor may exercise its rights under Section 5.b. if TCAC or the Transferee fails to correct any such default within a reasonable time. Nothing in this section shall be deemed a waiver of any claim by Lessor, TCAC, or other Transferee against Lessee under the Lease.

f. Enforcement Not a Breach. Any action taken by TCAC to enforce its rights under this Lease Rider Agreement with respect to Lessee with respect to any of the documents governing the Allocation including, without limitation, any actions taken to collect any amounts due and owing to TCAC or any action to appoint a

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receiver for the Development or to otherwise ensure compliance with the Regulatory Agreement, shall not constitute or result in a breach or violation of the Lease.

g. Status Quo Ante. Any default by Lessee shall not prejudice TCAC if TCAC chooses to cure such default within the applicable grace period specified by this Lease Rider Agreement or the Lease, and Lessor acknowledges and agrees that upon TCAC's cure of any such default, the Lease shall be restored status quo ante.

6. New Lease.

a. Conditions. Section 5 hereof notwithstanding, and subject to the rights of Senior Lenders as provided in their security instruments, Lessor agrees to comply with the requirements of Section 6.b. if the following conditions specified in this Section 6.a. apply:

(1) The Lessee's Lease or a Transferee's New Lease is terminated for any reason whatsoever and TCAC or a subsequent Transferee acquires possession or ownership of the Development as a result of TCAC enforcing its remedies authorized by the Regulatory Agreement; and

(2) TCAC or other Transferee, whether or not such party has assumed the Lease, requests Lessor in writing pursuant to Section 6.b. to enter into a new lease (the "New Lease") of the Property within ninety (90) days after TCAC or the Transferee takes possession or ownership of the Development either as a result of a court order or other agreement under the Regulatory Agreement. The New Lease shall be at the rent of, and consistent with, the terms, provisions, covenants, options and agreements contained in the terminated Lease, as amended, or granted by the Lessor in connection with the Lease, all as modified or supplemented by this Lease Rider Agreement unless Lessor agrees to lower rent or less restrictive terms and conditions.

b. Obligations. If the conditions specified in Section 6.a. have been satisfied, and subject to the provisions of matters of record as referenced in the Report and the rights of Senior Lenders in their security instruments, Lessor shall:

(1) upon receipt of the request for New Lease described in Section 6.a.(2) above, enter into a New Lease of the Property with TCAC, its nominee, or its successor-in-interest or other Transferee, for the remainder of the term of the Lease, effective as of the date of the termination of the Leasehold or conveyance of the Development pursuant to a court order or other agreement under the Regulatory Agreement;

(2) convey to TCAC, its nominee or its successor-in-interest or other Transferee, all title and interest of the Lessee to the Improvements and Leasehold encumbered by the Regulatory Agreement, if any, which may

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become or have become vested in Lessor as a result of any termination of the Lease or conveyance by court order or other agreement under the Regulatory Agreement, so long as the New Lease contains provisions that require TCAC, its nominee, or its successor-in-interest or other Transferee to reconvey all title and interest conveyed by Lessor's grant deed in the Improvements at the termination of the term of the New Lease; and

(3) assign to TCAC, its nominee, or its successor-in-interest or other Transferee, all of Lessor's interest as landlord, if any, in all existing Subleases of all or any part of the Development and all attornments given by the sublessees under such Subleases, provided that TCAC, its nominee, or its successor-in-interest shall reconvey all such title and interest conveyed by Lessor in all existing Subleases in all or any part of the Development at the termination of the New Lease.

c. Priority. The Leasehold interest and any other interest (if any) in the Development granted to TCAC, its nominee or its successor-in-interest or other Transferee under this Section 6 shall be prior to any mortgage or other lien, charge or encumbrance on the Development created by Lessor or Lessee, except for the liens of Senior Lenders or as approved in writing by TCAC or as referenced in the Report.

7. Successors to TCAC. Subject to Section 4 hereof, if the Leasehold is transferred pursuant to a court order or other agreement enforcing the Regulatory Agreement, Lessor shall recognize the Transferee as the tenant under the Lease, subject to the liens of Senior Lenders. Anything in the Lease notwithstanding, the rights and benefits of TCAC under this Lease Rider Agreement shall benefit and may be exercised by any Transferee. The holder of any mortgage or deed of trust which may be given to secure a portion of the purchase price in any sale by TCAC or its successor(s) after TCAC acquires the Leasehold interest or enters into a New Lease under this Lease Rider Agreement shall be entitled to rely on continuation of the same rights and benefits of TCAC under this Lease Rider Agreement.

8. Diligence of TCAC. So long as TCAC is prevented by any process or injunction issued by any court or by any statutory stay, or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving Lessor or Lessee, from commencing or prosecuting its remedies under the Regulatory Agreement or other appropriate proceedings in the nature thereof, or undertaking or completing any of TCAC's rights or remedies under the Lease or this Lease Rider Agreement, TCAC shall not be deemed for that reason to have failed to commence such proceedings or to have failed to prosecute diligently such proceedings, provided, however, that TCAC shall use reasonable efforts to contest and appeal the issuance or continuance of any such process, stay or injunction.

9. Certificates.

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(a) Certificate by Lessor. Within fifteen (15) calendar days after written request made by TCAC, Lessor shall execute and deliver to TCAC, or to any proposed purchaser, transferee, or encumbrancer of Lessee's Leasehold interest, a certificate declaring, to the best of Lessor's knowledge, (i) the existence and validity of the Lease, or New Lease as the case may be, and amendments thereto, if any, and that such Lease or New Lease remains in full force and effect; (ii) that all conditions under the Lease, or New Lease, have been satisfied, and that there are no defaults under the Lease or New Lease, or if there has been a default under the Lease or New Lease, a description of the nature of such default; (iii) any other information relating to the condition of the Property reasonably requested by TCAC; and iv) that Lessor understands the recipient will rely on the certificate and that the Lessor will describe in reasonable detail any exceptions to the foregoing statements.

(b) Certificate by Lessee. Within fifteen (15) calendar days after written request made by TCAC, Lessee shall execute and deliver to TCAC, or to any proposed purchaser, transferee, or encumbrancer of Lessee's Leasehold interest, a certificate declaring to the best of Lessee's knowledge (i) the existence and validity of the Lease, or New Lease as the case may be, and amendments thereto, if any, and that such Lease or New Lease remains in full force and effect; (ii) that all conditions under the Lease, or New Lease, have been satisfied, and that there are no defaults under the Lease or New Lease, or if there has been a default under the Lease or New Lease, a description of the nature of such default; (iii) any other information relating to the condition of the Property, Leasehold or the Development reasonably requested by TCAC; and (iv) that Lessee understands the recipient will rely on the certificate and that the Lessee will describe in reasonable detail any exceptions to the foregoing statements.

10. Notices. Notices and other communications required by this Lease Rider Agreement shall be delivered by messenger to the addresses provided below or sent by U.S Postal Service certified mail, return receipt requested, postage prepaid, addressed as follows:

To TCAC: California Tax Credit Allocation Committee
915 Capitol Mall, Room 485
Sacramento, CA 95814
Attn. Executive Director

To Lessor: County of Orange
c/o CEO Real Estate
400 W. Civic Center Drive, 5th Floor
Santa Ana, CA 92702
Attn: Chief Real Estate Officer

To Lessee:

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These addresses may be changed by a written notice given by any party hereto to the other parties in the same manner provided in this Section. Notices shall be effective on receipt.

11. TCAC's Rights Against Lessee. Nothing in this Lease Rider Agreement shall limit or restrict TCAC's rights and remedies under the Regulatory Agreement, or any other agreement between TCAC and Lessee.

12. Successors and Assigns. This Lease Rider Agreement shall inure to the benefit of and bind the successors and assigns of TCAC, Lessor and Lessee.

13. Uninsured Hazard. Lessor agrees that neither TCAC nor any person acquiring the Development, or a portion of the Leasehold pursuant to a court order or other agreement enforcing the Regulatory Agreement, nor the lessee under a New Lease pursuant to Section 6 hereof, nor any successive owner of a portion of the Development after such transfer or New Lease shall have any obligation hereunder or under the Lease or New Lease to repair or reconstruct any damage or loss to the Development which occurred prior to such transfer or New Lease and which is due to a hazard not required to be covered by insurance under the Lease or New Lease. However, if the damage or loss is not corrected and constitutes a breach of the Lease or New Lease, Lessor may exercise its rights under Section 5.

14. Duty to Repair. Lessor agrees that if TCAC, its nominee, or its successor-in-interest succeeds to Lessee's Leasehold interest in the Property and if the Development shall have been or becomes materially damaged before or after the date of such acquisition, TCAC's, its nominee's, or its successor-in-interest's obligation, if any, to repair, replace or reconstruct the Development shall in any such event be limited to the greater of: i) the amount of the net insurance proceeds received by TCAC, its nominee, or its successor-in-interest by reason of that damage or ii) the amount TCAC, its nominee, or its successor-in-interest would be entitled to if in compliance with the minimum insurance requirements of Lessee under the Lease. However, if the damage or loss is not corrected and constitutes a breach of the Lease or New Lease, Lessor may exercise its rights under Section 5.

15. Options. Lessor and Lessee agree that TCAC or its successor-in-interest or other Transferee, after its acquisition of the Leasehold, may exercise any option to extend the term of the Lease or New Lease or to purchase any interest in the Property which is granted to Lessee under or in connection with the Lease or the New Lease.

16. Limitation on Liability. If TCAC agrees to be bound by the terms of the Lease, or in the event of any Transfer to a Transferee, then unless so ordered by a court or as agreed to by TCAC, any Transferee, and any secured creditors, neither TCAC nor Transferee shall have any obligation under the Lease or the New Lease with respect to any liabilities, obligations, losses, damages, fines, penalties, claims, demands, suits, actions, causes of actions, charges, judgments, costs, and expenses (including

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architects' and attorneys' fees and court costs) arising out of or resulting from acts, omissions, circumstances or events occurring before or existing at the time of such Transfer or TCAC's agreement to be bound by the Lease or the New Lease except for matters of record identified in the Report at the time of execution of this Lease Rider Agreement or any breach in existence at the time of acquisition of the Leasehold. Nothing in this Lease Rider Agreement or in the Lease or New Lease shall impose on TCAC any liability to perform the obligations of Lessee under the Lease or New Lease or require TCAC to assume the Lease or New Lease unless and until TCAC acquires the Development pursuant to a court order or other agreement enforcing the Regulatory Agreement. After acquiring the Development in such a manner, TCAC shall be liable to perform Lessee's obligations only until TCAC assigns or transfers the Leasehold. TCAC shall not, however, be required to cure Lessee's defaults occurring before TCAC's acquisition of the Development in such a manner except that TCAC or the Transferee must cure any defaults in existence at the time of transfer within a reasonable period of time.

17. Conflict With Lease. The provisions herein are intended to be supplementary to, and not in derogation of, the parties' rights and obligations contained in the Lease (including all of TCAC's rights under the Lease as a party with a recorded encumbrance). In the event of any conflict or inconsistency between the terms of the Lease and the terms of this Lease Rider Agreement, except for any term expressly excluded or modified by Section 21, the terms of this Lease Rider Agreement shall govern and control, and the Lease shall be deemed to be modified hereby. Notwithstanding the foregoing, nothing contained herein shall affect the rights of Senior Lenders or the Tax Credit Partner, nor shall anything contained herein subordinate the lien of any Senior Lender to any rights of TCAC hereunder.

18. Regulatory Agreement Remedies. Nothing in this Lease Rider Agreement is intended to create enforcement rights under the Regulatory Agreement that do not otherwise exist in the Regulatory Agreement.

19. Enforcement. Notwithstanding anything to the contrary in the Lease and notwithstanding the fact that the Lease Rider Agreement is recorded against the Leasehold interest in the Property, Lessor hereby expressly agrees that during the term of the Regulatory Agreement, any violation of the Lease Rider Agreement, including but not limited to any termination, subordination, cancellation, surrender, amendment or modification of the Lease in violation of Section 3 of this Lease Rider Agreement, shall be deemed ineffective. Lessor further agrees, that during the term of the Regulatory Agreement, TCAC shall have standing to enforce and preserve TCAC's rights under the terms of this Lease Rider Agreement and the Regulatory Agreement.

20. Subordination. Notwithstanding anything to the contrary contained elsewhere herein, the parties hereto hereby agree that this Lease Rider Agreement (and all amendments, modifications and supplements hereto) is hereby irrevocably and unconditionally made subject and subordinate in all respects to (a) all existing and future deeds of trust and mortgages approved by TCAC now or hereafter encumbering all or any part of the Lessee's right, title and interest under the Lease (and to all

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amendments, modifications and supplements thereto), and (b) all rights granted to any holder of any such deed of trust or mortgage under any term or provision of the Lease. Each existing and future holder of any such deed of trust or mortgage (all of whom shall also constitute "Senior Lenders" for all purposes of this Lease Rider Agreement) is hereby made an express third-party beneficiary of the foregoing sentence.

21. Additional Provisions.

Notwithstanding anything to the contrary in this Lease Rider Agreement, the Lessor, Lessee and TCAC agree to the following:

(a) As referenced in the Recitals, subpart E, consistent with the provisions of Section 17 hereof, Lessor acknowledges that Lessor and Lessee have agreed to modify any such provisions of the Lease in conflict with the Regulatory Agreement in favor of the terms of the Regulatory Agreement.

(b) Section 1.d. shall read: "Upon the expiration or sooner termination of the Regulatory Agreement, this Lease Rider Agreement shall terminate and be of no further force or effect without further action of any of the parties hereto."

(c) Section 3.a. shall read: "Subject to matters of record referenced in the Report, the rights of Senior Lenders and the Tax Credit Partner and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record, Lessor and Lessee agree that so long as TCAC, its successor or assigns holds the Regulatory Agreement encumbering the Development, no termination of the Lease or efforts by Lessor to terminate the Lease except a termination consistent with Section 5, and no subordination, cancellation, surrender, amendment or modification of the Lease shall be effective without the prior written consent of TCAC, which consent shall be in TCAC's reasonable discretion and may be conditioned upon the satisfaction of such terms and conditions as TCAC may reasonably prescribe.

TCAC shall have 30 days after its receipt of such a notice and any clarifications thereof requested by TCAC to consent to or deny any such variation or termination from those obligations.

Failure by TCAC to act within such a 30-day period shall constitute consent to such a variation or termination. Any attempt by Lessor to take such action shall not be effective until TCAC's prior written consent or implied consent is received as provided for in this Section 3.a."

(d) Section 3.b. shall read, "Subject to matters of record referenced in the Report, the rights of Senior Lenders and the Tax Credit Partner, and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record, Lessor agrees that it shall not

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transfer, convey, sell, hypothecate, assign, encumber or permit any liens against its interest, or any portion thereof, in the Property or the Development which will affect or impact the Development and the Improvements during the term of the Regulatory Agreement unless Lessor requires, and any purchaser, assignee, or transferee agrees, that the purchaser, assignee, or transferee will expressly assume all obligations of Lessor under the Lease and this Lease Rider Agreement by a written instrument recordable in the Official Records. Any variation from those obligations shall require prior written approval of TCAC, which consent shall be in TCAC's reasonable discretion, and may be conditioned upon the satisfaction of such terms and conditions as TCAC may reasonably prescribe. If Lessor or Lessor's successor is seeking a variation from the Lease and the Regulatory Agreement, Lessor or Lessor's successors and assigns shall provide TCAC with copies of all documents related to the transfer, conveyance, sale, hypothecation, assignment, encumbrance or lien at least 30 days prior to the effective date of that transaction and TCAC shall have 30 days after its receipt to reasonably consent or deny any such variation from those obligations. Failure by TCAC to act within such a 30-day period shall constitute consent to such a variation."

(e) Section 3.c. shall read, "Foreclosure. Nothing contained in this Lease Rider Agreement shall prevent a Senior Lender from foreclosing on its security interest in the leasehold interest created by the Lease or accepting a conveyance in lieu of foreclosure."

(f) Section 4.a.(3) shall read, "(3) For each Sale or assignment of all or any part of any interest in the Leasehold to any purchaser or transferee pursuant to a court order or other agreement enforcing the Regulatory Agreement (such purchaser or transferee, including TCAC, is collectively referred to as the "Transferee"), and to one subsequent transfer (all such assignments, transfers, and subsequent transfers referred to in this Lease Rider Agreement as the "Transfer")."

(g) Section 5.b. shall read, "Termination Notice. After the expiration of the grace period given Lessee under the Lease to cure a default, Lessor shall not terminate the Lease on account of such default but shall give TCAC a written notice (the "Termination Notice") that Lessee has failed to cure the default within the grace period and that, on account thereof, Lessor intends to terminate the Lease, which notice shall set a termination date not earlier than ninety (90) days after TCAC's receipt of the Termination Notice, provided that Lessor agrees to extend such termination date for a reasonable period if TCAC reasonably requires additional time to accommodate TCAC's taking possession of the Development where possession is necessary to cure Lessee's default, all of which is subject to any Senior Lender's security instruments. In the event the default results in the existence of an immediate or imminent serious health and safety threat to the residents or the public, Lessor may request TCAC to approve a shorter termination date which shall not be unreasonably denied, withheld or delayed. In addition, TCAC may waive its right to the 90-day period to cure under the Termination Notice after its receipt of the Termination Notice if TCAC determines that it will not

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take action to effect a cure for the default. No Termination Notice shall become effective to terminate the Lease if:"

22. Acknowledgment. Lessor and Lessee acknowledge that TCAC is relying on the foregoing representations, warranties, covenants and agreements of the undersigned in allocating the allocation of low income housing tax credits to Lessee, and warrants and affirms to and for the benefit of TCAC that each of their respective representations set forth herein is true, correct and complete as of this date.

[Signatures on Following Page]

Attachment B

TCAC:

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE, a public agency of the State of California

BY: _____

Executive Director

Attachment B

LESSOR:

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____
Thomas A. Miller, Chief Real Estate Officer

APPROVED AS TO FORM:
COUNTY COUNSEL

DocuSigned by:
Michael Haubert
7B6E2C12961F4B3...
DEPUTY

LESSEE:

Attachment B

EXHIBIT A
Legal Description

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THE NORTH 132 FEET OF THE EAST 330 FEET OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 26, IN THE TOWNSHIP 5 SOUTH, RANGE 11 WEST, IN THE RANCHO LAS BOLAS, IN THE CITY OF HUNTINGTON BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 13 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER THENCE ALONG THE EAST LINE OF SAID SECTION, SOUTH 0° 40' 28" EAST, 132.00 FEET TO THE SOUTH LINE OF THE NORTH 132.00 FEET OF SAID SOUTHEAST QUARTER; THENCE ALONG SAID SOUTH LINE, SOUTH 89° 29' 54" WEST, 30.65 FEET TO A CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 9,934.00 FEET; THENCE NORTHERLY ALONG SAID CURVE FROM A TANGENT BEARING NORTH 0° 01' 21" WEST, AN ARC DISTANCE OF 113.04 FEET, THENCE TANGENT NORTH 0° 40' 28" WEST, 18.98 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; THENCE ALONG SAID NORTH LINE, NORTH 89° 29' 54" EAST, 30.00 FEET TO THE POINT OF BEGINNING, AS CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED IN BOOK 2442, PAGE 491 OFFICIAL RECORDS.

APN: 165-225-107

Attachment C

**ESTOPPEL CERTIFICATE
(Ground Lease)**

This Estoppel Certificate (this "**Certificate**"), is dated as of [____], 2024 by the County of Orange, a political subdivision of the State of California (the "**Ground Lessor**"), and AFH NCRC Beach Blvd L.P., a California limited partnership ("**Borrower**"), in favor and for the benefit of Comerica Bank, a Texas banking association (the "**Construction Lender**"), California Community Reinvestment Corporation, a California nonprofit public benefit corporation (the "**Permanent Lender**", and together with Construction Lender and their respective successors and assigns, collectively, "**Senior Lender**"), and [Raymond James California Housing Opportunities Fund [_____] L.L.C., a Florida limited liability company] (together with its successors and assigns, "**Investor Limited Partner**").

RECITALS

A. Ground Lessor and Borrower (as successor-in-interest by assignment from American Family Housing, a California nonprofit public benefit corporation, and National Community Renaissance of California, a California nonprofit public benefit corporation (collectively, the "**Original Tenant**")), have entered into that certain Amended and Restated Ground Lease dated on or about the date hereof (the "**A+R Ground Lease**"), which amends and restates that certain Ground Lease dated June 24, 2022, by and between Ground Lessor and Original Tenant (the "**Original Ground Lease**", and together with the A+R Ground Lease, as it may from time to time be amended, modified, supplemented, renewed and extended, the "**Ground Lease**"), wherein Ground Lessor leased to Borrower that certain real property located in the City of Huntington Beach, County of Orange, State of California as more particularly described in the Ground Lease and incorporated herein for all purposes and all other rights and easements which may be appurtenant to the land and which are leased to Borrower under the Ground Lease (collectively, the "**Land**"), which is evidenced by a Memorandum of Lease dated June 24, 2022 and recorded in Official Records of Orange County, California (the "**Official Records**") as Instrument No. 2022000226968, and a [Memorandum of Assignment and Assumption Agreement] dated on or about the date hereof to be recorded in the Official Records on or about the date hereof.

B. Borrower represents that Construction Lender is making a construction loan in the original principal amount of \$[_____] (the "**Loan**"), and that the Loan will be secured by that certain Leasehold Construction and Permanent Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents and Leases) dated on or about the date hereof, for the benefit of Construction Lender, which will be recorded in the Official Records on or about the date hereof (as it may from time to time be amended, modified, supplemented, renewed and extended, the "**Deed of Trust**"), which Deed of Trust encumbers the Borrower's interests in the Land under the Ground Lease and the improvements of Borrower constructed thereon. Borrower's obligation to repay the Loan is further evidenced by (1) a Promissory Note dated on or about the date hereof, executed by Borrower in the original principal amount of \$[_____] and payable to Construction Lender (as it may from time to time be amended, modified, supplemented, renewed and extended, the "**Note**") and (2) a Construction and Permanent Loan Agreement by and between Construction Lender and Borrower, dated on or about the date hereof (as it may from time to time be amended, modified, supplemented, renewed and extended, the "**Loan Agreement**").

C. Borrower represents that upon the timely satisfaction of the Conversion Conditions set forth in that certain Loan Purchase Agreement dated on or about the date hereof by and among Borrower, Construction Lender and Permanent Lender (as it may from time to time be amended, modified, supplemented, renewed and extended, the "**Loan Purchase Agreement**"), Permanent Lender will purchase the Loan from Construction Lender for a purchase price in the anticipated amount of up to \$[_____] and that upon Permanent Lender's purchase of the Loan: (1) Construction Lender's rights and responsibilities under the Loan Agreement, Note and the Deed of Trust shall be assigned to Permanent Lender; (2) the Loan Agreement, Note, the Deed of Trust shall be supplemented, modified, or amended pursuant to certain documents as is necessary only to reflect the conversion of the Loan to a permanent loan from Permanent Lender to Borrower in the anticipated amount of up to \$[_____] (the "**Permanent Loan**", and together with the Loan, collectively, the "**Senior Loan**").

Attachment C

D. Borrower represents that Investor Limited Partner is being admitted to Borrower as a limited partner and is making certain capital contributions to the Borrower in connection with financing the Project.

E. As a condition to Construction Lender's agreement to make the Senior Loan, Permanent Lender's agreement to purchase the Senior Loan, and Investor Limited Partner's agreement to make capital contributions to Borrower, Construction Lender, Permanent Lender, and Investor Limited Partner require Ground Lessor to execute this Certificate confirming various facts with respect to the Ground Lease.

F. This Certificate is executed with the understanding that Construction Lender, Permanent Lender, and Investor Limited Partner will rely on this Certificate in connection with making the Loan and the capital contributions in the Borrower.

NOW THEREFORE, in consideration of the foregoing recitals (which are incorporated herein by this reference) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, Ground Lessor hereby represents, warrants, covenants and agrees as follows, for the benefit of Construction Lender, Permanent Lender and Investor Limited Partner:

1. Ground Lessor Certifications. Ground Lessor hereby certifies and represents, warrants, covenants and agrees that, as of the date hereof, the following statements are true:

(a) The term of the Ground Lease commenced on June 24, 2022 and expires on the 75th anniversary of the "Commencement Date" (as defined in the Ground Lease).

(b) The current fixed rent under the Ground Lease is \$10,800,000 in the aggregate during the Term of the Ground Lease, payable solely from Ground Lessor's share of "Residual Receipts" after repayment of the County Loan and Huntington Beach Housing Authority Loan (as defined in the Ground Lease).

(c) Ground Lessor is the current fee owner of the Land, and Borrower is the current ground lessee under the Ground Lease.

(d) The Ground Lease is in full force and effect, and there have been no amendments, modifications, changes or additions since its execution, other than those set forth in this Certificate.

(e) The Ground Lease constitutes the full and entire understanding and agreement between Ground Lessor and Borrower pertaining to the Ground Lease.

(f) To the best of Ground Lessor's knowledge:

(1) none of the Original Tenant, Borrower or Ground Lessor is, in any respect, in breach or default under the terms, conditions or provisions of the Ground Lease.

(2) no event currently in existence and uncured which would, currently or with the passage of time or giving of notice, or both, constitute a default under the terms of the Ground Lease by any of Original Tenant, Borrower, or Ground Lessor.

(3) Ground Lessor has not asserted, and is not entitled to assert, any claim against Original Tenant or Borrower or any defense to or offset against the enforcement of the Ground Lease by Original Tenant or Borrower.

(4) No third party has any option or preferential right to purchase all or any part of the Land.

Attachment C

(5) There are no pending eminent domain proceedings or other governmental actions or judicial actions of any kind against Ground Lessor's interest in the Land.

(6) There are no violations of any governmental law or regulations applicable to Ground Lessor's interest in the Land, and Ground Lessor has no reason to believe there are grounds for any claim of any such violation.

(g) Ground Lessor is the lessor under the Ground Lease. Ground Lessor has not encumbered its fee interest in the Land to any lender or financial institution, whether by way of mortgage, deed of trust or other security instruments. Ground Lessor has not subordinated its interest in the Ground Lease to any mortgage, lien or other encumbrance on the fee.

(h) Ground Lessor takes no exception to the Senior Loan and the encumbrance of the Borrower's leasehold interest in the Land and the Borrower's fee interest in the Improvements pursuant to the Deed of Trust.

(i) Ground Lessor has no knowledge of any prior assignment, hypothecation, mortgage, or pledge of Original Tenant's interest under the Ground Lease.

(j) All due and payable Rent, including without limitation, all due and payable Base Rent and Additional Rent, under the Ground Lease has been paid to Ground Lessor through the date hereof. Neither Original Tenant nor Borrower currently owe Ground Lessor any other sums relating to the Ground Lease through the date hereof.

(k) The Deed of Trust is a "Leasehold Mortgage" and both of Construction Lender and Permanent Lender are "Leasehold Mortgagees" entitled to all of the rights and protections set forth in the Ground Lease provided to Leasehold Mortgagees.

(l) Subject to the terms of the Ground Lease, Borrower has title to the Improvements (as such term is defined in the Ground Lease) located on the Land throughout and subject to the term of the Ground Lease.

(m) Ground Lessor is not an affiliate of the Borrower.

(n) Ground Lessor's consent is not required for any Transfers (as defined in the Ground Lease) to Construction Lender or Permanent Lender of (i) the Tenant's Leasehold Estate (as defined in the Ground Lease) or (ii) any partnership interests in Tenant.

2. No Merger. Ground Lessor and Borrower agree that, in accordance with Section 19.30 of the Ground Lease, the fee estate of Ground Lessor in the Land and the leasehold estate of the tenant under the Ground Lease shall not merge in spite of any union of both estates in either Ground Lessor, Borrower or a third party.

3. No Liability for Ground Lessor. Notwithstanding any of the other provisions hereof, this Certificate is not intended to create and shall not be deemed, in and of itself, to create any personal liability on the part of Ground Lessor for repayment of the Senior Loan, whether or not such loans are secured by the Deed of Trust.

4. Addresses for Notice. Ground Lessor agrees to provide Senior Lender and Investor Limited Partner the notice and cure rights set forth in the Ground Lease. Their respective addresses for notices are:

To Construction Lender:

Attachment C

Comerica Bank
100 NE 3rd Avenue, 9th Floor
Fort Lauderdale, FL 33301
Attention: Andrew Wong
Telephone: (954) 295-7803
Email: aawong@comerica.com

With a copy to:

Buchalter, A Professional Corporation
1000 Wilshire Boulevard, Suite 1500
Los Angeles, California 90017
Attention: Scott Salomon
Telephone: (213) 891-5022
Email: ssalomon@buchalter.com

To Permanent Lender:

California Community Reinvestment Corporation
100 West Broadway, Suite 1000
Glendale, California 91210
Attention: President

With a copy to:

Buchalter, A Professional Corporation
1000 Wilshire Boulevard, Suite 1500
Los Angeles, California 90017
Attention: Scott Salomon
Telephone: (213) 891-5022
Email: ssalomon@buchalter.com

To Investor Limited Partner:

[to be inserted]

With a copy to:

[to be inserted]

or such other address as Construction Lender, Permanent Lender, or Investor Limited Partner may hereinafter designate in writing via a notice delivered in the manner provided for notices to be given under the Ground Lease.

5. Miscellaneous.

(a) This Certificate shall inure to the benefit of Construction Lender, Permanent Lender, Investor Limited Partner, and their respective participants, successors and assigns, including any successor holder of the Deed of Trust, and a copy of this Certificate may be delivered to any such party.

(b) This Certificate may be executed in two or more counterparts, which, when taken together, shall constitute one and the same original.

Attachment C

(c) This Certificate shall be governed by the laws of the State of California without regard to the conflicts of laws provisions thereof.

[Signature pages follow]

Attachment C

IN WITNESS WHEREOF, the parties hereto have caused this Certificate to be executed by their duly authorized representatives to be effective as of the date first written above.

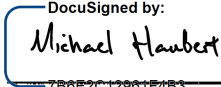
GROUND LESSOR:

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____
Name: Thomas A. Miller
Title: Chief Real Estate Officer

APPROVED AS TO FORM:

COUNTY COUNSEL

By:  _____
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Deputy

Attachment C

IN WITNESS WHEREOF, the parties hereto have caused this Certificate to be executed by their duly authorized representatives to be effective as of the date first written above.

BORROWER:

AFH NCRC BEACH BLVD L.P.,
a California limited partnership

By: NCRC Beach Blvd LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Name: Michael Finn
Title: Chief Financial Officer

By: 17251 Beach LLC,
a California limited liability company,
its co-managing general partner

By: American Family Housing,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Name: Myles A. Peinemann II
Title: Chief Executive Officer

Attachment D

AUTHORIZING RESOLUTION

RESOLUTION NO. _____

**A RESOLUTION OF THE ORANGE COUNTY BOARD OF SUPERVISORS
AUTHORIZING JOINT APPLICATION TO AND PARTICIPATION IN THE HOMEKEY
PROGRAM**

WHEREAS:

- A. The Department of Housing and Community Development (“**Department**”) has issued a Notice of Funding Availability (“**NOFA**”), dated November 9, 2021, and amended January 14, 2022, for the Homekey Program – Round 2 (“**Homekey**” or “**Program**”). The Department has issued the NOFA for Homekey grant funds pursuant to Health and Safety Code section 50675.1.1 (Assem. Bill No. 83 (2019-2020 Reg. Sess.), § 21.).
- B. **COUNTY OF ORANGE** (“**Co-Applicant**”) jointly applied for Homekey grant funds for Homekey grant funds with National Community Renaissance of California, a California nonprofit public benefit corporation and American Family Housing, Inc., a California nonprofit public benefit corporation (collectively, the “**Corporations**”) and received a Homekey award in the amount of **\$17,000,000**.
- C. The Department is authorized to administer Homekey pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Homekey funding allocations are subject to the terms and conditions of the NOFA, the Application, the Department-approved STD 213, Standard Agreement (“**Standard Agreement**”), and all other legal requirements of the Homekey Program.
- D. Since receipt of Homekey award funding under the NOFA, the ownership entity has changed to **AFH NCRC Beach Blvd L.P., a California limited partnership (“New Owner”)** and the Department will be adding the New Owner and its co-managing general partners, **NCRC Beach Blvd LLC, a California limited liability company**, and **17251 Beach LLC, a California limited liability company** (collectively, the “**LLCs**”), to the Standard Agreement.

THEREFORE, IT IS RESOLVED THAT:

- 1. Co-Applicant is hereby authorized and directed to enter into, execute, and deliver a Standard Agreement, as amended, in a total amount not to exceed **\$17,000,000**, any and all other documents required or deemed necessary or appropriate to secure the Homekey funds from the Department and to participate in the Homekey Program, and all amendments thereto (collectively,

Attachment D

the “**Homekey Documents**”).

2. Co-Applicant acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and Application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.
3. Co-Applicant acknowledges and accepts the New Owner and the LLCs as additional parties to the Standard Agreement.
4. Co-Applicant acknowledges and accepts that the New Owner and the LLCs shall enter into, execute, and deliver a Standard Agreement in a total amount not to exceed **\$17,000,000** and shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and Application will be incorporated in the Standard Agreement by reference and made a part thereof.
5. **Dylan Wright, OC Community Resources Director, or his or her designee,** is authorized to execute the Application and the Homekey Documents on behalf of Co-Applicant for participation in the Homekey Program.
6. **Michael Finn, Chief Financial Officer, National Community Renaissance of California, a California nonprofit public benefit corporation,** the sole member/manager of NCRC Beach Blvd LLC, a California limited liability company, the managing general partner of the **New Owner** and **Myles A. Peinemann II, Chief Executive Officer, American Family Housing, Inc., a California nonprofit public benefit corporation,** the sole member/manager of 17251 Beach LLC, a California limited liability company, the co-managing general partner of the New Owner, is authorized to execute the Homekey Documents on behalf of New Owner and the LLCs for participation in the Homekey Program.

PASSED AND ADOPTED this _____ day of _____, 2024, by the following vote:

AYES:

NAYES:

ABSTAIN:

ABSENT:

The undersigned, Robin Stieler, Clerk of the Board of Co-Applicant, does hereby attest and certify that the foregoing is a true and full copy of a resolution of the governing body adopted at a duly convened meeting on the date above-mentioned, and that the resolution has not been altered, amended, or repealed.

Attachment D

SIGNATURE: _____

DATE: _____

NAME: _____

TITLE: _____

[NOTICE AND INSTRUCTIONS APPEAR ON THE FOLLOWING PAGE]

Attachment D

NOTICE AND INSTRUCTIONS

1. **Notice.** The Department is providing this template Authorizing Resolution as informational guidance only. The Department encourages each Co-Applicant to consult with professional legal counsel during the development of its own formal, legally binding statement that it is authorized to apply to and participate in the Homekey Program.
 - a. Please note, however, that any limitations or conditions on the authority of the signatory or signatories to execute the Application or the Homekey Documents may result in the Department rejecting the Authorizing Resolution.
2. **Accuracy, Verification.** The Department will verify that this Authorizing Resolution comports with the legal authority and composition of Co-Applicant's governing body. Co-Applicant must timely notify the Department, in writing, of any factors that limit its ability to provide an Authorizing Resolution which is materially in line with this template.
3. **Dollar Amounts of Grant Awards.** The Department recommends identifying an authorized dollar amount that is at least double the anticipated award (based on current formula calculations). Award amounts are subject to change. If Co-Applicant is ultimately awarded an amount in excess of the amount identified in the Authorizing Resolution, the Department will require a new Authorizing Resolution from Co-Applicant before execution of a Standard Agreement.
4. **Authorized Signatory or Signatories, Designee.** Co-Applicant, as a state, regional, or local public entity, may designate an authorized signatory by title only. In addition, Co-Applicant may authorize multiple signatories, so long as there is clarifying language as to whether the signatories are authorized to execute the Homekey Documents individually or collectively. In addition, Co-Applicant may authorize a designee of the authorized signatory to execute the Homekey Documents. In such case, Co-Applicant must append a supporting document (e.g., memorandum, meeting notes of official action), which indicates the name and title of the designee who is authorized to legally bind the governing body.
5. **Vote Count.** Please fill out the field by every voting category (i.e., Ayes, Nays, Abstain, Absent). If none, please indicate zero (0) for that field. The vote count must comport with the legal authority and membership of the Co-Applicant's governing body.
6. **Certification of Authorizing Resolution.** The individual who certifies the Authorizing Resolution cannot also be authorized to execute the Homekey Documents on behalf of Co-Applicant.



County Executive Office

Memorandum

May 2, 2024

To: Clerk of the Board of Supervisors
From: Frank Kim, County Executive Officer
Subject: Exception to Rule 21

Handwritten signature of Frank Kim

Digitally signed by Frank Kim
DN: cn=Frank Kim, o=County of Orange, ou=CEO, email=frank.kim@ocgov.com, c=US
Date: 2024.05.02 10:38:02 -0700

CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS

2024 MAY -2 PM 2:44

RECEIVED

S34B

The County Executive Office is requesting a Supplemental Agenda Staff Report for the May 7, 2024, Board Hearing.

Department: Treasurer-Tax Collector
Subject: Retroactive Contract with City of Westminster for Water Billing and Payment Processing Services
Districts: 1

Reason Item is Supplemental: The Treasurer-Tax Collector (TTC) staff discovered the contract had expired, and contract negotiations quickly followed. As a result of the length of time required for negotiations, the ASR and attachments were finalized after the filing deadline to the Clerk of the Board.

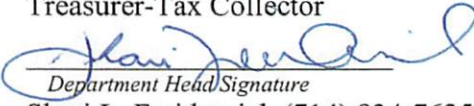
Justification: Having this contract on the May 7, 2024 Board Hearing will allow for quicker collection of outstanding invoices for services rendered, as the TTC staff have continued to provide services since the previous contract's expiration, and the City of Westminster is not able to pay the outstanding invoices until the new contract is approved.

Concur: [Signature]
Donald P. Wagner, Chairman of the Board of Supervisors

cc: Board of Supervisors
County Executive Office
County Counsel



**SUPPLEMENTAL AGENDA ITEM
AGENDA STAFF REPORT**

MEETING DATE: 05/07/24
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): 1
SUBMITTING AGENCY/DEPARTMENT: Treasurer-Tax Collector
DEPARTMENT HEAD REVIEW: 
Department Head Signature
DEPARTMENT CONTACT PERSON(S): Shari L. Freidenrich (714) 834-7625
Dana Schultz (714) 834-2288

CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS
2024 MAY -2 PM 2:14
RECEIVED

SUBJECT: Retroactive Contract with City of Westminster for Water Billing and Payment Processing Services

CEO CONCUR  <i>CEO Signature</i>	COUNTY COUNSEL REVIEW Approved agreement to form  <i>County Counsel Signature</i>	CLERK OF THE BOARD Discussion 3 Votes Board Majority
--	---	---

Budgeted: Yes **Current Year Cost:** N/A **Annual Cost:** N/A
Staffing Impact: No **# of Positions:** N/A **Sole Source:** N/A
Current Fiscal Year Revenue: \$90,000
Funding Source: GF: 100% **County Audit in last 3 years:** No
Levine Act Review Completed: N/A
Prior Board Action: 4/24/2018 #4, 2/26/2013 #13

RECOMMENDED ACTION(S)

Authorize the Treasurer-Tax Collector or authorized delegate to execute a retroactive contract with City of Westminster to provide billing and payment processing services effective May 1, 2023, through April 30, 2028.

SUMMARY:

Approval of this contract will allow the Treasurer-Tax Collector to use existing excess capacity in the Remittance unit to lower overall costs to taxpayers and the County by providing cost-efficient billing and payment processing services for the City of Westminster's water bills at cost as allowed by law.

BACKGROUND INFORMATION:

Under Government Code Section 23008, the County is authorized to contract with any city or municipal corporation within the county to provide services or perform work whenever it is economical and satisfactory to do so. In addition, under section 51350, a County which provides services through its departments to any city shall charge the city costs incurred in providing such services.

In 2013, the Treasurer-Tax Collector (Treasurer) determined that it was economical and satisfactory to provide billing and payment processing services to the City of Westminster (City). On February 26, 2013, the Board approved the initial five-year contract with the City of Westminster for billing and payment processing services. On April 24, 2018, the Board approved an additional five-year contract with the City of Westminster for billing and payment processing services.

The last contract expired on April 30, 2023, and the Treasurer has continued to provide services as it was not identified that the contract had expired, and a new contract needed to be signed. Therefore, the Treasurer needs to enter into a new contract in order to receive payment for these past and future services. The Treasurer believes that entering into a longer contract is in the best interest of the County since it is a cost-based contract with a 90-day cancellation by either party. The City of Westminster currently issues approximately 50,000 water bills per year, and the County has processed approximately 268,000 water bills for the last five years and the mailed payments are processed through the Treasurer’s high-speed remittance processing equipment, which was recently purchased and provides significant cost savings as it provides for single pass processing versus two pass processing. This contract remains satisfactory and economical for both parties involved in the process and aligns with the Treasurer’s core competency of providing billing and payment processing services. The Treasurer and Assistant Treasurer-Tax Collector have taken steps to establish the procurement team’s contract tracking processes to prevent future lapses, and to avoid continuing work without an active contract.

Contract services to the City include sorting and opening the mail, processing the payments through the remittance processing equipment and sending a deposit file electronically to the City’s designated bank account. The services also provide data file and associated reports containing the payment information to the City along with images of the payment coupons and checks. Finally, the County’s current vendor for printing and mailing is also used to process, print and mail the water bills. The City is billed for the actual costs of processing, printing and mailing services as well as a per transaction processing fee to cover TTC processing costs at existing rates. The costs for the processing, printing and mailing from the third-party vendor are billed monthly to the City. Below is a summary of the contract and service details:

Fiscal Year	Contract Amount	Total Items Processed	Costs Recovered
2018-19	\$74,000	61,314	\$ 73,502
2019-20	\$75,000	56,161	\$ 72,900
2020-21	\$76,000	55,145	\$ 72,851
2021-22	\$79,000	49,695	\$ 73,982
2022-23	\$86,604*	45,377	\$ 76,605*
2023-24 (YTD)	14,904 (YTD)*	14,904 (YTD)	\$ 28,489*

*Total Invoices from May 2023 to November 2023 have not been paid since contract expired on April 30, 2023.

As noted above, the contract has expired, and the Treasurer is requesting that the Board approve the retroactive contract for a five-year term. The City is expected to approve the item at their City Council meeting on May 8, 2024.

Prior Board Action:

FINANCIAL IMPACT:

The cost of this contract is fully reimbursed from the City of Westminster. Appropriations and revenue for this contract are included in Budget Control 074 FY 2023-24 Budget and will be included in the budgeting process for future years. The Treasurer or City can terminate the agreement without cause with 90 days written notice.

STAFFING IMPACT:

N/A

ATTACHMENT(S):

Attachment A - Contract with City of Westminster

Attachment B - California Government Code 23008 and 51350

**CONTRACT FOR
WATER BILLING AND PAYMENT PROCESSING SERVICES
BETWEEN THE CITY OF WESTMINSTER
AND THE
COUNTY OF ORANGE**

THIS CONTRACT is made and entered into as of the date fully executed by and between the CITY OF WESTMINSTER, hereinafter referred to as “CITY”, and the COUNTY OF ORANGE, a political subdivision of the State of California, hereinafter referred to as “COUNTY”.

WITNESSETH:

WHEREAS, County, through the Treasurer-Tax Collector (hereinafter referred to as “TTC”), maintains and operates remittance processing equipment; and

WHEREAS, CITY is responsible for billing and processing payments for water usage within its jurisdiction and therefore, wishes to contract with COUNTY for billing and payment processing services; and

WHEREAS, COUNTY is agreeable to the rendering of such services, as authorized in Government Code Section 51301, on the terms and conditions hereinafter set forth,

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. TERM

This Contract shall commence on May 1, 2023 through April 30, 2028, unless terminated by either party or extended in the manner set forth herein.

2. PURPOSE

A. The purpose of this Contract is to provide water billing and payment processing services (hereinafter “Services”) to the CITY and for the CITY to pay for the cost of the services provided by COUNTY.

B. Nothing in this Contract shall be interpreted to give the CITY a right to services from COUNTY. COUNTY expressly retains all rights and powers to direct, manage, maintain, train, employ, equip, operate and control all equipment, facilities, properties and personnel in providing Services to CITY pursuant to this Contract.

3. COUNTY PROVIDED SERVICES

A. COUNTY, through its TTC, officers and employees, shall render to CITY the Services as hereinafter provided.

B. The TTC will receive the incoming mailed payments at an established post office box in Santa Ana, CA designated for non-property tax payments. TTC staff will sort and open

the mail, process the payments through the TTC's remittance processing equipment and send a deposit file electronically to CITY's designated bank account. At the end of each day, the TTC will provide a data file and associated reports containing all the necessary payment information to CITY to update their records. In addition, images of the front and back of all payment coupons and checks will be provided to the CITY.

- C. TTC has a Contract with a third-party vendor to provide printing and mailing services on behalf of the TTC (hereinafter "Vendor"). TTC will utilize the Vendor to process, print and mail invoices on behalf of CITY. The TTC will work directly with Vendor to design CITY's water bill to meet the specifications of the TTC's remittance processing equipment. The COUNTY has sole discretion to substitute the vendor that it will utilize to provide printing and mailing services to the CITY.

4. CITY DUTIES

- A. CITY is responsible for providing all necessary data in an agreed upon format to Vendor for generating invoices. Vendor will create PDF images of the invoices and present them to CITY for approval. It is essential for the CITY to provide approval on a timely basis so that the invoices can be mailed. If approval is not given within a reasonable time, the invoices will not be mailed by TTC.
- B. CITY will provide feedback information to the TTC regarding any problems or issues with the billing or payment processes in order to ensure satisfactory services are being provided.

5. COMPENSATION

- A. Pursuant to Government Code Section 51350, CITY agrees to pay to COUNTY the full costs of performing the Services mutually agreed upon in this Contract. The costs of the Services include salaries, wages, benefits, mileage, services, supplies, equipment, and divisional, departmental and COUNTY General overhead incurred in connection with this Contract.
- B. All direct and indirect costs associated with processing, printing and mailing invoices and payment processing will be monitored and charged by the TTC. Direct costs charged by TTC's third-party vendors for printing and mailing including the onetime set up of services will be charged to CITY with details provided upon request to CITY.
- C. The TTC will charge CITY the actual cost for processing mailed payments either determined by a per item rate or by direct billing. The cost is calculated based on expected labor expenses and includes indirect costs incurred in connection with this Contract. All costs will be reviewed annually by TTC to determine whether any adjustments should be made to enable TTC to recover costs associated with providing services to CITY. Any changes to the costs associated with this Contract will be agreed upon by both parties and reflected by written amendment to this Contract.
- D. Total contract amount shall not exceed \$127,500 annually, this price consists of printing and mailing costs of \$95,000 and payment processing costs of \$32,500.

- E. TTC will provide CITY with a monthly service statement detailing the services provided and the costs of such services. CITY shall notify TTC within ten (10) days of receipt of the monthly statement of any disputed charges.
- F. CITY shall pay COUNTY in accordance with COUNTY Board of Supervisors' approved County Billing Policy. CITY acknowledges that TTC has provided a copy of the approved County Billing Policy. TTC will provide CITY with updates to the County Billing Policy as they are made.
- G. COUNTY shall charge CITY late payment penalties in accordance with County Billing Policy as it may be amended from time to time.

6. TERMINATION

In addition to any other remedies or rights it may have by law, COUNTY has the right to immediately terminate this Contract without penalty for cause. Cause shall be defined as any material breach of Contract, any misrepresentation or fraud on the party of the CITY. COUNTY or CITY may terminate this Contract, without cause, upon ninety (90) days written notice to the other party. Exercise by COUNTY of its right to terminate the Contract shall relieve COUNTY of all further obligation.

7. AMENDMENTS

This Contract fully expresses all understanding of CITY and COUNTY with respect to the subject matter of this Contract and shall constitute the total Contract between the parties for these purposes. All preliminary negotiations and Contracts of whatever kind or nature are merged herein. No verbal Contract or implied covenant shall be held to vary the provisions herein. This Contract may be modified or amended only by a written document executed by both COUNTY and CITY.

8. NOTICES

- A. All notices authorized or required by this Contract shall be effective when written and deposited in the United States mail, first class postage prepaid and addressed as follows:

CITY: ATTN: Erin Backs
 Finance Director
 8200 Westminster Blvd.
 Westminster, CA 92683

COUNTY: County of Orange
 Attn: Purchasing
 P.O. Box 4515
 Santa Ana, CA 92702-4515

- B. Termination notices shall be effective when written and deposited in the United States mail, certified, return receipt requested and addressed as above.

9. STATUS OF COUNTY

COUNTY is, and at all times shall be deemed to be, an independent contractor. Nothing herein contained shall be construed as creating the relationship of employer and employee, or principal and agent, between CITY and COUNTY or any of COUNTY's agents or employees. COUNTY and TTC shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of services by COUNTY pursuant to this Contract. COUNTY, its agents and employees shall not be entitled to any rights or privileges of CITY employees and shall not be considered in any manner to be CITY employees.

10. STATE AUDIT

Pursuant to Government Code Section 8546.7, CITY and COUNTY shall be subject to examination and audit by the State Auditor for a period of three (3) years after final payment by CITY to COUNTY under this Contract. CITY and COUNTY shall retain all records relating to the performance of this Contract for said three-year period, except that those records pertaining to any audit then in progress, or to any claim or litigation, shall be retained beyond said three-year period, until final resolution of said audit, claim or litigation.

11. INDEMNIFICATION

- A. CITY agrees that COUNTY shall be fully protected from any loss, injury, damage, claim, lawsuit, cost or expense arising out of, or in any way related, to the performance of services pursuant to this Contract. Accordingly, the provisions of this Contract should be construed and interpreted to provide the fullest possible protection to COUNTY.
- B. To the fullest extent permitted by law, CITY shall defend at its expense including attorney's fees and with counsel approved in writing by COUNTY, indemnify and hold harmless COUNTY and its elected and appointed officials, officers, agents, employees, subcontractors and independent contractors (collectively, the "Indemnified Parties") from and against any and all claims (including, without limitation, claims for bodily injury, death or damage to property), demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including, without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever (individually, a "Claim"; collectively, "Claims"), which may arise from or in any manner relate directly or indirectly to any services provided under this Contract including, but not limited to, activities that relate in any way to this Contract including the negligent and/or willful acts, errors, and/or omissions of CITY, its elected and appointed officials, officers, agents, employees, subcontractors or independent contractors. Notwithstanding the foregoing, nothing herein shall be construed to require CITY to indemnify the Indemnified Parties from any Claim arising from the sole negligence or willful misconduct of the Indemnified Parties. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable.
- C. COUNTY shall defend at its expense including attorney's fees and with counsel approved in writing by CITY, indemnify and hold harmless CITY and its elected officials, agents and employees with respect to any claim, loss, liability, damage, lawsuit, cost or expense that arises out of, or is in any way related, to the sole negligence or willful misconduct by

COUNTY, its elected and appointed officials, officers, agents, employees, subcontractors or independent contractors.

- D. If judgment is entered against CITY and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of either party, CITY and COUNTY agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

12. MISCELLANEOUS PROVISIONS

- A. Each party to this Contract shall immediately notify the other of any litigation or claims that is asserted by or against either party regarding this Contract.
- B. The laws of the State of California shall govern this Contract and all matters relating to it and any action brought relating to this Contract shall be adjudicated in a court of competent jurisdiction in the County of Orange.
- C. The terms of this Contract shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of the Contract or any rule of construction which might otherwise apply.
- D. A waiver by either party of any breach, of any term, covenant or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

IN WITNESS WHEREOF, the parties have executed the CONTRACT in the County of Orange, State of California.

CITY OF WESTMINSTER:

Christine Cordon, City Manager
City of Westminster

Date:

ATTEST:

APPROVED AS TO FORM:

Ashton R. Arocho, MMC, City Clerk

Christian L. Bettenhausen
City Attorney

RECOMMENDED FOR APPROVAL:

Christine Cordon/City Manager

COUNTY OF ORANGE

Shari L. Freidenrich, CPA
Treasurer-Tax Collector

Date

APPROVED AS TO FORM:

Office of the County Counsel

Orange County, California

DocuSigned by:

Ronnie Magsaysay

4/19/2024

Ronald T. Magsaysay, Deputy

Date

CALIFORNIA GOVERNMENT CODE 23008

TITLE 3. – DIVISION 1. – CHAPTER - 1.

23008.

Whenever it is economical and satisfactory to do so, a county may lease equipment, perform work, or furnish goods for any district or municipal corporation within the county, if before the work is done or the goods are ordered or furnished by the county, an amount equal to the cost, or an amount 10 percent in excess of the estimated cost, is so reserved from the funds of the district or municipal corporation to be charged that it may be transferred to the county, when the work is completed or the goods are supplied.

(Added by Stats. 1947, Ch. 424.)

CALIFORNIA GOVERNMENT CODE 51350

TITLE 5. – DIVISION 1. – PART 2. - CHAPTER - 1. – ARTICLE 3.

51350.

A county which provides services through its appropriate departments, boards, commissions, officers or employees, to any city pursuant to contract or as authorized by law, shall charge the city all those costs which are incurred in providing the services so contracted or authorized. A county shall not charge a city contracting for a particular service, either as a direct or an indirect overhead charge, any portion of those costs which are attributable to services made available to all portions of the county, as determined by resolution of the board of supervisors, or which are general overhead costs of operation of the county government. General overhead costs, for the purpose of this section, are those costs which a county would incur regardless of whether or not it provided a service under contract to a city.


Any determination of general overhead costs shall be subject to court review as to the reasonableness of such determination.

This section does not apply to a contract or agreement in effect on December 31, 1983, made by a county.

(Amended by Stats. 1983, Ch. 225, Sec. 1.)



Continuation or Deletion Request

Date: 5/3/2024
To: Clerk of the Board of Supervisors
From: Veronica Kelley, Agency Director, Health Care Agency 
Re: ASR Control #: N/A, Meeting Date 5/7/24 Agenda Item No. # S34C
Subject: Approve Amendment and Contract for Be Well Campuses with Mind OC

Request to continue Agenda Item No. # S34C to the 5/21/2024 Board Meeting.

Comments:

Request deletion of Agenda Item No. # _____

Comments:



County Executive Office

Memorandum

May 2, 2024

To: Clerk of the Board of Supervisors
From: Frank Kim, County Executive Officer
Subject: Exception to Rule 21

Handwritten signature of Frank Kim

Digitally signed by Frank Kim
DN: cn=Frank Kim, o=County of Orange, ou=CEO, email=frank.kim@ocgov.com, c=US
Date: 2024.05.02 15:57:21 -0700

RECEIVED
2024 MAY -2 PM 4: 39
CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS

S34C

The County Executive Office is requesting a Supplemental Agenda Staff Report for the May 7, 2024, Board Hearing.

Agency: Health Care Agency
Subject: Approve Amendment and Contract for Be Well Campuses
Districts: 2, 3

Reason Item is Supplemental: HCA is asking for this item to go on a Supplemental ASR due to ongoing negotiations with Mind OC, who is also the owner/operator of both Be Well Campuses and holds a Ground Lease Agreement with the County for both Campuses. The services to be provided and the campuses include both Substance Use Disorder Programs and Mental Health Programs. In addition, Mind OC also oversees campus operations. At the Orange Campus, Mind OC will be the service provider for the Mental Health Programs.

Justification: The May 7, 2024, Board Date is being asked to allow adequate time for Mind OC to select/identify service providers for the Irvine Campus and to transition to the Mental Health Program service provider role properly.

Concur:

Handwritten signature of Donald P. Wagner

Donald P. Wagner, Chairman of the Board of Supervisors

cc: Board of Supervisors
County Executive Office
County Counsel

**SUPPLEMENTAL AGENDA ITEM
AGENDA STAFF REPORT**



MEETING DATE: 5/7/2024
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): 2, 3
SUBMITTING AGENCY/DEPARTMENT: Health Care Agency
DEPARTMENT HEAD REVIEW: [Signature]
Department Head Signature
DEPARTMENT CONTACT PERSON(S): Annette Mugrditchian (714) 834-5026
Veronica Kelley (714) 834-7024

RECEIVED
2024 MAY -3 AM 9:17
CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS

SUBJECT: Approve Amendment and Contract for Be Well Campuses

CEO CONCUR

[Signature]

CEO Signature

Digitally signed by Frank Kim
DN: cn=Frank Kim, ou=County of
Orange, ou=CEO,
email=frank.kim@ocgov.com,
c=US
Date: 2024.05.02 15:57:41 -0700

COUNTY COUNSEL REVIEW

Approved as to Form

Action

[Signature]

County Counsel Signature

CLERK OF THE BOARD

Discussion

3 Votes Board Majority

Budgeted: N/A

Current Year Cost: N/A

Annual Cost: FY 2024-25

\$18,835,647

FY 2025-26 \$31,665,191

FY 2026-27 \$31,868,897

FY 2027-28 \$16,039,356

Staffing Impact: No

of Positions:

Sole Source: Yes

Current Fiscal Year Revenue: N/A

Funding Source: See Financial Impact Section

County Audit in last 3 years: No

Levine Act Review Completed: Yes

Prior Board Action: 9/27/2022 #32

RECOMMENDED ACTION(S)

1. Approve the Master Services Agreement with Mind OC for provision of Mental Health and Recovery Services Irvine Campus, for the term January 1, 2025, through December 31, 2027, for a total amount not to exceed \$95,434,758, renewable for one additional two-year term.
2. Approve Amendment No. 2 to the Master Services Agreement with Mind OC for provision of Mental Health and Recovery Services Orange Campus, increasing the amount not to exceed by \$2,974,333, effective upon execution of all authorized necessary signatures through June 30, 2025, for a revised cumulative total contract amount not to exceed \$66,806,613.

3. Pursuant to Contract Policy Manual Section 3.4-114, authorize the County Procurement Officer or Deputized designee to exercise a contingency contract cost increase, not to exceed \$9,543,475, which is 10 percent of the contract amount for the first year of the contract, for the entire term of the Master Services Agreement for Mental Health and Recovery Services Irvine Campus, including renewals, and within the scope of work set forth in the contract. The use of this contingency cost increase is subject to approval requirements established by the County Procurement Officer.

4. Authorize the County Procurement Officer or Deputized designee to execute the Master Services Agreement for Mental Health and Recovery Services Irvine Campus and Amendment No. 2 to the Master Services Agreement for Mental Health and Recovery Services with Mind OC as referenced in the Recommended Actions above.

SUMMARY:

Approval of the Master Services Agreement for Mental Health and Recovery Services Irvine Campus and the Amendment to Master Services Agreement for Mental Health and Recovery Services with Mind OC will provide a wide range of critical and comprehensive behavioral health services to County residents at two centralized locations.

BACKGROUND INFORMATION:

On September 27, 2022, your Honorable Board of Supervisors approved the sole source Contract for a Master Services Agreement (MSA) for Mental Health and Recovery Services with Mind OC (MOC) to oversee both facility operations and behavioral health services at the Be Well Orange Campus and the below additional actions have been executed pursuant to appropriate authorities (Be Well Orange Campus MSA).

Board Date	Contract	Action	Term
September 27, 2022	Contract	Board Approved Contract	October 1, 2022 – June 30, 2025
N/A	Amendment No. 1	Deputy Purchasing Agent (DPA) Delegated Authority to update language and budget table	October 1, 2022 - June 30, 2025

The Amendment for the Be Well Orange Campus will allow MOC to be the direct service provider for Crisis Residential and Crisis Stabilization Services under the contract. MOC will work with the Health Care Agency (HCA) to ensure compliance with contractual requirements and all Department of Health Care Services (DHCS) mandates and regulations. This is a sole source due to MOC’s current role as the MSA holder. As the holder of the MSA, MOC is familiar with the operations at the campus and can assume the role of provider for the aforementioned services prior to the expiration of the existing provider contracts. MOC is positioned to prevent an interruption in the delivery of Crisis Stabilization and Crisis Residential services, which are critical to the HCA’s crisis care continuum.

The proposed MSA for the Be Well Campus in the City of Irvine (Be Well Irvine Campus) with MOC will enable MOC to oversee both facility operations and behavioral health services (Be Well Irvine Campus MSA). The Be Well Irvine Campus is anticipated to open and begin operations in July 2025. As the landlord and facility operations managers of the campus, MOC is the only group who can provide the facility portion of the Contract. The Contract start date will allow the time necessary for MOC to begin soliciting for contractors to provide the services required under the MSA. The Orange County Preference

Policy is not applicable to the Be Well Irvine Campus MSA and Amendment to the Be Well Orange Campus MSA.

The Be Well Irvine Campus MSA is a sole-source contract because MOC's current role as landlord and facility operations managers of the campus positions them to provide the facility portion of the Contract. In addition, MOC's knowledge of how services have been provided on the Be Well Orange Campus, their familiarity with the processes, and their established relationship with relevant stakeholders are uniquely important and necessary experiences to oversee the behavioral health services portion. No other provider in Orange County has this combination of experience.

MOC will work with the campus programs to increase the number of clients served with commercial insurances, thereby increasing projected revenue as described in the Scope of Services section below.

Scope of Services

MOC will be responsible for both Facility Operations, Asset Management and Clinical Provider Contracting and oversight at both Campuses as specified below:

Facility Operations and Asset Management will include the following areas:

- Facilities Management
- Property Accounting
- Capital Project Management
- Lease Management
- Reporting and Monitoring related to Behavioral Health Continuum Infrastructure Program (BHCIP) funded sites at the Be Well Irvine Campus

Provider Contracting and oversight will be for MOC to ensure that each of the Services at the campuses are provided and monitored in the following areas:

- Quality Management
- Program Integrity & Health Care Compliance
- Cultural Competency
- Training
- Claiming
- Reports
- Data Collection

Be Well Orange Campus Programs covered under the MSA will include:

- Sobering Center - Provide services to adults 18 years of age and older who are present with intoxication and can safely be served at the facility. These persons might otherwise be detained by law enforcement or utilize hospital emergency departments for issues related to intoxication. Persons must arrive at the center by vehicle and be transported by either a police department/law enforcement or other approved referral source. Arriving on foot is not permitted. Referrals will come from HCA identified referral sources. This service will be provided to all eligible noninsured or non Medi-Cal individuals.
- Adult Clinically Managed Withdrawal Management - Provide residential, social model, non-medical detoxification services. Services will be provided around-the-clock in a clean, supportive, and calm environment and monitored by experienced, certified staff. Substance Use Disorder (SUD) Withdrawal Management refers to the primary phase of drug and alcohol treatment, in which the process of withdrawal from the relevant substance(s) is monitored, supervised, and managed.

- Adult SUD Residential Treatment - Provide non-institutional, short-term residential program that provides rehabilitation services when determined as medically necessary. Residential Treatment can be available based on medical necessity. Program to address behaviors and emotions behind addiction. Treatment to include individual therapy, group therapy and education about addiction. Residential Treatment requires prior authorization by the County.
- Adult Co-Occurring Residential Treatment - Provide services as Residential Treatment above with additional staff and expertise to help clients suffering from both a SUD and a Mental Health condition.

Be Well Irvine Campus Programs Covered under the MSA will include:

- Sobering Center - Provide services to adults 18 years of age and older who are present with intoxication and can safely be served at the facility. These persons might otherwise be detained by law enforcement or utilize hospital emergency departments for issues related to intoxication. Persons must arrive at the center by vehicle and be transported by either a police department/law enforcement or other approved referral source. Arriving on foot is not permitted. Referrals will come from HCA identified referral sources. This service will be provided to all eligible noninsured or non Medi-Cal individuals.
- Adult Clinically Managed Withdrawal Management - Provide residential, social model, non-medical detoxification services. Services will be provided around-the-clock in a clean, supportive, and calm environment and monitored by experienced, certified staff. SUD Withdrawal Management refers to the primary phase of drug and alcohol treatment, in which the process of withdrawal from the relevant substance(s) is monitored, supervised, and managed.
- Adult SUD Residential Treatment - Provide non-institutional, short-term residential program that provides rehabilitation services when determined as medically necessary. Residential Treatment can be available based on medical necessity. Program to address behaviors and emotions behind addiction. Treatment to include individual therapy, group therapy and education about addiction. Residential Treatment requires prior authorization by the County.
- Adult Co-Occurring Residential Treatment - Provide services as Residential Treatment above with additional staff and expertise to help clients suffering from both a SUD and a Mental Health condition.
- Adolescent Residential SUD Treatment – This residential program will serve adolescents between the ages of 12 and 17 years of age who have been diagnosed with a substance use disorder and are in need of residential treatment services. This program is delivered in accordance with the DHCS Adolescent Substance Use Disorder Best Practices Guide.
- Perinatal SUD Residential Treatment Services – Perinatal SUD Treatment residential programs serve women 18 years and older who are pregnant and/or parenting. The programs services are designed to motivate and encourage individuals with a SUD to seek and/or remain in treatment. Programming is gender specific treatment and provides therapeutic interventions for pregnant and parenting women to address such issues of relationships, sexual and physical abuse and parenting. This program is delivered in accordance with the DHCS Perinatal Practice Guidelines.
- Adult Crisis Stabilization Unit (CSU) - A 24-hour/seven-day a week, year-round service for individuals who are experiencing behavioral health crises requiring emergent stabilization that cannot wait until regularly scheduled appointments. The majority of clients are on 72-hour civil detention for psychiatric evaluation due to danger to self, others or grave disability resulting from a behavioral health disorder. The CSU can be accessed directly by individuals experiencing a crisis, as well as by family members, law enforcement and others in the community who believe an individual has an emergent behavioral health need.
- Children's Crisis Stabilization Unit - This unit includes services described above and serves Orange County residents ages 13 to 17 years of age.

- **Crisis Residential Program** – A 24-hour/seven-day a week, year-round service for individuals who are experiencing behavioral health crises yet can be treated safely in the community in highly structured, voluntary residential settings emulating homelike environments. Individuals may be referred by County mobile crisis response teams, Crisis Stabilization Units or designated County-contracted and County operated Specialty Mental Health Plan programs.

The above operations will be overseen by MOC, who is responsible for entering into contracts with contractor providers and will be reimbursed its costs under the contracts with the various contractor providers performing the clinical services. HCA will monitor MOC for compliance with all regulatory requirements from Federal, State and Local levels. Reports will be provided to HCA Staff on a minimum of a monthly basis to show adherence to these regulations. MOC will be responsible to pay back any recoupment costs associated with non-compliance with any of the above regulations.

The following programs will be operated by MOC as a direct service provider under contract with the County Mental Health Plan (MHP) at the Be Well Orange Campus only.

- Adult Crisis Stabilization Unit
- Children’s Crisis Stabilization Unit
- Crisis Residential Program

HCA will oversee MOC for compliance with all regulatory requirements from Federal, State and Local authorities. Reports will be provided to HCA on a minimum of a monthly basis and as requested to demonstrate ongoing fulfillment of these regulations and contract terms. MOC will be responsible to pay back any recoupment costs associated with non-compliance with any of the above mentioned regulations.

Under both MSAs, MOC is responsible for a payor mix optimization target at 26 percent commercial and 76 percent public ratio, which will be adjusted as needed. The Estimated County Cost Offsets for both campuses are 9 percent for Period One, 14 percent for Period Two, and 22 percent for Period Three.

Performance Outcomes

HCA will require MOC to establish dashboards that will capture data within and across the services provided at the campuses to facilitate monitoring the performance of the programs related to access and discharge, and coordination with referral partners. MOC is responsible for monitoring Performance Outcomes of contractor providers and the Outcome Measures for each of the programs at the campuses are as follows:

Sobering Center (Be Well Orange Campus)

- Capture linkage rate to continuing BHS services.
- Capture linkage rate to other medical, dental, social services or recovery supports.
- Capture number of unduplicated clients served.
- Capture number of admissions.
- Capture percentage of clients who accepted a referral appointment upon discharge.
- Capture percentage of clients who complete a relapse prevention plan prior to discharge.

Crisis Stabilization Units

Contractor is required to achieve, track and report Performance Outcome Metrics, on a monthly basis. Outcomes are shown below for Fiscal Year (FY) 2022-23 and FY 2023-24 Year to Date for previous contractor overseen by MOC:

Performance Outcomes	FY 2022-23	FY 2023-24 to December 31, 2023
Total Admissions	2,904	1,619
At least 60 percent of individuals admitted shall be successfully stabilized and returned to the community.	62%	56%
Contractor shall provide timely evaluations as measured by completing 95 percent of CSU admissions within one hour of individual's arrival on a monthly basis.	100%	No data available*
At least 75 percent of individuals returned to the community shall successfully link (keep appointment) to ongoing mental health services within 10 days of discharge.	51%	No data available*

* MOC is working with the contractor providers to gather information. This will be completed for the end of year outcomes.

The metrics will stay the same for MOC as the new provider. Two additional metrics will be added: Contractor shall track the rate of readmission to any CSU within two (2) calendar days of Contractor discharge and will remain below two percent 2 percent of all admissions and Contractor shall track the rate of mobile Crisis Assessment Team (CAT) response within two (2) calendar days of discharge with the goal of five percent 5 percent or less of all admissions. Contractor will also participate in a shared bed board with other Orange County CSUs that shows the currently open and available CSU beds throughout the county, to ensure flow of clients through our services and to avoid duplication of efforts regarding referrals.

Crisis Residential Program

Contractor will be required to achieve, track and report Performance Outcome Metrics on a monthly basis as outlined below. Outcomes are shown below for FY 2022-23 and 2023-24 Year-to-date for previous contractor overseen by MOC:

Performance Outcomes	FY 2022-23	FY 2023-24 to December 31, 2023
Average Length of Stay	24 days	20 days
A minimum of 75% discharged to lower level of care	96%	94%
A minimum of 70% linked to a continuing care provider	50%	58%*
A minimum of 95% not hospitalized within 48 hours of discharge	98%	No data available **
A minimum of 75% not readmitted within 14 days of discharge	80%	92%

*As a direct service provider for FY 2024-25, MOC is to ensure performance outcomes are met as the previous provider either failed to meet this metric or failed to report data accurately. HCA will continue to monitor and work with MOC to gather and improve performance outcomes.

**MOC is working with the contractor providers to gather information. This will be completed for the end of year outcomes.

Adult Withdrawal Management Residential Services

The Contractor has not started Withdrawal Management Services, but will be required to achieve, track and report the following performance outcomes.

- Demonstrate provision of effective withdrawal management services with a client completion rate of at least 70 percent.
- Completion Rates shall be calculated by using the number of clients who leave with satisfactory progress divided by the total number of clients discharged during the evaluation period.
- Linkage to the next level of care for Clients upon discharge; 30 percent of Clients who have discharged will be linked with a lower level of care within 30 calendar days, as measured by charge data entered into the County Integrated Records and Information System (IRIS). Linkage rates for Clients who discharge will include all California Outcome Measurement System (CalOMS) standard discharge dispositions. All CalOMS administrative discharge dispositions will be excluded.

Adult and Adolescent Residential SUD Treatment Services

The Contractor has not started Residential Treatment Services, but will be required to achieve, track and report the following performance outcomes.

- Provide effective residential substance abuse assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as measured by Completion Rate.
- Completion Rates shall be calculated by using the number of Clients who leave with satisfactory progress divided by the total number of Clients discharged during the evaluation period. 70 percent of Clients will complete residential treatment program.
- Provide linkage to the next level of care for Clients upon discharge. 30 percent of Clients who have discharged will be linked with a lower level of care within 30 calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be excluded.

Perinatal Residential SUD Treatment

The Contractor under the Be Well Irvine Campus MSA, but will be required to achieve, track and report the following performance outcomes.

- Provide effective residential substance abuse assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as measured by Completion Rate.
- Completion Rates shall be calculated by using the number of Clients who leave with satisfactory progress divided by the total number of Clients discharged during the evaluation period. 70 percent of Clients will complete residential treatment program.
- Provide linkage to the next level of care for Clients upon discharge. 30 percent of Clients who have discharged will be linked with a lower level of care within 30 calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be excluded.
- Provide prenatal medical and therapeutic care to pregnant Clients to ensure the birth of drug-free babies. This is measured by the number of pregnant clients served and the number of drug-free babies born.

MOC will periodically review provider performance using this treatment-related data that will be collected. This data will be collected over the course of the contract and presented to the county on a monthly basis.

MOC's performance has been confirmed as satisfactory. HCA has verified there are no concerns to be addressed with respect to MOC's ownership/name, litigation status or conflicts with County interest.

The Be Well Irvine Campus MSA and Be Well Orange Campus MSA include subcontractors. See Attachment C for information regarding subcontractors on the Contract Summary Forms. These contracts, due to the nature of the services, could require the addition of subcontractors. In order to add subcontractor(s) to the contracts, MOC must seek express consent from the department. Should the addition of a subcontractor affect the scope of work and/or contract amounts, the department will bring the item back to the Board for approval.

HCA requests the Board approve the sole source Contract with Mind OC for the provision of Mental Health and Recovery Services Irvine Campus and Amendment No. 2 to Contract with Mind OC for provision of Mental Health and Recovery Services, as referenced in the Recommended Actions above.

FINANCIAL IMPACT:

Funding Sources:

Fed: 6% (Substance Use Prevention and Recovery Services Block Grant)
State: 55% (Mental Health Services Act/Prop 63, 2011 Realignment, State General Fund)
Fees/Other: 39% (Drug Medi-Cal and Medi-Cal Federal Financial Participation)

Appropriations for the Be Well Irvine Campus MSA/Amendment to the Be Well Orange Campus MSA will be included in Budget Control 042 FY 2024-25 Budget and will be included in the budgeting process for future years.

The Be Well Irvine Campus MSA and Be Well Orange Campus MSA include provisions allowing HCA to terminate the Contract, reduce the level of services, and/or renegotiate the levels of services provided as necessary. This includes a notice that allows HCA adequate time to transition services to clients, if necessary.

STAFFING IMPACT:

N/A

ATTACHMENT(S):

Attachment A: Contract MA-042- 24011432 with Mind OC for Mental Health and Recovery Services Irvine Campus
Attachment B: Amendment No. 2 to Contract MA-042-23010291 with Mind OC for Mental Health and Recovery Services
Attachment C: Contract Summary Forms
Attachment D: Redline Version of Attachment B

1 MASTER SERVICES AGREEMENT
2 FOR PROVISION OF
3 MENTAL HEALTH AND RECOVERY SERVICES IRVINE CAMPUS
4 BETWEEN
5 COUNTY OF ORANGE
6 AND
7 MIND OC
8 JANUARY 1, 2025 THROUGH DECEMBER 31, 2027

9
10 THIS CONTRACT entered into this 1st day of January, 2025 (effective date), is by and between the
11 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and MIND OC a
12 California Non-Profit (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be referred to
13 herein individually as "Party" or collectively as "Parties." This Contract shall be administered by the
14 County of Orange Health Care Agency (ADMINISTRATOR).

15
16 **W I T N E S S E T H:**

17
18 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Mental Health
19 and Recovery Services Irvine Campus described herein to the residents of Orange County; and

20 WHEREAS, CONTRACTOR is agreeable to the rendering of such services on the terms and
21 conditions hereinafter set forth:

22 NOW, THEREFORE, in consideration of the mutual covenants, benefits, and promises contained
23 herein, COUNTY and CONTRACTOR do hereby agree as follows:

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REFERENCED CONTRACT PROVISIONS

Term: January 1, 2025 through December 31, 2027

Period One means the period from January 1, 2025 through June 30, 2025

Period Two means the period from July 1, 2025 through June 30, 2026

Period Three means the period from July 1, 2026 through June 30, 2027

Period Four means the period from July 1, 2027 through December 31, 2027

Amount Not to Exceed:

Period One Amount Not to Exceed:	\$15,861,314
Period Two Amount Not to Exceed:	\$31,665,191
Period Three Amount Not to Exceed:	\$31,868,897
<u>Period Four Amount Not to Exceed:</u>	<u>\$16,039,356</u>
TOTAL AMOUNT NOT TO EXCEED:	\$95,434,758

Basis for Reimbursement: Fee For Service, Actual Cost

Payment Method: Monthly in Arrears

CONTRACTOR UEI Number: 111922215

CONTRACTOR TAX ID Number: 82-3901590

Notices to COUNTY and CONTRACTOR:

<p>COUNTY: County of Orange Health Care Agency Procurement & Contract Services 405 West 5th Street, Suite 600 Santa Ana, CA 92701-4637</p>	<p>CONTRACTOR: Mind OC Phillip Franks 18650 MacArthur Blvd., Suite 350 Irvine, CA 92612 Phillip.Franks@Mind-OC.org</p>
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CFDA#	FAIN#	Program/ Service Title	Federal Funding Agency	Federal Award Date	Amount	R&D Award (Y/N)
Pending	Pending	Pending	Pending	Pending	Pending	Pending

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I. ACRONYMS

The following standard definitions are for reference purposes only and may or may not apply in their entirety throughout this Contract:

1		
2		
3		
4	A. AES	Advanced Encryption Standard
5	B. AOD	Alcohol and Other Drug
6	C. ARRA	American Recovery and Reinvestment Act
7	D. ASAM	American Society of Addiction Medicine
8	E. ASRS	Alcohol and Drug Programs Reporting System
9	F. BCP	Business Continuity Plan
10	G. CalOMS	California Outcomes Measurement System
11	H. CAP	Corrective Action Plan
12	I. CCC	California Civil Code
13	J. CCR	California Code of Regulations
14	K. CD/DVD	Compact Disc/Digital Video or Versatile Disc
15	L. CEO	County Executive Office
16	M. CHHS	California Health and Human Services Agency
17	N. CFR	Code of Federal Regulations
18	O. CHPP	COUNTY HIPAA Policies and Procedures
19	P. CHS	Correctional Health Services
20	Q. CIPA	California Information Practices Act
21	R. CMPPA	Computer Matching and Privacy Protection Act
22	S. COI	Certificate of Insurance
23	T. CSU	Crisis Stabilization Unit
24	U. DATAR	Drug Abuse Treatment Access Report
25	V. DHCS	Department of Health Care Services
26	W. D/MC	Drug/Medi-Cal
27	X. DMC ODS	Drug Medi-Cal Organized Delivery System
28	Y. DoD	US Department of Defense
29	Z. DPFS	Drug Program Fiscal Systems
30	AA. DRP	Disaster Recovery Plan
31	AB. DRS	Designated Record Set
32	AC. DSM-5	Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition
33	AD. DSS	Department of Social Services
34	AE. EBPs	Evidenced Based Treatment Practices
35	AF. EHR	Electronic Health Records
36	AG. ePHI	Electronic Protected Health Information
37	AH. EPSDT	Early Periodic Screening, Diagnostic and Treatment

1	AI. FIPS	Federal Information Processing Standards
2	AJ. FTE	Full Time Equivalent
3	AK. GAAP	Generally Accepted Accounting Principles
4	AL. HCA	Health Care Agency
5	AM. HHS	Health and Human Services
6	AN. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
7		Law 104–191
8	AO. HITECH Act	The Health Information Technology for Economic and Clinical Health
9		Act, Public Law 111–005
10	AP. HSC	California Health and Safety Code
11	AQ. ID	Identification
12	AR. IEA	Information Exchange Contract
13	AS. IRIS	Integrated Records and Information System
14	AT. ISO	Insurance Services Office
15	AU. LPHA	Licensed Practitioner of the Healing Arts
16	AV. MAT	Medication Assisted Treatment
17	AW. NIST	National Institute of Standards and Technology
18	AX. NPI	National Provider Identifier
19	AY. NPPES	National Plan and Provider Enumeration System
20	AZ. OCPD	Orange County Probation Department
21	BA. OCR	Office for Civil Rights
22	BB. OIG	Office of Inspector General
23	BC. OMB	Office of Management and Budget
24	BD. OPM	Federal Office of Personnel Management
25	BE. P&P	Policy and Procedure
26	BF. PA DSS	Payment Application Data Security Standard
27	BG. PC	State of California Penal Code
28	BH. PCI DSS	Payment Card Industry Data Security Standard
29	BI. PHI	Protected Health Information
30	BJ. PII	Personally Identifiable Information
31	BK. PI	Personal Information
32	BL. RPC	Residential Placement Coordinator
33	BM. RTS	Residential Treatment Services
34	BN. SIR	Self-Insured Retention
35	BO. SMA	Statewide Maximum Allowance
36	BP. STC	Special Terms and Conditions
37	BQ. SUD	Substance Use Disorder

1	BR. TB	Tuberculosis
2	BS. UMDAP	Uniform method of Determining Ability to Pay
3	BT. USC	United States Code
4	BU. UOS	Units of Service
5	BV. WIC	State of California Welfare and Institutions Code
6	BW. CSI	Client and Services Information

7

8

II. ALTERATION OF TERMS

9 A. This Contract, together with Exhibits A, B, and C attached hereto and incorporated herein, fully
10 expresses the complete understanding of COUNTY and CONTRACTOR with respect to the subject
11 matter of this Contract.

12 B. Unless otherwise expressly stated in this Contract, no addition to, or alteration of the terms of this
13 Contract or any Exhibits, whether written or verbal, made by the parties, their officers, employees or
14 agents shall be valid unless made in the form of a written amendment to this Contract, which has been
15 formally approved and executed by both parties.

16

17

III. AMOUNT NOT TO EXCEED

18 A. The Total Amount Not to Exceed of COUNTY for services provided in accordance with this
19 Contract, and the separate Amount Not to Exceeds for each period under this Contract, are as specified in
20 the Referenced Contract Provisions of this Contract, except as allowed for in Subparagraph B. below.

21 B. ADMINISTRATOR may amend the Amount Not to Exceed by an amount not to exceed ten
22 percent (10%) of Period One funding for this Contract.

23

24

IV. ASSIGNMENT OF DEBTS

25 Unless this Contract is followed without interruption by another Contract between the Parties hereto
26 for the same services and substantially the same scope, at the termination of this Contract,
27 CONTRACTOR shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of persons
28 receiving services pursuant to this Contract. CONTRACTOR shall immediately notify by mail each of
29 the respective Parties, specifying the date of assignment, the County of Orange as assignee, and the
30 address to which payments are to be sent. Payments received by CONTRACTOR from or on behalf of
31 said persons, shall be immediately given to COUNTY.

32

33

V. BENEFICIARIES' RIGHTS

34 A. CONTRACTOR shall post the current Drug Medi-Cal Organized Delivery System (DMC-ODS)
35 and Mental Health Plan (MHP) Grievance and Appeals poster in locations readily available to Members
36 and staff and have Grievance and Appeal forms in the threshold languages and envelopes readily
37 accessible to Members to take without having to request it on the unit.

1 B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have an
2 internal grievance process to address concerns that may be resolved internally within one business day
3 approved by ADMINISTRATOR, to which the beneficiary shall have access.

4 1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance and/or
5 utilization management guidelines and procedures. The beneficiary has the right to utilize either or both
6 grievance process simultaneously in order to resolve their dissatisfaction.

7 2. Title IX Rights Advocacy. This process may be initiated by a Member who registers a
8 statutory rights violation or a denial or abuse complaint with the. Patient's Rights Advocacy Services
9 (PRAS) program. The PRAS program shall investigate the complaint, and Title IX grievance procedures
10 shall apply, which involve ADMINISTRATOR'S Rights Office.

11 C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to
12 CONTRACTOR and file a grievance or complaint.

13 D. No provision of this Contract shall be construed as replacing or conflicting with the duties of
14 pursuant to Welfare and Institutions Code Section 5500.

16 **VI. COMPLIANCE**

17 A. COMPLIANCE PROGRAM - ADMINISTRATOR has established a Compliance Program for
18 the purpose of ensuring adherence to all rules and regulations related to federal and state health care
19 programs.

20 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the policies and
21 procedures relating to ADMINISTRATOR's Compliance Program, Code of Conduct and access to
22 General Compliance and Annual Provider Trainings.

23 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own
24 compliance program, code of conduct and any compliance related policies and procedures.
25 CONTRACTOR's compliance program, code of conduct and any related policies and procedures shall be
26 verified by ADMINISTRATOR's Compliance Department to ensure they include all required elements
27 by ADMINISTRATOR's Compliance Officer as described in this Compliance Paragraph to this Contract.

28 These elements include:

- 29 a. Designation of a Compliance Officer and/or compliance staff.
- 30 b. Written standards, policies and/or procedures.
- 31 c. Compliance related training and/or education program and proof of completion.
- 32 d. Communication methods for reporting concerns to the Compliance Officer.
- 33 e. Methodology for conducting internal monitoring and auditing.
- 34 f. Methodology for detecting and correcting offenses.
- 35 g. Methodology/Procedure for enforcing disciplinary standards.

36 3. If CONTRACTOR does not provide proof of its own compliance program to
37 ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR's Compliance

1 Program and Code of Conduct, CONTRACTOR shall submit to ADMINISTRATOR within thirty (30)
2 calendar days of execution of this Contract a signed acknowledgement that CONTRACTOR shall
3 internally comply with ADMINISTRATOR's Compliance Program and Code of Conduct.
4 CONTRACTOR shall have as many Covered Individuals it determines necessary complete
5 ADMINISTRATOR's annual compliance training to ensure proper compliance.

6 4. If CONTRACTOR elects to have its own compliance program, code of conduct and any
7 Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR
8 shall submit a copy of its compliance program, code of conduct and all relevant policies and procedures
9 to ADMINISTRATOR within thirty (30) calendar days of execution of this Contract.
10 ADMINISTRATOR's Compliance Officer, or designee, shall review said documents within a reasonable
11 time, which shall not exceed forty-five (45) calendar days, and determine if CONTRACTOR's proposed
12 compliance program and code of conduct contain all required elements to ADMINISTRATOR's
13 satisfaction as consistent with the HCA's Compliance Program and Code of Conduct.
14 ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and
15 CONTRACTOR shall revise its compliance program and code of conduct to meet ADMINISTRATOR's
16 required elements within thirty (30) calendar days after ADMINISTRATOR's Compliance Officer's
17 determination and resubmit the same for review by ADMINISTRATOR.

18 5. Upon written confirmation from ADMINISTRATOR's compliance officer that the
19 CONTRACTOR's compliance program, code of conduct and any compliance related policies and
20 procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals
21 relative to this Contract are made aware of CONTRACTOR's compliance program, code of conduct,
22 related policies and procedures and contact information for ADMINISTRATOR's Compliance Program.

23 B. SANCTION SCREENING – CONTRACTOR must screen all Covered Individuals employed or
24 retained to provide services related to this Contract to ensure that they are not designated as Ineligible
25 Persons, as pursuant to this Contract. Screening must be conducted against the Social Security
26 Administration's Death Master File at the date of employment. Screening must be conducted monthly
27 against the General Services Administration's Excluded Parties List System or System for Award
28 Management, the Health and Human Services/Office of Inspector General List of Excluded
29 Individuals/Entities, and the California Medi-Cal Suspended and Ineligible Provider List, and/or any other
30 list or system as identified by ADMINISTRATOR.

31 1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees,
32 interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items
33 or services or who perform billing or coding functions on behalf of ADMINISTRATOR.
34 CONTRACTOR shall ensure that all Covered Individuals relative to this Contract are made aware of
35 ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures (or
36 CONTRACTOR's own compliance program, code of conduct and related policies and procedures if
37 CONTRACTOR has elected to use its own).

1 2. An Ineligible Person shall be any individual or entity who:
2 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in federal
3 and state health care programs; or
4 b. has been convicted of a criminal offense related to the provision of health care items or
5 services and has not been reinstated in the federal and state health care programs after a period of
6 exclusion, suspension, debarment, or ineligibility.

7 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
8 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
9 Contract.

10 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors monthly to
11 ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that its
12 subcontractors use their best efforts to verify that they are eligible to participate in all federal and State of
13 California health programs and have not been excluded or debarred from participation in any federal or
14 state health care programs, and to further represent to CONTRACTOR that they do not have any Ineligible
15 Person in their employ or under contract.

16 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
17 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
18 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing services
19 directly relative to this Contract becomes debarred, excluded or otherwise becomes an Ineligible Person.

20 6. CONTRACTOR acknowledges that Ineligible Persons are precluded from providing federal
21 and state funded health care services by contract with COUNTY in the event that they are currently
22 sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If
23 CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person,
24 CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY
25 business operations related to this Contract.

26 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or
27 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.
28 Such individual or entity shall be immediately removed from participating in any activity associated with
29 this Contract. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to
30 CONTRACTOR for services provided by ineligible person or individual. CONTRACTOR shall promptly
31 return any overpayments within forty-five (45) business days after the overpayment is verified by
32 ADMINISTRATOR.

33 C. GENERAL COMPLIANCE TRAINING - ADMINISTRATOR shall make General Compliance
34 Training available to Covered Individuals.

35 1. CONTRACTORS that have acknowledged to comply with ADMINISTRATOR's
36 Compliance Program shall use its best efforts to encourage completion by all Covered Individuals;
37 provided, however, that at a minimum CONTRACTOR shall assign at least one (1) designated

1 representative to complete the General Compliance Training when offered.

2 2. Such training will be made available to Covered Individuals within thirty (30) calendar days
3 of employment or engagement.

4 3. Such training will be made available to each Covered Individual annually.

5 4. ADMINISTRATOR will track training completion while CONTRACTOR shall provide
6 copies of training certification upon request.

7 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
8 compliance training. ADMINISTRATOR shall provide instruction on group training completion while
9 CONTRACTOR shall retain the training certifications. Upon written request by ADMINISTRATOR,
10 CONTRACTOR shall provide copies of the certifications.

11 D. SPECIALIZED PROVIDER TRAINING – ADMINISTRATOR shall make Specialized Provider
12 Training, where appropriate, available to Covered Individuals.

13 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered
14 Individuals relative to this Contract. This includes compliance with federal and state healthcare program
15 regulations and procedures or instructions otherwise communicated by regulatory agencies; including the
16 Centers for Medicare and Medicaid Services or their agents.

17 2. Such training will be made available to Covered Individuals within thirty (30) calendar days
18 of employment or engagement.

19 3. Such training will be made available to each Covered Individual annually.

20 4. ADMINISTRATOR will track online completion of training while CONTRACTOR shall
21 provide copies of the certifications upon request.

22 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
23 compliance training. ADMINISTRATOR shall provide instructions on completing the training in a group
24 setting while CONTRACTOR shall retain the certifications. Upon written request by
25 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

26 E. MEDI-CAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

27 1. CONTRACTOR shall take reasonable precaution to ensure that the coding of health care
28 claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner
29 and are consistent with federal, state and county laws and regulations. This includes compliance with
30 federal and state health care program regulations and procedures or instructions otherwise communicated
31 by regulatory agencies including the Centers for Medicare and Medicaid Services or their agents.

32 2. CONTRACTOR shall not submit any false, fraudulent, inaccurate and/or fictitious claims for
33 payment or reimbursement of any kind.

34 3. CONTRACTOR shall bill only for those eligible services actually rendered which are also
35 fully documented. When such services are coded, CONTRACTOR shall use proper billing codes which
36 accurately describes the services provided and must ensure compliance with all billing and documentation
37 requirements.

1 4. CONTRACTOR shall act promptly to investigate and correct any problems or errors in
2 coding of claims and billing, if and when, any such problems or errors are identified.

3 5. CONTRACTOR shall promptly return any overpayments within forty-five (45) business
4 days after the overpayment is verified by ADMINISTRATOR.

5 6. CONTRACTOR shall meet the HCA Quality Assessment and Performance Improvement
6 Standards established by Quality Management Services (QMS) and participate in the quality improvement
7 activities developed in the implementation of the DMC-ODS Quality Management Program.
8 CONTRACTOR shall establish an internal Quality Management program and appoint designated Quality
9 Improvement (QI) staff consisting of at least one dedicated QI coordinator/professional to participate in
10 QI activities with ADMINISTRATOR and to ensure service delivery and support program staff
11 implement QI initiatives and requirements appropriately at the program site.

12 7. CONTRACTOR shall comply with the provisions of the ADMINISTRATOR's Cultural
13 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
14 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
15 §1810.410.subds.(c)-(d).

16 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a
17 breach of the Contract on the part of CONTRACTOR and grounds for COUNTY to terminate the
18 Contract. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty
19 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this
20 Compliance Paragraph prior to ADMINISTRATOR's right to terminate this Contract on the basis of such
21 default.

22 **VII. CONFIDENTIALITY**

23 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any audio
24 and/or video recordings, in accordance with all applicable federal, state and county codes and regulations,
25 including 42 USC §290dd-2 (Confidentiality of Records), as they now exist or may hereafter be amended
26 or changed.

27 B. Prior to providing any services pursuant to this Contract, all members of the Board of Directors
28 or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns of the
29 CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the confidentiality of any and
30 all information and records which may be obtained in the course of providing such services. This Contract
31 shall specify that it is effective irrespective of all subsequent resignations or terminations of
32 CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,
33 consultants, subcontractors, volunteers and interns.

34 C. CONTRACTOR shall have in effect a system to protect patient records from inappropriate
35 disclosure in connection with activity funded under this Contract. This system shall include provisions
36 for employee education on the confidentiality requirements, and the fact that disciplinary action may occur
37

1 upon inappropriate disclosure. CONTRACTOR agrees to implement administrative, physical, and
2 technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and
3 availability of all confidential information that it creates, receives, maintains or transmits.
4 CONTRACTOR shall provide ADMINISTRATOR with information concerning such safeguards.

5 D. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known to
6 CONTRACTOR, or its subcontractors or agents in violation of the applicable state and federal regulations
7 regarding confidentiality.

8 E. CONTRACTOR shall monitor compliance with the above provisions on confidentiality and
9 security, and shall include them in all subcontracts.

10 F. CONTRACTOR shall notify ADMINISTRATOR within twenty-four (24) hours during a work
11 week, of any suspected or actual breach of its computer system.

12 **VIII. CONFLICT OF INTEREST**

14 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions that
15 could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation shall
16 apply to CONTRACTOR's employees, agents, and subcontractors associated with the provision of goods
17 and services provided under this Contract. CONTRACTOR's efforts shall include, but not be limited to
18 establishing rules and procedures preventing its employees, agents, and subcontractors from providing or
19 offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence
20 or appear to influence COUNTY staff or elected officers in the performance of their duties.

21 **IX. COST REPORT**

22 A. CONTRACTOR shall submit an individual and/or consolidated Cost Report for each Period, or
23 for a portion thereof to COUNTY no later than forty-five (45) calendar days following the period for
24 which they are prepared or termination of this Contract. CONTRACTOR shall prepare the individual
25 and/or consolidated Cost Report in accordance with all applicable federal, state and COUNTY
26 requirements, GAAP and the Special Provisions Paragraph of this Contract. CONTRACTOR shall
27 allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in
28 accordance with such requirements and consistent with prudent business practice, which costs and
29 allocations shall be supported by source documentation maintained by CONTRACTOR, and available at
30 any time to ADMINISTRATOR upon reasonable notice. In the event CONTRACTOR has multiple
31 Contracts for mental health services that are administered by HCA, consolidation of the individual Cost
32 Reports into a single consolidated Cost Report may be required, as stipulated by ADMINISTRATOR.
33 CONTRACTOR shall submit the consolidated Cost Report to COUNTY no later than five (5) business
34 days following approval by ADMINISTRATOR of all individual Cost Reports to be incorporated into a
35 consolidated Cost Report.
36

37 1. If CONTRACTOR fails to submit an accurate and complete Cost Report within the time

1 period specified above, ADMINISTRATOR has sole discretion to impose one or both of the following:

2 a. CONTRACTOR may be assessed a late penalty of five hundred dollars (\$500) for each
3 business day after the above specified due date that the accurate and complete Cost Report is not
4 submitted. Imposition of the late penalty shall be at the sole discretion of ADMINISTRATOR. The late
5 penalty shall be assessed separately on each outstanding Cost Report due COUNTY by CONTRACTOR.

6 b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
7 pursuant to any or all contracts between COUNTY and CONTRACTOR until such time that the accurate
8 and complete Cost Report is delivered to ADMINISTRATOR.

9 2. CONTRACTOR may request, in advance and in writing, an extension of the due date of the
10 Cost Report setting forth good cause for justification of the request. Approval of such requests shall be
11 at the sole discretion of ADMINISTRATOR and shall not be unreasonably denied. In no case shall
12 extensions be granted for more than seven (7) calendar days.

13 3. In the event that CONTRACTOR does not submit an accurate and complete Cost Report
14 within one hundred and eighty (180) calendar days following the termination of this Contract, and
15 CONTRACTOR has not entered into a subsequent or new contract for any other services with COUNTY,
16 then all amounts paid to CONTRACTOR by COUNTY during the term of the Contract shall be
17 immediately reimbursed to COUNTY.

18 B. The individual and/or consolidated Cost Report prepared for each period shall be the final
19 financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis
20 for final settlement to CONTRACTOR for that period. CONTRACTOR shall document that costs are
21 reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The
22 Cost Report shall be the final financial record for subsequent audits, if any.

23 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder, less
24 applicable revenues and any late penalty, not to exceed the negotiated rate as specified in the Contract.
25 CONTRACTOR shall not claim expenditures to COUNTY which are not reimbursable pursuant to
26 applicable federal, state and COUNTY laws, regulations and requirements. Any payment made by
27 COUNTY to CONTRACTOR, which is subsequently determined to have been for a non-reimbursable
28 expenditure or service, shall be repaid by CONTRACTOR to COUNTY in cash, or other authorized form
29 of payment, within thirty (30) calendar days of submission of the Cost Report or COUNTY may elect to
30 reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

31 D. Costs of Medi-Cal services shall not exceed the negotiated rate as specified in this Contract.

32 E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
33 this Contract, less applicable revenues and any late penalty, are higher than the aggregate of interim
34 monthly payments to CONTRACTOR, then COUNTY shall pay CONTRACTOR the difference,
35 provided such payment does not exceed COUNTY's Total Amount Not to Exceed.

36 F. All Cost Reports shall contain the following attestation, which may be typed directly on or
37 attached to the Cost Report:

1
 2 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and
 3 supporting documentation prepared by _____ for the cost report period
 4 beginning _____ and ending _____ and that, to the best of my knowledge
 5 and belief, costs reimbursed through this Contract are reasonable and allowable and
 6 directly or indirectly related to the services provided and that this Cost Report is a true,
 7 correct, and complete statement from the books and records of (provider name) in
 8 accordance with applicable instructions, except as noted. I also hereby certify that I
 9 have the authority to execute the accompanying Cost Report.

10
 11 Signed _____
 12 Name _____
 13 Title _____
 14 Date _____"

15
 16 **X. DEBARMENT AND SUSPENSION**

17 A. COUNTY shall not subcontract with or employ any party listed on the government wide
 18 exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2
 19 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp. p. 189) and 12689 (3 CFR
 20 part 1989., p. 235), "Debarment and Suspension." SAM exclusions contain the names of parties debarred,
 21 suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or
 22 regulatory authority other than Executive Order 12549.

23 B. COUNTY shall advise all subcontractors of their obligation to comply with applicable federal
 24 debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001.

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

27
 28 **XI. DEBARMENT AND SUSPENSION CERTIFICATION**

29 A. CONTRACTOR certifies that it and its principals:

30 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or
 31 voluntarily excluded by any federal department or agency.

32 2. Have not within a three-year period preceding this Contract been convicted of or had a civil
 33 judgment rendered against them for commission of fraud or a criminal offense in connection with
 34 obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract
 35 under a public transaction; violation of federal or state antitrust statutes or commission of
 36 embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or
 37 receiving stolen property.

1 3. Are not presently indicted for or otherwise criminally or civilly charged by a federal, state,
2 or local governmental entity with commission of any of the offenses enumerated in Subparagraph A.2.
3 above.

4 4. Have not within a three-year period preceding this Contract had one or more public
5 transactions (federal, state, or local) terminated for cause or default.

6 5. Shall not knowingly enter into any lower tier covered transaction with a person who is
7 proposed for debarment under federal regulations (i.e., 48 CFR Part 9, Subpart 9.4), debarred,
8 suspended, declared ineligible, or voluntarily excluded from participation in such transaction unless
9 authorized by the State of California.

10 6. Shall include without modification, the clause titled "Certification Regarding Debarment,
11 Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction," (i.e., transactions
12 with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in
13 accordance with 2 CFR Part 376.

14 B. The terms and definitions of this paragraph have the meanings set out in the Definitions and
15 Coverage sections of the rules implementing 51 F.R. 6370.

17 **XII. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

18 A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without
19 prior written consent of COUNTY. CONTRACTOR shall provide written notification of
20 CONTRACTOR's intent to delegate the obligations hereunder, either in whole or part, to
21 ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the delegation.
22 Any attempted assignment or delegation in derogation of this paragraph shall be void.

23 B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR's
24 business prior to completion of this Contract, and COUNTY agrees to an assignment of the Contract, the
25 new owners shall be required under the terms of sale or other instruments of transfer to assume
26 CONTRACTOR's duties and obligations contained in this Contract and complete them to the satisfaction
27 of COUNTY. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without
28 the prior written consent of COUNTY.

29 1. If CONTRACTOR is a nonprofit organization, any change from a nonprofit corporation to
30 any other corporate structure of CONTRACTOR, including a change in more than fifty percent (50%) of
31 the composition of the Board of Directors within a two (2) month period of time, shall be deemed an
32 assignment for purposes of this paragraph, unless CONTRACTOR is transitioning from a community
33 clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal
34 Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.

35 2. If CONTRACTOR is a for-profit organization, any change in the business structure,
36 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of
37 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a

1 change in fifty percent (50%) or more of Board of Directors or any governing body of CONTRACTOR
2 at one time shall be deemed an assignment pursuant to this paragraph. Any attempted assignment or
3 delegation in derogation of this subparagraph shall be void.

4 3. If CONTRACTOR is a governmental organization, any change to another structure,
5 including a change in more than fifty percent (50%) of the composition of its governing body (i.e. Board
6 of Supervisors, City Council, School Board) within a two (2) month period of time, shall be deemed an
7 assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of this
8 subparagraph shall be void.

9 4. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
10 CONTRACTOR shall provide written notification of CONTRACTOR's intent to assign the obligations
11 hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to
12 the effective date of the assignment.

13 5. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
14 CONTRACTOR shall provide written notification within thirty (30) calendar days to ADMINISTRATOR
15 when there is change of less than fifty percent (50%) of Board of Directors or any governing body of
16 CONTRACTOR at one time.

17 6. COUNTY reserves the right to immediately terminate the Contract in the event COUNTY
18 determines, in its sole discretion, that the assignee is not qualified or is otherwise unacceptable to
19 COUNTY for the provision of services under the Contract.

20 C. CONTRACTOR's obligations undertaken pursuant to this Contract may be carried out by means
21 of subcontracts, provided such subcontractors are approved in advance by ADMINISTRATOR, meet the
22 requirements of this Contract as they relate to the service or activity under subcontract, include any
23 provisions that ADMINISTRATOR may require, and are authorized in writing by ADMINISTRATOR
24 prior to the beginning of service delivery.

25 1. After approval of the subcontractor, ADMINISTRATOR may revoke the approval of the
26 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor
27 subsequently fails to meet the requirements of this Contract or any provisions that ADMINISTRATOR
28 has required. ADMINISTRATOR may disallow subcontractor expenses reported by CONTRACTOR.

29 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY
30 pursuant to this Contract.

31 3. ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR, amounts
32 claimed for subcontracts not approved in accordance with this paragraph.

33 4. This provision shall not be applicable to service contracts usually and customarily entered
34 into by CONTRACTOR to obtain or arrange for supplies, technical support, and professional services
35 provided by consultants.

36 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status
37 with respect to name changes that do not require an assignment of the Contract. CONTRACTOR is also

1 obligated to notify COUNTY in writing if CONTRACTOR becomes a party to any litigation against
 2 COUNTY, or a party to litigation that may reasonably affect CONTRACTOR's performance under the
 3 Contract, as well as any potential conflicts of interest between CONTRACTOR and COUNTY that may
 4 arise prior to or during the period of Contract performance. While CONTRACTOR will be required to
 5 provide this information without prompting from COUNTY any time there is a change in
 6 CONTRACTOR's name, conflict of interest or litigation status, CONTRACTOR must also provide an
 7 update to COUNTY of its status in these areas whenever requested by COUNTY.

8 9 **XIII. DISPUTE RESOLUTION**

10 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the
 11 dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a
 12 reasonable period of time by CONTRACTOR and ADMINISTRATOR, such matter shall be brought to
 13 the attention of the COUNTY Purchasing Agent by way of the following process:

14 1. CONTRACTOR shall submit to the COUNTY Purchasing Agent a written demand for a final
 15 decision regarding the disposition of any dispute between the Parties arising under, related to, or involving
 16 this Contract, unless COUNTY, on its own initiative, has already rendered such a final decision.

17 2. CONTRACTOR's written demand shall be fully supported by factual information, and, if
 18 such demand involves a cost adjustment to the Contract, CONTRACTOR shall include with the demand
 19 a written statement signed by an authorized representative indicating that the demand is made in good
 20 faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects
 21 the Contract adjustment for which CONTRACTOR believes COUNTY is liable.

22 B. Pending the final resolution of any dispute arising under, related to, or involving this Contract,
 23 CONTRACTOR agrees to proceed diligently with the performance of services secured via this Contract,
 24 including the delivery of goods and/or provision of services. CONTRACTOR's failure to proceed
 25 diligently shall be considered a material breach of this Contract.

26 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and shall
 27 be signed by a COUNTY Deputy Purchasing Agent or designee. If COUNTY does not render a decision
 28 within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final
 29 decision adverse to CONTRACTOR's contentions.

30 D. This Contract has been negotiated and executed in the State of California and shall be governed
 31 by and construed under the laws of the State of California. In the event of any legal action to enforce or
 32 interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in
 33 Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such
 34 court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree
 35 to waive any and all rights to request that an action be transferred for adjudication to another county.

36 37 **XIV. EMPLOYEE ELIGIBILITY VERIFICATION**

1 CONTRACTOR attests that it shall fully comply with all federal and state statutes and regulations
2 regarding the employment of aliens and others and to ensure that employees, subcontractors, and
3 consultants performing work under this Contract meet the citizenship or alien status requirements set forth
4 in federal statutes and regulations. CONTRACTOR shall obtain, from all employees, subcontractors, and
5 consultants performing work hereunder, all verification and other documentation of employment
6 eligibility status required by federal or state statutes and regulations including, but not limited to, the
7 Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently exist and as they
8 may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered
9 employees, subcontractors, and consultants for the period prescribed by the law.

10 11 **XV. EQUIPMENT**

12 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
13 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
14 ADMINISTRATOR to assist in performing the services described in this Contract. “Relatively
15 Permanent” is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000 or
16 over, including freight charges, sales taxes, and other taxes, and installation costs are defined as Capital
17 Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and other
18 taxes, and installation costs, or electronic equipment that costs less than \$600 but may contain PHI or PII,
19 are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to phones, tablets,
20 audio/visual equipment, computer equipment, and lab equipment. The cost of Equipment purchased, in
21 whole or in part, with funds paid pursuant to this Contract shall be depreciated according to GAAP.

22 B. CONTRACTOR shall obtain ADMINISTRATOR’s written approval prior to purchase of any
23 Equipment with funds paid pursuant to this Contract. Upon delivery of Equipment, CONTRACTOR shall
24 forward to ADMINISTRATOR, copies of the purchase order, receipt, and other supporting
25 documentation, which includes delivery date, unit price, tax, shipping and serial numbers.
26 CONTRACTOR shall request an applicable asset tag for said Equipment and shall include each purchased
27 asset in an Equipment inventory.

28 C. Upon ADMINISTRATOR’s prior written approval, CONTRACTOR may expense to COUNTY
29 the cost of the approved Equipment purchased by CONTRACTOR. To “expense,” in relation to
30 Equipment, means to charge the proportionate cost of Equipment in the fiscal year in which it is purchased.
31 Title of expensed Equipment shall be vested with COUNTY.

32 D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part with
33 funds paid through this Contract, including date of purchase, purchase price, serial number, model and
34 type of Equipment. Such inventory shall be available for review by ADMINISTRATOR, and shall
35 include the original purchase date and price, useful life, and balance of depreciated Equipment cost, if
36 any.

37 E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical

1 inventories of all Equipment. Upon demand by ADMINISTRATOR, CONTRACTOR shall return any
2 or all Equipment to COUNTY.

3 F. CONTRACTOR must report any loss or theft of Equipment in accordance with the procedure
4 approved by ADMINISTRATOR and the Notices Paragraph of this Contract. In addition,
5 CONTRACTOR must complete and submit to ADMINISTRATOR a notification form when items of
6 Equipment are moved from one location to another or returned to COUNTY as surplus.

7 G. Unless this Contract is followed without interruption by another Contract between the Parties for
8 substantially the same type and scope of services, at the termination of this Contract for
9 any cause, CONTRACTOR shall return to COUNTY all Equipment purchased with funds paid through
10 this Contract.

11 H. CONTRACTOR shall maintain and administer a sound business program for ensuring the proper
12 use, maintenance, repair, protection, insurance, and preservation of COUNTY Equipment.

13 14 **XVI. FACILITIES, PAYMENTS AND SERVICES**

15 CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance with
16 this Contract. COUNTY shall compensate, and authorize, when applicable, said services.
17 CONTRACTOR shall operate continuously throughout the term of this Contract with at least the
18 minimum number and type of staff which meet applicable federal and state requirements, and which are
19 necessary for the provision of the services hereunder.

20 21 **XVII. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)** 22 **OF 1996**

23 All work performed under this Contract is subject to HIPAA, COUNTY shall perform the work in
24 compliance with all applicable provisions of HIPAA. As identified in Exhibit E of DHCS Agreement #21-
25 10100, DHCS and COUNTY shall cooperate to assure mutual agreement as to those transactions between
26 them, to which this provision applies. Refer to Exhibit E of DHCS Agreement #21-10100 for additional
27 information.

28 29 **XVIII. INDEMNIFICATION AND INSURANCE**

30 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,
31 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special
32 districts and agencies for which COUNTY's Board of Supervisors acts as the governing Board
33 ("COUNTY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature,
34 including but not limited to personal injury or property damage, arising from or related to the services,
35 products or other performance provided by CONTRACTOR pursuant to this Contract. If judgment is
36 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the
37 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and

1 COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall request
2 a jury apportionment.

3 B. Prior to the provision of services under this Contract, CONTRACTOR agrees to purchase all
4 required insurance at CONTRACTOR's expense, including all endorsements required herein, necessary
5 to satisfy COUNTY that the insurance provisions of this Contract have been complied with.
6 CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance (COI), and
7 endorsements on deposit with COUNTY during the entire term of this Contract. In addition, all
8 subcontractors performing work on behalf of CONTRACTOR pursuant to this Contract shall obtain
9 insurance subject to the same terms and conditions as set forth herein for CONTRACTOR.

10 C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of
11 CONTRACTOR pursuant to this Contract shall be covered under CONTRACTOR's insurance as an
12 Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for
13 CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less
14 than the level of coverage required by COUNTY from CONTRACTOR under this Contract. It is the
15 obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor and
16 to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance
17 must be maintained by CONTRACTOR through the entirety of this Contract for inspection by COUNTY
18 representative(s) at any reasonable time.

19 D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand
20 dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of
21 CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved,
22 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this
23 Contract, agrees to all of the following:

24 1. In addition to the duty to indemnify and hold COUNTY harmless against any and all liability,
25 claim, demand or suit resulting from CONTRACTOR's, its agents, employee's or subcontractor's
26 performance of this Contract, CONTRACTOR shall defend COUNTY at its sole cost and expense with
27 counsel approved by Board of Supervisors against same; and

28 2. CONTRACTOR's duty to defend, as stated above, shall be absolute and irrespective of any
29 duty to indemnify or hold harmless; and

30 3. The provisions of California Civil Code Section 2860 shall apply to any and all actions to
31 which the duty to defend stated above applies, and CONTRACTOR's SIR provision shall be interpreted
32 as though the CONTRACTOR was an insurer and COUNTY was the insured.

33 E. If CONTRACTOR fails to maintain insurance acceptable to COUNTY for the full term of this
34 Contract, COUNTY may terminate this Contract.

35 F. QUALIFIED INSURER

36 1. The policy or policies of insurance must be issued by an insurer with a minimum rating of A-
37 (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition

1 of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com). It is preferred, but not
 2 mandatory, that the insurer be licensed to do business in the state of California (California Admitted
 3 Carrier).

4 2. If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of
 5 Risk Management retains the right to approve or reject a carrier after a review of the company's
 6 performance and financial ratings.

7 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
 8 limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned, and hired vehicles (4 passengers or less)	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims -made
Professional Liability Insurance	\$1,000,000 per claims -made
	\$1,000,000 aggregate
Sexual Misconduct Liability	\$1,000,000 per occurrence

30 H. REQUIRED COVERAGE FORMS

31 1. The Commercial General Liability coverage shall be written on ISO form CG 00 01, or a
 32 substitute form providing liability coverage at least as broad.

33 2. The Business Automobile Liability coverage shall be written on ISO form CA 00 01, CA 00
 34 05, CA 00 12, CA 00 20, or a substitute form providing coverage at least as broad.

35 I. REQUIRED ENDORSEMENTS

36 1. The Commercial General Liability policy shall contain the following endorsements, which
 37 shall accompany the COI:

1 a. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as
2 broad naming the County of Orange, its elected and appointed officials, officers, agents and employees
3 as Additional Insureds, or provide blanket coverage, which will state AS REQUIRED BY WRITTEN
4 CONTRACT.

5 b. A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at
6 least as broad evidencing that CONTRACTOR's insurance is primary and any insurance or self-insurance
7 maintained by the County of Orange shall be excess and non-contributing.

8 2. The Network Security & Privacy Liability policy shall contain the following endorsements,
9 which shall accompany the COI:

10 a. An Additional Insured endorsement naming the County of Orange, its elected and
11 appointed officials, officers, agents and employees as Additional Insureds for its vicarious liability.

12 b. A primary and non-contributing endorsement evidencing that the CONTRACTOR's
13 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be
14 excess and non-contributing.

15 J. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving
16 all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents
17 and employees, or provide blanket coverage, which will state AS REQUIRED BY WRITTEN
18 CONTRACT.

19 K. All insurance policies required by this Contract shall waive all rights of subrogation against the
20 County of Orange, its elected and appointed officials, officers, agents and employees when acting within
21 the scope of their appointment or employment.

22 L. CONTRACTOR shall notify COUNTY in writing within thirty (30) calendar days of any policy
23 cancellation and within ten (10) calendar days for non-payment of premium and provide a copy of the
24 cancellation notice to COUNTY. Failure to provide written notice of cancellation shall constitute a breach
25 of CONTRACTOR's obligation hereunder and ground for COUNTY to suspend or terminate this
26 Contract.

27 M. If CONTRACTOR's Professional Liability and/or Network Security & Privacy Liability are
28 "Claims -Made" policies, CONTRACTOR shall agree to maintain coverage for two (2) years following
29 the completion of the Contract.

30 N. The Commercial General Liability policy shall contain a "severability of interests" clause also
31 known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

32 O. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease insurance
33 of any of the above insurance types throughout the term of this Contract. Any increase or decrease in
34 insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect
35 COUNTY.

36 P. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
37 CONTRACTOR does not deposit copies of acceptable COI and endorsements with COUNTY

1 incorporating such changes within thirty (30) calendar days of receipt of such notice, this Contract may
2 be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal
3 remedies.

4 Q. The procuring of such required policy or policies of insurance shall not be construed to limit
5 CONTRACTOR's liability hereunder nor to fulfill the indemnification provisions and requirements of this
6 Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

7 R. SUBMISSION OF INSURANCE DOCUMENTS

8 1. The COI and endorsements shall be provided to COUNTY as follows:

9 a. Prior to the start date of this Contract.

10 b. No later than the expiration date for each policy.

11 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
12 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

13 2. The COI and endorsements shall be provided to COUNTY at the address as specified in the
14 Referenced Contract Provisions of this Contract.

15 3. If CONTRACTOR fails to submit the COI and endorsements that meet the insurance
16 provisions stipulated in this Contract by the above specified due dates, ADMINISTRATOR shall have
17 sole discretion to impose one or both of the following:

18 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
19 pursuant to any and all contracts between COUNTY and CONTRACTOR until such time that the required
20 COI and endorsements that meet the insurance provisions stipulated in this Contract are submitted to
21 ADMINISTRATOR.

22 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late
23 COI or endorsement for each business day, pursuant to any and all contracts between COUNTY and
24 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance
25 provisions stipulated in this Contract are submitted to ADMINISTRATOR.

26 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from
27 CONTRACTOR's monthly invoice.

28 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
29 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
30 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.

31
32 **XIX. INSPECTIONS AND AUDITS**

33 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
34 of the State of California, the Secretary of the United States Department of Health and Human Services,
35 the Comptroller General of the United States, or any other of their authorized representatives, shall to the
36 extent permissible under applicable law have access to any books, documents, and records, including but
37 not limited to, financial statements, general ledgers, relevant accounting systems, medical and Client

1 records, of CONTRACTOR that are directly pertinent to this Contract, for the purpose of responding to a
2 beneficiary complaint or conducting an audit, review, evaluation, or examination, or making transcripts
3 during the periods of retention set forth in the Records Management and Maintenance Paragraph of this
4 Contract. Such persons may at all reasonable times inspect or otherwise evaluate the services provided
5 pursuant to this Contract, and the premises in which they are provided.

6 B. CONTRACTOR shall actively participate and cooperate with any person specified in
7 Subparagraph A. above in any evaluation or monitoring of the services provided pursuant to this Contract,
8 and shall provide the above-mentioned persons adequate office space to conduct such evaluation or
9 monitoring.

10 C. AUDIT RESPONSE

11 1. Following an audit report, in the event of non-compliance with applicable laws and
12 regulations governing funds provided through this Contract, COUNTY may terminate this Contract as
13 provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement
14 appropriate corrective action. A CAP shall be submitted to ADMINISTRATOR in writing within thirty
15 (30) calendar days after receiving notice from ADMINISTRATOR.

16 2. If the audit reveals that money is payable from one Party to the other, that is, reimbursement
17 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said
18 funds shall be due and payable from one Party to the other within sixty (60) calendar days of receipt of
19 the audit results. If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement
20 is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies
21 provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the
22 reimbursement due COUNTY.

23 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare an
24 annual Single Audit as required by 31 USC 7501 – 7507, as well as its implementing regulations under 2
25 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
26 Federal Awards. CONTRACTOR shall forward the Single Audit to ADMINISTRATOR within fourteen
27 (14) calendar days of receipt.

28 E. ADMINISTRATOR shall inform providers and CONTRACTOR, at the time they enter into a
29 contract, of the following:

30 1. Beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in 42
31 C.F.R. 438.400 through 42 C.F.R. 438.424.

32 2. The beneficiary's right to file grievances and appeals and the requirements and timeframes
33 for filling.

34 3. The availability of assistance to the beneficiary with filling grievances and appeals.

35 4. The beneficiary's right to request continuation of benefits that the ADMINISTRATOR seeks
36 to reduce or terminate during an appeal or state fair hearing filing, if filed within the allowable timeframes,
37 although the beneficiary may be liable for the cost of any continued benefits while the appeal or state fair

1 hearing is pending if the final decision is adverse to the beneficiary.

2 5. The conducting of random reviews to ensure beneficiaries are being notified in a timely
3 manner.

4 F. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records,
5 documents, contracts, computers, or other electronic systems pertaining to Medi-Cal/Drug Medi-Cal
6 enrollees, Medi-Cal/Drug Medi-Cal-related activities, services and activities furnished under the terms of
7 the Contract or determinations of amounts payable available at any time for inspection, examination of
8 copying by the State, CMS, HHS Inspector General, the United States Comptroller General, their
9 designees, and other authorized federal and state agencies. (42 CFR §438.3(h)). This audit right will exist
10 for ten (10) years from the final date of the contract period or from the date of completion of any audit,
11 whichever is later. (42 CFR §438.230(c)(3)(iii)). The State, CMS, or the HHS Inspector General may
12 inspect, evaluate, and audit CONTRACTOR at any time if there is a reasonable possibility of fraud or
13 similar risk (42 CFR §438.230(c)(3)(iv)).

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

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

17 **XXI. LICENSES AND LAWS**

18
19 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
20 the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations,
21 waivers, and exemptions necessary for the provision of the services hereunder and required by the laws,
22 regulations and requirements of the United States, the State of California, COUNTY, and all other
23 applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and in
24 writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals,
25 permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be
26 cause for termination of this Contract. In addition, all treatment providers will be certified by the State
27 Department of Health Care Services as a Drug Medi-Cal provider and must meet any additional
28 requirements established by COUNTY as part of this certification

29
30 B. CONTRACTOR shall comply with all applicable governmental laws, regulations, and
31 requirements as they exist now or may be hereafter amended or changed. These laws, regulations, and
32 requirements shall include, but not be limited to, the following:

- 33 1. ARRA of 2009.
- 34 2. Trafficking Victims Protection Act of 2000.
- 35 3. CCC §§56 through 56.37, Confidentiality of Medical Information.
- 36 4. CCC §§1798.80 through 1798.84, Customer Records.
- 37 5. CCC §1798.85, Confidentiality of Social Security Numbers.

- 1 6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social
2 Security.
- 3 7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse Master
4 Plans.
- 5 8. HSC, §§123110 through 123149.5, Patient Access to Health Records.
- 6 9. Code of Federal Regulations, Title 42, Public Health.
- 7 10. 2 CFR 230, Cost Principles for Nonprofit Organizations.
- 8 11. 2 CFR 376, Nonprocurement, Debarment and Suspension.
- 9 12. 41 CFR 50, Public Contracts and Property Management.
- 10 13. 42 CFR Part 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
- 11 14. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse
12 prevention and treatment block grants and/or projects for assistance in transition from homelessness
13 grants.
- 14 15. 45 CFR 93, New Restrictions on Lobbying.
- 15 16. 45 CFR 96.127, Requirements regarding Tuberculosis.
- 16 17. 45 CFR 96.132, Additional Contracts.
- 17 18. 45 CFR 96.135, Restrictions on Expenditure of Grant.
- 18 19. 45 CFR 160, General Administrative Requirements.
- 19 20. 45 CFR 162, Administrative Requirements.
- 20 21. 45 CFR 164, Security and Privacy.
- 21 22. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
- 22 23. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.
- 23 24. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
24 Contracting and Financial Transactions.
- 25 25. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism.
- 26 26. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
27 Administration.
- 28 27. 42 USC §290dd-2, Confidentiality of Records.
- 29 28. 42 USC §1320(a), Uniform reporting systems for health services facilities and organizations.
- 30 29. 42 USC §§1320d through 1320d-9, Administrative Simplification.
- 31 30. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
- 32 31. 42 USC §6101 et seq., Age Discrimination Act of 1975.
- 33 32. 42 USC §2000d, Civil Rights Act of 1964.
- 34 33. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform
35 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 36 34. U.S. Department of Health and Human Services, National Institutes of Health (NIH), Grants
37 Policy Statement (10/13).

- 1 35. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-
- 2 Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.
- 3 36. State of California, Department of Health Care Services (DHCS), Alcohol and/or Other Drug
- 4 Program Certification Standards, December 2020.
- 5 37. CCR Title 22, §§70751(c), 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).
- 6 38. State of California, Department of Health Care Services ASRS Manual.
- 7 39. State of California, Department of Health Care Services DPFS Manual.
- 8 40. HSC §123145.
- 9 41. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).
- 10 42. 5 USC §7321 – §7326, Political Activities (Hatch Act)
- 11 43. DMC Certification Title 22, California Code of Regulations (CCR).
- 12 44. DMC Billing Manual April 2019.
- 13 45. Federal Medicare Cost reimbursement principles and cost reporting standards.
- 14 46. Orange County Drug Medi-Cal Organized Delivery System Managed Care Plan
- 15 47. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,
- 16 August 2015, and subsequent versions.
- 17 48. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
- 18 49. California Code of Regulations (CCR), Title 22, Section 51341.1; 51490.1; 51516.1 and the
- 19 Drug Medi-Cal Certification Standards for Substance Abuse Clinics.
- 20 50. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1.
- 21 51. Standards for Drug Treatment Programs (October 21, 1981).
- 22 52. Title 9, CCR, Division 4, Chapter 5, Subchapter 1, Sections 10000, et seq.
- 23 53. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.
- 24 54. Title 9, CCR, Section 1810.435.
- 25 55. Title 9, CCR, Section 1840.105.
- 26 56. Title 22, CCR, §51009, Confidentiality of Records.
- 27 57. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
- 28 58. 2 CFR 200.501 – Single Audit Act
- 29 59. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
- 30 nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000
- 31 funded by federal financial assistance.
- 32 60. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with
- 33 limited English proficiency.
- 34 61. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
- 35 nondiscrimination on the basis of drug abuse.
- 36 62. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and
- 37 Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of

1 alcohol abuse or alcoholism.

2 63. Fair Employment and Housing Act (Gov. Code Section 12900 et seq.) and the applicable
3 regulations promulgated thereunder (Cal. Code Regs., tit. 2, Div. 4 § 7285.0 et seq.).

4 64. Title 2, Division 3, Article 9.5 of the Gov. Code, commencing with Section 11135.

5 65. Noncompliance with the requirements of nondiscrimination in services shall constitute
6 grounds for state to withhold payments under this Contract or terminate all, or any type, of funding
7 provided hereunder.

8 66. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination
9 on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of
10 housing.

11 67. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101 –
12 6107), which prohibits discrimination on the basis of age.

13 68. Age Discrimination in Employment Act (29 CFR Part 1625).

14 69. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination
15 against the disabled in employment.

16 70. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination
17 against the disabled by public entities.

18 71. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.

19 72. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting
20 discrimination on the basis of individuals with disabilities.

21 73. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
22 nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000
23 funded by federal financial assistance.

24 74. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with
25 limited English proficiency.

26 75. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
27 nondiscrimination on the basis of drug abuse.

28 76. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A –
29 E).

30 77. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the
31 applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).

32 78. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.

33 79. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.

34 80. No federal funds shall be used by CONTRACTOR or its subcontractors for sectarian
35 worship, instruction, or proselytization. No federal funds shall be used by CONTRACTOR or its
36 subcontractors to provide direct, immediate, or substantial support to any religious activity.

37

1 **XXII. LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION AND**
2 **CONTROLLED SUBSTANCES**

3 None of the funds made available through this Contract may be used for any activity that promotes
4 the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled
5 Substances Act (21 USC 812).

6
7 **XXIII. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

8 A. Any written information or literature, including educational or promotional materials, distributed
9 by CONTRACTOR to any person or organization for purposes directly or indirectly related to this
10 Contract must be approved at least thirty (30) calendar days in advance and in writing by
11 ADMINISTRATOR before distribution. For the purposes of this Contract, distribution of written
12 materials shall include, but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads,
13 and electronic media such as the Internet.

14 B. Any advertisement through radio, television broadcast, or the Internet, for educational or
15 promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this Contract
16 must be approved in advance at least thirty (30) calendar days and in writing by ADMINISTRATOR.

17 C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly
18 available social media sites) in support of the services described within this Contract, CONTRACTOR
19 shall develop social media policies and procedures and have them available to ADMINISTRATOR upon
20 reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social media used
21 to either directly or indirectly support the services described within this Contract. CONTRACTOR shall
22 comply with COUNTY Social Media Use Policy and Procedures as they pertain to any social media
23 developed in support of the services described within this Contract. CONTRACTOR shall also
24 include any required funding statement information on social media when required by
25 ADMINISTRATOR.

26 D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by
27 COUNTY, unless ADMINISTRATOR consents thereto in writing.

28 E. CONTRACTOR shall also clearly explain through these materials that there shall be no unlawful
29 use of drugs or alcohol associated with the services provided pursuant to this Contract, as specified in
30 HSC, §11999-11999.3.

31
32 **XXIV. MINIMUM WAGE LAWS**

33 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and
34 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the federal
35 or California Minimum Wage to all its Covered Individuals (as defined within the "Compliance"
36 paragraph of this Contract) that directly or indirectly provide services pursuant to this Contract, in any
37 manner whatsoever. CONTRACTOR shall require and verify that all of its Covered Individuals providing

1 services pursuant to this Contract be paid no less than the greater of the federal or California Minimum
2 Wage.

3 B. CONTRACTOR shall comply and verify that its Covered Individuals comply with all other
4 federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor
5 standards pursuant to providing services pursuant to this Contract.

6 C. Notwithstanding the minimum wage requirements provided for in this clause, CONTRACTOR,
7 where applicable, shall comply with the prevailing wage and related requirements, as provided for in
8 accordance with the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State
9 of California (§§1770, et seq.), as it now exists or may hereafter be amended.

10
11 **XXV. NO UNLAWFUL USE OR UNLAWFUL USE MESSAGES REGARDING DRUGS**

12 COUNTY agrees that information produced through these funds, and which pertains to drugs and
13 alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of
14 drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol-related program
15 shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC, Division
16 10.7, Chapter 1429, Sections 11999-11999.3). By signing this Enclosure, COUNTY agrees that it will
17 enforce, and will require its subcontractors to enforce, these requirements.

18
19 **XXVI. NONDISCRIMINATION**

20 A. EMPLOYMENT

21 1. During the term of this Contract, CONTRACTOR and its Covered Individuals (as defined in
22 the "Compliance" paragraph of this Contract) shall not unlawfully discriminate against any employee or
23 applicant for employment because of his/her race, religious creed, color, national origin, ancestry,
24 physical disability, mental disability, medical condition, genetic information, marital status, sex, gender,
25 gender identity, gender expression, age, sexual orientation, or military and veteran status. Additionally,
26 during the term of this Contract, CONTRACTOR and its Covered Individuals shall require in its
27 subcontracts that subcontractors shall not unlawfully discriminate against any employee or applicant for
28 employment because of his/her race, religious creed, color, national origin, ancestry, physical disability,
29 mental disability, medical condition, genetic information, marital status, sex, gender, gender identity,
30 gender expression, age, sexual orientation, or military and veteran status.

31 2. CONTRACTOR and its Covered Individuals shall not discriminate against employees or
32 applicants for employment in the areas of employment, promotion, demotion or transfer; recruitment or
33 recruitment advertising, layoff or termination; rate of pay or other forms of compensation; and selection
34 for training, including apprenticeship.

35 3. CONTRACTOR shall not discriminate between employees with spouses and employees with
36 domestic partners, or discriminate between domestic partners and spouses of those employees, in the
37 provision of benefits.

1 4. CONTRACTOR shall post in conspicuous places, available to employees and applicants for
2 employment, notices from ADMINISTRATOR and/or the United States Equal Employment Opportunity
3 Commission setting forth the provisions of the EOC.

4 5. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR
5 and/or subcontractor shall state that all qualified applicants will receive consideration for employment
6 without regard to race, religious creed, color, national origin, ancestry, physical disability, mental
7 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender
8 expression, age, sexual orientation, or military and veteran status. Such requirements shall be deemed
9 fulfilled by use of the term EOE.

10 6. Each labor union or representative of workers with which CONTRACTOR and/or
11 subcontractor has a collective bargaining contract or other contract or understanding must post a notice
12 advising the labor union or workers' representative of the commitments under this Nondiscrimination
13 Paragraph and shall post copies of the notice in conspicuous places, available to employees and applicants
14 for employment.

15 B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not
16 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities
17 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability,
18 medical condition, genetic information, marital status, sex, gender, gender identity, gender expression,
19 age, sexual orientation, or military and veteran status in accordance with Title IX of the Education
20 Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights Act of 1964
21 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division 4, Chapter 6,
22 Article 1 (§10800, et seq.) of the CCR; and Title II of the Genetic Information Nondiscrimination Act of
23 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent rules and regulations promulgated
24 pursuant thereto, and as otherwise provided by state law and regulations, as all may now exist or be
25 hereafter amended or changed. For the purpose of this Nondiscrimination paragraph, discrimination
26 includes, but is not limited to the following based on one or more of the factors identified above:

- 27 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 28 2. Providing any service or benefit to a Client which is different or is provided in a different
29 manner or at a different time from that provided to other Clients.
- 30 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by
31 others receiving any service and/or benefit.
- 32 4. Treating a Client differently from others in satisfying any admission requirement or
33 condition, or eligibility requirement or condition, which individuals must meet in order to be provided
34 any service and/or benefit.

35 5. Assignment of times or places for the provision of services.

36 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all Clients
37 through a written statement that CONTRACTOR's and subcontractor's Clients may file all complaints

1 alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and
2 ADMINISTRATOR or the U.S. Department of Health and Human Services' OCR.

3 1. Whenever possible, problems shall be resolved at the point of service. CONTRACTOR shall
4 establish an internal problem resolution process for Clients not able to resolve such problems at the point
5 of service. Clients may initiate a grievance or complaint directly with CONTRACTOR either orally or in
6 writing.

7
8 a. COUNTY shall establish a formal resolution and grievance process in the event
9 grievance is not able to be resolved at point of service.

10 2. Within the time limits procedurally imposed, the complainant shall be notified in writing as
11 to the findings regarding the alleged complaint and, if not satisfied with the decision, has the right to
12 request a State Fair Hearing.

13 D. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply with
14 the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as implemented
15 in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 as amended (42 USC 12101 et
16 seq.; as implemented in 29 CFR 1630), as applicable, pertaining to the prohibition of discrimination
17 against qualified persons with disabilities in all programs or activities, and if applicable
18 as implemented in Title 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended together
19 with succeeding legislation.

20 E. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents shall
21 intimidate, coerce or take adverse action against any person for the purpose of interfering with rights
22 secured by federal or state laws, or because such person has filed a complaint, certified, assisted or
23 //
24 otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to enforce
25 rights secured by federal or state law.

26 F. In the event of non-compliance with this paragraph or as otherwise provided by federal and state
27 law, this Contract may be canceled, terminated or suspended in whole or in part and CONTRACTOR or
28 subcontractor may be declared ineligible for further contracts involving federal, state or COUNTY funds.

29
30 **XXVII. NONDISCRIMINATION AND INSTITUTIONAL SAFEGUARDS FOR**
31 **RELIGIOUS PROVIDERS**

32 COUNTY shall establish such processes and procedures as necessary to comply with the provisions
33 of USC, Title 42, Section 300x-65 and CFR, Title 42, Part 54.

34
35 **XXVIII. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES**

36 COUNTY certifies that under the laws of the United States and the State of California,
37 COUNTY will not unlawfully discriminate against any person.

XXIX. NOTICES

A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements authorized or required by this Contract shall be effective:

1. When written and deposited in the United States mail, first class postage prepaid and addressed as specified in the Referenced Contract Provisions of this Contract or as otherwise directed by ADMINISTRATOR;

2. When faxed, transmission confirmed;

3. When sent by Email; or

4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel Service, or any other expedited delivery service.

B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of this Contract or as otherwise directed by ADMINISTRATOR and shall be effective when faxed, transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel Service, or any other expedited delivery service.

C. CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of becoming aware of any occurrence of a serious nature, which may expose COUNTY to liability. Such occurrences shall include, but not be limited to, accidents, injuries, or acts of negligence, or loss or damage to any COUNTY property in possession of CONTRACTOR.

D. For purposes of this Contract, any notice to be provided by COUNTY may be given by ADMINISTRATOR.

XXX. NOTIFICATION OF DEATH

A. Upon becoming aware of the death of any person served pursuant to this Contract, CONTRACTOR shall immediately notify ADMINISTRATOR.

B. All Notifications of Death provided to ADMINISTRATOR by CONTRACTOR shall contain the name of the deceased, the date and time of death, the nature and circumstances of the death, and the name(s) of CONTRACTOR's officers or employees with knowledge of the incident.

1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by telephone immediately upon becoming aware of the death due to non-terminal illness of any person served pursuant to this Contract; notice need only be given during normal business hours.

2. WRITTEN NOTIFICATION

a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send via encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming aware of the death due to non-terminal illness of any person served pursuant to this Contract.

b. TERMINAL ILLNESS – CONTRACTOR shall notify ADMINISTRATOR by written report hand delivered, faxed, sent via encrypted email, within forty-eight (48) hours of becoming aware

1 of the death due to terminal illness of any person served pursuant to this Contract.

2 c. When notification via encrypted email is not possible or practical CONTRACTOR may
3 hand deliver or fax to a known number said notification.

4 C. If there are any questions regarding the cause of death of any person served pursuant to this
5 Contract who was diagnosed with a terminal illness, or if there are any unusual circumstances related to
6 the death, CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with this
7 Notification of Death Paragraph.

8 D. All death reports must be verified by the coroner's office. The information should include date
9 of the death as well as the cause of death.

11 **XXXI. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

12 A. CONTRACTOR shall notify ADMINISTRATOR of any public event or meeting funded in whole
13 or in part by the COUNTY, except for those events or meetings that are intended solely to serve Clients
14 or occur in the normal course of business.

15 B. CONTRACTOR shall notify ADMINISTRATOR at least thirty (30) business days in advance of
16 any applicable public event or meeting. The notification must include the date, time, duration, location
17 and purpose of the public event or meeting. Any promotional materials or event related flyers must be
18 approved by ADMINISTRATOR prior to distribution.

20 **XXXII. PARTICIPATION OF COUNTY BEHAVIORAL HEALTH DIRECTOR'S** 21 **ASSOCIATION OF CALIFORNIA**

22 Participation of County Behavioral Health Director's Association of California: The County AOD
23 Program Administrator shall participate and represent the County in meetings of the County Behavioral
24 Health Director's Association of California for the purposes of representing the counties in their
25 relationship with DHCS with respect to policies, standards, and administration for AOD abuse services.

26 The County AOD Program Administrator shall attend any special meetings call by the Director of
27 DHCS. Participation and representation shall also be provided by the County Behavioral Health Director's
28 Association of California.

30 **XXXIII. RECORDS MANAGEMENT AND MAINTENANCE**

31 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term of
32 this Contract, prepare, maintain and manage records appropriate to the services provided and in
33 accordance with this Contract and all applicable requirements.

34 1. CONTRACTOR shall maintain records that are adequate to substantiate the services for
35 which claims are submitted for reimbursement under this Contract and the charges thereto. Such records
36 shall include, but not be limited to, individual patient charts and utilization review records.

37 2. CONTRACTOR shall keep and maintain records of each service rendered to each MSN

1 Patient, the identity of the MSN Patient to whom the service was rendered, the date the service was
2 rendered, and such additional information as ADMINISTRATOR or DHCS may require.

3 3. CONTRACTOR shall maintain books, records, documents, accounting procedures and
4 practices, and other evidence sufficient to reflect properly all direct and indirect cost of whatever nature
5 claimed to have been incurred in the performance of this Contract and in accordance with Medicare
6 principles of reimbursement and GAAP.

7 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
8 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
9 necessity of the service, and the quality of care provided. Records shall be maintained in accordance with
10 §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

11 B. CONTRACTOR shall implement and maintain administrative, technical and physical safeguards
12 to ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of PHI in
13 violation of the HIPAA, federal and state regulations. CONTRACTOR shall mitigate to the
14 extent practicable, the known harmful effect of any use or disclosure of PHI made in violation of federal
15 or state regulations and/or COUNTY policies.

16 C. CONTRACTOR's participant, client, and/or patient records shall be maintained in a secure
17 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish and
18 implement written record management procedures.

19 D. CONTRACTOR shall retain all financial records for a minimum of ten (10) years from the
20 termination of the contract, unless a longer period is required due to legal proceedings such as litigations
21 and/or settlement of claims.

22 E. CONTRACTOR shall retain all client and/or patient medical records for ten (10) years following
23 discharge of the participant, client and/or patient.

24 F. CONTRACTOR shall make records pertaining to the costs of services, participant fees, charges,
25 billings, and revenues available at one (1) location within the limits of the County of Orange. If
26 CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR may provide
27 written approval to CONTRACTOR to maintain records in a single location, identified by
28 CONTRACTOR.

29 G. CONTRACTOR shall notify ADMINISTRATOR of any PRA requests related to, or arising out
30 of, this Contract, within forty-eight (48) hours. CONTRACTOR shall provide ADMINISTRATOR all
31 information that is requested by the PRA request.

32 H. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that clients,
33 participants and/or patients be provided the right to access or receive a copy of their DRS and/or request
34 addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records maintained by or
35 for a covered entity that is:

36 1. The medical records and billing records about individuals maintained by or for a covered
37 health care provider;

1 2. The enrollment, payment, claims adjudication, and case or medical management record
2 systems maintained by or for a health plan; or

3 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.

4 I. CONTRACTOR may retain client, and/or patient documentation electronically in accordance
5 with the terms of this Contract and common business practices. If documentation is retained
6 electronically, CONTRACTOR shall, in the event of an audit or site visit:

7 1. Have documents readily available within twenty-four (24) hour notice of a scheduled audit
8 or site visit.

9 2. Provide auditor or other authorized individuals access to documents via a computer terminal.

10 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if
11 requested.

12 J. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and
13 security of PII and/or PHI. CONTRACTOR shall, upon discovery of a Breach of privacy and/or security
14 of PII and/or PHI by CONTRACTOR, notify federal and/or state authorities as required by law or
15 regulation, and copy ADMINISTRATOR on such notifications.

16 K. CONTRACTOR may be required to pay any costs associated with a Breach of privacy and/or
17 security of PII and/or PHI, including but not limited to the costs of notification. CONTRACTOR shall
18 pay any and all such costs arising out of a Breach of privacy and/or security of PII and/or PHI.

19 L. CONTRACTOR shall obtain an NPI for each site identified as a location for providing contractual
20 services. Provider's site NPIs must be submitted to ADMINISTRATOR prior to rendering services to
21 Clients. If CONTRACTOR is providing direct or indirect services for State reporting must also submit
22 rendering (individual) provider NPIs to ADMINISTRATOR for each staff member providing Medi-Cal
23 billable services. Contractor reimbursement will not be processed unless NPIs are on file with
24 ADMINISTRATOR in advance of providing services to Clients. It is the responsibility of each provider
25 site and individual staff member that bills Medi-Cal to obtain an NPI from the NPPES. Each contract
26 site, as well as every staff member that provides billable services, is responsible for notifying the NPPES
27 within thirty (30) calendar days of any updates to personal information, which may include, but is not
28 limited to, worksite address, name changes, taxonomy code changes, etc.

30 **XXXIV. RESEARCH AND PUBLICATION**

31 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out of,
32 or developed, as a result of this Contract for the purpose of personal or professional research, or for
33 publication.

35 **XXXV. RESTRICTION ON DISTRIBUTION OF STERILE NEEDLES**

36 No SABG funds made available through this Contract shall be used to carry out any program that
37 includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug

1 unless DHCS chooses to implement a demonstration syringe services program for injecting drug users.
2

3 **XXXVI. REVENUE**

4 A. CLIENT FEES – CONTRACTOR shall not charge a fee to DMC beneficiaries to whom services
5 are provided pursuant to this Contract, their estates and/or responsible relatives, unless a Share of Cost is
6 determined per Medi-Cal eligibility

7 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all
8 available third-party reimbursement for which persons served pursuant to this Contract may be eligible.
9 Charges to insurance carriers shall be on the basis of CONTRACTOR’s usual and customary charges. An
10 Assignment of Benefits must be present in a Participant’s file when applicable.

11 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately
12 ensure proper billing and collection procedures. CONTRACTOR’s procedures shall specifically provide
13 for the identification of delinquent accounts and methods for pursuing such accounts. CONTRACTOR
14 shall provide ADMINISTRATOR, monthly, a written report specifying the current status of fees which
15 are billed, collected, transferred to a collection agency, or deemed by CONTRACTOR to be uncollectible.
16

17 **XXXVII. SEVERABILITY**

18 If a court of competent jurisdiction declares any provision of this Contract or application thereof to
19 any person or circumstances to be invalid or if any provision of this Contract contravenes any federal,
20 state or county statute, ordinance, or regulation, the remaining provisions of this Contract or the
21 application thereof shall remain valid, and the remaining provisions of this Contract shall remain in full
22 force and effect, and to that extent the provisions of this Contract are severable.
23

24 **XXXVIII. SPECIAL PROVISIONS**

25 A. CONTRACTOR shall not use the funds provided by means of this Contract for the following
26 purposes:

- 27 1. Making cash payments to intended recipients of services through this Contract.
- 28 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
29 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use
30 of appropriated funds to influence certain federal contracting and financial transactions).
- 31 3. Fundraising.
- 32 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
33 CONTRACTOR’s staff, volunteers, or members of the Board of Directors or governing body.
- 34 5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing body
35 for expenses or services.
- 36 6. Making personal loans to CONTRACTOR’s staff, volunteers, interns, consultants,
37 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized

1 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.

2 7. Paying an individual salary or compensation for services at a rate in excess of the current
3 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary Schedule
4 may be found at www.opm.gov.

5 8. Severance pay for separating employees.

6 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
7 codes and obtaining all necessary building permits for any associated construction.

8 10. Purchasing or improving land, including constructing or permanently improving any building
9 or facility, except for tenant improvements.

10 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds
11 (matching).

12 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.

13 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or
14 alcohol.

15 14. Promoting the legalization of any drug or other substance included in Schedule 1 of the
16 Controlled Substance Act (21 USC 812).

17 15. Distributing or aiding in the distribution of sterile needles or syringes for the hypodermic
18 injection of any illegal drug.

19 16. Assisting, promoting, or deterring union organizing.

20 17. Providing inpatient hospital services or purchasing major medical equipment.

21 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR
22 shall not use the funds provided by means of this Contract for the following purposes:

23 1. Funding travel or training (excluding mileage or parking).

24 2. Making phone calls outside of the local area unless documented to be directly for the purpose
25 of client care.

26 3. Payment for grant writing, consultants, certified public accounting, or legal services.

27 4. Purchase of artwork or other items that are for decorative purposes and do not directly
28 contribute to the quality of services to be provided pursuant to this Contract.

29 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
30 CONTRACTOR's clients.

31 C. Neither Party shall be responsible for delays or failures in performance to the extent resulting
32 from acts beyond the control of the affected Party. Such acts shall include, but not be limited to, acts of
33 God, fire, flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight, embargo,
34 public related utility, or governmental statutes or regulations imposed after the fact.

35 36 **XXXIX. STATUS OF CONTRACTOR**

37 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be

1 wholly responsible for the manner in which it performs the services required of it by the terms of this
2 Contract. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and consultants
3 employed by CONTRACTOR. This Contract shall not be construed as creating the relationship of
4 employer and employee, or principal and agent, between COUNTY and CONTRACTOR or any of
5 CONTRACTOR's employees, agents, consultants, or subcontractors. CONTRACTOR assumes
6 exclusively the responsibility for the acts of its employees, agents, consultants, or subcontractors as they
7 relate to the services to be provided during the course and scope of their employment. CONTRACTOR,
8 its agents, employees, consultants, or subcontractors, shall not be entitled to any rights or privileges of
9 COUNTY's employees and shall not be considered in any manner to be COUNTY's employees.

10 11 **XL. TERM**

12 A. This Contract shall commence as specified in the Referenced Contract Provisions of this Contract
13 or the execution date, whichever is later. This Contract shall terminate as specified in the Referenced
14 Contract Provisions of this Contract, unless otherwise sooner terminated as provided in this Contract;
15 provided, however, CONTRACTOR shall be obligated to perform such duties as would normally extend
16 beyond this term, including but not limited to, obligations with respect to confidentiality, indemnification,
17 audits, reporting and accounting.

18 B. Any administrative duty or obligation to be performed pursuant to this Contract on a weekend or
19 holiday may be performed on the next regular business day.

20 21 **XLI. TERMINATION**

22 A. COUNTY may terminate this Contract, without cause, upon thirty (30) calendar days' written
23 notice. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be
24 exclusive, and are in addition to any other rights and remedies provided by law or under this Contract.

25 B. CONTRACTOR is responsible for meeting all programmatic and administrative contracted
26 objectives and requirements as indicated in this Contract. CONTRACTOR shall be subject to the issuance
27 of a CAP for the failure to perform to the level of contracted objectives, continuing to not meet goals and
28 expectations, and/or for non-compliance. If CAPs are not completed within timeframe as determined by
29 ADMINISTRATOR notice, payments may be reduced or withheld until CAP is resolved and/or the
30 Contract could be terminated.

31 C. Unless otherwise specified in this Contract, COUNTY may terminate this Contract upon five (5)
32 calendar days' written notice if CONTRACTOR fails to perform any of the terms of this Contract. At
33 ADMINISTRATOR's sole discretion, CONTRACTOR may be allowed up to thirty (30) calendar days
34 for corrective action.

35 D. COUNTY may terminate this Contract immediately, upon written notice, on the occurrence of
36 any of the following events:

- 37 1. The loss by CONTRACTOR of legal capacity.

- 1 2. Cessation of services.
- 2 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
- 3 another entity without the prior written consent of COUNTY.
- 4 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
- 5 required pursuant to this Contract.
- 6 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this
- 7 Contract.
- 8 6. The continued incapacity of any physician or licensed person to perform duties required
- 9 pursuant to this Contract.
- 10 7. Unethical conduct or malpractice by any physician or licensed person providing services
- 11 pursuant to this Contract; provided, however, COUNTY may waive this option if CONTRACTOR
- 12 removes such physician or licensed person from serving persons treated or assisted pursuant to this
- 13 Contract.

14 E. CONTINGENT FUNDING

- 15 1. Any obligation of COUNTY under this Contract is contingent upon the following:
 - 16 a. The continued availability of federal, state and county funds for reimbursement of
 - 17 COUNTY's expenditures, and
 - 18 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)
 - 19 approved by the Board of Supervisors.
- 20 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
- 21 terminate or renegotiate this Contract upon thirty (30) calendar days' written notice given
- 22 CONTRACTOR. If COUNTY elects to renegotiate this Contract due to reduced or terminated funding,
- 23 CONTRACTOR shall not be obligated to accept the renegotiated terms.

24 F. In the event this Contract is suspended or terminated prior to the completion of the term as
25 specified in the Referenced Contract Provisions of this Contract, ADMINISTRATOR may, at its sole
26 discretion, reduce the Amount Not to Exceed of this Contract in an amount consistent with the reduced
27 term of the Contract.

28 G. In the event this Contract is terminated by either Party pursuant to Subparagraphs B., C., or D.
29 above, CONTRACTOR shall do the following:

- 30 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which is
- 31 consistent with recognized standards of quality care and prudent business practice.
- 32 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
- 33 performance during the remaining contract term.
- 34 3. Until the date of termination, continue to provide the same level of service required by this
- 35 Contract.
- 36 4. If Clients are to be transferred to another facility for services, furnish ADMINISTRATOR,
- 37 upon request, all Client information and records deemed necessary by ADMINISTRATOR to effect an

1 orderly transfer.

2 5. Assist ADMINISTRATOR in effecting the transfer of Clients in a manner consistent with
3 Client's best interests.

4 6. If records are to be transferred to COUNTY, pack and label such records in accordance with
5 directions provided by ADMINISTRATOR.

6 7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and
7 supplies purchased with funds provided by COUNTY.

8 8. To the extent services are terminated, cancel outstanding commitments covering the
9 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding
10 commitments which relate to personal services. With respect to these canceled commitments,
11 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims
12 arising out of such cancellation of commitment which shall be subject to written approval of
13 ADMINISTRATOR.

14 9. Provide written notice of termination of services to each Client being served under this
15 Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of
16 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendars
17 day period.

18 **XLII. THIRD-PARTY BENEFICIARY**

19 Neither Party hereto intends that this Contract shall create rights hereunder in third-parties including,
20 but not limited to, any subcontractors or any clients provided services pursuant to this Contract.
21

22 **XLIII. TRAFFICKING VICTIMS PROTECTION ACT OF 2000**

23 COUNTY and its subcontractors that provide services covered by this Contract shall comply with the
24 Trafficking Victims Protection Act of 2000 (USC, Title 22, Chapter 78, Section 7104) as amended by
25 section 1702 of Pub. L. 112-239.
26

27 **XLIV. WAIVER OF DEFAULT OR BREACH**

28 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any
29 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this
30 Contract shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any default
31 or any breach by CONTRACTOR shall not be considered a modification of the terms of this Contract.
32

33 **XLV. YOUTH TREATMENT GUIDELINES**

34 COUNTY must comply with DHCS guidelines in developing and implementing youth treatment
35 programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted.
36 Youth Treatment Guidelines are posted online at <http://www.dhcs.ca.gov/provgovpart/Pages/Youth->
37

1 [Services.aspx](#)

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Adolescent Substance Use Disorder Best Practices Guide found here:
https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdolBestPracGuideOCTOBER2020.pdf

1 IN WITNESS WHEREOF, the parties have executed this Contract, in the County of Orange, State of
2 California.

3 MIND OC

4
5 DocuSigned by:
6 BY: Phillip Franks DATED: 5/1/2024
7 9333DD4EA1B44BE...

8 TITLE: Phillip Franks CEO
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10
11 BY: _____ DATED: _____

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13 TITLE: _____
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15
16 COUNTY OF ORANGE

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19 BY: _____ DATED: _____

20 HEALTH CARE AGENCY
21

22
23
24 APPROVED AS TO FORM
25 OFFICE OF THE COUNTY COUNSEL
26 ORANGE COUNTY, CALIFORNIA
27

28 DocuSigned by:
29 BY: Brittany McLean DATED: 5/2/2024
30 71CFE638662E411...

31 DEPUTY
32

33 If CONTRACTOR is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
34 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or
35 any Assistant Treasurer. If the Contract is signed by one (1) authorized individual only, a copy of the corporate resolution or
36 by-laws whereby the Board of Directors has empowered said authorized individual to act on its behalf by his or her signature
37 alone is required by ADMINISTRATOR.

EXHIBIT A
 TO MASTER SERVICES AGREEMENT
 FOR PROVISION OF
 MENTAL HEALTH AND RECOVERY SERVICES IRVINE CAMPUS
 BETWEEN
 COUNTY OF ORANGE
 AND
 MIND OC
 JANUARY 1, 2025 THROUGH DECEMBER 31, 2027

I. COMMON TERMS AND DEFINITIONS

A. The Parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in this Contract.

1. AB109 means services for those Clients deemed eligible by Assembly Bill 109, Public Safety Realignment, under which the Client's last offense was non-violent, non-sexual, and non-serious.

2. AB109 Supervision means an offender released from prison to OCPD, or sentenced under AB109 and is doing their incarceration in jail instead of prison.

3. Access Log means data that is immediately entered into IRIS after the member/client has been screened for an appointment to access services to ensure timely access to MHP or DMC-ODS services.

4. Acute Administrative Day means those days authorized by a designated point of authorization or utilization review committee in an acute inpatient facility when, due to the lack of a payer approved and/or county approved lower level of care placement, the Client's stay at an acute inpatient facility must be continued beyond the Client's need for acute care.

5. Acute Psychiatric Inpatient Hospital Services means services provided either in an acute care hospital, a freestanding psychiatric hospital or psychiatric health facility for the care and treatment of an acute episode of mental illness meeting the medical necessity criteria covered by the Medi-Cal program. Services provided in a freestanding hospital may only be reimbursed for person's age 21 or younger and 65 or older, unless a letter of agreement (LOA) or other contract permits otherwise.

6. Adult Mental Health Inpatient (AMHI) means the County contracted hospital(s) that provide adult mental health inpatient services for unfunded clients.

7. Admission means documentation, by CONTRACTOR, for completion of entry and evaluation services, provided to Clients seen in COUNTY and COUNTY-contracted services, into IRIS.

8. ART Team means a Health Care Agency Assessment for Residential Treatment team that conducts assessments and authorizes treatment for residential treatment services.

9. ASAM Criteria means a comprehensive set of guidelines for placement, continued stay and transfer/discharge of Clients with addiction and co-occurring conditions.

1 10. Authorizations means a unique individual's complete utilization management (UM) process,
2 which includes reviewing clinical documents when clinically indicated, evaluating medical necessity and
3 formally deciding to authorize/deny additional inpatient psychiatric services, that lasts for the duration of
4 the inpatient stay, i.e. initial admission notification to discharge aftercare planning whichever comes first.

5 11. Bed Day means one (1) calendar day during which CONTRACTOR provides Residential
6 Treatment Services within the Mental Health Plan as described in Exhibit A of the Contract. If admission
7 and discharge occur on the same day, one (1) Bed Day will be charged.

8 12. CalOMS means a statewide Client-based data collection and outcomes measurement system
9 as required by the State to effectively manage and improve the provision of alcohol and drug treatment
10 services at the State, COUNTY, and provider levels.

11 13. Case Management means the activities of managing services and coordinating care to Clients,
12 including assessments, referrals, service planning, linkage, consultation, discharge planning and
13 coordination. This definition applies to programs under the MHP.

14 14. Care Coordination means services that assist a Client to access needed medical, educational,
15 social, prevocational, vocational, rehabilitative, or other community services. This definition applies
16 to programs under the DMC-ODS and MHP.

17 15. CAT means Crisis Assessment Team which provides twenty-four (24) hour mobile response
18 services to anyone who has a psychiatric emergency. This program assists law enforcement, social service
19 agencies, and families in providing crisis intervention services for individuals in behavioral health crisis
20 in the community. CAT is a multi-disciplinary program that conducts risk assessments, initiates
21 involuntary hospitalizations, and provides linkage, follow ups for clients evaluated.

22 16. Client means a person who has been deemed eligible, pursuant to this contract, to receive
23 Mental Health or Substance Use Disorder services regardless of funding source, and includes all
24 Members.

25 17. Client-directed means services delivered in a therapeutic alliance between providers and
26 Clients where both are partners in goal setting and treatment planning. The final decision for treatment
27 options rests with the Client and designated family members.

28 18. Client Satisfaction Surveys means surveys to measure Clients' overall satisfaction with
29 Mental Health Services, and with specific aspects of those services in order to identify problems and
30 opportunities for improvement

31 19. Client Support System/Family means immediate family members, extended family members,
32 significant others or other supports designated by the Client.

33 20. Client Statistical Information (CSI) means DHCS required data elements pertaining to mental
34 health Clients.

35 21. Closed-loop referral means the people, processes and technologies that are deployed to
36 coordinate and refer Clients to available community resources (i.e., health care, behavioral health services,
37 and/or other support services) and follow-up to verify if services were rendered.

1 22. Clinical Documents means any clinical information, documentation or data collected from
2 the service provider for purposes of conducting concurrent review and coordinating treatment.

3 23. Completion means the completion of a program whereby the Client has made adequate
4 progress in treatment and no longer meets medical necessity for the Level of Care.

5 24. Concurrent Review means the review of treatment authorization requests for inpatient mental
6 health services by providers in order to approve, modify, or deny requests based on medical necessity.
7 The review of the treatment authorization requests is concurrent with the provision of services and is
8 required after the first day of admission through discharge.

9 25. Contract Monitor means a person designated by COUNTY to consult with and assist both
10 CONTRACTOR and any contractor providers in the provision of services to COUNTY Clients as
11 specified herein. The Contract Monitor shall at no time be construed as being ADMINISTRATOR.

12 26. Co-Occurring means a person has at least one substance use disorder and one mental health
13 disorder that can be diagnosed independently of each other.

14 27. Credentialing means a review process conducted by ADMINISTRATOR, including a peer
15 review process, based upon specific criteria, standards and prerequisites, to approve a provider or
16 professional who applies to be contracted to provide care in a hospital, clinic, medical group or in a health
17 plan.

18 28. Crisis Stabilization Unit (CSU) means a behavioral health crisis stabilization program that
19 operates 24 hours a day that serves Orange County residents, aged 13 and older, who are experiencing
20 behavioral health crises that cannot wait until regularly scheduled appointments. Crisis Stabilization
21 services include psychiatric evaluations by Doctors of Medicine (MD), Nurse Practitioner (NP) and
22 Osteopathic Medicine (DO), counseling/therapy provided by Licensed Clinical Social Workers or
23 Marriage Family Therapists or registered/waivered clinicians, , nursing assessments, collateral services
24 that include consultations with family, significant others and outpatient providers, client and family
25 education, crisis intervention services, basic medical services, medication services, and referrals and
26 linkages to the appropriate level of continuing care and community services, including Peer Specialist
27 and Peer Mentoring services. As a designated outpatient facility, the CSU may evaluate and treat clients
28 for no longer than 23 hours and 59 minutes. The primary goal of the CSU is to help stabilize the crises
29 and begin treating Clients in order to refer them to the most appropriate, least restrictive, non-hospital
30 setting when indicated or to facilitate admission to psychiatric inpatient units when the need for this level
31 of care is present. Services Clients receive are formulated in a database and reported to the State. The
32 CSU must meet state and local regulatory requirements.

33 29. CYS means the division of Behavioral Health Services responsible for the administration and
34 oversight of Mental Health Services to children and adolescents.

35 30. DATAR means the DHCS system used to collect data on SUD treatment capacity and waiting
36 lists.

37 31. DHCS Level of Care (LOC) means a designation that is issued by DHCS to a program based

1 on the services provided at the facility. For the purposes of this Contract, CONTRACTOR shall provide
2 services in accordance with one of the following DHCS-Designated Levels of Care:

3 a. 3.1 - Clinically Managed Low-Intensity Residential Services: 24-hour structure with
4 available trained personnel; at least five (5) hours of clinical service/week and prepare for outpatient
5 treatment and/or sober living.

6 b. 3.3 - Clinically Managed Population-Specific High-Intensity Residential Services: 24-
7 hour care with trained counselors to stabilize multidimensional imminent danger. Less intense milieu and
8 group treatment with at least five (5) hours of clinical service/week for those with cognitive or other
9 impairments unable to use full active milieu or therapeutic community and prepare for outpatient
10 treatment.

11 c. 3.5 - Clinically Managed High-Intensity Residential Services: 24-hour care with trained
12 counselors to stabilize multidimensional imminent danger, at least five (5) hours of clinical service/week,
13 and prepare for outpatient treatment. Clients are able to tolerate and use full milieu or therapeutic
14 community.

15 32. Diagnosis means the definition of the nature of the Client's disorder. When formulating the
16 diagnosis of the Client, CONTRACTOR shall use the diagnostic codes as specified in the most current
17 edition of the DSM published by the American Psychiatric Association. CONTRACTOR shall follow
18 DSM procedures for all Clients.

19 33. DSH means Direct Service Hours and refers to a measure in minutes that a clinician spends
20 providing Client services. DSH credit is obtained for providing mental health, case management,
21 medication support and a crisis intervention service to any Client open in IRIS, which includes both
22 billable and non-billable services.

23 34. Engagement means the process where a trusting relationship is developed over a short period
24 of time with the goal to link the Client(s) to appropriate services within the community. Engagement is
25 the objective of a successful outreach

26 35. EPSDT means the federally mandated Medicaid benefit that entitles full-scope Medi-Cal-
27 covered Members less than twenty-one (21) years of age to receive any Medicaid service necessary to
28 correct or help to improve a defect, mental illness, or other condition, such as a substance-related disorder,
29 that is discovered during a health screening.

30 36. Family Member means any traditional or non-traditional support system, significant other or
31 natural support designated by the Clients.

32 37. FFS Provider means a Medi-Cal outpatient Fee-For-Service provider serving Clients in his
33 or her own independent practice or in a group practice.

34 38. Head of Service means an individual ultimately responsible for overseeing the program and
35 is required to be licensed as a mental health professional.

36 39. Health Care Practitioner (HCP) means a person duly licensed and regulated under Division
37 2 (commencing with Section 500) of the Business and Professions Code, who is acting within the scope

1 of their license or certificate.

2 40. Incidental Medical Services (IMS) means optional services, approved by DHCS to be
3 provided at a licensed adult alcoholism or drug use residential treatment facility by or under the
4 supervision of a HCP that addresses medical issues associated with either detoxification or substance use.

5 41. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in
6 which specific information about the Client is gathered including the ability to pay and standard admission
7 forms pursuant to this Contract.

8 42. IRIS means a collection of applications and databases that serve the needs of programs within
9 HCA and includes functionality such as registration and scheduling, laboratory information system,
10 invoices and reporting capabilities, compliance with regulatory requirements, electronic medical records
11 and other relevant applications.

12 43. Linkage means when a Client has attended at least one appointment or made one visit to the
13 identified program or service for which the Client has received a referral or to which they have self-
14 referred.

15 44. Lanterman–Petris–Short (LPS) Act (Cal. Welf & Inst. Code, sec. 5000 et seq.) provides
16 guidelines for handling involuntary civil commitment to a mental health institution in the State of
17 California.

18 45. Licensed Clinical Social Worker (LCSW) means a licensed individual, pursuant to the
19 provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical
20 services to individuals they serve. The license must be current and in force, and has not been suspended
21 or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

22 46. Licensed Marriage Family Therapist (MFT) means a licensed individual, pursuant to the
23 provisions of Chapter 13 of the California Business and Professions Code, who can provide clinical
24 services to individuals they serve. The license must be current and in force, and has not been suspended
25 or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

26 47. LPHA means any Physician, Nurse Practitioners, Physician Assistants, Registered Nurses,
27 Registered Pharmacists, Licensed Clinical Psychologists, Licensed Clinical Social Worker, Licensed
28 Professional Clinical Counselor, Licensed Marriage and Family Therapists, or Licensed Eligible
29 Practitioners working under the supervision of Licensed Clinicians within their scope of practice.

30 48. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter 6.6
31 of the California Business and Professions Code, who can provide clinical services to individuals they
32 serve. The license must be current and in force, and has not been suspended or revoked. Also, it is
33 preferred that the individual has at least one (1) year of experience treating TAY.

34 49. Licensed Vocational Nurse (LVN) means a licensed individual, pursuant to the provisions of
35 Chapter 6.5 of the California Business and Professions Code, who can provide clinical services to
36 individuals they serve. The license must be current and in force, and has not been suspended or revoked.
37 Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

1 50. Live Scan means an inkless, electronic fingerprint which is transmitted directly to the
2 Department of Justice (DOJ) for the completion of a criminal record check, typically required of
3 employees who have direct contact with the individuals served.

4 51. Medi-Cal means the State of California's implementation of the federal Medicaid health
5 care program which pays for a variety of medical services for children and adults who meet eligibility
6 criteria.

7 52. Medication for Addiction Treatment (MAT) Services means the use of Federal Drug
8 Administration-approved medications in combination with behavioral therapies to provide a whole Client
9 approach to treating substance use disorders.

10 53. Medi-Cal Eligibility Data System (MEDS) means the information systems maintained by
11 DHCS for all Medi-Cal recipient eligibility information and in Title 9, California Code of Regulations,
12 Division 4 - Department of Alcohol and Drug Programs for DMC-ODS reimbursement for Substance Use
13 Disorder (SUD) services.

14 54. Medical Necessity means criteria set forth by Title 9, California Code of Regulations, Chapter
15 11, Medi-Cal Specialty Mental Health Services for MHP reimbursement of Specialty Mental Health
16 Services.

17 55. Medication Services means face-to-face or telehealth/telephone services provided by a
18 licensed physician, licensed psychiatric nurse practitioner, or other qualified medical staff. This service
19 shall include documentation of the clinical justification for use of the medication, dosage, side effects,
20 compliance, and response to medication.

21 56. Member means the primary Orange County Medi-Cal eligible user of Mental Health Plan or
22 Drug Medi-Cal Organized Delivery System (DMC-ODS) Plan services.

23 57. MHP means COUNTY as the MHP Manager with COUNTY clinics as well as COUNTY
24 contracted clinics, including CONTRACTOR, being providers in the Plan.

25 58. Mental Health Services means interventions designed to provide the maximum reduction of
26 mental disability and restoration or maintenance of functioning consistent with the requirements for
27 learning, development, and enhanced self-sufficiency. Services shall include:

28 a. Assessment/Mental Health Evaluation means services designed to provide formal,
29 documented evaluation or analysis of the cause or nature of a Client's mental, emotional, or behavioral
30 disorders. The Parties understand that such services shall be primarily limited to initial telephone intake
31 examinations to triage and refer the Client to a Network Provider who shall develop the treatment/service
32 plan. Cultural issues should be addressed where appropriate. Additionally, this evaluation should include
33 an appraisal of the individual's community functioning in several areas including living situation, daily
34 activities, social support systems and health status.

35 b. Collateral Therapy means face-to-face or telephone contact(s) with significant others in
36 the life of the Client necessary to meet the mental health needs of the Client.

37 c. Family Therapy means a clinical service that includes family members identified by the

1 Client in the treatment process, providing education about factors important to the Client's treatment as
2 well as holistic recovery of the family system.

3 d. Individual Therapy means a goal directed face-to-face therapeutic intervention with the
4 Client which focuses on the mental health needs of the Client.

5 e. Group Therapy means a goal directed face-to-face therapeutic intervention with a group
6 of no less than two (2), and for SUD no more than twelve (12), Clients receiving services at the same
7 time. Such intervention shall be consistent with the Clients goals and focus primarily on symptom
8 reduction as a means to improve functional impairments.

9 59. MMEF means Monthly MEDS Extract file. This file contains data of current month and
10 previous fifteen (15) months which provides eligibility data for all Orange County residents.

11 60. National Provider Identifier (NPI) means the standard unique health identifier that was
12 adopted by the Secretary of HHS Services under HIPAA for health care providers. All HIPAA covered
13 healthcare providers, individuals, and organizations must obtain an NPI for use to identify themselves in
14 HIPAA standard transactions. The NPI is assigned for life.

15 61. Network Provider means mental health service providers credentialed and under contract
16 with CONTRACTOR. Such providers may be individual practitioners, provider groups, or clinics.

17 62. Notice of Privacy Practices (NPP) means a document that notifies individuals of uses and
18 disclosures of PHI that may be made by or on behalf of the health plan or health care provided as set forth
19 in HIPAA.

20 63. Notice of Adverse Benefit Determination (NOABD), as outlined in California Code of
21 Regulations Title 9 Chapter 11 Section 1850.210 and Title 22, Section 50179 means to provide formal
22 written notification via hand-delivery or mail to Medi-Cal Members and faxed or mailed to the
23 ADMINISTRATOR when services are denied, modified, reduced, delayed, suspended or terminated as
24 specified by State standards.

25 64. Outreach means linking Clients to appropriate Mental Health Services within the disclosures
26 of their PHI. The NPP may be made by, or on behalf of, the health plan or health care provider as set
27 forth in HIPAA. Outreach activities will include educating the community about the services offered and
28 requirements for participation in the various mental health programs within the community. Such
29 activities will result in the CONTRACTOR developing its own Referral sources for programs being
30 offered within the community.

31 65. Out-of-County means any California county other than COUNTY or border community.

32 66. Patients' Rights Advocacy means group responsible for providing outreach and educational
33 materials to inform Clients about their rights and remedies in receiving mental health treatment;
34 representing Client' interests in fair hearings, grievances and other legal proceedings related to the
35 provision of services; and monitoring mental health programs for compliance with patients' rights legal
36 standards as the designee of the Local Mental Health Director.

37 67. Peer Recovery Specialist/Counselor means an individual in a paid position who has been

1 through the same or similar Recovery process as those being assisted to attain their Recovery goals in the
2 programs. A Peer Recovery Specialist practice is informed by personal experience.

3 68. Perinatal means the condition of being pregnant or postpartum. This condition must be
4 documented to apply billing descriptor for perinatal attached to services.

5 69. Perinatal Residential Treatment Services means AOD treatment services that are provided to
6 a woman, eighteen (18) years and older, who is pregnant and/or has custody of dependent children up to
7 twelve (12) years of age, in her care; who has a primary problem of substance use disorder; and who
8 demonstrates a need for perinatal substance use disorder residential treatment services. Services are
9 provided in a twenty-four (24) hour residential program. These services are provided in a non-medical,
10 residential setting that has been licensed and certified by DHCS to provide perinatal services. These
11 treatment services are provided to both perinatal and parenting women in accordance with the Perinatal
12 Network Service Guidelines.

13 70. Postpartum means the twelve-month period beginning on the last day of pregnancy,
14 regardless of whether other conditions of eligibility are met. Eligibility shall end on the last day of the
15 calendar month in which the twelfth month occurs.

16 71. Primary Source Verification means procedures for the review and direct verification of
17 credentialing information submitted by care providers, including, but not limited to, confirmation of
18 references, appointments, and licensure.

19 72. Program Director means an individual who is responsible for all aspects of administration
20 and clinical operations of the behavioral health program, including development and adherence to the
21 annual budget. This individual will also be responsible for the following hiring, development and
22 performance management of professional and support staff, and ensuring mental health treatment services
23 are provided in concert with COUNTY and state rules and regulations.

24 73. Protected Health Information (PHI) means individually identifiable health information
25 usually transmitted through electronic media. PHI can be maintained in any medium as defined in the
26 regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is
27 created or received by a covered entity and is related to the past, present, or future physical or mental
28 health or condition of an individual, provision of health care to an individual, or the past, present, or future
29 payment for health care provided to an individual.

30 74. Psychiatrist means an individual who meets the minimum professional and licensure
31 requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of experience
32 treating children and TAY.

33 75. Quality Improvement (QI) means the use of interdisciplinary teams to review performance
34 measures to identify opportunities for improvement. The teams use participatory processes to analyze and
35 confirm causes for poor performance, design interventions to address causes, implement interventions,
36 and measure improvement. Successful improvements are then implemented wherever appropriate. Where
37 interventions are unsuccessful, the team again addresses the causes and designs new interventions until

1 | improvements are achieved.

2 | 76. Quality Improvement Committee (QIC) means a committee that meets quarterly to review
3 | one percent (1%) of all “high-risk” Medi-Cal recipients in order to monitor and evaluate the quality and
4 | appropriateness of services provided. At a minimum, the committee is comprised of one (1)
5 | ADMINSTRATOR, one (1) clinician, and one (1) physician who are not involved in the clinical care of
6 | the cases.

7 | 77. Recovery Services means a level of care designed to support recovery and prevent relapse. It
8 | is not considered treatment. Services focus on restoring the Client to their best possible functional level
9 | and emphasize the Client’s role in managing their health by using effective self-management support
10 | strategies.

11 | 78. Referral means the process of sending a Client from one service provider to another service
12 | provider for health care, behavioral health services, and/or other support services, by electronic
13 | transmission, in writing or verbally, regardless of linkage status.

14 | 79. Residential Counselor means an individual in a paid position who has holds a High School
15 | Diploma or General Educational Development Certificate (GED) and two (2) years’ experience working
16 | in a paid position in the mental health field.

17 | 80. Residential Treatment Authorization means the approval that is provided by the HCA ART
18 | team for a Client to receive residential services to ensure that the Client meets the requirements for the
19 | service.

20 | 81. Resource Recommendation means the process of providing a Client with one or more
21 | suggested resources, without plans and/or an ability to follow up on Linkage status.

22 | 82. Retrospective Review means determination of the appropriateness or necessity of services
23 | after they have been delivered, generally through the review of the medical or treatment record.

24 | 83. Token means the security device which allows an individual user to access IRIS.

25 | 84. RTS means alcohol and other drug treatment services that are provided to Clients at a twenty-
26 | four (24) hour residential program. Services are provided in an alcohol and drug free environment and
27 | support recovery from alcohol and/or other drug related problems. These services are provided in a non-
28 | medical, residential setting that has been licensed and certified by DHCS.

29 | 85. Registered Nurse (RN) means a licensed individual, pursuant to the provisions of Chapter 6
30 | of the California Business and Professions Code, who can provide clinical services to the clients served.
31 | The license must be current and in force, and has not been suspended or revoked.

32 | 86. Self-Help Groups means a non-professional, peer participatory meeting formed by people
33 | with a common problem or situation offering mutual support to each other towards a goal or healing or
34 | recovery.

35 | 87. Self-Referral means when a Client or family member directly contacts a service provider with
36 | the goal of receiving services for themselves or a family member, regardless of Linkage status.

37 | 88. Seriously Emotionally Disturbed (SED) means children or adolescent minors under the age

1 of eighteen (18) years who have a behavioral health disorder, as identified in the most recent edition of
2 the DSM and/or the ICD 10, other than a primary substance use disorder or developmental disorder, which
3 results in behavior inappropriate to the child's age according to expected developmental norms. W&I
4 55600.3.

5 89. Service Authorization means the determination of appropriateness of services prior to the
6 services being rendered, based upon medical or service necessity criteria. This includes the authorization
7 of outpatient services authorized by CONTRACTOR.

8 90. Share of Cost means a monthly amount that the Member is to pay to receive Medi-Cal
9 services.

10 91. SSA means COUNTY department responsible for child welfare services and Medi-Cal
11 eligibility determination.

12 92. Structured Therapeutic Activities means organized program activities that are designed to
13 meet treatment goals and objectives for increased social responsibility, self-motivation, and integration
14 into the larger community. Such activities would include participation in the social structure of the
15 residential program. It also includes the Client's progression, with increasing levels of responsibility and
16 independence through job and other assignments culminating in employment seeking and employment-
17 initiation activities in the community.

18 93. SUD means a condition in which the use of one or more substances leads to a clinically
19 significant impairment or distress per the DSM-5.

20 94. Supervisory Review means ongoing clinical case reviews in accordance with procedures
21 developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to
22 monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards. Supervisory
23 review is conducted by the program/clinic director or designee.

24 95. Token means the security device which allows an individual user to access IRIS.

25 96. Uniform Method of Determining Ability to Pay (UMDAP) means the method used for
26 determining an individual's annual liability for Mental Health Services received from the COUNTY
27 mental health system and is set by the State of California. Every client seen in any COUNTY or COUNTY
28 -contracted program needs an UMDAP regardless of contract payment structure, whether the contract is
29 actual cost based or fee for service.

30 97. Unit of Service (UOS) means the measurement used to quantify services provided to a
31 client/member; these units can vary depending on type of service in the MHP or DMC-ODS plans.

32 98. Wellness Action & Recovery Plan (WRAP) refers to a self-help technique for monitoring
33 and responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of
34 life.

35 99. Utilization Management Program means the infrastructure required to carry out the
36 concurrent review services according to this Contract including, but not limited to, policies and
37 procedures, request staffing and information systems.

100. Warm Hand-off means the process to allow for in-person (or Telehealth/telephonic, if clinically appropriate) for care coordination and behavioral health linkages. For transitions of care, the warm handoff is the first step in establishing a trusted relationship between the Client and the new care provider to ensure seamless service delivery and coordination."

B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Common Terms and Definitions Paragraph of this Exhibit A to the Contract.

II. BUDGET

A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph of this Exhibit A to the Contract and the following budget, which is set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

1. Actual Cost to perform the requirements in Paragraph V. Services of this Exhibit A:

	<u>PERIOD</u> <u>ONE</u>	<u>PERIOD</u> <u>TWO</u>	<u>PERIOD</u> <u>THREE</u>	<u>PERIOD</u> <u>FOUR</u>	<u>TOTAL</u>
Administrative/Overhead Costs	\$750,000	\$1,500,000	\$1,545,000	\$795,675	\$4,590,675
Salaries/Benefits	\$789,995	\$2,106,655	\$2,169,854	\$1,117,475	\$6,183,979
Facility Operations Expenses	\$1,193,841	\$3,183,576	\$3,279,083	\$1,688,728	\$9,345,227
Less Imputed Rent		(\$1,380,000)	(\$1,380,000)	(\$690,000)	(\$3,450,000)
TOTAL COST	\$2,733,836	\$5,410,231	\$5,613,937	\$2,911,878	\$16,669,881

2. Reimbursement of CONTRACTOR's mix of Fee for Service for services and Actual Cost for Room and Board of their contracts with various contractor providers to perform the clinical components in Paragraph VI. Through Paragraph XIII. Of this Exhibit A.

<u>SERVICES</u>	<u>PERIOD</u> <u>ONE</u>	<u>PERIOD TWO</u>	<u>PERIOD</u> <u>THREE</u>	<u>PERIOD</u> <u>FOUR</u>
Crisis Mental Health	\$ 9,258,980	\$18,517,961	\$18,517,961	\$ 9,258,980
Substance Use Disorder Adult	\$1,605,032	\$3,210,065	\$ 3,210,065	\$ 1,605,032
Adolescent Residential and Perinatal Residential	\$2,263,466	\$4,526,934	\$ 4,526,934	\$ 2,263,466
Total	\$13,127,478	\$ 26,254,960	\$26,254,960	\$ 13,127,478

1 3. Facility Reserves: CONTRACTOR may request use of Facility Reserves in COUNTY's
2 budget to be used for capital improvements of the facility identified in Paragraph V.A. of this Exhibit A
3 to the Contract, with prior written consent from ADMINISTRATOR. Upon receiving COUNTY's prior
4 written consent, CONTRACTOR shall contract for the capital improvements. However, COUNTY shall
5 make direct payment from the Facility Reserves to the subcontractor performing the approved capital
6 improvements. No monies shall be paid to CONTRACTOR for the capital improvements and no monies
7 shall be paid to CONTRACTOR from the Facility Reserves.

8 B. CONTRACTOR and ADMINISTRATOR mutually agree that the Amount Not to Exceed
9 identified in Paragraph II.A.1 of this Exhibit A to the Contract includes Indirect Costs not to exceed ten
10 percent (10%) of Direct Costs, and which may include operating income estimated at two percent (2%).
11 Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may include
12 operating income.

13 C. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds
14 between programs, or between budgeted line items within a program, for the purpose of meeting specific
15 program needs or for providing continuity of care to its members, by utilizing a Budget/Staffing
16 Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly
17 completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance,
18 which will include a justification narrative specifying the purpose of the request, the amount of said funds
19 to be shifted, and the sustaining annual impact of the shift as may be applicable to the current contract
20 period and/or future contract periods. CONTRACTOR shall obtain written approval of any
21 Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by
22 CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for
23 any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.

24 D. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete
25 financial records of its cost and operating expenses. Such records will reflect the actual cost of the type
26 of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect
27 costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will be made
28 in accordance with GAAP, and Medicare regulations. The Client eligibility determination and fee charged
29 to and collected from Clients, together with a record of all billings rendered and revenues received from
30 any source, on behalf of Clients treated pursuant to the Contract, must be reflected in CONTRACTOR's
31 financial records. CONTRACTOR shall include the requirements in this subparagraph D. in all contracts
32 with providers.

33 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget
34 Paragraph of this Exhibit A to the Contract.

36 **III. PAYMENTS**

37 **A. BASIS FOR REIMBURSEMENT –**

1 1. Reimbursement of CONTRACTOR’s mix of Fee for Service and Actual Cost of their contracts
 2 with various contractor providers to perform the clinical components in Paragraph VI. Through Paragraph
 3 XIII. Of this Exhibit A: COUNTY shall pay CONTRACTOR monthly in arrears at the following rates of
 4 reimbursement; provided, however, the total of all such payments to CONTRACTOR for reimbursement
 5 of their contracts with various contractor providers to perform the clinical components in Paragraph VI.
 6 Through Paragraph XIII. Of this Exhibit A shall not exceed COUNTY’s Amount Not to Exceed as set
 7 forth in the Referenced Contract Provisions of the Contract and Paragraph II.A.2. of this Exhibit A; and
 8 provided further, that CONTRACTOR’s costs are allowable pursuant to applicable COUNTY, federal,
 9 and state regulations. Furthermore, if CONTRACTOR’s contractor provider(s) is ineligible to provide
 10 services due to non-compliance with licensure and/or certification standards of the state, COUNTY or
 11 OCPD, ADMINISTRATOR may elect to reduce COUNTY’S Amount Not to Exceed proportionate to the
 12 length of time that CONTRACTOR’s contractor provider(s) is ineligible to provide services.
 13 CONTRACTOR shall ensure compliance by its contractor providers with all billing and documentation
 14 requirements when entering Units of Service into COUNTY’s IRIS system. ADMINISTRATOR may
 15 reduce, withhold or delay any payment associated with non-compliant billing practices. If CAPs are not
 16 completed within timeframes as determined by ADMINISTRATOR, payments may be reduced
 17 accordingly.

18 a. For Medi-Cal services provided pursuant to the Contract, COUNTY shall claim
 19 reimbursement to the State Medi-Cal unit on behalf of CONTRACTOR’s contractor providers to the
 20 extent these services are eligible.

21 b. Proper DMC certification and enrollment with the Provider Enrollment Division (PED)
 22 of DHCS, through the Provider Application and Validation for Enrollment (PAVE) system is required.
 23 CONTRACTOR shall submit proof of enrollment for each new rendering provider as required by
 24 regulations. Failure to demonstrate provider enrollment within six months of services being rendered shall
 25 result in disallowance of those services by pending providers.

26 c. CONTRACTOR shall submit appropriate Medi-Cal billing to ADMINISTRATOR on a
 27 monthly basis. CONTRACTOR shall review billing queues in IRIS for billing errors and make necessary
 28 corrections. ADMINISTRATOR shall review billing and remit to Accounting for submission to the State
 29 Medi-Cal unit.

30 d. CONTRACTOR shall assume responsibility for any audit disallowances or penalties
 31 imposed on COUNTY by the State related to amounts or services claimed by COUNTY on behalf of
 32 CONTRACTOR’s contractor providers. CONTRACTOR shall reimburse COUNTY for any such
 33 disallowances or penalties within thirty (30) calendar days of written notification by COUNTY.

Mode of Service	Reimbursement Rate			
	PERIOD ONE	PERIOD TWO	PERIOD THREE	PERIOD FOUR
Substance Use Disorder				

1	Residential Treatment 3.1 (per bed day)	\$194.16	\$194.16	\$194.16	\$194.16
2					
3	Residential Treatment 3.5 (per bed day)	\$257.37	\$257.37	\$257.37	\$257.37
4	Room and Board 3.1 (per bed day)	Actual Cost	Actual Cost	Actual Cost	Actual Cost
5					
6	Room and Board 3.5 (per bed day)	Actual Cost	Actual Cost	Actual Cost	Actual Cost
7					
8	Care Coordination (per 15 minute increment)	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates
9					
10	Medication Assisted Treatment (per 15 minute increment)	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates
11	Adolescent Residential SUD and Perinatal Residential				
12					
13	Residential Treatment 3.1 (per bed day)	\$194.16	\$194.16	\$194.16	\$194.16
14					
15	Residential Treatment 3.5 (per bed day)	\$257.37	\$257.37	\$257.37	\$257.37
16					
17	Room and Board 3.1 (per bed day)	Actual Cost	Actual Cost	Actual Cost	Actual Cost
18					
19	Room and Board 3.5 (per bed day)	Actual Cost	Actual Cost	Actual Cost	Actual Cost
20					
21	Care Coordination (per 15 minute increment)	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates
22					
23	Medication Assisted Treatment (per 15 minute increment)	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates
24	Crisis Mental Health				
25					
26	Adult Crisis Residential – 24 Hr	\$836.66	\$836.66	\$836.66	\$836.66
27					
28	Crisis Stabilization – Hourly	\$273.28	\$273.28	\$273.28	\$273.28
29					
30	Case Management	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates	As specified in DHCS approved County rates

2. Payment of Actual Cost to perform the requirements in Paragraph V. Services of this Exhibit A: COUNTY shall pay CONTRACTOR monthly, in arrears, the provisional amount of \$455,639 for Period One, \$450,852 for Period Two, \$467,828 for Period Three and \$485,313 for Period Four. All payments are interim payments only and are subject to Final Settlement in accordance with the Cost Report Paragraph of the Contract for which CONTRACTOR shall be reimbursed for the actual cost of providing the services, which may include Indirect Administrative Costs, as identified in Paragraph II.A.1. of this Exhibit A to the Contract; provided, however, the total of such payments under this Contract does

1 not exceed COUNTY's Amount Not to Exceed as specified in the Referenced Contract Provisions of the
2 Contract and Paragraph II.A.1. of this Exhibit A; and, provided further, CONTRACTOR's costs are
3 reimbursable pursuant to COUNTY, State and/or Federal regulations. ADMINISTRATOR may, at its
4 discretion, pay supplemental invoices or make advance payments for any month during the term.

5 a. In support of the monthly invoices, CONTRACTOR shall submit an Expenditure and
6 Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Contract.
7 ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to
8 CONTRACTOR as specified in Subparagraphs A.2.b. and A.2.c., below.

9 b. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the
10 provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may
11 reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the
12 year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred
13 by CONTRACTOR.

14 c. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the
15 provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR may
16 authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to
17 exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the
18 year-to-date actual cost incurred by CONTRACTOR.

19 B. CONTRACTOR's invoices shall be on a form approved or supplied by COUNTY and provide
20 such information as is required by ADMINISTRATOR. Invoices are due the twentieth (20th) calendar
21 day of each month. Invoices received after the due date may not be paid within the same month. Payments
22 to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt
23 of the correctly completed invoice form.

24 C. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source
25 documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements,
26 canceled checks, receipts, receiving records and records of services provided.

27 D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with
28 any provision of the Contract.

29 E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
30 and/or termination of the Contract, except as may otherwise be provided under the Contract, or specifically
31 agreed upon in a subsequent contract.

32 F. In conjunction with Paragraph II.A above, CONTRACTOR shall ensure the contractor providers
33 do not enter Units of Service into COUNTY's IRIS system for services not rendered. If such information
34 has been entered, CONTRACTOR shall have the contractor provider make corrections within ten (10)
35 calendar days from notification by ADMINISTRATOR. Additionally, to assist in the protection of data
36 integrity, CONTRACTOR shall ensure the contractor providers create a procedure to ensure separation
37 of duties between the individual performing direct services (LPHA, clinicians, counselors, etc.), and the

1 clerical staff who enter claims into the IRIS system. Clerical staff shall enter billing into IRIS using the
2 chart information provided by the direct service staff.

3 G. CONTRACTOR shall ensure the contractor providers comply with all Medi-Cal and DMC billing
4 and documentation requirements when entering Units of Service into COUNTY's IRIS system.
5 ADMINISTRATOR shall withhold payment for non-compliant Units of Service, and may reduce,
6 withhold or delay any payment associated with non-compliant billing practices.

7 H. CONTRACTOR may be required to have an audit conducted in accordance with federal OMB
8 Circular A-133. CONTRACTOR shall be responsible for complying with any federal audit requirements
9 within the reporting period specified by OMB Circular A-133. CONTRACTOR shall include the
10 requirements in this subparagraph H. in all contracts with providers.

11 I. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
12 Payments Paragraph of this Exhibit A to the Contract.

13 14 **IV. REPORTS**

15 A. CONTRACTOR shall maintain records, create and analyze statistical reports as required by
16 ADMINISTRATOR and DHCS in a format approved by ADMINISTRATOR. CONTRACTOR shall
17 provide ADMINISTRATOR with the following:

18 1. FISCAL

19 a. In support of the monthly invoice, CONTRACTOR shall submit monthly Expenditure
20 and Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided
21 by ADMINISTRATOR and shall report actual costs and revenues for each of CONTRACTOR's
22 program(s) or cost center(s) described in the Paragraph V. Services of this Exhibit A to the Contract.
23 CONTRACTOR shall submit these reports by no later than twenty (20) calendar days following the end
24 of the month reported.

25 1). CONTRACTOR shall include third party payor information to be included in the
26 Fiscal Expenditure and Revenue Report.

27 b. CONTRACTOR shall provide a check register and remittance summary by contract
28 provider, as well as a turnaround summary, for services provided by Network Providers, to
29 ADMINISTRATOR upon request.

30 c. CONTRACTOR shall track and provide Incurred but not Reported (IBNR) information
31 on a monthly basis. Monthly IBNR shall be calculated and compared with the record of uncashed checks
32 and stop-payment checks, as well as to the undeliverable check report and the donated checks report.
33 CONTRACTOR shall prepare and submit to ADMINISTRATOR a monthly report showing total IBNR
34 liability and revenue received based upon the provisional payments received from COUNTY.

35 d. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR.
36 These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report
37 anticipated year-end actual costs and revenues for CONTRACTOR's program(s) or cost center(s)

1 described in the Services Paragraph of Exhibit A to the Contract. Such reports shall include actual
2 monthly costs and revenue to date and anticipated monthly costs and revenue to the end of the fiscal year.
3 Year-End Projection Reports shall be submitted at the same time as the monthly Expenditure and Revenue
4 Reports.

5 2. STAFFING REPORT – CONTRACTOR shall submit monthly Staffing Reports to
6 ADMINISTRATOR. CONTRACTOR’s reports shall contain required information, and be on a form
7 acceptable to, or provided by ADMINISTRATOR. CONTRACTOR shall submit these reports no later
8 than twenty (20) calendar days following the end of the month being reported.

9 3. PROGRAMMATIC REPORTS – CONTRACTOR shall submit monthly Programmatic
10 reports for the contractor providers and CONTRACTOR’s direct services to ADMINISTRATOR. These
11 reports shall be in a format approved by ADMINISTRATOR and shall include but not limited to,
12 descriptions of any performance objectives, outcomes, and or interim findings as directed by
13 ADMINISTRATOR. CONTRACTOR shall be prepared to present and discuss the programmatic reports
14 at the monthly and quarterly meetings with ADMINISTRATOR, to include an analysis of data and
15 findings, and whether or not CONTRACTOR is progressing satisfactorily and if not, specify what steps
16 are being taken to achieve satisfactory progress.

17 a. CONTRACTOR is required to comply with all applicable reporting requirements,
18 including the requirements set forth in Division 5 of the California Welfare Institutions Code and Division
19 1, Title 9 of the California Code of Regulations, as well as any reports required of LPS designated facilities
20 in the County of Orange.

21 b. CONTRACTOR shall ensure the contractor providers enter demographic information of
22 all clients served, direct services information, and other appropriate data into the COUNTY’s data
23 information system (IRIS), including the utilization of the Behavioral Health Services (BHS) Access Logs
24 and Notice of Adverse Beneficiary Determination (NOABD) reporting as required for all programs.

25 B. CONTRACTOR shall provide records and program reports, as listed below, which shall be
26 received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month
27 being reported or as requested by ADMINISTRATOR. CONTRACTOR shall make additional reports, as
28 required by ADMINISTRATOR, concerning CONTRACTOR’s activities as they affect the services
29 hereunder. ADMINISTRATOR will be specific as to the nature of information requested and the time
30 frame the information is needed.

31 1. Mental Health Plan (MHP) Programs

32 a. MONTHLY

33 i. Contractor Provider Directories

34 ii. Monthly Program Reporting spreadsheets:

35 iii. Transportation Log

36 iv. Utilization Review

37 b. QUARTERLY

- 1 i. Change of Contractor Provider
 2 ii. Second Opinion Log
 3 c. ANNUALLY
 4 i. Medication Monitoring
 5 ii. Sanction Screening tracker
 6 2. Substance Use Disorder (SUD) Programs
 7 a. MONTHLY
 8 i. Contractor Provider Directories
 9 ii. Monthly Data & Performance Outcome Report (MDPOR)
 10 iii. Units of Service (UOS) IRIS
 11 iv. Transportation Log
 12 v. Utilization Review
 13 b. QUARTERLY
 14 i. Change of Contractor Provider Log
 15 ii. Second Opinion Log
 16 c. ANNUALLY
 17 i. Medication Monitoring
 18 ii. Sanction Screening tracker
 19 iii. Accounting of clients served at Sobering Center Irvine related to Behavioral Health
 20 Continuum Infrastructure Program (BHCIP) funding
 21 3. ACCESS LOG – CONTRACTOR shall develop and maintain an Access Log of all requests
 22 for services received via telephone, in writing, or in person. CONTRACTOR is responsible for this log
 23 that meets the DHCS regulations and requirements, as interpreted by COUNTY, and records all services
 24 requested twenty-four (24) hours-seven (7) days a week. The Access Log shall contain, at a minimum,
 25 whether or not the caller has Medi-Cal, the name of the individual, date of the request, nature of the
 26 request, call status (emergent, urgent, routine), if the request is an initial request for Specialty Mental
 27 Health Services or Substance Use Disorder, and the disposition of the request, which shall include
 28 interventions. CONTRACTOR must be able to produce a sortable log, for any time-period specified by
 29 COUNTY within twenty-four (24) hours of receiving the request from COUNTY. If the caller's name is
 30 not provided, then the log shall reflect that the caller did not provide a name. Access Logs shall be entered
 31 into IRIS within timelines stated above. CONTRACTOR shall make available to ADMINISTRATOR
 32 upon request, the most recent telephone log which shall include previous day's calls.
 33 4. DATA COLLECTION AND REPORTING –
 34 a. ADMINISTRATOR shall provide CONTRACTOR with the exact specifications
 35 required to enter data into IRIS or other COUNTY approved CONTRACTOR reporting system, as
 36 deemed appropriate. The Parties understand that such requirements may be modified periodically by the
 37 State and those modifications shall automatically become requirements of this Contract.

1 b. CONTRACTOR shall ensure the timely data entry of information by contractor providers
2 into COUNTY approved CONTRACTOR reporting system.

3 c. CONTRACTOR shall use data collection and visualization systems identified by
4 COUNTY including, but not limited to, the IRIS Electronic Health Record system and other electronic
5 platforms for digitized program workflows

6 d. CONTRACTOR shall conduct up-front and retrospective auditing of data to ensure the
7 accuracy, completeness, and timeliness of the information input into CONTRACTOR's reporting system.
8 CONTRACTOR shall build in audit trails and reconciliation reports to ensure accuracy and
9 comprehensiveness of the input data. In addition, transaction audit trails shall be thoroughly monitored
10 for accuracy and conformance to operating procedures.

11 e. CONTRACTOR shall ensure contractor providers input all required data regarding
12 services provided to Clients who are deemed, by the appropriate state or federal authorities, to be
13 COUNTY's responsibility.

14 f. CONTRACTOR shall correct all input data resulting in CSI and 837 Medi-Cal claim
15 denials and rejections. These errors will be communicated to CONTRACTOR immediately upon
16 discovery and must be corrected in a timely manner. CONTRACTOR remains responsible for ongoing
17 monitoring of billing queues to identify and correct billing errors within one week of posting.

18 g. CONTRACTOR shall ensure the confidentiality of all administrative and clinical data.
19 This shall include both the electronic system as well as printed public reports. No identifying information
20 or data on the system shall be exchanged with any external entity or other business, or among contract
21 providers without prior written approval of the Client or ADMINISTRATOR. Confidentiality procedures
22 shall meet all local, state, and federal requirements.

23 h. CONTRACTOR shall ensure that information is safeguarded in the event of a disaster
24 and that appropriate service authorization and data collection continues.

25 C. CONTRACTOR shall be responsible to inform ADMINISTRATOR of any problems in collecting
26 data, pertinent facts or interim findings, staff changes, status of license(s) and/or certification(s), changes
27 in population served, and reasons for any changes. Additionally, a statement that CONTRACTOR is or is
28 not progressing satisfactorily in achieving all the terms of the Contract shall be included.

29 D. CONTRACTOR shall respond to any requests that are needed with an immediate response time
30 due to any requests from entities that could include but not be limited to DHCS, internal and/or external
31 audits.

32 E. CONTRACTOR shall provide ADMINISTRATOR with a report key, established by
33 CONTRACTOR, and as agreed upon by ADMINISTRATOR, that describes each report, its purpose
34 and usefulness. CONTRACTOR shall update the report key when reports are added or deleted and provide
35 updated report key to ADMINISTRATOR within thirty (30) calendar days.

36 F. CONTRACTOR shall upon ADMINISTRATOR's request revise and make changes to all reports
37 as needed.

1 G. ADMINISTRATOR and CONTRACTOR may mutually agree, in writing, to modify the
2 frequency of the reports. Each report shall include an unduplicated client count and a fiscal year-to-date
3 summary and, unless otherwise specified, shall be reported in aggregate.

4 H. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issue
5 that materially or adversely affect the quality or accessibility of services provided by CONTRACTOR.

6 I. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional
7 welfare of the Clients seen, including, but not limited to, serious physical harm to self or others, serious
8 destruction of property, developments, etc., and which may raise liability issues with COUNTY.
9 CONTRACTOR shall notify COUNTY within twenty-four (24) hours of any such serious adverse
10 incident in the form of a Special Incident Report (SIR).

11 J. ADDITIONAL REPORTS – Upon ADMINISTRATOR’s request, CONTRACTOR shall make
12 such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as
13 they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information
14 requested and allow thirty (30) calendar days for CONTRACTOR to respond.

15 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports
16 Paragraph of this Exhibit A to the Contract.

17
18 **V. SERVICES**

19 A. FACILITY OPERATIONS AND ASSET MANAGEMENT – Services shall be provided at the
20 following locations, or at any other location approved in advance, in writing, by ADMINISTRATOR:

21
22 7780, 7790, 7800, 7820, 7850,
23 7880, 7900 and 7950 Marine
24 Way
25 Irvine, CA 92618
26

- 27 1. CONTRACTOR shall manage a diverse scope of facilities-related services, in four key areas:
28 a. Facilities Management
29 b. Property Accounting
30 c. Capital Project Management
31 d. Lease Management

32 2. CONTRACTOR shall ensure high-value, efficient and accountable oversight of facilities
33 operations and asset management.

34 3. CONTRACTOR shall provide ongoing facility operations and asset management activities
35 which include, but are not limited to:

- 36 4. FACILITIES MANAGEMENT
37 a. Manage and oversee the overall safety of the facility, including day-to-day maintenance

1 and cleaning of the property, including all buildings, parking lots and landscaping;

2 b. Contract management for all property utilities, property insurance policies, building
3 related services and maintenance, and supply procurement;

4 c. Ongoing property assessments to inform preventative maintenance needs, forecast
5 capital repair and replacement schedules, and ensure adequate capital reserves are maintained; and

6 d. Key point of contact for all building-related requests and concerns.

7 5. PROPERTY ACCOUNTING

8 a. Financial management of all operating expenses and property taxes in a timely manner;

9 b. Prepare and provide monthly property financial reports and annual financial statements
10 inclusive of balance sheet, income statement cash flow statement, variance report, rent roll, and detailed
11 property activity summary;

12 c. Prepare and manage an annual operating budget for the property inclusive of a capital
13 budget, detailed leasing and expense projections, and cash flow projections;

14 6. CAPITAL PROJECT MANAGEMENT

15 a. Solicit proposals from, engage, and manage architects, engineers and other design
16 consultants as necessary for completion of the work;

17 b. Manage the process of securing all permits and other governmental approvals; and

18 c. Manage a competitive construction contractor bidding process and oversee construction
19 and installation process to ensure all work is completed in a timely manner.

20 7. LEASE MANAGEMENT

21 a. Manage and enforce all tenant leases and rental agreements, and lead negotiations of
22 lease renewals and extensions as they arise; and

23 b. Financial management of all rents and other receivables.

24 B. PROVIDER CONTRACTING

25 1. CONTRACTOR shall monitor and ensure operations at the Be Well Irvine Campus meet the
26 requirements of CMS, DHCS and BHS.

27 2. CONTRACTOR shall contract with providers for authorized specialty mental health services
28 and substance use disorder treatment services set forth in Paragraph VI. through Paragraph XIII. of this
29 Exhibit A. The contractor providers must meet state and federal requirements for Specialty Medi-Cal
30 services inclusive of mental health crisis services and substance use disorder treatment.

31 a. The contractor providers must perform all activities and obligations, including services
32 provided, and related reporting responsibilities in compliance with state and federal requirements; and

33 b. The contractor providers must perform delegated activities and responsibilities in
34 compliance with BHS' obligations to DHCS. The contractor providers must meet established
35 requirements, with reimbursement negotiated on state rates and costs only. CONTRACTOR must monitor
36 and ensure that the contractor provider claims are entered accurately and in a timely manner.

37 3. PROVIDER CONTRACTING AND OVERSIGHT

1 a. As a partially delegated entity, CONTRACTOR will act on behalf of BHS in ensuring
2 the following activities and responsibilities for authorized substance use disorder and specialty mental
3 health services as outlined in Paragraph VI. through XIII. of this Exhibit A:

- 4 1) Quality Management, including but not limited to;
 - 5 a) Provide Training on Documentation Requirements
 - 6 b) Documentation Review Tool for State Submission
 - 7 c) Quality Improvement comments related to documentation
 - 8 d) Corrective Action Plans
 - 9 e) Ensuring Fraud, Waste and Abuse is reported timely to HCA Compliance
10 Department
 - 11 f) Ensure Compliance Investigation Follow-up within timeframes
 - 12 g) Inform Providers of new practice guidelines
 - 13 h) Ensure there is an appropriately qualified, licensed staff member to conduct
14 documentation reviews at each program.
- 15 2) Program Integrity, including but not limited to;
 - 16 a) Site Reviews and completion of Monitoring Tool for SUD and MH
 - 17 b) Maintain LPS designation of Staff and Site
 - 18 c) Ensure proper credentialing of staff with HCA
 - 19 d) Ensure Policies and Procedures are developed to address regulatory
20 requirements
 - 21 e) Ensure provider job descriptions meet the minimum requirements for staff scope
22 of practice
 - 23 f) Ensure PAVE enrollment of Providers
 - 24 g) Ensure Proper Clinical Supervision of Staff
 - 25 h) Attend Monthly Quality Improvement meetings for both DMC and MH
26 programs
- 27 3) Cultural Competency, including but not limited to;
 - 28 a) Mandatory Training is completed as assigned by ADMINISTRATOR
- 29 4) Training, including but not limited to;
 - 30 a) ASAM Training
 - 31 b) Motivational Interviewing Training
 - 32 c) Other required Evidence Based Practices
 - 33 d) Annual Compliance Training
 - 34 e) Annual Provider Training
 - 35 f) Documentation Training, as applicable (SUD/MHP)
 - 36 g) CEU/CME in addiction, as needed
- 37 5) Claiming, including but not limited to;

- 1 a) Ensure Billing Training is completed
 2 b) Services entered correctly into the County IRIS system
 3 c) Ensure Client information entered correctly into the County IRIS system
 4 6) Reports, including but not limited to;
 5 a) Participation in the OC Navigator
 6 b) NACT submissions
 7 c) Report of Billable Services
 8 d) Cost Reporting
 9 e) Access Log Reports
 10 f) NOABD Reports
 11 g) Grievance and Appeals Investigations
 12 h) Response to External Quality Review Organization Report; and
 13 7) Data collection, including but not limited to:
 14 a) CalOMS
 15 b) DATAR
 16 c) Medication Monitoring Reports

17 b. All references to CONTRACTOR in Paragraph VI. through Paragraph XIII. of this
 18 Exhibit A shall be references to the contractor providers. CONTRACTOR must include the services and
 19 requirements set forth in Paragraph VI. through Paragraph XIII. in the contracts with the provider.

20 4. REGULATORY COMPLIANCE, INSURANCE, AND INDEMNIFICATION

21 a. Compliance Program – CONTRACTOR will ensure the contractor providers have
 22 required policies and procedures and will reinforce federal and state requirements established in the
 23 Contract, such as cultural competency trainings.

24 b. Sanction Screening – CONTRACTOR will ensure the contractor providers have all
 25 applicable Covered Individuals initially and routinely screened in accordance with requirements for MHPs
 26 and SUD contracts per DHCS and Contract requirements.

27 c. Insurance – CONTRACTOR will maintain insurance in compliance with the contractual
 28 requirements and will ensure that the contractor providers' insurance is also in compliance.
 29 CONTRACTOR anticipates being able to support the contractor providers in negotiating competitive rates
 30 for appropriate coverage.

31 d. Medi-Cal billing, Coding and Documentation Compliance Standards – CONTRACTOR
 32 will ensure that CONTRACTOR and the contractor providers coding of health care claims, billings and/or
 33 invoices for same are prepared and submitted, are timely and accurate, and in compliance with the
 34 Contract requirements.

35 e. Indemnification – CONTRACTOR will provide indemnification pursuant to contractual
 36 requirements.

37 C. ACCESS AND PROGRAM MANAGEMENT

1 1. CONTRACTOR will ensure that an optimized mix of clients with public and commercial
2 coverage can access and enroll in services at the Orange Campus. Moreover, CONTRACTOR will ensure
3 that CONTRACTOR and the contractor providers receive referrals and that such referrals are accepted in
4 accordance with the Contract(s), with appropriate contract monitoring based on the BHS provided
5 monitoring tools(s).

6 2. PAYOR MIX OPTIMIZATION AND MANAGEMENT – CONTRACTOR will procure
7 and support the contractor providers in securing contracts with an array of commercial insurance plans,
8 as well as manage and optimize the diverse public/commercial payer mix to achieve the original goals of
9 Be Well and ensure whole community access while maintaining a commitment to serving the most
10 vulnerable. Based on current projections, the initial target is a 26% commercial, 74% public ratio, which
11 will be adjusted, as needed.

12 3. CARE COORDINATION AND TRANSITIONS MANGEMENT – CONTRACTOR will
13 provide high level operational oversight to ensure contractual compliance and good business flow in a
14 standardized, organized manner via reporting, meetings, and audits.

15 4. CLINICAL AND PROGRAM OPERATIONS – CONTRACTOR will attend required
16 trainings and ensure that Be Well Campus and provider policies and practices meet contractual
17 requirements for QI, authorization, clinical, billing, and administrative requirements. CONTRACTOR
18 will ensure that the contractor providers participate in required provider trainings offered by COUNTY
19 and ensure the contractor providers maintain client records in compliance with contractual requirements.

20 D. ESTIMATED COUNTY COST OFFSETS

21 1. CONTRACTOR will work closely with the contractor providers to ensure third party
22 revenues are maximized for both CONTRACTOR and the contractor providers. CONTRACTOR shall
23 secure a Third-Party Administrator (TPA) license that will allow them to work to support commercial
24 billing and collections.

25 2. CONTRACTOR will recover the value of the service when the service is rendered to a Client
26 whenever the Client is covered for the same services, either fully or partially, under any other state or
27 federal medical program or under other contractual or legal entitlement including but not limited to, a
28 private group or indemnification program, but excluding instances of tort liability of a third party or
29 casualty liability. The monies recovered are retained by CONTRACTOR. CONTRACTOR and
30 COUNTY will establish a settlement process to ensure that COUNTY payments to CONTRACTOR are
31 adjusted in a timely manner to reflect other monies recovered, pursuant to the above standards from other
32 sources.

33 3. CONTRACTOR'S estimated offsets of per period Gross Costs are nine percent (9%) for Period
34 One, fourteen percent (14%) for Period Two, and twenty two percent (22%) for Period Three.

35 E. PERFORMANCE OBJECTIVES AND OUTCOMES – CONTRACTOR will provide a
36 comprehensive approach for performance and for monitoring and achieving outcome measures required
37 by COUNTY, sought after by community stakeholders, and needed by the people being served. These

1 requirements will be specified in the contracts with the providers, with regular monitoring and oversight
 2 per contractual requirements, with outcome measures documented and communicated monthly in
 3 dashboards and other required reports.

4 1. CONTRACTOR staff will comply with COUNTY criteria for Federal law under HIPAA and
 5 42CFR Part 2 and undergo COUNTY required training. CONTRACTOR will maintain an ongoing
 6 performance outcomes monitoring program using the contractor provider information, COUNTY required
 7 client satisfaction surveys, and documentation completed by the contractor providers, including utilization
 8 patterns, COUNTY required assessment and screening tools, peer review, and medical record audits.
 9 CONTRACTOR will identify specific outcomes for reporting and will make COUNTY data available
 10 upon request, pursuant to contract terms.

11 2. CONTRACTOR will periodically review the contractor provider performance using standard
 12 treatment and/or site review audits, along with claims and/or treatment-related data. CONTRACTOR will
 13 work with COUNTY to ensure compliance with updated state requirements and standards for performance
 14 outcome measures.

15 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Services
 16 Paragraph of this Exhibit A to the Contract.

17 18 19 **EXHA VI. CRISIS STABILIZATION SERVICES**

20 **A. FACILITIES**

21 1. CONTRACTOR shall maintain the capability to provide Crisis Stabilization Services to
 22 clients aged thirteen (13) and above at the following facility, which meets the minimum requirements for
 23 Medi-Cal eligibility and Designation:

24
25 7780, 7790, 7800, 7820, 7850, 7880, 7900 and 7950 Marine Way
 26 Irvine, California 92618

27
28 2. CONTRACTOR shall provide Crisis Stabilization Services twenty-four (24) hours per day
 29 seven (7) days per week, 365 days per year.

30 3. CONTRACTOR shall commence service delivery thirty (30) calendar days to sixty (60)
 31 calendar days from contract start date. A written request for an extension must be submitted in advance
 32 to ADMINISTRATOR for approval if CONTRACTOR is not ready to provide services by the target date.

33 4. The facility shall have access for persons presenting on a drive-up basis, walk-in, via police
 34 drop off and ambulance delivery.

35 5. The facility shall have a space dedicated to Clients served and their care .Treatment areas
 36 shall be in visible line of sight from the nursing area. Space shall be allocated for: rest; socialization/living
 37 room; dining; seclusion/quiet rooms for agitated persons; private intake/exam space; medication room;

1 and sufficient workspace for staff and conference/meeting rooms. Space shall be designed for the Clients
2 treated and treatment staff to congregate for the majority of the time and shall enable them to work together
3 in an easily accessible fashion. There shall be space dedicated for their families and significant
4 others/support network to receive collateral treatment and areas for family/significant others to participate
5 in program, visit, and stay with the Client being treated as clinically indicated. Nursing stations will be
6 open and easily accessible for staff and Clients to communicate.

7 6. The facility shall be used exclusively for the CSU and COUNTY shall have full access to the
8 facility and to COUNTY's service providers at any time. CONTRACTOR is responsible for maintenance,
9 repair, and capital improvements to the facility.

10 7. The facility shall meet the standards of the applicable sections of:

11 a. Sections 1840.338 and 1840.348 of California Code of Regulations (CCR) Title 9, for
12 Crisis Stabilization Services;

13 b. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq., as implemented in
14 45 CFR 84.1 et seq.);

15 c. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the
16 prohibition of discrimination against qualified persons with disabilities in all programs or activities, as
17 they exist now or may be hereafter amended together with succeeding legislation;

18 d. All SD/MC requirements as delineated in California Code of Regulations, Title 9,
19 Chapter 11, Medi-Cal Specialty Mental Health Services; and

20 e. All applicable requirements delineated in Division 5 of the California Welfare &
21 Institutions Code and required by ADMINISTRATOR for LPS designated facilities.

22 8. CONTRACTOR shall be SD/MC certified prior to the effective date for commencing
23 contracted services. To obtain COUNTY's certification of CONTRACTOR'S site, CONTRACTOR shall
24 be responsible for making any necessary changes to meet or maintain Medi-Cal site standards.

25 9. CONTRACTOR shall be LPS designated prior to the effective date for commencing
26 contracted services for clients involuntarily detained on Welfare and Institutions Code 5150 or 5585 holds.

27 10. The facility shall have a capacity to serve twenty-two (22) Clients at one time and twenty-
28 four (24) clients per day and will include adequate physical space to support the services identified within
29 this Contract.

30 11. CONTRACTOR's administrative staff holiday schedule shall be consistent with COUNTY's
31 holiday schedule unless otherwise approved in writing by ADMINISTRATOR.

32 B. CLIENTS TO BE SERVED:

33 1. Orange County Residents;

34 2. Experiencing a behavioral health emergency, may have a co-occurring disorder, at risk of
35 hospitalization and cannot wait for a regularly scheduled appointment; and

36 3. Over the age of thirteen (13) years

37 C. SERVICES TO BE PROVIDED

1 1. CONTRACTOR shall provide psychiatric crisis stabilization services on a twenty-four (24)
2 hours a day basis to provide a viable option to the default presentation to emergency departments for
3 persons in behavioral health crisis. Crisis Stabilization Services shall be rendered to any individual
4 presenting for services who is in a behavioral health crisis and cannot wait for their regularly scheduled
5 appointment if it is medically safe to do so. Crisis Stabilization services shall include, but are not limited
6 to: psychiatric assessment, physical screening, collateral history, therapy, crisis intervention, medication
7 services, education, nursing assessment, peer specialist services, coordination of referrals to continuing
8 care and emergency housing, post discharge planning and facilitation of transfer of Clients to inpatient
9 treatment facilities when clinically appropriate and indicated. Services described herein are primarily
10 designed to provide timely and effective crisis intervention and stabilization for persons experiencing
11 behavioral health emergencies. The goals also include: minimize distress for the Client/family resulting
12 from lengthy waits in emergency departments, reduce the wait time for law enforcement presenting
13 Clients for emergency behavioral health treatment; and treating the Client in the least restrictive, most
14 dignified setting as appropriate in lieu of inpatient settings, utilizing alternative, less restrictive treatment
15 options whenever possible and appropriate. Services shall be provided in compliance with Welfare &
16 Institutions Code and consistent with all patients' rights regulations, upholding the dignity and respect of
17 all Clients served and meeting the goals for such services. The services shall also be provided utilizing
18 Trauma Informed and Recovery Model principles that are person-centered, strengths-based,
19 individualized, focused on imparting hope and identifying strengths repand resiliency in all persons
20 served. Services shall be tailored to the unique strengths of each Client and will use shared decision-
21 making to encourage the Client to manage their behavioral health treatment, set their own path toward
22 recovery and fulfillment of their hopes and dreams. CONTRACTOR shall have an affiliation with an
23 identified hospital that will be providing the facility with access to medical, laboratory and pharmaceutical
24 support prior to initiating services.

25 2. CONTRACTOR shall perform clinical and psycho-diagnostic assessment using the most
26 recent DSM and/or ICD10 to include clinical consideration of each fundamental need: physical,
27 psychological, familial, educational, social, environmental and recreational. Additional examinations,
28 tests and evaluations may be conducted as clinically indicated. Findings of the examinations and
29 evaluations shall be documented in the client record and signed by CONTRACTOR's appropriate and
30 responsible staff.

31 3. CONTRACTOR shall provide psychiatric evaluations by licensed psychiatrist or psychiatric
32 nurse practitioner(s) who shall issue prescriptions and order medications as clinically indicated.
33 Medication support services shall include a system of medication quality review provided by well-trained,
34 experienced psychiatrists knowledgeable in the use of medication to improve functioning.

35 4. CONTRACTOR shall complete physical health assessments which shall be performed by a
36 physician, doctor of osteopathy, a nurse practitioner or registered nurse. CONTRACTOR shall provide
37 or arrange for laboratory tests as are necessary to adequately complete the assessment and to support

1 continued psychiatric stabilization of the Client. Non-emergency medical intervention will be provided
2 on-site by qualified and trained and appropriately licensed individuals.

3 5. CONTRACTOR shall engage both the client and the Clients' family or other significant
4 support persons whenever possible. Such collateral services may include providing therapy to
5 parents/guardians, adult caregivers or significant others to help the Client in maintaining living
6 arrangements in the community. CONTRACTOR shall refer such caregiver(s) to appropriate community
7 supports, and/or educational services. CONTRACTOR shall document contact with family/support
8 persons or document why such contact is not possible or not advisable.

9 6. CONTRACTOR shall obtain valid consents from the Clients served.

10 7. CONTRACTOR shall provide a sufficient amount of treatment services at all times to
11 accommodate the Clients served and their supports not able to participate during regular daytime hours.

12 8. CONTRACTOR shall provide individual sessions for intake, recovery planning, and
13 discharge. Additional individual counseling sessions shall take place as clinically necessary.

14 9. CONTRACTOR shall use individual therapy, brief intensive services, motivational
15 interviewing, and short-term group therapy modalities including psycho-educational, cognitive behavioral
16 and self-soothing therapy techniques.

17 10. CONTRACTOR shall promote recovery via individual and/or group sessions. Topics may
18 include, but not be limited to: building a wellness toolbox or resource list, trauma informed principles of
19 self-care, healthy habits, symptom monitoring, triggers and early warning signs of symptoms/relapse,
20 identifying a crisis plan, and WRAP, etc.

21 11. CONTRACTOR shall provide all medically necessary substance use disorder treatment
22 services for Clients who are living with a co-occurring substance use disorder problem in addition to their
23 behavioral health issues as appropriate and shall make appropriate referrals to the SUD system of care for
24 needs that extend beyond those that co-occur during the course of the mental health crisis stabilization
25 episode.

26 12. CONTRACTOR shall develop strategies to advance trauma-informed care and to
27 accommodate the vulnerabilities of trauma survivors.

28 13. Services are to be provided in an environment which is compatible with and supportive of a
29 recovery model. Services shall be delivered in the spirit of recovery and resiliency, tailored to the unique
30 strengths of each Client. The focus will be on personal responsibility for symptom management and
31 independence, which fosters empowerment, hope, and an expectation of recovery from behavioral health
32 illness. Recovery oriented and trauma informed language and principles shall be evident and incorporated
33 in CONTRACTOR's policies, program design and space, and practice.

34 14. CONTRACTOR shall sustain a culture that supports and employs Peer Recovery
35 Specialist/Counselors in providing supportive socialization for Clients that will assist in their recovery,
36 self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be encouraged to
37 share their stories of recovery as much as possible to stimulate the milieu with the notion that recovery is

1 possible and to destigmatize behavioral health issues, inspire, and provide guidance.

2 15. CONTRACTOR shall ensure that Clients leave the facility with a medication supply (seven
3 (7) to fourteen (14) day supply) sufficient to bridge them to their aftercare appointment with a prescribing
4 provider by establishing a contractual agreement with a licensed pharmacy to deliver and supply discharge
5 medications as necessary.

6 16. CONTRACTOR shall ensure prescribers consider respective formularies as part of their
7 prescribing practices and in accordance with the HCA Behavioral Health Services (BHS) practice
8 guidelines.

9 17. CONTRACTOR shall have light meals and snacks available as needed. Food will be
10 nutritious and balanced and consist of an array of different foods that consider the special dietary and
11 ethnic and cultural needs/values of the clients served.

12 18. CONTRACTOR shall provide linkage and consultation with both more restrictive levels of
13 care and community based services designed to avoid hospitalization.

14 19. CONTRACTOR shall develop a written discharge and aftercare plan, including written
15 discharge instructions for each client that shall be based on the assessment and diagnosis of that Client.
16 The discharge/aftercare plan and discharge instructions shall include all required elements for designated
17 facilities.

18 20. CONTRACTOR shall adhere to any/all LPS designated facility requirements including
19 providing assessments for involuntary hospitalization when necessary. This service must be available
20 twenty-four (24) hours per day, seven (7) days per week, 365 days per year.

21 21. CONTRACTOR shall make follow up calls to assist Clients in making successful linkage to
22 on-going behavioral health services. Such calls shall be initiated within twenty-four (24) hours during
23 business days and seventy-two (72) hours of discharge during weekend periods and shall be documented
24 in the medical record as a Care Coordination Services as appropriate.

25 22. As a designated outpatient facility, the facility may evaluate and treat Clients for no longer
26 than twenty-three (23) hours and fifty-nine (59) minutes. CONTRACTOR shall have a process in place
27 for describing actions taken when a person seen at the CSU has an episode that exceeds the twenty-three
28 (23) hours and fifty-nine (59) minute limitation for a CSU stay. At a minimum, the CONTRACTOR shall
29 notify COUNTY's Patient Rights Advocate of these instances. CONTRACTOR shall follow designated
30 outpatient requirements as modified by the state for Crisis Stabilization.

31 23. CONTRACTOR is responsible to provide or arrange for the transport of Clients requiring an
32 inpatient level of care. This may include establishing a system both emergency and non emergency
33 transportation.

34 D. STAFFING

35 1. CONTRACTOR shall provide adequate staffing to assure that the services outlined above
36 are performed in an efficient manner.

37 2. CONTRACTOR shall provide staffing in conformance with Title 9 regulations for Crisis

1 Stabilization services; shall have as Head of Service a licensed mental health professional in conformance
2 to one of the following staff categories: Psychiatrist, Licensed Psychologist, LCSW,
3 LPCC, Licensed MFT or RN; and shall have one RN on-site at all times.

4 3. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold
5 languages as determined by ADMINISTRATOR. Whenever possible, bilingual/bicultural staff should be
6 retained. Any clinical vacancies occurring at a time when bilingual and bicultural composition of the
7 clinical staffing does not meet the above requirement, the vacancies must be filled with bilingual and
8 bicultural staff unless ADMINISTRATOR consents, in advance and in writing, to the filling of those
9 positions with non-bilingual staff. Salary savings resulting from such vacant positions may not be used
10 to cover costs other than salaries and employees benefits unless otherwise authorized, in advance and in
11 writing, by ADMINISTRATOR.

12 4. CONTRACTOR shall maintain personnel files for each staff person, including management
13 and other administrative positions, both direct and indirect to the Contract, which shall include, but not be
14 limited to, an application for employment, qualifications for the position, applicable licenses, waivers,
15 registrations, documentation of bicultural/bilingual capabilities (if applicable), pay rate and evaluations
16 justifying pay increases.

17 5. CONTRACTOR shall make its best effort to provide services pursuant to the Contract in a
18 manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR
19 shall maintain documents of such efforts which may include; but not be limited to: records of participation
20 in COUNTY-sponsored or other applicable training; recruitment and hiring P&Ps; copies of literature in
21 multiple languages and formats, as appropriate; and descriptions of measures taken to enhance
22 accessibility for, and sensitivity to, clients who are physically challenged.

23 6. CONTRACTOR shall recruit, hire, train, and maintain staff that are persons in recovery,
24 and/or family members of persons in recovery. These individuals shall not be currently receiving services
25 directly from CONTRACTOR. Documentation may include, but not be limited to, the following: records
26 attesting to efforts made in recruitment, hiring practices and identification of measures taken to enhance
27 accessibility for potential staff in these categories.

28 7. CONTRACTOR shall ensure that all staff, paid or unpaid, complete necessary training prior
29 to performing duties associated with their titles and any other training necessary to assist the
30 CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as State
31 and Federal regulatory requirements.

32 8. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, paid or
33 unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness.
34 Supervision methods should include debriefings and consultations as needed, individual supervision or
35 one-on-one support, and team meetings. Supervision should be provided by a supervisor who has
36 extensive knowledge regarding behavioral health issues.

37 9. CONTRACTOR may augment the above paid staff with volunteers or interns upon written

1 approval of ADMINISTRATOR. CONTRACTOR shall provide supervision to volunteers or intern as
2 specified in their respective job descriptions or work contracts.

3 10. CONTRACTOR shall ensure that all staff, including interns and volunteers, are trained and
4 have a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P
5 training for each staff member and place in their personnel files.

6 11. CONTRACTOR shall provide detailed job descriptions, including education and experience
7 requirements, all applicable responsibilities, assigned duties, and workflow for each delineated position.

8 E. PERFORMANCE OUTCOMES

9 1. CONTRACTOR shall be required to achieve, track and report Performance Outcome
10 Objectives, on a quarterly basis as outlined below:

11 a. Sustain an average daily census of twenty-four (24) unduplicated individuals per day;

12 b. At least sixty percent (60%) of Clients admitted shall be successfully stabilized and
13 returned to the community;

14 c. At least seventy-five percent (75%) of Clients returned to the community shall successfully
15 link (keep appointment) to on-going behavioral health services within fourteen (14) calendar days of
16 discharge;

17 d. Provide timely evaluations as measured by completing ninety-five percent (95%) of CSU
18 admissions within one (1) hour of Clients arrival on a monthly basis; and

19 e. CONTRACTOR shall work towards the ability to track the rate of readmission to any
20 CSU within two days of CONTRACTOR discharge and will remain below two percent (2%) of all
21 admissions.

22 f. CONTRACTOR and COUNTY shall work towards the ability to track the rate of mobile
23 Crisis Assessment Team (CAT) response within two days of discharge will remain below five percent
24 (5%) of all admissions

25 F. DATA: On a monthly basis, CONTRACTOR shall report the following information to
26 ADMINISTRATOR:

27 1. Number of admissions, both involuntary vs voluntary;

28 2. Referral source;

29 3. Number of admissions by funding (Medi-Cal, Health Plan, unfunded, etc.);

30 4. Average daily census;

31 5. Average length of stay (LOS);

32 6. Number of discharges and inpatient transfers;

33 7. Type of residence upon discharge;

34 8. Summary of Satisfaction Survey Results;

35 9. Percentages of clients seen for medication by MD/NP within an hour;

36 10. Percentages Discharged to a lower level of care and higher level of care;

37 11. Number of stays over twenty-four (24) hours and respective LOS for each;; and

1 12. Data regarding recidivating clients with unmet needs, defined as clients with four or more
2 admissions in a month.

3 G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis
4 Stabilization Services Paragraph of this Exhibit A to the Contract.

5
6 **EXHA VII. CRISIS RESIDENTIAL SERVICES**

7 **A. FACILITIES**

8 1. CONTRACTOR shall maintain a facility(ies) for the provision of Adult Crisis Residential
9 Services. The facility(ies) shall include space to support the services identified within the Contract.

10 2. CONTRACTOR shall meet the standards of the applicable sections of:

11 a. HSC Code 1520 et.seq;

12 b. CCR, Title 22. Division 6, Chapter 2, Social Rehabilitation Facilities;
13 Subchapter 1, Article 7;

14 c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social
15 Rehabilitation Programs;

16 d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670.5;

17 e. Section 504 of the Rehabilitation Act of 1973 -- (29 U.S.C. 794 et seq., as implemented
18 in 45 CFR 84.1 et seq.);

19 f. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the
20 prohibition of discrimination against qualified persons with disabilities in all programs or activities, as
21 they exist now or may be hereafter amended together with succeeding legislation.

22 3. The facility shall have a capacity of fifteen (15) beds and include adequate physical space to
23 support the services identified within the Contract.

24 4. The facility shall be open for regular admissions between the hours of 8:00 a.m. and
25 8:00 p.m. Monday through Sunday and will also maintain the ability to accept an admission outside of
26 these hours as requested. Services to Clients in this program will be provided on a twenty-four (24) hour,
27 seven (7) day per week, three hundred sixty-five (365) day per year basis.

28 5. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday schedule
29 unless otherwise approved, in advance and in writing, by ADMINISTRATOR.

30 **B. INDIVIDUALS TO BE SERVED –** CONTRACTOR shall provide short-term crisis residential
31 services to individuals evaluated by and referred by COUNTY, COUNTY contractors, walk-ins, and other
32 referring providers as appropriate. CONTRACTOR will serve as the principal source to authorize
33 admissions of individuals who meet the following criteria:

34 1. Adults between ages eighteen and fifty-nine (18 and 59) and individuals over sixty (60) years
35 of age whose needs are compatible with those of other Clients if they require the same level of care and
36 supervision and all Community Care Licensing requirements can be met;

37 2. COUNTY Client;

3. Diagnosed with a behavioral health disorder and who may have a co-occurring disorder;
4. In crisis and at the risk of hospitalization and could safely benefit from this level of care; and
5. Willing to participate fully and voluntarily in services.

C. ADULT CRISIS RESIDENTIAL PROGRAM – This program operates twenty-four (24) hours a day, seven (7) days a week, emulates a home-like environment and supports a social rehabilitation model, which is designed to enhance individuals’ social connections with family or community so that they can move back into the community and prevent inpatient stays. Short-term crisis residential services will be provided to adults who are in behavioral health crises and may be at risk of psychiatric hospitalization and will involve families and significant others throughout the treatment episodes so that the dynamics of the Clients’ circumstances are improved prior to discharge. Individuals are referred from Adult and Older Adult Behavioral Health County or County-contracted behavioral health providers and CONTRACTOR shall collaborate with these existing providers to arrange for discharge planning, appropriate housing placements, as needed, in addition to securing linkages to ongoing treatment providers prior to discharge. Crisis residential services provide positive, temporary alternatives for people experiencing acute psychiatric episodes or intense emotional distress who might otherwise face voluntary or involuntary inpatient treatment. CONTRACTOR shall provide crisis intervention, therapy, medication monitoring and evaluation to determine the need for the type and intensity of additional services within a framework of evidence based and trauma-informed approaches to recovery planning, including a rich peer support component. Services shall include treatment for co-occurring disorders based on either harm-reduction or abstinence-based approaches, if clinically appropriate, to wellness and recovery, including providing a safe, smoke free, drug free, accepting environment that nurtures Clients processes of personal growth and overall wellness. CONTRACTOR must emphasize mastery of daily living skills and social development using strength-based approaches that support recovery and wellness. The residential settings will create solid links to the continuum of care with heavy emphasis on housing supports and linkages that will ease the transitions into independent living and prevent recidivism. Intensive psychosocial services are provided on an individual and group basis by licensed and licensed-waivered mental health professionals, including therapy, crisis intervention, group education, assistance with self-administration of medications and case management. The focus is on recovery and intensive behavioral health treatment, management and discharge planning, linkage and reintegration into the community. The average length of stay per Client is twenty-one (21) calendar days. The program will offer an environment where Clients are supported as they look at their own life experiences, set their own paths toward recovery, and work towards the fulfillment of their hopes and dreams. The Clients are expected to participate fully in all program activities, including all individual sessions, groups, and recovery oriented outings.

1. CONTRACTOR shall operate the program in such a manner that meets or exceeds the following regulations:

- a. HSC 1520 et.seq;
- b. CCR, Title 22, Division 6, Chapter 2 Social Rehabilitation Facilities;

1 c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social
2 Rehabilitation Programs, Section 531-535; and

3 d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670, 5670.5 and 5671.

4 2. CONTRACTOR shall provide short term crisis residential program services as follows:

5 a. Admission Services:

6 1) CONTRACTOR shall admit individuals who have been determined to meet
7 admission criteria and will have the Client sign an admission agreement describing the services to be
8 provided, Client rights, and the expectations of the Client regarding house rules and involvement in all
9 aspects of the program, including individual and group therapy sessions.

10 2) CONTRACTOR shall complete a thorough behavioral health assessment and
11 psychiatric evaluation within twelve (12) hours of admission.

12 3) During the initial seventy-two (72) hours subsequent to admission, Clients will be
13 expected to remain on site at all times to ensure integration into the program. After this initial period,
14 Client may be eligible for a day pass to an approved activity, usually an MD appointment or an
15 appointment for housing, etc. Prior to the approved activity pass, the Client must be clinically evaluated
16 an hour prior to departure and immediately upon returning to the facility. These clinical evaluations will
17 be clearly documented in the Client's chart.

18 4) CONTRACTOR shall obtain or complete a medical history within twenty-four (24)
19 hours of admission.

20 5) CONTRACTOR shall be responsible for Client's TB testing upon admission if
21 Client has not completed the test prior to admission to the program.

22 6) CONTRACTOR shall not deny referrals for Clients that meet medical necessity if
23 CONTRACTOR has available space and appropriate staffing, unless mutually agreed upon by
24 CONTRACTOR and ADMINISTRATOR.

25 7) CONTRACTOR and Client will together develop a written plan of care specifying
26 goals and objectives, involving Client's family and support persons as appropriate, and as aligned with a
27 recovery focused, person-centered and directed approach within seventy-two (72) hours of admission.
28 CONTRACTOR shall involve the Client's family and support persons, or document attempts to obtain
29 agreement until agreement is obtained or the Client is discharged.

30 8) Within seventy-two (72) hours of admission, CONTRACTOR shall establish a
31 discharge date in collaboration with the Client and their family/support system. The targeted discharge
32 date will be within twenty-one (21) calendar days after admission.

33 b. Therapeutic Services:

34 1) CONTRACTOR shall provide structured day and evening services seven (7)
35 calendar days a week which will include individual, group therapy, and community meetings amongst the
36 Clients and crisis residential staff.

37 2) CONTRACTOR shall provide group counseling sessions at least four (4) times daily

1 to assist Clients in developing skills that enable them to progress towards self-sufficiency and to reside in
2 less intensive levels of care. Topics may include, but not be limited to: self-advocacy, personal identity,
3 goal setting, developing hope, coping alternatives, processing feelings, conflict resolution, relationship
4 management, proper nutrition, personal hygiene and grooming, household management, personal safety,
5 symptom monitoring, etc. These groups will be clearly documented in the individual's chart. All
6 therapeutic process groups will be facilitated by a licensed clinician or clinically supervised
7 registered/waivered clinicians.

8 3) CONTRACTOR shall provide individual therapeutic sessions provided by an MD,
9 DO, NP, licensed clinician or clinically supervised registered/waivered staff at least onetime a day to each
10 Client and these sessions will be clearly documented in the chart.

11 4) CONTRACTOR shall support a culture of "recovery" which focuses on personal
12 responsibility for a Client's behavioral health management and independence, and fosters Client
13 empowerment, hope, and an expectation of recovery from mental illness. Activities and chores shall be
14 encouraged and assigned to each Client on a daily basis to foster responsibility and learning of independent
15 living skills. These chores will be followed up on by residential staff, in the spirit of learning, who will
16 also assist the Client in learning the new skills and completing the chores as needed.

17 5) CONTRACTOR's program will be designed to enhance Client motivation to
18 actively participate in the program, provide Clients with intensive assistance in accessing community
19 resources, and assist Clients developing strategies to maintain independent living in the community and
20 improve their overall quality of life. Therapeutic outings (to local museums, art galleries, nature centers,
21 parks, coffee shops) will be provided for all Clients in support of these goals.

22 6) CONTRACTOR shall assist the Client in developing and working on a WRAP
23 throughout their stay at the program and will promote Client recovery on a daily basis via individual
24 and/or group sessions. This will assist Clients in monitoring and responding to their symptoms in order
25 to achieve the highest possible level of wellness, stability and quality of life. Topics may include but not
26 be limited to: building a wellness toolbox or resource list, symptom monitoring, triggers and early warning
27 signs of symptoms, identifying a crisis plan, etc.

28 7) CONTRACTOR shall engage both the Client and family/support persons in the
29 program whenever possible. CONTRACTOR shall document contact with family/support persons or
30 document why such contact is not possible or not advisable.

31 8) CONTRACTOR shall support a Dual Disorders Integrated Treatment Model that is
32 non-confrontational, follows behavioral principles, considers interactions between behavioral health
33 disorders and substance abuse and has gradual expectations of abstinence. CONTRACTOR shall provide,
34 on a regularly scheduled basis, education via individual and/or group sessions to Clients on the effects of
35 alcohol and other drug abuse, triggers, relapse prevention, and community recovery resources. Twelve
36 (12) step groups and Smart Recovery groups will be encouraged at the facility on a regular basis.

37 9) CONTRACTOR shall support a culture that supports a smoke free environment in

1 the facility and on the campus. CONTRACTOR shall provide educational groups regarding tobacco
2 cessation and provide viable alternatives such as tobacco patches and other approved methods that support
3 tobacco use reduction and cessation.

4 10) CONTRACTOR shall assist Clients in developing prevocational and vocational
5 plans to achieve gainful employment and/or perform volunteer work if identified as a goal in the service
6 plan.

7 11) CONTRACTOR shall provide crisis intervention and crisis management services
8 designed to enable the Client to cope with the crisis at hand while maintaining his/her functioning status
9 within the community and to prevent further decompensation or hospitalization.

10 12) CONTRACTOR shall provide assessments for involuntary hospitalization when
11 necessary. This service must be available twenty-four (24) hours per day, seven (7) days per week.

12 13) CONTRACTOR will provide information, support, advocacy education, and
13 assistance with including the Client's natural support system in treatment and services.

14 14) CONTRACTOR shall sustain a culture that supports Peer Recovery
15 Specialist/Counselors in providing supportive socialization for Clients that will assist Clients in their
16 recovery, self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be
17 encouraged to share their stories of recovery as much as possible to infuse the milieu with the notion that
18 recovery is possible.

19 15) CONTRACTOR shall provide close supervision and be aware of Clients'
20 whereabouts at all times to ensure the safety of all Clients. Every clinician and Residential Counselor will
21 have an assigned caseload and be responsible for the monitoring of the assigned individuals.
22 CONTRACTOR shall provide routine room checks in the evening and document observations. Rounds
23 are completed by staff on regular intervals.

24 16) CONTRACTOR will actively explore, research and present ideas for additional
25 evidence-based practices in order to continually improve and refine aspects of the program.

26 c. Case Management/Discharge Services:

27 1) CONTRACTOR shall actively engage in discharge planning from the day of
28 admission, instructing and assisting Clients with successful linkage to community resources such as
29 outpatient mental health clinics, substance abuse treatment programs, housing, including providing
30 supportive assistance to the Client in identifying and securing adequate and appropriate follow up living
31 arrangements, physical health care, and government entitlement programs.

32 2) CONTRACTOR shall collaborate proactively with Client's Mental Health Plan
33 Provider when such is required to link Clients to COUNTY or contracted housing services which may
34 include continued temporary housing, permanent supported housing, interim placement, or other
35 community housing options.

36 3) CONTRACTOR shall assist Clients in scheduling timely follow-up appointment(s)
37 between Client and their mental health service provider while still a Client or within twenty-four (24)

1 hours following discharge to ensure that appropriate linkage has been successful and if not, relinkage
2 services will be provided. Provide telephone follow up within five (5) days to ensure linkage was
3 successful. Services shall be documented in the Client record. Peer Recovery Specialists and Residential
4 Counselors will be expected to accompany Clients to their follow up linkage appointments as part of their
5 case management duties.

6 4) CONTRACTOR shall coordinate treatment with physical health providers as
7 appropriate and assist Clients with accessing medical and dental services and providing transportation and
8 accompaniment to those services as needed.

9 5) CONTRACTOR shall develop a plan to provide a van/car for each admission as
10 needed accompanied by a Residential Counselor so that a warm hand-off can occur when a Client is in
11 need of transport to the facility. This will also ensure that the engagement and welcoming process
12 commences immediately when a referral is received. Transportation out of the program will also be
13 required to be provided by CONTRACTOR.

14 6) CONTRACTOR shall obtain concurrent review from ADMINISTRATOR for
15 Clients who are deemed necessary to stay in the program for more than twenty-one (21) calendar days.
16 CONTRACTOR shall obtain prior written approval from ADMINISTRATOR for Clients who are
17 deemed necessary to stay in the program for more than twenty-one (21) calendar days.

18 7) Unplanned discharges will be avoided at all costs and only after all other
19 interventions have failed. If, at any time, a Client presents as a serious danger to themselves or others,
20 CONTRACTOR shall assess the safety needs of all concerned and may have the Client assessed for
21 voluntary or involuntary hospitalization utilizing ADMINISTRATOR protocols. If a Client is seriously
22 or repetitively non-compliant with the program, CONTRACTOR may discharge the Client if deemed
23 necessary and only following a multi-disciplinary case conference which will include
24 ADMINISTRATOR. CONTRACTOR shall be in compliance with eviction procedures following the
25 CCR, Title 22, Section 81068.5, and Title 9, Section 532.3, and will provide an unusual occurrence report
26 to ADMINISTRATOR no later than the following business day.

27 8) In the event a Client leaves the program against clinical advice, CONTRACTOR
28 shall hold Client's bed open for twenty-four (24) hours unless otherwise mutually agreed upon by
29 ADMINISTRATOR and CONTRACTOR.

30 9) In the event a Client is transferred for crisis stabilization to the COUNTY CSU or to
31 the Emergency Department (ED), CONTRACTOR shall provide a warm hand-off to the CSU or ED
32 receiving staff member and hold a Client's bed open for twenty-four (24) hours unless otherwise mutually
33 agreed upon by ADMINISTRATOR and CONTRACTOR.

34 d. Medication Support Services:

35 1) CONTRACTOR shall provide medications, as clinically appropriate, to all Clients
36 regardless of funding.

37 2) CONTRACTOR shall educate Clients on the role of medication in their recovery

1 plan, and how the Client can take an active role in their own recovery process. CONTRACTOR shall
2 provide education to Clients on medication choices, risks, benefits, alternatives, side effects and how these
3 can be managed. Client education will be provided on a regularly scheduled basis via individual and
4 group sessions.

5 3) CONTRACTOR shall obtain signed medication consent forms for each psychotropic
6 medication prescribed.

7 4) Medications will be dispensed by a physician's order by licensed and qualified staff
8 in accordance with CCR, Title 9, Div. 1, Chapter 3, Article 3.5, Section 532.1, as well as CCL
9 Requirements.

10 5) Licensed staff authorized to dispense medication will document the Client's response
11 to their medication, as well as any side effects to that medication, in the Client's record.

12 6) CONTRACTOR shall insure all medications are securely locked in a designated
13 storage area with access limited to only those personnel authorized to prescribe, dispense, or administer
14 medication.

15 7) CONTRACTOR shall establish written policies and procedures that govern the
16 receipt, storage and dispensing of medication in accordance with state regulations.

17 8) CONTRACTOR shall not utilize sample medications in the program without first
18 establishing policies and procedures for the use of sample medications consistent with State regulatory
19 requirements.

20 9) CONTRACTOR shall provide a medication follow-up visit by a psychiatrist at a
21 frequency necessary to manage the acute symptoms to allow the Client to safely stay at the Crisis
22 Residential Program and to prepare the Client to transition to outpatient level of care upon discharge. At
23 a minimum, CONTRACTOR shall provide an initial psychiatric evaluation by a psychiatric prescribing
24 provider within twelve (12) hours after admission and will have a psychiatric prescribing provider
25 available as needed for medication follow-up as needed or at a minimum twice per week thereafter.

26 10) Upon discharge, CONTRACTOR shall make available a sufficient supply of current
27 psychiatric medications to which the Client has responded, to meet the Client's needs until they can be
28 seen in an outpatient clinic. This may be a combination of new prescriptions, the Client's specific
29 medications remaining at the Crisis Residential Program, and/or additional sample medications with
30 patient labels.

31 11) CONTRACTOR shall utilize the COUNTY PBM to supply medications for
32 unfunded Clients.

33 e. Transportation Services:

34 1) CONTRACTOR shall provide transportation services for program related activities
35 which may include, but not be limited to, transportation to appointments deemed necessary for medical
36 or dental care or activities related to and in support of preparation for discharge and/or community
37 integration. All other non-crucial appointments will be delayed until after the Client is discharged.

1 CONTRACTOR staff will accompany Clients on these necessary appointments.

2 f. Food Services:

3 1) CONTRACTOR shall meet meal service and food supply requirements per
4 Community Care Licensing regulations which shall include, but not be limited to:

5 a) Meals shall be served in the dining room and tray service provided on emergency
6 need only so as to encourage community food preparation, eating and clean-up activities.

7 b) CONTRACTOR shall create opportunities for Clients to participate in the
8 planning, preparation and clean-up of food preparation activities.

9 c) Food Services will meet meal and food supply requirements, including an
10 abundant supply of healthy and fresh food options, including fruits, vegetables and other items that
11 promote healthy choices and wellness.

12 D. PROGRAM DIRECTOR/QI RESPONSIBILITIES – The Program Director will have ultimate
13 responsibility for the program and will ensure the following:

14 1. Maintenance of adequate records on each Client which shall include all required forms and
15 evaluations, a written treatment/rehabilitation plan specifying goals, objectives, and responsibilities, on-
16 going progress notes, and records of service provided by various personnel in sufficient detail to permit
17 an evaluation of services.

18 2. There is a supervisory and administrative structure in place that will ensure high quality,
19 consistent staff are providing high quality and consistent trauma informed services at all hours of
20 operation, including the evenings and nocturnal shifts.

21 3. The Clinical Supervisor, Program Administrator/Manager, or designated Qualified Staff, will
22 complete one hundred percent (100%) review of Client charts regarding clinical documentation, ensuring
23 all charts are in compliance with medical necessity and Medi-Cal and Medicare requirements. Charts will
24 be reviewed within one day of admission to ensure that all initial charting requirements are met and at the
25 time of discharge. CONTRACTOR shall ensure that all chart documentation complies with all federal,
26 state and local guidelines and standards. CONTRACTOR shall ensure that all chart documentation is
27 completed within the appropriate timelines.

28 4. Provide clinical direction and training to staff on all clinical documentation and treatment
29 plans/problem lists;

30 5. Retain on staff, at all times, a qualified individual trained by the ADMINISTRATOR's QMS
31 division; ADMINISTRATOR is requesting that Clinical Supervisor and Program Administrator/Manager
32 positions carry out these duties;

33 6. Oversee all aspects of the clinical services of the recovery program, know each Client by
34 name and be familiar with details of each of the Clients' cases/situations that brought them to the program;

35 7. Coordinate with in-house clinicians, psychiatrist and/or nurse regarding Client treatment
36 issues, professional consultations, or medication evaluations;

37 8. Review and approve all monthly/quarterly/annual logs submitted to ADMINISTRATOR,

1 (e.g. medication monitoring and utilization review); and

2 9. Facilitate on-going program development and provide or ensure appropriate and timely
3 supervision and guidance to staff regarding difficult cases and behavioral health emergencies.

4 E. QUALITY IMPROVEMENT

5 1. CONTRACTOR shall agree to adopt and comply with the written Quality Improvement
6 Implementation Plan and procedures provided by ADMINISTRATOR which describe the requirements
7 for quality improvement, supervisory review and medication monitoring.

8 2. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR
9 Documentation Manual or its equivalent, and any State requirements, as provided by ADMINISTRATOR,
10 which describes, but is not limited to, the requirements for Medi-Cal, Medicare and ADMINISTRATOR
11 charting standards.

12 3. CONTRACTOR shall demonstrate the capability to maintain a medical records system,
13 including the capability to utilize COUNTY's IRIS system to enter appropriate data. CONTRACTOR
14 shall regularly review its charting, IRIS data input and billing systems to ensure compliance with
15 COUNTY and State P&Ps and establish mechanisms to prevent inaccurate claim submissions.

16 4. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality
17 improvement meetings and processes. Such records and minutes will also be subject to regular review by
18 ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and
19 ADMINISTRATOR's P&P.

20 5. CONTRACTOR shall allow ADMINISTRATOR to attend Quality Improvement Committee
21 (QIC) and medication monitoring meetings.

22 6. CONTRACTOR shall allow COUNTY to review the quantity and quality of services
23 provided pursuant to this Contract quarterly or as needed. This review will be conducted at
24 CONTRACTOR's facility and will consist of a review of medical and other records of Clients provided
25 services pursuant to the Contract.

26 F. CONTRACTOR shall attend meetings, trainings and presentations as requested by COUNTY
27 including but not limited to:

28 1. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical care
29 and implement any recommendations made by COUNTY to improve Client care.

30 2. Monthly COUNTY management meetings with ADMINISTRATOR to discuss contractual
31 and other issues related to, but not limited to whether it is or is not progressing satisfactorily in achieving
32 all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory progress,
33 compliance with P&Ps, review of statistics and clinical services;

34 3. Any trainings that COUNTY recommends or deems necessary.

35 4. Any presentations/in-services as requested by COUNTY involving new providers/systems of
36 care so that CONTRACTOR is educated, apprised, up to date, knowledgeable and part of the larger
37 COUNTY system of care.

1 5. Clinical staff and IRIS staff training for individuals conducted by CONTRACTOR and/or
2 ADMINISTRATOR.

3 6. CONTRACTOR will follow the following guidelines for COUNTY tokens:

4 a. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member
5 with a unique password. Tokens and passwords will not be shared with anyone.

6 b. CONTRACTOR shall maintain an inventory of the Tokens, by serial number and the
7 staff member to whom each is assigned.

8 c. CONTRACTOR shall request that ADMINISTRATOR deactivate all Tokens under the
9 following conditions:

- 10 1) Token of each staff member who no longer supports this Contract;
- 11 2) Token of each staff member who no longer requires access to the HCA IRIS;
- 12 3) Token of each staff member who leaves employment of CONTRACTOR;
- 13 4) Token is malfunctioning; or
- 14 5) Termination of Contract.

15 d. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice.
16 All statistical data used to monitor CONTRACTOR shall be compiled using IRIS reports, if available,
17 and if applicable.

18 G. CONTRACTOR shall obtain a NPI – The standard unique health identifier adopted by the
19 Secretary of HHS under HIPAA of 1996 for health care providers.

20 1. All HIPAA covered healthcare providers, individuals and organizations must obtain a NPI
21 for use to identify themselves in HIPAA standard transactions.

22 2. CONTRACTOR, including each employee that provides services under the Contract, will
23 obtain a NPI upon commencement of the Contract or prior to providing services under the Contract.
24 CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by
25 ADMINISTRATOR, all NPI as soon as they are available.

26 H. CONTRACTOR shall provide the NPP for COUNTY, as the MHP, at the time of the first service
27 provided under the Contract to individuals who are covered by Medi-Cal and have not previously received
28 services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon
29 request, the NPP for the COUNTY, as the MHP, to any individual who received services under the
30 Contract.

31 I. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to conduct
32 research activity on Clients without obtaining prior written authorization from ADMINISTRATOR.

33 J. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,
34 with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the terms
35 of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will not be used to
36 promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution,
37 or religious belief.

1 K. CONTRACTOR shall maintain all requested and required written policies, and provide to
2 ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps and
3 program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include but not
4 limited to the following:

- 5 1. Admission Criteria and Admission Procedure;
- 6 2. Assessments and Individual Service Plans;
- 7 3. Crisis Intervention/Evaluation for Involuntary Holds;
- 8 4. Handling Non-Compliant Clients/Unplanned Discharges;
- 9 5. Medication Management and Medication Monitoring;
- 10 6. Recovery Program/Rehabilitation Program;
- 11 7. Community Integration/Case Management/Discharge Planning;
- 12 8. Documentation Standards;
- 13 9. Quality Management/Performance Outcomes;
- 14 10. Client Rights;
- 15 11. Personnel/In service Training;
- 16 12. Unusual Occurrence Reporting;
- 17 13. Code of Conduct/Compliance;
- 18 14. Mandated Reporting; and
- 19 15. Good Neighbor Policy.

20 L. CONTRACTOR shall provide initial and on-going training and staff development that includes
21 but is not limited to the following:

- 22 1. Orientation to the program's goals, and P&Ps;
- 23 2. Training on subjects as required by state regulations;
- 24 3. Orientation to the services sections, outlined in this Section VII of this Exhibit A to the
25 Contract;
- 26 4. Recovery philosophy and individual empowerment;
- 27 5. Crisis intervention and de-escalation;
- 28 6. Substance abuse and dependence; and
- 29 7. Motivational interviewing.

30 M. PERFORMANCE OUTCOMES

- 31 1. CONTRACTOR shall be required to achieve, track and report Performance Outcome
32 Objectives, on a quarterly basis as outlined below:
 - 33 a. A minimum of seventy-five percent (75%) of Clients shall be discharged to a lower level
34 of care.
 - 35 b. A minimum of seventy percent (70%) of Clients shall be linked to a continuing care
36 provider.
 - 37 c. A minimum of ninety-five percent (95%) of Clients shall not be hospitalized within 48

1 | hours of discharge.

2 | d. A minimum of seventy-five percent (75%) of Clients shall not be readmitted within
3 | fourteen (14) calendar days of discharge.

4 | e. Average Length of Stay for all Clients shall be tracked and reported.

5 | N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis
6 | Residential Services Paragraph of this Exhibit A to the Contract.

7 |
8 | **EXHA VIII. SOBERING CENTER SERVICES**

9 | A. FACILITY –CONTRACTOR shall ensure facility remains clean, safe and in good repair. The
10 | Sobering Center consists of 12 cots, an intake station, showers, food storage, and a laundry facility.
11 | CONTRACTOR shall store Client personal belongings while receiving services.

12 |
13 |
14 | **EXHA IX. ADULT SUD RESIDENTIAL TREATMENT SERVICES**

15 | A. LENGTH OF STAY– Length of stay is based on medical necessity as determined by a Licensed
16 | Practitioner of the Healing Arts. COUNTY is adhering to the State goal of a thirty (30) calendar day
17 | average in the residential level of care. The facility shall have a capacity of thirty (30) beds and include
18 | adequate physical space to support the services identified within the Contract.

19 | 1. Adults, ages eighteen (18) and older may receive residential level SUD services based on
20 | medical necessity with no predetermined maximum days.

21 | 2. If determined to be medically necessary, perinatal clients may receive additional services and
22 | faster placement, in accordance with State perinatal guidelines.

23 | B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services
24 | despite ability to pay. In order to receive services through the DMC-ODS, the Client must be enrolled in
25 | Medi-Cal, reside in Orange County, and meet medical necessity criteria.

26 | C. RESIDENTIAL TREATMENT AUTHORIZATION - Clients will be authorized and referred to
27 | CONTRACTOR by the Assessment/Authorization for Residential Treatment (ART) Team. Clients who
28 | contact CONTRACTOR directly to request services shall be referred by CONTRACTOR to the ART
29 | Team. If Client is pregnant, and/or a history of intravenous drug use, a person who has a recent history
30 | of fentanyl use disorder, or a person link to residential from any withdrawal management within the
31 | Orange County DMC-ODS system, and meets medical necessity for Residential Treatment,
32 | CONTRACTOR may directly admit the Client to treatment due to high acuity if provider has an available
33 | bed slot. In this instance, CONTRACTOR must complete a SUD assessment and establish medical
34 | necessity for residential level of care. Assessment and authorization request must be submitted to the
35 | ART team for authorization within seventy-two (72) hours of Client admission. CONTRACTOR shall
36 | enter data regarding request for service into the IRIS access log established by ADMINISTRATOR for
37 | these Clients who access provider directly and bypass the ART team.

1 D. SERVICES – CONTRACTOR shall provide a non-institutional, twenty-four (24) hour non-
2 medical, short-term residential program that provides rehabilitation services to Clients in accordance with
3 an individualized plan. These services are intended to be individualized to treat the functional deficits
4 identified in the ASAM Criteria. CONTRACTOR and client work collaboratively to define barriers, set
5 priorities, establish goals, create treatment plans/problem lists, and solve problems. Goals include
6 sustaining abstinence, preparing for relapse triggers, improving personal health and social functioning,
7 and engaging in continuing care. CONTRACTOR shall provide services in accordance with DHCS-
8 Designated Level of Care 3.1. Services shall include.

9 1. Intake: The process of determining that a Client meets the medical necessity criteria and a
10 Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or
11 analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of
12 treatment needs to provide medically necessary services. Intake may include a physical examination and
13 laboratory testing necessary for substance use disorder treatment.

14 2. Individual Counseling: Contacts between a Client and a therapist or counselor.

15 3. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat
16 two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the needs
17 of the individuals served. Groups that count towards the structured service requirements shall not have a
18 maximum limit for participants.

19 4. Family Therapy: As clinically appropriate, family members can provide social support to the
20 Client, help motivate their loved one to remain in treatment, and receive help and support for their own
21 family recovery as well.

22 5. Client Education: Provide research-based education on addiction, treatment, recovery and
23 associated health risks.

24 6. Medication Storage: Facilities will store all Client medication and facility staff members will
25 oversee resident's self-administration of medication.

26 7. Collateral Services: Sessions with therapists or counselors and significant persons in the life
27 of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the
28 Client's treatment goals. Significant persons are individuals that have a personal, not official or
29 professional, relationship with the Client.

30 8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis.
31 Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event
32 or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services
33 shall be limited to the stabilization of the Client's emergency situation.

34 9. Treatment Planning: CONTRACTOR shall prepare an individualized written treatment plan
35 or problem list, whichever applies, based upon information obtained in the intake and assessment process
36 and in adherence to documentation standards set forth in QMSSUD documentation manual. The treatment
37 plan/problem list will be consistent with the qualifying diagnosis and will be signed by the Client and the

1 LPHA.

2 10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a
3 minimum of twenty (20) hours of structured activity per week.

4 11. EBPs: CONTRACTORS will implement at least two of the following EBPs, one of which
5 must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality. The
6 required EBP include:

7 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
8 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach
9 frequently includes other problem-solving or solution-focused strategies that build on Clients' past
10 successes.

11 b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral
12 reactions are learned and that new ways of reacting and behaving can be learned.

13 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
14 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
15 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved
16 during initial substance use treatment.

17 d. Trauma-Informed Treatment: Services must take into account an understanding of
18 trauma, and place priority on trauma survivors' safety, choice and control.

19 e. Psycho-Education: Psycho-educational groups are designed to educate Clients about
20 substance abuse, and related behaviors and consequences. Psycho-educational groups provide information
21 designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth
22 and change, identify community resources that can assist Clients in recovery,
23 develop an understanding of the process of recovery, and prompt people using substances to take action
24 on their own behalf.

25 12. Care Coordination: Care coordination services may be provided by a LPHA or
26 registered/certified counselor or other eligible provider type and must be provided based on medical
27 necessity. Care Coordination shall provide advocacy and care coordination to physical health, mental
28 health, and transportation, housing, vocational, educational, and transition services for reintegration into
29 the community. CONTRACTOR shall provide Care Coordination services for the Client during
30 treatment, transition to other levels of care and follow ups, to encourage the Client to engage and
31 participate in an appropriate level of care or Recovery Services after discharge. Care Coordination
32 becomes the responsibility of the next treating provider after successful transition to a different level of
33 care. CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care,
34 integration around primary care especially for Clients with a chronic SUD, and interaction with the
35 criminal justice system, if needed. Care Coordination services may be provided face-to-face, by
36 telephone, or by telehealth with the Client and may be provided anywhere in the community.

37 13. MAT: Services may be provided onsite with approval for Incidental Medical Services from

1 DHCS. Medically necessary MAT services must be provided in accordance with an individualized
2 treatment plan determined by a licensed physician or LPHA working within their scope of practice.

3 a. MAT services must be provided in compliance with Policy and Procedures submitted to
4 DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
5 through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
6 ordering, prescribing, administering, and monitoring of all medications for SUDs.

7 b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and
8 injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of SUDs
9 may also be prescribed and administered, as medically necessary.

10 c. CONTRACTOR must provide care coordination with treatment and ancillary service
11 providers and facilitate transitions between levels of care. Clients may simultaneously participate in MAT
12 services and other ASAM LOCs.

13 14. Care Coordination for Mental and Physical Health: Programs must screen for mental health
14 issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home
15 provider of Client's admission to treatment within seven (7) calendar days of admission and request
16 medical records/ physical exam. If Client does not have a medical home, identifying one shall be on the
17 treatment plan/problem list.

18 15. Physician/Clinician Consultation: Physician/Clinician Consultation Services include DMC
19 physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists,
20 or clinicians consulting with other clinicians on difficult cases. Physician/Clinician consultation services
21 are designed to assist DMC physicians and clinicians by allowing them to seek expert advice with regards
22 to designing treatment plans/problem lists for specific DMC-ODS members. Physician consultation
23 services may address medication selection, dosing, side effect management, adherence, drug interactions,
24 or level of care considerations. ADMINISTRATOR will provide one or more physicians or pharmacists
25 to provide consultation services.

26 16. Discharge Services: The process to prepare the Client for referral into another level of care,
27 post treatment return or reentry into the community, and/or the linkage of the individual to essential
28 community treatment, housing and human services. CONTRACTOR shall provide or arrange for
29 transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
30 immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and
31 Client. The exit plan shall be documented in the Client's chart.

32 17. Recovery Services: A level of care designed to support recovery and prevent relapse. It is not
33 considered treatment. The focus is on restoring the Client to their best possible functional level and
34 emphasizes the client's role in managing their health by using effective self-management support
35 strategies. The components of Recovery Services are:

36 a. Outpatient counseling services in the form of individual or group counseling to stabilize
37 the Client and then reassess if the Client needs further care;

- 1 b. Recovery Monitoring: Recovery coaching, monitoring via telephone and internet;
2 c. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;
3 d. Education and Job Skills: Linkages to life skills, employment services, job training, and
4 education services;
5 e. Family Support: Linkages to childcare, parent education, child development support
6 services, family/marriage education;
7 f. Support Groups: Linkages to self-help and support, spiritual and faith-based support;
8 g. Ancillary Services: Linkages to housing assistance, transportation, case management,
9 individual services coordination.

10 18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries,
11 clean linen, and food service.

12 19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by
13 Clients and laundry access.

14 20. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure that all
15 persons admitted for Residential Treatment services have a health questionnaire completed using form
16 DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information
17 requested in the DHCS 5103 form.

18 a. The health questionnaire is a Client's self-assessment of his/her current health status and
19 shall be completed by Client.

20 1) CONTRACTOR shall review and approve the health questionnaire form prior to
21 Client's admission to the program. The completed health questionnaire shall be signed and dated by
22 CONTRACTOR and Client, prior to admission.

23 2) A copy of the questionnaire shall be filed in the Client's record.

24 b. CONTRACTOR shall, based on information provided by Client on the health
25 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
26 examinations as appropriate.

27 1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to
28 Client's admission to the program when applicable.

29 2) A copy of the referral and clearance shall be filed in the Client's file.

30 3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV
31 antibody testing and risk assessment and disclosure counseling.

32 4) The programs shall have written procedures for obtaining medical or psychiatric
33 evaluation and emergency and non-emergency services.

34 5) The programs shall post the name, address, and telephone number for the fire
35 department, a crisis program, local law enforcement, and ambulance service.

36 6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY
37 or another appropriate provider. TB services shall be provided within seven (7) calendar days of

1 admission. These TB services shall consist of the following:

- 2 a) Counseling with respect to TB;
- 3 b) Testing to determine whether the individual has been infected and to determine
- 4 the appropriate form of treatment;
- 5 c) Provision for, or referral of, infected Clients for medical evaluation, treatment
- 6 and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to
- 7 commencing treatment.

8 21. Transportation Services

9 a. COUNTY shall only pay for medical ambulance or medical van transportation to and
10 from designated residential substance use disorder treatment programs or health facilities through the
11 COUNTY's Medical Transportation Contract under the following conditions:

12 1) Ambulance transportation shall be used for services requiring immediate attention
13 for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where
14 delay in providing such services may aggravate the medical condition or cause the loss of life.

15 2) When any Client needs non-emergency transportation as identified in Subparagraph
16 21.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but
17 not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client's
18 physical condition and/or limitations.

19 3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call
20 Log to request transportation services from Ambulance Providers designated for transportation within the
21 city of the CONTRACTOR's facility for each said month as identified on the log.

22 4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified
23 on the Monthly Rotation Call Log as those providers who offer van transportation services if and when
24 an ambulance is not required.

25 5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider
26 for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service
27 under this section by the COUNTY.

28 b. Non-Emergency Transportation – CONTRACTOR shall transport Client to locations
29 that are considered necessary and/or important to the Client's recovery plan including, but not limited to,
30 Social Security Administration offices for Supplemental Security Income benefits and for non-emergency
31 medical or mental health services not identified in Subparagraph 21.a. above, that require treatment at a
32 physician office, urgent care, or emergency room when an ambulance provider is not necessary or
33 required for transportation based on the level of severity and/or services required by the Client.

34 E. PERFORMANCE OUTCOMES

35 1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance
36 Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR
37 recognizes that alterations may be necessary to the following services to meet the objectives, and,

1 therefore, revisions to objectives and services may be implemented by mutual agreement between
2 CONTRACTOR and ADMINISTRATOR.

3 2. Performance Outcome Objectives

4 a. Objective 1: Provide effective residential substance abuse assessment, treatment, and
5 counseling to Clients with identified alcohol and/or drug problems as measured by Completion Rate.

6 b. Objective 2: Completion Rates shall be calculated by using the number of Clients who
7 leave with satisfactory progress divided by the total number of Clients discharged during the evaluation
8 period. Seventy percent (70%) of Clients will complete residential treatment program.

9 c. Objective 3: Provide linkage to the next level of care for Clients upon discharge. Thirty
10 percent (30%) percent of Clients who have discharged will be linked with a lower level of care within
11 thirty (30) calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who
12 discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge
13 dispositions will be excluded.

14 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult
15 Residential SUD Treatment Services Paragraph of this Exhibit A to the Contract.

16
17 **EXHA X. ADULT CO-OCCURRING RESIDENTIAL TREATMENT SERVICES**

18 A. LENGTH OF STAY – Length of stay is based on medical necessity as determined by a Licensed
19 Practitioner of the Healing Arts. COUNTY is adhering to the state goal of a thirty (30) calendar day
20 average in the residential level of care. The facility shall have a capacity of fifteen (15) beds and include
21 adequate physical space to support the services identified within the Contract.

22 B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services
23 despite ability to pay. In order to receive services through the DMC-ODS, the Client must be enrolled in
24 Medi-Cal, reside in Orange County, and meet medical necessity criteria.

25 C. RESIDENTIAL TREATMENT AUTHORIZATION – Clients will be authorized and referred to
26 CONTRACTOR by the ART Team. Clients who contact CONTRACTOR directly to request services
27 shall be referred by CONTRACTOR to the ART Team. If Client is pregnant and/or has a history of
28 intravenous drug use, a person who has a recent history of fentanyl use disorder, or a person linking to
29 residential from any withdrawal management within the Orange County DMC-ODS system, and meets
30 medical necessity for Residential Treatment, CONTRACTOR may directly admit to treatment due to
31 acuity, if provider has available bed slot and if program is licensed/certified for perinatal services. In this
32 instance, CONTRACTOR must complete a SUD assessment and establish medical necessity for
33 residential level of care. Assessment and authorization request must be submitted to the ART team for
34 authorization within seventy-two (72) hours of client admission. CONTRACTOR shall enter data
35 regarding request for service into IRIS access log established by ADMINISTRATOR for these Clients
36 who access provider directly and bypass the ART team.

37 D. SERVICES – CONTRACTOR shall provide a non-institutional, twenty-four (24) hour non-

1 | medical, short-term residential program that provides rehabilitation services to Clients based on Client
2 | goals and objectives during treatment. These services are intended to be individualized to treat the
3 | functional deficits identified in the ASAM Criteria. CONTRACTOR and Client work collaboratively to
4 | define barriers, set priorities, establish goals, create goals and objectives, and solve problems. Goals
5 | include sustaining abstinence, preparing for relapse triggers, improving personal health and social
6 | functioning, and engaging in continuing care. CONTRACTOR shall provide services in accordance with
7 | DHCS-Designated Levels of Care 3.3 or 3.5. Residential Treatment program shall consist of the
8 | following:

9 | 1. Intake: The process of determining that a Client meets the medical necessity criteria and a
10 | Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or
11 | analysis of substance use disorders; the diagnosis of substance use disorders; the review and signing of
12 | legal and admission paperwork; and the assessment of treatment needs to provide medically necessary
13 | services. Intake may include a physical examination and laboratory testing necessary for substance use
14 | disorder treatment.

15 | 2. Individual Counseling: Contacts between a Client and a therapist or counselor.

16 | 3. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat
17 | two (2) or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the
18 | needs of the individuals served. Groups that count towards the structured service requirements shall not
19 | have a maximum limit for participants.

20 | 4. Family Therapy: Family members can provide social support to the Client, help motivate
21 | their loved one to remain in treatment, and receive help and support for their own family recovery as well.

22 | 5. Client Education: Provide research-based education on addiction, treatment, recovery and
23 | associated health risks.

24 | 6. Medication Storage: Facilities will store all Client medication and facility staff members will
25 | oversee resident's self-administration of medication.

26 | 7. Collateral Services: Sessions with therapists or counselors and significant persons in the life
27 | of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the
28 | Client's treatment goals. Significant persons are individuals that have a personal, not official or
29 | professional, relationship with the Client.

30 | 8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis.
31 | Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event
32 | or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services
33 | shall be limited to the stabilization of the Client's emergency situation.

34 | 9. Treatment Planning: CONTRACTOR shall collaborate with the Client on their progress in
35 | treatment in the current episode of care. Treatment planning activities include, but are not limited to,
36 | collaborating with the Client on problems for the development of the problem list, reviewing and/or
37 | updating the problem list; planning for the course of treatment using the information gathered about the

1 Client's specific needs to determine what interventions may be needed to address those needs and promote
2 progress towards improving level of functioning. Treatment planning activities will be consistent with
3 the qualifying diagnosis.

4 10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a
5 minimum of twenty (20) hours of structured activity per week.

6 11.EBPs: CONTRACTORS will implement at least two of the following EBPs, one of which
7 must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality. The
8 required EBP include:

9 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
10 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach
11 frequently includes other problem-solving or solution-focused strategies that build on Clients' past
12 successes.

13 b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral
14 reactions are learned and that new ways of reacting and behaving can be learned.

15 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
16 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
17 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved
18 during initial substance use treatment.

19 d. Trauma-Informed Treatment: Services must take into account an understanding of
20 trauma, and place priority on trauma survivors' safety, choice and control.

21 e. Psycho-Education: Psycho-educational groups are designed to educate Clients about
22 substance abuse, and related behaviors and consequences. Psycho-educational groups provide information
23 designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth
24 and change, identify community resources that can assist Clients in recovery, develop an understanding
25 of the process of recovery, and prompt people using substances to take action on their own behalf.

26 12. Care Coordination: Care coordination services must be provided based on the needs of the
27 Client. Services shall provide advocacy and care coordination to physical health, mental health, and
28 transportation, housing, vocational, educational, and transition services for reintegration into the
29 community. CONTRACTOR shall provide Care Coordination services for the Client during treatment,
30 transition to other levels of care and follow ups, and to encourage the Client to engage and participate in
31 an appropriate level of care or Recovery Services after discharge. Care Coordination becomes the
32 responsibility of the next treating provider after successful transition to a different level of care.
33 CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care,
34 integration around primary care especially for Clients with a chronic SUD, and interaction with the
35 criminal justice system, if needed. Care Coordination services may be provided face-to-face, by
36 telephone, or by telehealth with the Client and may be provided anywhere in the community.

37 13. MAT: Services may be provided onsite with approval for Incidental Medical Services from

1 DHCS. Medically necessary MAT services must be provided in accordance with the Client's
2 individualized needs as determined by a licensed physician or LPHA working within their scope of
3 practice.

4 a. MAT services must be provided in compliance with Policy and Procedures submitted to
5 DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
6 through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
7 ordering, prescribing, administering, and monitoring of all medications for SUDs.

8 b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and
9 injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of SUDs
10 may also be prescribed and administered, as medically necessary.

11 c. CONTRACTOR must provide care coordination with treatment and ancillary service
12 providers and facilitate transitions between levels of care. Clients may simultaneously participate in MAT
13 services and other ASAM LOCs.

14 14. Care Coordination for Mental and Physical Health: Programs must screen for mental health
15 issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home
16 provider of Client's admission to treatment within seven (7) calendar days of admission and request
17 medical records/ physical exam. If Client does not have a medical home, identifying one shall be listed
18 on the treatment plan or Problem List, whichever applies. Clients who are co-occurring with severe and
19 persistent mental illness shall receive mental health services and support through Orange County Health
20 Care Agency PACT program, if applicable, or other County or contracted programs designed to treat
21 SPMI.

22 15. Physician/clinician Consultation: Physician Consultation Services include DMC physicians'
23 consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists or expert
24 clinicians consulting with other clinicians on difficult cases. Physician consultation services are designed
25 to assist DMC physicians by allowing them to seek expert advice with regards to designing treatment
26 plans/problem lists for specific DMC-ODS members. Physician consultation services may address
27 medication selection, dosing, side effect management, adherence, drug interactions, or level of care
28 considerations. ADMINISTRATOR will provide one or more physicians or pharmacists to provide
29 consultation services.

30 16. Discharge Services: The process to prepare the Client for referral into another level of care,
31 post treatment return or reentry into the community, and/or the linkage of the individual to essential
32 community treatment, housing and human services. CONTRACTOR shall provide or arrange for
33 transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
34 immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and
35 Client. The exit plan shall be documented in the Client's chart.

36 17. Recovery Services: A level of care designed to support recovery and prevent relapse. It is not
37 considered treatment. Recovery Services focus on restoring the Client to their best possible functional

1 level and emphasizes the Client's role in managing their health by using effective self-management
 2 support strategies. Recovery services may be provided face-to-face, by telephone, or by telehealth with
 3 the Client and may be provided anywhere in the community. Recovery services shall be made available
 4 to DMC-ODS members when a Medical Director or LPHA has determined that recovery services are
 5 medically necessary in accordance with the Client's needs. Clients may enroll simultaneously in
 6 Recovery Services while receiving treatment services at another level of care if found to be clinically
 7 appropriate. The components of Recovery Services are:

- 8 a. Assessment;
- 9 b. Outpatient counseling services in the form of individual, family or group counseling to
 10 stabilize the Client and then reassess if the Client needs further care;
- 11 c. Recovery Monitoring: Recovery coaching, monitoring which includes recovery coaching
 12 and monitoring designed for the maximum reduction of the Client's SUD.
- 13 d. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;
- 14 e. Education and Job Skills: Linkages to life skills, employment services, job training, and
 15 education services;
- 16 f. Family Support: Linkages to childcare, parent education, child development support
 17 services, family/marriage education;
- 18 g. Support Groups: Linkages to self-help and support, spiritual and faith-based support;
- 19 h. Ancillary Services: Linkages to housing assistance, transportation, case management,
 20 individual services coordination; and
- 21 i. Relapse Prevention, which includes interventions designed to teach Clients with SUD how
 22 to anticipate and cope with the potential for relapse for the maximum reduction of the Client's SUD.

23 18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries,
 24 clean linen, and food service.

25 19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by
 26 Clients and laundry access.

27 20. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure that all
 28 persons admitted for Residential Treatment services have a health questionnaire completed using form
 29 DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information
 30 requested in the DHCS 5103 form.

31 a. The health questionnaire is a Client's self-assessment of his/her current health status and
 32 shall be completed by Client.

33 1) CONTRACTOR shall review and approve the health questionnaire form prior to
 34 Client's admission to the program. The completed health questionnaire shall be signed and dated by
 35 CONTRACTOR and Client, prior to admission.

36 2) A copy of the questionnaire shall be filed in the Client's record.

37 b. CONTRACTOR shall, based on information provided by Client on the health

1 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
2 examinations as appropriate.

3 1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to
4 Client's admission to the program when applicable.

5 2) A copy of the referral and clearance shall be filed in the Client's file.

6 3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV
7 antibody testing and risk assessment and disclosure counseling.

8 4) The programs shall have written procedures for obtaining medical or psychiatric
9 evaluation and emergency and non-emergency services.

10 5) The programs shall post the name, address, and telephone number for the fire
11 department, a crisis program, local law enforcement, and ambulance service.

12 6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY
13 or another appropriate provider. TB services shall be provided within seven (7) calendar days of
14 admission. These TB services shall consist of the following:

15 a) Counseling with respect to TB;

16 b) Testing to determine whether the individual has been infected and to determine
17 the appropriate form of treatment;

18 c) Provision for, or referral of, infected Clients for medical evaluation, treatment
19 and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to
20 commencing treatment.

21 21. Transportation Services

22 a. COUNTY shall only pay for medical ambulance or medical van transportation to and
23 from designated residential substance use disorder treatment programs or health facilities through the
24 COUNTY's Medical Transportation Contract under the following conditions:

25 1) Ambulance transportation shall be used for services requiring immediate attention
26 for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where
27 delay in providing such services may aggravate the medical condition or cause the loss of life.

28 2) When any Client needs non-emergency transportation as identified in Subparagraph
29 21.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but
30 not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client's
31 physical condition and/or limitations.

32 3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call
33 Log to request transportation services from Ambulance Providers designated for transportation within the
34 city of the CONTRACTOR's facility for each said month as identified on the log.

35 4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified
36 on the Monthly Rotation Call Log as those providers who offer van transportation services if and when
37 an ambulance is not required.

1 5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider
2 for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service
3 under this section by the COUNTY.

4 b. Non-Emergency Transportation – CONTRACTOR shall transport Client to locations
5 that are considered necessary and/or important to the Client’s recovery plan including, but not limited to,
6 Social Security Administration offices for Supplemental Security Income benefits and for non-emergency
7 medical or mental health services not identified in Subparagraph 21.a. above, that require treatment at a
8 physician office, urgent care, or emergency room when an ambulance provider is not
9 necessary or required for transportation based on the level of severity and/or services required by the
10 Client.

11 E. PERFORMANCE OUTCOMES

12 1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance
13 Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR
14 recognizes that alterations may be necessary to the following services to meet the objectives, and,
15 therefore, revisions to objectives and services may be implemented by mutual agreement in writing
16 between CONTRACTOR and ADMINISTRATOR.

17 2. Performance Outcome Objectives

18 a. Objective 1: CONTRACTOR shall provide effective residential substance abuse
19 assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as measured
20 by Retention and Completion Rates:

21 1) Retention Rates shall be calculated by using the number of Clients currently enrolled
22 in or successfully completing the treatment program divided by the total number of Clients served during
23 the evaluation period.

24 2) Completion Rates shall be calculated by using the number of Clients successfully
25 completing the treatment program divided by the total number of Clients discharged during the evaluation
26 period. Fifty percent (50%) of Clients will complete residential treatment program based on meeting
27 established treatment goals.

28 b. CONTRACTOR shall provide linkage to the next level of care for Clients upon discharge.
29 Twenty percent (20%) of Clients who have discharged will be linked with a lower level of care within
30 seven (7) calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who
31 discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge
32 dispositions will be excluded.

33 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult
34 Co-Occurring Residential Treatment Services Paragraph of this Exhibit A to the Contract.

35 **XI. ADULT CLINICALLY MANAGED WITHDRAWAL MANAGEMENT SERVICES**

36 A. LENGTH OF STAY

37

1 1. Length of stay is based on medical necessity for withdrawal management in adherence with
2 observation protocols established by Medical Director. The facility shall have a capacity of fifteen (15)
3 beds and include adequate physical space to support the services identified within the Contract.

4 B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services
5 despite ability to pay. For clients to receive services through the DMC-ODS, the Client must be enrolled
6 in Medi-Cal, reside in Orange County, and meet medical necessity criteria.

7 C. SERVICES - Clinically managed withdrawal management services shall consist of the following:

8 1. Intake: The process of determining that a Client meets the medical necessity criteria and a
9 Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or
10 analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of
11 treatment needs to provide medically necessary services. Intake may include a physical examination and
12 laboratory testing necessary for substance use disorder treatment.

13 2. Observation:

14 a. CONTRACTOR shall ensure at least one staff member shall be assigned to the observation
15 of Withdrawal Management Clients at all times and be certified in cardiopulmonary resuscitation, first
16 aid, and Naloxone administration. In facilities with sixteen (16) or more Clients, two (2) staff or properly
17 credentialed volunteers shall be present at all times.

18 b. Staff or volunteer shall physically check each Client for breathing by a face-to-face
19 physical observation at least every thirty (30) minutes and vital signs every six (6) hours at a minimum
20 during the first seventy-two (72) hours following admission. The close observation and physical checks
21 shall continue beyond the initial seventy-two (72) hour period for as long as the withdrawal signs and
22 symptoms warrant. After twenty-four (24) hours, close observations and physical checks may be
23 discontinued or reduced based upon a determination by a staff member trained in providing Withdrawal
24 Management Services. Documentation of the information that supports a decrease in close observation
25 and physical checks shall be recorded in the Client's file.

26 c. Documentation of observations and physical checks shall be recorded in a systematic
27 manner in the Client file including information supporting a decrease in observation and physical checks
28 and signature of staff.

29 d. Only program staff that have been trained in the provisions of Withdrawal Management
30 Services may conduct observations and physical checks of Clients receiving Withdrawal Management
31 Services. Training shall include information on detoxification medications, and signs and symptoms that
32 require referral to a higher level of care. Training shall also include first aid cardiopulmonary resuscitation,
33 and Naloxone administration. Copies of detoxification training records shall be kept in personnel files.

34 e. CONTRACTOR shall track training and keep certificate of completions on file. Tracker
35 and certificates must be made available to ADMINISTRATOR within two (2) business days upon request.

36 3. Individual Counseling: Contacts between a Client and a therapist or counselor.

37 4. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat

1 two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the needs
2 of the individuals served.

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

5 6. Medication Storage: Facilities will store all Client medication and facility staff members will
6 oversee resident's self-administration of medication.

7 7. Collateral Services: Sessions with therapists or counselors and significant persons in the life
8 of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the
9 Client's treatment goals. Significant persons are individuals that have a personal, not official or
10 professional, relationship with the Client.

11 8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis.
12 Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event
13 or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services
14 shall be limited to the stabilization of the Client's emergency situation.

15 9. Treatment Planning: CONTRACTOR shall engage in treatment planning activities, based
16 upon information obtained in the intake and assessment process and in adherence to documentation
17 standards set forth in QMS SUD documentation manual. The goals and objectives will be consistent
18 with the qualifying diagnosis and will be signed by the Client and the LPHA.

19 10. EBPs: CONTRACTORS will implement at least two of the following EBPs , one of which
20 must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality. The
21 required EBP include:

22 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
23 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach
24 frequently includes other problem-solving or solution-focused strategies that build on Clients' past
25 successes.

26 b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral
27 reactions are learned and that new ways of reacting and behaving can be learned.

28 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
29 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
30 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved
31 during initial substance use treatment.

32 d. Trauma-Informed Treatment: Services must take into account an understanding of
33 trauma, and place priority on trauma survivors' safety, choice and control.

34 e. Psycho-Education: Psycho-educational groups are designed to educate Clients about
35 substance abuse, and related behaviors and consequences. Psycho-educational groups provide information
36 designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth
37 and change, identify community resources that can assist Clients in recovery, develop an understanding

1 of the process of recovery, and prompt people using substances to take action on their own behalf.

2 11. Care Coordination: Care coordination services must be provided based on client need. Care
3 coordination shall provide advocacy and care coordination to physical health, mental health, and
4 transportation, housing, vocational, educational, and transition services for reintegration into the
5 community. CONTRACTOR shall provide Care Coordination services for the Client during treatment,
6 transition to other levels of care and follow ups, to encourage the Client to engage and participate in an
7 appropriate level of care or Recovery Services after discharge. Care Coordination becomes the
8 responsibility of the next treating provider after successful transition to a different level of care.
9 CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care,
10 integration around primary care especially for Clients with a chronic SUD, and interaction with the
11 criminal justice system, if needed. Care Coordination services may be provided face-to-face, by
12 telephone, or by telehealth with the Client and may be provided anywhere in the community.

13 12. MAT: Services may be provided onsite with approval for Incidental Medical Services from
14 DHCS. Medically necessary MAT services must be provided in accordance with an individualized
15 treatment plan determined by a licensed physician or LPHA working within their scope of practice.

16 a. MAT services must be provided in compliance with Policy and Procedures submitted to
17 DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
18 through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
19 ordering, prescribing, administering, and monitoring of all medications for SUDs.

20 b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and
21 injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of SUDs
22 may also be prescribed and administered, as medically necessary.

23 c. CONTRACTOR must provide care coordination with treatment and ancillary service
24 providers and facilitate transitions between levels of care. clients may simultaneously participate in MAT
25 services and other ASAM LOCs.

26 13. Care Coordination for Mental and Physical Health: Programs must screen for mental health
27 issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home
28 provider of Client's admission to treatment within seven (7) calendar days of admission and request
29 medical records/ physical exam. If Client does not have a medical home, this issue shall be identified on
30 the Treatment Plan or Problem List, whichever applies.

31 14. Physician/Clinician Consultation: Physician/Clinician Consultation Services include DMC
32 physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists,
33 or expert clinicians consulting with other clinicians on difficult cases. Physician/Clinician consultation
34 services are designed to assist DMC physicians and clinicians by allowing them to seek expert advice
35 with regards to designing treatment plans/problem lists for specific DMC-ODS members.
36 Physician/Clinician consultation services may address medication selection, dosing, side effect
37 management, adherence, drug interactions, or level of care considerations. ADMINISTRATOR will

1 provide one or more physicians or pharmacists to provide consultation services.

2 15. Discharge Services: The process to prepare the Client for referral into another level of care,
3 post treatment return or reentry into the community, and/or the linkage of the individual to essential
4 community treatment, housing and human services. CONTRACTOR shall provide or arrange for
5 transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
6 immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and
7 Client. The exit plan shall be documented in the Client's chart.

8 16. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries,
9 clean linen, and food service.

10 17. Support Services: CONTRACTOR shall provide housekeeping, which may be done by
11 Clients and laundry access.

12 18. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure that all
13 persons admitted for Residential Treatment services have a health questionnaire completed using form
14 DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information
15 requested in the DHCS 5103 form.

16 a. The health questionnaire is a Client's self-assessment of his/her current health status and
17 shall be completed by Client.

18 1) CONTRACTOR shall review and approve the health questionnaire form prior to
19 Client's admission to the program. The completed health questionnaire shall be signed and dated by
20 CONTRACTOR and Client, prior to admission.

21 2) A copy of the questionnaire shall be filed in the Client's record.

22 b. CONTRACTOR shall, based on information provided by Client on the health
23 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
24 examinations as appropriate.

25 1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to
26 Client's admission to the program when applicable.

27 2) A copy of the referral and clearance shall be filed in the Client's file.

28 3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV
29 antibody testing and risk assessment and disclosure counseling.

30 4) The programs shall have written procedures for obtaining medical or psychiatric
31 evaluation and emergency and non-emergency services.

32 5) The programs shall post the name, address, and telephone number for the fire
33 department, a crisis program, local law enforcement, and ambulance service.

34 6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY
35 or another appropriate provider. TB services shall be provided within seven (7) calendar days of
36 admission. These TB services shall consist of the following:

37 a) Counseling with respect to TB;

1 b) Testing to determine whether the individual has been infected and to determine
2 the appropriate form of treatment;

3 c) Provision for, or referral of, infected Clients for medical evaluation, treatment
4 and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to
5 commencing treatment.

6 20. Transportation Services

7 a. COUNTY shall only pay for medical ambulance or medical van transportation to and
8 from designated residential substance use disorder treatment programs or health facilities through the
9 COUNTY's Medical Transportation Contract under the following conditions:

10 1) Ambulance transportation shall be used for services requiring immediate attention
11 for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where
12 delay in providing such services may aggravate the medical condition or cause the loss of life.

13 2) When any Client needs non-emergency transportation as identified in Subparagraph
14 20.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances
15 including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner
16 or Client's physical condition and/or limitations.

17 3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call
18 Log to request transportation services from Ambulance Providers designated for transportation within the
19 city of the CONTRACTOR's facility for each said month as identified on the log.

20 4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified
21 on the Monthly Rotation Call Log as those providers who offer van transportation services if and when
22 an ambulance is not required.

23 5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider
24 for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service
25 under this section by the COUNTY.

26 b. Non-Emergency Transportation – CONTRACTOR shall transport Client to locations
27 that are considered necessary and/or important to the Client's recovery plan including, but not limited to,
28 Social Security Administration offices for Supplemental Security Income benefits and for non-emergency
29 medical or mental health services not identified in Subparagraph 19.a. above, that require treatment at a
30 physician office, urgent care, or emergency room when an ambulance provider is not necessary or required
31 for transportation based on the level of severity and/or services required by the Client.

32 D. PERFORMANCE OUTCOMES

33 1. Objective 1: Demonstrate provision of effective withdrawal management services with a client
34 completion rates of at least seventy percent (70%).

35 2. Objective 2: Completion Rates shall be calculated by using the number of clients who leave
36 with satisfactory progress divided by the total number of clients discharged during the evaluation period.

37 3. Objective 3: Linkage to the next level of care for Clients upon discharge; thirty percent (30%)

1 of Clients who have discharged will be linked with a lower level of care within thirty (30) calendar days,
 2 as measured by charge data entered into IRIS. Linkage rates for Clients who discharge will include all
 3 California Outcome Measurement System (CalOMS) standard discharged dispositions. All CalOMS
 4 administrative discharge dispositions will be excluded.

5 E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult
 6 Clinically Managed Withdrawal Management Services Paragraph of this Exhibit A to the Contract.

7 8 9 **XII. PERINATAL SUD RESIDENTIAL TREATMENT SERVICES**

10 A. Perinatal SUD provides treatment to women that are pregnant and/or parenting. Treatment
 11 consists of psycho-education groups, individual sessions, case management and other ancillary services.
 12 Clients must meet medical necessity to receive treatment within a residential treatment setting using
 13 American Society of Addiction Medicine (ASAM) criteria.

14 B. The Contractor will be required to achieve, track and report the following performance outcomes.

15 1. Provide effective residential substance abuse assessment, treatment, and counseling to
 16 Clients with identified alcohol and/or drug problems as measured by Completion Rate:

17 2. Completion Rates shall be calculated by using the number of Clients who leave with
 18 satisfactory progress divided by the total number of Clients discharged during the evaluation period.
 19 Seventy percent (70%) of Clients will complete residential treatment program.

20 3. Provide linkage to the next level of care for Clients upon discharge. Thirty percent (30%) of
 21 Clients who have discharged will be linked with a lower level of care within thirty (30) calendar days, as
 22 measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all
 23 CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be
 24 excluded.

25 4. Provide prenatal medical and therapeutic care to pregnant Clients to ensure the birth of drug-
 26 free babies. This is measured by the number of pregnant clients served and the number of drug-free babies
 27 born.

28 C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify this
 29 Paragraph XII. of this Exhibit A to the Contract.

30 31 **XIII. ADOLESCENT RESIDENTIAL SUD TREATMENT SERVICES**

32 A. Adolescent Residential SUD provides treatment to adolescents between the ages of 12 and 17
 33 years of age. Treatment consists of psycho-education groups, individual sessions, family sessions, case
 34 management and other ancillary services. Clients must meet medical necessity to receive treatment within
 35 a residential treatment setting using American Society of Addiction Medicine (ASAM) criteria.

36 B. PERFORMANCE MEASURES AND OUTCOMES: CONTRACTOR shall be required to
 37 achieve, track and report the following performance outcomes:

1 1. Provide effective residential substance abuse assessment, treatment, and counseling to
2 Clients with identified alcohol and/or drug problems as measured by Completion Rate:

3 2. Completion Rates shall be calculated by using the number of Clients who leave with
4 satisfactory progress divided by the total number of Clients discharged during the evaluation period.
5 Seventy percent (70%) of Clients will complete residential treatment program.

6 3. Provide linkage to the next level of care for Clients upon discharge. Thirty percent (30%) of
7 Clients who have discharged will be linked with a lower level of care within thirty (30) calendar days, as
8 measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all
9 CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be
10 excluded.

11
12 **XIV. STAFFING**

13 A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-
14 Time Equivalents (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal
15 to an average of forty (40) hours work per week.

<u>PROGRAM</u>	<u>FTE</u>
VP of Operations	0.50
Executive Director of Campus Oversight	1.00
Medical Director	0.25
Administrative Assistant	1.00
Campus Facilities Operations Manager	1.00
Admissions & Navigation Supervisor	1.00
Admissions & Navigation Team	1.00
Community & Health Equity Liaison	0.50
Front Desk Staff	4.00
Payer Relations & Contracting Specialist	0.50
Staff Accountant	1.00
Patient/Client Billing Lead	1.00
Strategy & Quality Improvement	0.25
Director of Quality Improvement	1.00
Quality Assurance Specialist (QA)	1.00
Compliance Officer/Contract Monitor	1.00
 TOTAL FTE	 16.00

36
37 B. CONTRACTOR shall provide sufficient administrative and program staffing to ensure its

1 delivery of all services specified in this Exhibit A to the Contract.

2 C. CONTRACTOR shall, at its own expense, provide and maintain licensed practitioners of the
3 healing arts and supportive personnel to provide all necessary and appropriate management services.

4 D. CONTRACTOR shall attempt in good faith to recruit and retain bilingual, culturally competent
5 staff to meet the diverse needs of the community threshold languages as determined by COUNTY.
6 CONTRACTOR shall also ensure recruitment and retention of staff that have experience in working with
7 diverse populations with specialty needs, including but not limited to, children/adolescents and older
8 adults. When staffing vacancies occur, CONTRACTOR shall attempt to fill with bilingual and bicultural
9 staff. If CONTRACTOR's available candidates require filling those positions with non-bilingual and
10 bicultural staff, CONTRACTOR shall notify ADMINISTRATOR in writing, at least seven (7) calendar
11 days in advance of hiring.

12 E. CONTRACTOR shall use an interpreter service when a caller speaks a language not spoken by
13 staff, as well as the California Relay Service for hearing impaired Clients.

14 F. CONTRACTOR shall maintain personnel files for each staff member, both administrative and
15 programmatic, both direct and indirect, which shall include, but not be limited to, an application for
16 employment, qualifications for the position, documentation of bicultural/bilingual capabilities (if
17 applicable), valid licensure verification, if applicable, and pay rate and evaluations justifying pay
18 increases.

19 G. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours of
20 any non-pooled staffing vacancies that occur during the term of the Contract. CONTRACTOR's
21 notification shall include at a minimum the following information: employee name(s), position title(s),
22 date(s) of resignation, date(s) of hire, and a description of recruitment activity.

23 H. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) calendar days in
24 advance, of any new non-pooled staffing changes; including promotions, temporary FTE changes and
25 internal or external temporary staffing assignment requests that occur during the term of the Contract.

26 I. CONTRACTOR shall ensure that all staff are trained based on COUNTY requirements and have
27 a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P
28 training for each staff member and place it in their personnel files, on forms approved by COUNTY.

29 J. CONTRACTOR shall ensure that all staff, albeit paid or unpaid, complete necessary training
30 prior to performing duties associated with their titles and any other training necessary to assist
31 CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as State
32 and Federal regulatory requirements. Training information should be tracked on forms approved by
33 COUNTY.

34 K. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, albeit paid
35 or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness.
36 Supervision methods should include debriefings and consultation as needed, individual supervision or
37 one-on-one support, and team meetings. Supervision should be provided by a supervisor who has

1 extensive knowledge regarding mental health issues.

2 L. CONTRACTOR shall ensure that designated staff completes COUNTY’s Annual Provider
3 Training and Annual Compliance and Cultural Competency Training.

4 M. TOKENS – ADMINISTRATOR shall provide CONTRACTOR the necessary number of Tokens
5 for appropriate individual staff to access ADMINISTRATOR designated reporting system at no cost to
6 CONTRACTOR.

7 1. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member with
8 a unique password. Tokens and passwords shall not be shared with anyone.

9 2. CONTRACTOR shall ensure information obtained by the use of a Token is used for the sole
10 purpose of this Contract and shall not be shared with any other lines of business without the expressed or
11 written consent of the Client.

12 3. CONTRACTOR shall request and return tokens pursuant to COUNTY Standard Operating
13 Procedure (SOP) for Processing Token Requests.

14 4. CONTRACTOR shall maintain an inventory of Tokens activated/deactivated for each staff
15 member.

16 5. CONTRACTOR shall request ADMINISTRATOR deactivate all Tokens under the
17 following conditions:

18 a. Token of any staff member who no longer supports the Contract;

19 b. Token of any staff member who no longer requires access to ADMINISTRATOR
20 designated reporting system;

21 c. Token of any staff member who leaves employment of CONTRACTOR;

22 d. Token is malfunctioning; or

23 e. Termination of Contract.

24 N. CONTRACTOR shall include the requirements in this Paragraph XII. in all contracts with
25 providers.

26 O. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing
27 Paragraph of this Exhibit A to the Contract.

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1 EXHIBIT B
 2 TO MASTER SERVICES AGREEMENT
 3 FOR PROVISION OF
 4 MENTAL HEALTH AND RECOVERY SERVICES IRVINE CAMPUS
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 MIND OC
 9 JANUARY 1, 2025 THROUGH DECEMBER 31, 2027

10
11 **I. BUSINESS ASSOCIATE CONTRACT**

12 A. GENERAL PROVISIONS AND RECITALS

13 1. The parties agree that the terms used, but not otherwise defined in the Common Terms and
14 Definitions Paragraph of Exhibit A to the Contract or in Subparagraph B below, shall have the same
15 meaning given to such terms under HIPAA, the HITECH Act, and their implementing regulations at
16 45 CFR Parts 160 and 164 (“the HIPAA regulations”) as they may exist now or be hereafter amended.

17 2. The parties agree that a business associate relationship under HIPAA, the HITECH Act, and
18 the HIPAA regulations between the CONTRACTOR and COUNTY arises to the extent that
19 CONTRACTOR performs, or delegates to subcontractors to perform, functions or activities on behalf of
20 COUNTY pursuant to, and as set forth in, the Contract that are described in the definition of “Business
21 Associate” in 45 CFR § 160.103.

22 3. The COUNTY wishes to disclose to CONTRACTOR certain information pursuant to the
23 terms of the Contract, some of which may constitute PHI, as defined below in Subparagraph B.10, to be
24 used or disclosed in the course of providing services and activities pursuant to, and as set forth, in the
25 Contract.

26 4. The parties intend to protect the privacy and provide for the security of PHI that may be
27 created, received, maintained, transmitted, used, or disclosed pursuant to the Contract in compliance with
28 the applicable standards, implementation specifications, and requirements of HIPAA, the HITECH Act,
29 and the HIPAA regulations as they may exist now or be hereafter amended.

30 5. The parties understand and acknowledge that HIPAA, the HITECH Act, and the HIPAA
31 regulations do not pre-empt any state statutes, rules, or regulations that are not otherwise pre-empted by
32 other Federal law(s) and impose more stringent requirements with respect to privacy of PHI.

33 6. The parties understand that the HIPAA Privacy and Security rules, as defined below in
34 Subparagraphs B.9 and B.14, apply to the CONTRACTOR in the same manner as they apply to the
35 covered entity (COUNTY). CONTRACTOR agrees therefore to be in compliance at all times with the
36 terms of this Business Associate Contract, as it exists now or be hereafter updated with notice to
37 CONTRACTOR, and the applicable standards, implementation specifications, and requirements of the

1 Privacy and the Security rules, as they may exist now or be hereafter amended, with respect to PHI and
2 electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Contract.

3 B. DEFINITIONS

4 1. "Administrative Safeguards" are administrative actions, and P&Ps, to manage the selection,
5 development, implementation, and maintenance of security measures to protect ePHI and to manage the
6 conduct of CONTRACTOR's workforce in relation to the protection of that information.

7 2. "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted
8 under the HIPAA Privacy Rule which compromises the security or privacy of the PHI.

9 a. Breach excludes:

10 1) Any unintentional acquisition, access, or use of PHI by a workforce member or
11 person acting under the authority of CONTRACTOR or COUNTY, if such acquisition, access, or use was
12 made in good faith and within the scope of authority and does not result in further use or disclosure in a
13 manner not permitted under the Privacy Rule.

14 2) Any inadvertent disclosure by a person who is authorized to access PHI at
15 CONTRACTOR to another person authorized to access PHI at the CONTRACTOR, or organized health
16 care arrangement in which COUNTY participates, and the information received as a result of such
17 disclosure is not further used or disclosed in a manner not permitted under the HIPAA Privacy Rule.

18 3) A disclosure of PHI where CONTRACTOR or COUNTY has a good faith belief that
19 an unauthorized person to whom the disclosure was made would not reasonably have been able to retain
20 such information.

21 b. Except as provided in Subparagraph a. of this definition, an acquisition, access, use, or
22 disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule is presumed to be a breach
23 unless CONTRACTOR demonstrates that there is a low probability that the PHI has been compromised
24 based on a risk assessment of at least the following factors:

25 1) The nature and extent of the PHI involved, including the types of identifiers and the
26 likelihood of re-identification;

27 2) The unauthorized person who used the PHI or to whom the disclosure was made;

28 3) Whether the PHI was actually acquired or viewed; and

29 4) The extent to which the risk to the PHI has been mitigated.

30 3. "Data Aggregation" shall have the meaning given to such term under the HIPAA Privacy
31 Rule in 45 CFR § 164.501.

32 4. "DRS" shall have the meaning given to such term under the HIPAA Privacy Rule in
33 45 CFR § 164.501.

34 5. "Disclosure" shall have the meaning given to such term under the HIPAA regulations in
35 45 CFR § 160.103.

36 6. "Health Care Operations" shall have the meaning given to such term under the HIPAA
37 Privacy Rule in 45 CFR § 164.501.

1 7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in 45
2 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with
3 45 CFR § 164.502(g).

4 8. "Physical Safeguards" are physical measures, policies, and procedures to protect
5 CONTRACTOR's electronic information systems and related buildings and equipment, from natural and
6 environmental hazards, and unauthorized intrusion.

7 9. "The HIPAA Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable
8 Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

9 10. "PHI" shall have the meaning given to such term under the HIPAA regulations in
10 45 CFR § 160.103.

11 11. "Required by Law" shall have the meaning given to such term under the HIPAA Privacy
12 Rule in 45 CFR § 164.103.

13 12. "Secretary" shall mean the Secretary of the Department of HHS or his or her designee.

14 13. "Security Incident" means attempted or successful unauthorized access, use, disclosure,
15 modification, or destruction of information or interference with system operations in an information
16 system. "Security incident" does not include trivial incidents that occur on a daily basis, such as scans,
17 "pings", or unsuccessful attempts to penetrate computer networks or servers maintained by
18 CONTRACTOR.

19 14. "The HIPAA Security Rule" shall mean the Security Standards for the Protection of ePHI at
20 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

21 15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in
22 45 CFR § 160.103.

23 16. "Technical safeguards" means the technology and the P&Ps for its use that protect electronic
24 PHI and control access to it.

25 17. "Unsecured PHI" or "PHI that is unsecured" means PHI that is not rendered unusable,
26 unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology
27 specified by the Secretary of HHS in the guidance issued on the HHS Web site.

28 18. "Use" shall have the meaning given to such term under the HIPAA regulations in
29 45 CFR § 160.103.

30 C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE

31 1. CONTRACTOR agrees not to use or further disclose PHI COUNTY discloses to
32 CONTRACTOR other than as permitted or required by this Business Associate Contract or as required
33 by law.

34 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business
35 Associate Contract and the Contract, to prevent use or disclosure of PHI COUNTY discloses to
36 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
37 other than as provided for by this Business Associate Contract.

1 3. CONTRACTOR agrees to comply with the HIPAA Security Rule at Subpart C of 45 CFR
2 Part 164 with respect to ePHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates,
3 receives, maintains, or transmits on behalf of COUNTY.

4 4. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is
5 known to CONTRACTOR of a Use or Disclosure of PHI by CONTRACTOR in violation of the
6 requirements of this Business Associate Contract.

7 5. CONTRACTOR agrees to report to COUNTY immediately any Use or Disclosure of PHI
8 not provided for by this Business Associate Contract of which CONTRACTOR becomes aware.
9 CONTRACTOR must report Breaches of Unsecured PHI in accordance with Subparagraph E below and
10 as required by 45 CFR § 164.410.

11 6. CONTRACTOR agrees to ensure that any Subcontractors that create, receive, maintain, or
12 transmit PHI on behalf of CONTRACTOR agree to the same restrictions and conditions that apply through
13 this Business Associate Contract to CONTRACTOR with respect to such information.

14 7. CONTRACTOR agrees to provide access, within fifteen (15) calendar days of receipt of a
15 written request by COUNTY, to PHI in a DRS, to COUNTY or, as directed by COUNTY, to an Individual
16 in order to meet the requirements under 45 CFR § 164.524. If CONTRACTOR maintains an EHR with
17 PHI, and an individual requests a copy of such information in an electronic format, CONTRACTOR shall
18 provide such information in an electronic format.

19 8. CONTRACTOR agrees to make any amendment(s) to PHI in a DRS that COUNTY directs
20 or agrees to pursuant to 45 CFR § 164.526 at the request of COUNTY or an Individual, within thirty (30)
21 calendar days of receipt of said request by COUNTY. CONTRACTOR agrees to notify COUNTY in
22 writing no later than ten (10) calendar days after said amendment is completed.

23 9. CONTRACTOR agrees to make internal practices, books, and records, including P&Ps,
24 relating to the use and disclosure of PHI received from, or created or received by CONTRACTOR on
25 behalf of, COUNTY available to COUNTY and the Secretary in a time and manner as determined by
26 COUNTY or as designated by the Secretary for purposes of the Secretary determining COUNTY's
27 compliance with the HIPAA Privacy Rule.

28 10. CONTRACTOR agrees to document any Disclosures of PHI COUNTY discloses to
29 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,
30 and to make information related to such Disclosures available as would be required for COUNTY to
31 respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with
32 45 CFR § 164.528.

33 11. CONTRACTOR agrees to provide COUNTY or an Individual, as directed by COUNTY, in
34 a time and manner to be determined by COUNTY, that information collected in accordance with the
35 Contract, in order to permit COUNTY to respond to a request by an Individual for an accounting of
36 Disclosures of PHI in accordance with 45 CFR § 164.528.

37 //

1 12. CONTRACTOR agrees that to the extent CONTRACTOR carries out COUNTY's obligation
2 under the HIPAA Privacy and/or Security rules CONTRACTOR will comply with the requirements of 45
3 CFR Part 164 that apply to COUNTY in the performance of such obligation.

4 13. If CONTRACTOR receives Social Security data from COUNTY provided to COUNTY by
5 a state agency, upon request by COUNTY, CONTRACTOR shall provide COUNTY with a list of all
6 employees, subcontractors, and agents who have access to the Social Security data, including employees,
7 agents, subcontractors, and agents of its subcontractors.

8 14. CONTRACTOR will notify COUNTY if CONTRACTOR is named as a defendant in a
9 criminal proceeding for a violation of HIPAA. COUNTY may terminate the Contract, if CONTRACTOR
10 is found guilty of a criminal violation in connection with HIPAA. COUNTY may terminate the Contract,
11 if a finding or stipulation that CONTRACTOR has violated any standard or requirement of the privacy or
12 security provisions of HIPAA, or other security or privacy laws are made in any administrative or civil
13 proceeding in which CONTRACTOR is a party or has been joined. COUNTY will consider the nature
14 and seriousness of the violation in deciding whether or not to terminate the Contract.

15 15. CONTRACTOR shall make itself and any subcontractors, employees or agents assisting
16 CONTRACTOR in the performance of its obligations under the Contract, available to COUNTY at no
17 cost to COUNTY to testify as witnesses, or otherwise, in the event of litigation or administrative
18 proceedings being commenced against COUNTY, its directors, officers or employees based upon claimed
19 violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves
20 inactions or actions by CONTRACTOR, except where CONTRACTOR or its subcontractor, employee,
21 or agent is a named adverse party.

22 16. The Parties acknowledge that federal and state laws relating to electronic data security and
23 privacy are rapidly evolving and that amendment of this Business Associate Contract may be required to
24 provide for procedures to ensure compliance with such developments. The Parties specifically agree to
25 take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH
26 Act, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon
27 COUNTY's request, CONTRACTOR agrees to promptly enter into negotiations with COUNTY
28 concerning an amendment to this Business Associate Contract embodying written assurances consistent
29 with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other
30 applicable laws. COUNTY may terminate the Contract upon thirty (30) days written notice in the event:

31 a. CONTRACTOR does not promptly enter into negotiations to amend this Business
32 Associate Contract when requested by COUNTY pursuant to this Subparagraph C; or

33 b. CONTRACTOR does not enter into an amendment providing assurances regarding the
34 safeguarding of PHI that COUNTY deems are necessary to satisfy the standards and requirements of
35 HIPAA, the HITECH Act, and the HIPAA regulations.

36 //

37 17. CONTRACTOR shall work with COUNTY upon notification by CONTRACTOR to

1 COUNTY of a Breach to properly determine if any Breach exclusions exist as defined in Subparagraph
2 B.2.a above.

3 D. SECURITY RULE

4 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish and
5 maintain appropriate Administrative, Physical and Technical Safeguards in accordance with
6 45 CFR § 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to
7 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.
8 CONTRACTOR shall develop and maintain a written information privacy and security program that
9 includes Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of
10 CONTRACTOR's operations and the nature and scope of its activities.

11 2. CONTRACTOR shall implement reasonable and appropriate P&Ps to comply with the
12 standards, implementation specifications and other requirements of 45 CFR Part 164, Subpart C, in
13 compliance with 45 CFR § 164.316. CONTRACTOR will provide COUNTY with its current and updated
14 policies upon request.

15 3. CONTRACTOR shall ensure the continuous security of all computerized data systems
16 containing ePHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
17 or transmits on behalf of COUNTY. CONTRACTOR shall protect paper documents containing PHI
18 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
19 behalf of COUNTY. These steps shall include, at a minimum:

20 a. Complying with all of the data system security precautions listed under Subparagraph E.,
21 below;

22 b. Achieving and maintaining compliance with the HIPAA Security Rule, as necessary in
23 conducting operations on behalf of COUNTY;

24 c. Providing a level and scope of security that is at least comparable to the level and scope
25 of security established by the OMB in OMB Circular No. A-130, Appendix III - Security of Federal
26 Automated Information Systems, which sets forth guidelines for automated information systems in
27 Federal agencies;

28 4. CONTRACTOR shall ensure that any subcontractors that create, receive, maintain, or
29 transmit ePHI on behalf of CONTRACTOR agree through a contract with CONTRACTOR to the same
30 restrictions and requirements contained in this Subparagraph D of this Business Associate Contract.

31 5. CONTRACTOR shall report to COUNTY immediately any Security Incident of which it
32 becomes aware. CONTRACTOR shall report Breaches of Unsecured PHI in accordance with
33 Subparagraph E below and as required by 45 CFR § 164.410.

34 6. CONTRACTOR shall designate a Security Officer to oversee its data security program who
35 shall be responsible for carrying out the requirements of this paragraph and for communicating on security
36 matters with COUNTY.

37 E. DATA SECURITY REQUIREMENTS

1 1. Personal Controls

2 a. Employee Training. All workforce members who assist in the performance of functions
3 or activities on behalf of COUNTY in connection with Contract, or access or disclose PHI COUNTY
4 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
5 COUNTY, must complete information privacy and security training, at least annually, at
6 CONTRACTOR's expense. Each workforce member who receives information privacy and security
7 training must sign a certification, indicating the member's name and the date on which the training was
8 completed. These certifications must be retained for a period of six (6) years following the termination
9 of Contract.

10 b. Employee Discipline. Appropriate sanctions must be applied against workforce
11 members who fail to comply with any provisions of CONTRACTOR's privacy P&Ps, including
12 termination of employment where appropriate.

13 c. Confidentiality Statement. All persons that will be working with PHI COUNTY
14 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
15 COUNTY must sign a confidentiality statement that includes, at a minimum, General Use, Security and
16 Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the
17 workforce member prior to access to such PHI. The statement must be renewed annually. The
18 CONTRACTOR shall retain each person's written confidentiality statement for COUNTY inspection for
19 a period of six (6) years following the termination of the Contract.

20 d. Background Check. Before a member of the workforce may access PHI COUNTY
21 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
22 COUNTY, a background screening of that worker must be conducted. The screening should be
23 commensurate with the risk and magnitude of harm the employee could cause, with more thorough
24 screening being done for those employees who are authorized to bypass significant technical and
25 operational security controls. CONTRACTOR shall retain each workforce member's background check
26 documentation for a period of three (3) years.

27 2. Technical Security Controls

28 a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY
29 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
30 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which
31 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the
32 COUNTY.

33 b. Server Security. Servers containing unencrypted PHI COUNTY discloses to
34 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
35 must have sufficient administrative, physical, and technical controls in place to protect that data, based
36 upon a risk assessment/system security review.

37 c. Minimum Necessary. Only the minimum necessary amount of PHI COUNTY discloses

1 to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
2 required to perform necessary business functions may be copied, downloaded, or exported.

3 d. Removable media devices. All electronic files that contain PHI COUNTY discloses to
4 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
5 must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives,
6 floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm
7 which is 128bit or higher, such as AES. Such PHI shall not be considered “removed from the premises”
8 if it is only being transported from one of CONTRACTOR’s locations to another of CONTRACTOR’s
9 locations.

10 e. Antivirus software. All workstations, laptops and other systems that process and/or store
11 PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits
12 on behalf of COUNTY must have installed and actively use comprehensive anti-virus software solution
13 with automatic updates scheduled at least daily.

14 f. Patch Management. All workstations, laptops and other systems that process and/or store
15 PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits
16 on behalf of COUNTY must have critical security patches applied, with system reboot if necessary. There
17 must be a documented patch management process which determines installation timeframe based on risk
18 assessment and vendor recommendations. At a maximum, all applicable patches must be installed within
19 thirty (30) days of vendor release. Applications and systems that cannot be patched due to operational
20 reasons must have compensatory controls implemented to minimize risk, where possible.

21 g. User IDs and Password Controls. All users must be issued a unique user name for
22 accessing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
23 or transmits on behalf of COUNTY. Username must be promptly disabled, deleted, or the password
24 changed upon the transfer or termination of an employee with knowledge of the password, at maximum
25 within twenty-four (24) hours. Passwords are not to be shared. Passwords must be at least eight characters
26 and must be a non-dictionary word. Passwords must not be stored in readable format on the computer.
27 Passwords must be changed every ninety (90) days, preferably every sixty (60) days. Passwords must be
28 changed if revealed or compromised. Passwords must be composed of characters from at least three (3)
29 of the following four (4) groups from the standard keyboard:

- 30 1) Upper case letters (A-Z)
- 31 2) Lower case letters (a-z)
- 32 3) Arabic numerals (0-9)
- 33 4) Non-alphanumeric characters (punctuation symbols)

34 h. Data Destruction. When no longer needed, all PHI COUNTY discloses to
35 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
36 must be wiped using the Gutmann or US DoD 5220.22-M (7 Pass) standard, or by degaussing. Media may
37 also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods require

1 prior written permission by COUNTY.

2 i. System Timeout. The system providing access to PHI COUNTY discloses to
3 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
4 must provide an automatic timeout, requiring re-authentication of the user session after no more than
5 twenty (20) minutes of inactivity.

6 j. Warning Banners. All systems providing access to PHI COUNTY discloses to
7 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
8 must display a warning banner stating that data is confidential, systems are logged, and system use is for
9 business purposes only by authorized users. User must be directed to log off the system if they do not
10 agree with these requirements.

11 k. System Logging. The system must maintain an automated audit trail which can identify
12 the user or system process which initiates a request for PHI COUNTY discloses to CONTRACTOR or
13 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY, or which alters such
14 PHI. The audit trail must be date and time stamped, must log both successful and failed accesses, must
15 be read only, and must be restricted to authorized users. If such PHI is stored in a database, database
16 logging functionality must be enabled. Audit trail data must be archived for at least three (3) years after
17 occurrence.

18 l. Access Controls. The system providing access to PHI COUNTY discloses to
19 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
20 must use role based access controls for all user authentications, enforcing the principle of least privilege.

21 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
22 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
23 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
24 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
25 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as website
26 access, file transfer, and E-Mail.

27 n. Intrusion Detection. All systems involved in accessing, holding, transporting, and
28 protecting PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
29 or transmits on behalf of COUNTY that are accessible via the Internet must be protected by a
30 comprehensive intrusion detection and prevention solution.

31 3. Audit Controls

32 a. System Security Review. CONTRACTOR must ensure audit control mechanisms that
33 record and examine system activity are in place. All systems processing and/or storing PHI COUNTY
34 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
35 COUNTY must have at least an annual system risk assessment/security review which provides assurance
36 that administrative, physical, and technical controls are functioning effectively and providing adequate
37 levels of protection. Reviews should include vulnerability scanning tools.

1 b. Log Reviews. All systems processing and/or storing PHI COUNTY discloses to
2 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
3 must have a routine procedure in place to review system logs for unauthorized access.

4 c. Change Control. All systems processing and/or storing PHI COUNTY discloses to
5 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
6 must have a documented change control procedure that ensures separation of duties and protects the
7 confidentiality, integrity and availability of data.

8 4. Business Continuity/Disaster Recovery Control

9 a. Emergency Mode Operation Plan. CONTRACTOR must establish a documented plan
10 to enable continuation of critical business processes and protection of the security of PHI COUNTY
11 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
12 COUNTY kept in an electronic format in the event of an emergency. Emergency means any circumstance
13 or situation that causes normal computer operations to become unavailable for use in performing the work
14 required under this Contract for more than twenty-four (24) hours.

15 b. Data Backup Plan. CONTRACTOR must have established documented procedures to
16 backup such PHI to maintain retrievable exact copies of the PHI. The plan must include a regular schedule
17 for making backups, storing backup offsite, an inventory of backup media, and an estimate of the amount
18 of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule must be a weekly
19 full backup and monthly offsite storage of DHCS data. BCP for CONTRACTOR and COUNTY (e.g. the
20 application owner) must merge with the DRP.

21 5. Paper Document Controls

22 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
23 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left unattended
24 at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that
25 information is not being observed by an employee authorized to access the information. Such PHI in
26 paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in
27 baggage on commercial airplanes.

28 b. Escorting Visitors. Visitors to areas where PHI COUNTY discloses to CONTRACTOR
29 or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY is contained shall be
30 escorted and such PHI shall be kept out of sight while visitors are in the area.

31 c. Confidential Destruction. PHI COUNTY discloses to CONTRACTOR or
32 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY must be disposed of
33 through confidential means, such as cross cut shredding and pulverizing.

34 //

35 //

36 d. Removal of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
37 creates, receives, maintains, or transmits on behalf of COUNTY must not be removed from the premises

1 of the CONTRACTOR except with express written permission of COUNTY.

2 e. Faxing. Faxes containing PHI COUNTY discloses to CONTRACTOR or
3 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall not be left
4 unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement
5 notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended
6 recipient before sending the fax.

7 f. Mailing. Mailings containing PHI COUNTY discloses to CONTRACTOR or
8 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall be sealed and
9 secured from damage or inappropriate viewing of PHI to the extent possible. Mailings which include five
10 hundred (500) or more individually identifiable records containing PHI COUNTY discloses to
11 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY in
12 a single package shall be sent using a tracked mailing method which includes verification of delivery and
13 receipt, unless the prior written permission of COUNTY to use another method is obtained.

14 F. BREACH DISCOVERY AND NOTIFICATION

15 1. Following the discovery of a Breach of Unsecured PHI, CONTRACTOR shall notify
16 COUNTY of such Breach, however both parties agree to a delay in the notification if so advised by a law
17 enforcement official pursuant to 45 CFR § 164.412.

18 a. A Breach shall be treated as discovered by CONTRACTOR as of the first day on which
19 such Breach is known to CONTRACTOR or, by exercising reasonable diligence, would have been known
20 to CONTRACTOR.

21 b. CONTRACTOR shall be deemed to have knowledge of a Breach, if the Breach is known,
22 or by exercising reasonable diligence would have known, to any person who is an employee, officer, or
23 other agent of CONTRACTOR, as determined by federal common law of agency.

24 2. CONTRACTOR shall provide the notification of the Breach immediately to the COUNTY
25 Privacy Officer. CONTRACTOR's notification may be oral, but shall be followed by written notification
26 within twenty-four (24) hours of the oral notification.

27 3. CONTRACTOR's notification shall include, to the extent possible:

28 a. The identification of each Individual whose Unsecured PHI has been, or is reasonably
29 believed by CONTRACTOR to have been, accessed, acquired, used, or disclosed during the Breach;

30 b. Any other information that COUNTY is required to include in the notification to
31 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or
32 promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period
33 set forth in 45 CFR § 164.410 (b) has elapsed, including:

34 1) A brief description of what happened, including the date of the Breach and the date
35 of the discovery of the Breach, if known;

36 2) A description of the types of Unsecured PHI that were involved in the Breach (such
37 as whether full name, social security number, date of birth, home address, account number, diagnosis,

1 | disability code, or other types of information were involved);

2 | 3) Any steps Individuals should take to protect themselves from potential harm
3 | resulting from the Breach;

4 | 4) A brief description of what CONTRACTOR is doing to investigate the Breach, to
5 | mitigate harm to Individuals, and to protect against any future Breaches; and

6 | 5) Contact procedures for Individuals to ask questions or learn additional information,
7 | which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

8 | 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in 45
9 | CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the COUNTY.

10 | 5. In the event that CONTRACTOR is responsible for a Breach of Unsecured PHI in violation
11 | of the HIPAA Privacy Rule, CONTRACTOR shall have the burden of demonstrating that
12 | CONTRACTOR made all notifications to COUNTY consistent with this Subparagraph F and as required
13 | by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or disclosure
14 | of PHI did not constitute a Breach.

15 | 6. CONTRACTOR shall maintain documentation of all required notifications of a Breach or its
16 | risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur.

17 | 7. CONTRACTOR shall provide to COUNTY all specific and pertinent information about the
18 | Breach, including the information listed in Section E.3.b.(1)-(5) above, if not yet provided, to permit
19 | COUNTY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as practicable,
20 | but in no event later than fifteen (15) calendar days after CONTRACTOR’s initial report of the Breach to
21 | COUNTY pursuant to Subparagraph F.2. above.

22 | 8. CONTRACTOR shall continue to provide all additional pertinent information about the
23 | Breach to COUNTY as it may become available, in reporting increments of five (5) business days after
24 | the last report to COUNTY. CONTRACTOR shall also respond in good faith to any reasonable requests
25 | for further information, or follow-up information after report to COUNTY, when such request is made by
26 | COUNTY.

27 | 9. If the Breach is the fault of CONTRACTOR, CONTRACTOR shall bear all expense or other
28 | costs associated with the Breach and shall reimburse COUNTY for all expenses COUNTY incurs in
29 | addressing the Breach and consequences thereof, including costs of investigation, notification,
30 | remediation, documentation or other costs associated with addressing the Breach.

31 | G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

32 | 1. CONTRACTOR may use or further disclose PHI COUNTY discloses to CONTRACTOR as
33 | necessary to perform functions, activities, or services for, or on behalf of, COUNTY as specified in
34 | //
35 | the Contract, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done by
36 | COUNTY except for the specific Uses and Disclosures set forth below.

37 | a. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary, for

1 the proper management and administration of CONTRACTOR.

2 b. CONTRACTOR may disclose PHI COUNTY discloses to CONTRACTOR for the
3 proper management and administration of CONTRACTOR or to carry out the legal responsibilities of
4 CONTRACTOR, if:

5 1) The Disclosure is required by law; or

6 2) CONTRACTOR obtains reasonable assurances from the person to whom the PHI is
7 disclosed that it will be held confidentially and used or further disclosed only as required by law or for
8 the purposes for which it was disclosed to the person and the person immediately notifies CONTRACTOR
9 of any instance of which it is aware in which the confidentiality of the information has been breached.

10 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to
11 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of
12 CONTRACTOR.

13 2. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary, to carry
14 out legal responsibilities of CONTRACTOR.

15 3. CONTRACTOR may use and disclose PHI COUNTY discloses to CONTRACTOR
16 consistent with the minimum necessary P&Ps of COUNTY.

17 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
18 required by law.

19 H. PROHIBITED USES AND DISCLOSURES

20 1. CONTRACTOR shall not disclose PHI COUNTY discloses to CONTRACTOR or
21 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY about an individual to
22 a health plan for payment or health care operations purposes if the PHI pertains solely to a health care
23 item or service for which the health care provider involved has been paid out of pocket in full and the
24 individual requests such restriction, in accordance with 42 USC § 17935(a) and 45 CFR § 164.522(a).

25 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
26 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
27 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
28 42 USC § 17935(d)(2).

29 I. OBLIGATIONS OF COUNTY

30 1. COUNTY shall notify CONTRACTOR of any limitation(s) in COUNTY’s notice of privacy
31 practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect
32 CONTRACTOR’s Use or Disclosure of PHI.

33 //

34 2. COUNTY shall notify CONTRACTOR of any changes in, or revocation of, the permission
35 by an Individual to use or disclose his or her PHI, to the extent that such changes may affect
36 CONTRACTOR’s Use or Disclosure of PHI.

37 3. COUNTY shall notify CONTRACTOR of any restriction to the Use or Disclosure of PHI

1 that COUNTY has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may
2 affect CONTRACTOR’s Use or Disclosure of PHI.

3 4. COUNTY shall not request CONTRACTOR to use or disclose PHI in any manner that would
4 not be permissible under the HIPAA Privacy Rule if done by COUNTY.

5 J. BUSINESS ASSOCIATE TERMINATION

6 1. Upon COUNTY’s knowledge of a material Breach or violation by CONTRACTOR of the
7 requirements of this Business Associate Contract, COUNTY shall:

8 a. Provide an opportunity for CONTRACTOR to cure the material Breach or end the
9 violation within thirty (30) business days; or

10 b. Immediately terminate the Contract, if CONTRACTOR is unwilling or unable to cure
11 the material Breach or end the violation within thirty (30) days, provided termination of the Contract is
12 feasible.

13 2. Upon termination of the Contract, CONTRACTOR shall either destroy or return to COUNTY
14 all PHI CONTRACTOR received from COUNTY or CONTRACTOR created, maintained, or received
15 on behalf of COUNTY in conformity with the HIPAA Privacy Rule.

16 a. This provision shall apply to all PHI that is in the possession of Subcontractors or agents
17 of CONTRACTOR.

18 b. CONTRACTOR shall retain no copies of the PHI.

19 c. In the event that CONTRACTOR determines that returning or destroying the PHI is not
20 feasible, CONTRACTOR shall provide to COUNTY notification of the conditions that make return or
21 destruction infeasible. Upon determination by COUNTY that return or destruction of PHI is infeasible,
22 CONTRACTOR shall extend the protections of this Business Associate Contract to such PHI and limit
23 further Uses and Disclosures of such PHI to those purposes that make the return or destruction infeasible,
24 for as long as CONTRACTOR maintains such PHI.

25 3. The obligations of this Business Associate Contract shall survive the termination of the
26 Contract.

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1 EXHIBIT C
 2 TO MASTER SERVICES AGREEMENT
 3 FOR PROVISION OF
 4 MENTAL HEALTH AND RECOVERY SERVICES IRVINE CAMPUS
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 MIND OC
 9 JANUARY 1, 2025 THROUGH DECEMBER 31, 2027

10
 11 **I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT**

12 Any reference to statutory, regulatory, or contractual language herein shall be to such language as in
 13 effect or as amended.

14 A. DEFINITIONS

15 1. "Breach" shall have the meaning given to such term under the IEA and CMPPA. It shall
 16 include a "PII loss" as that term is defined in the CMPPA.

17 2. "Breach of the security of the system" shall have the meaning given to such term under the
 18 CIPA, CCC § 1798.29(d).

19 3. "CMPPA Contract" means the CMPPA Contract between the SSA and CHHS.

20 4. "DHCS PI" shall mean PI, as defined below, accessed in a database maintained by the
 21 COUNTY or DHCS, received by CONTRACTOR from the COUNTY or DHCS or acquired or created
 22 by CONTRACTOR in connection with performing the functions, activities and services specified in the
 23 Contract on behalf of the COUNTY.

24 5. "IEA" shall mean the IEA currently in effect between the SSA and DHCS.

25 6. "Notice-triggering PI" shall mean the PI identified in CCC § 1798.29(e) whose unauthorized
 26 access may trigger notification requirements under CCC § 1709.29. For purposes of this provision,
 27 identity shall include, but not be limited to, name, identifying number, symbol, or other identifying
 28 particular assigned to the individual, such as a finger or voice print, a photograph or a biometric identifier.
 29 Notice-triggering PI includes PI in electronic, paper or any other medium.

30 7. "PII" shall have the meaning given to such term in the IEA and CMPPA.

31 8. "PI" shall have the meaning given to such term in CCC § 1798.3(a).

32 9. "Required by law" means a mandate contained in law that compels an entity to make a use
 33 or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court
 34 orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental
 35 or tribal inspector general, or an administrative body authorized to require the production of information,
 36 and a civil or an authorized investigative demand. It also includes Medicare conditions of participation
 37 with respect to health care providers participating in the program, and statutes or

1 regulations that require the production of information, including statutes or regulations that require such
2 information if payment is sought under a government program providing public benefits.

3 10. "Security Incident" means the attempted or successful unauthorized access, use, disclosure,
4 modification, or destruction of PI, or confidential data utilized in complying with this Contract; or
5 interference with system operations in an information system that processes, maintains or stores PI.

6 B. TERMS OF CONTRACT

7 1. Permitted Uses and Disclosures of DHCS PI and PII by CONTRACTOR. Except as
8 otherwise indicated in this Exhibit, CONTRACTOR may use or disclose DHCS PI only to perform
9 functions, activities, or services for or on behalf of the COUNTY pursuant to the terms of the Contract
10 provided that such use or disclosure would not violate the CIPA if done by the COUNTY.

11 2. Responsibilities of CONTRACTOR

12 CONTRACTOR agrees:

13 a. Nondisclosure. Not to use or disclose DHCS PI or PII other than as permitted or required
14 by this Personal Information Privacy and Security Contract or as required by applicable state and federal
15 law.

16 b. Safeguards. To implement appropriate and reasonable administrative, technical, and
17 physical safeguards to protect the security, confidentiality and integrity of DHCS PI and PII, to protect
18 against anticipated threats or hazards to the security or integrity of DHCS PI and PII, and to prevent use
19 or disclosure of DHCS PI or PII other than as provided for by this Personal Information Privacy and
20 Security Contract. CONTRACTOR shall develop and maintain a written information privacy and security
21 program that include administrative, technical and physical safeguards appropriate to the size and
22 complexity of CONTRACTOR's operations and the nature and scope of its activities, which incorporate
23 the requirements of Subparagraph c. below. CONTRACTOR will provide COUNTY with its current
24 policies upon request.

25 c. Security. CONTRACTOR shall ensure the continuous security of all computerized data
26 systems containing DHCS PI and PII. CONTRACTOR shall protect paper documents containing DHCS
27 PI and PII. These steps shall include, at a minimum:

28 1) Complying with all of the data system security precautions listed in Subparagraph E.
29 of the Business Associate Contract, Exhibit B to the Contract; and

30 2) Providing a level and scope of security that is at least comparable to the level and
31 scope of security established by the OMB in OMB Circular No. A-130, Appendix III-Security of Federal
32 Automated Information Systems, which sets forth guidelines for automated information systems in
33 Federal agencies.

34 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
35 CONTRACTOR shall also comply with the substantive privacy and security requirements in the CMPPA
36 Contract between the SSA and the CHHS and in the Contract between the SSA and DHCS, known as the
37 IEA. The specific sections of the IEA with substantive privacy and security requirements to be complied

1 with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security
2 Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic
3 Information with the SSA. CONTRACTOR also agrees to ensure that any of CONTRACTOR’s agents
4 or subcontractors, to whom CONTRACTOR provides DHCS PII agree to the same requirements for
5 privacy and security safeguards for confidential data that apply to CONTRACTOR with respect to such
6 information.

7 d. Mitigation of Harmful Effects. To mitigate, to the extent practicable, any harmful effect
8 that is known to CONTRACTOR of a use or disclosure of DHCS PI or PII by CONTRACTOR or its
9 subcontractors in violation of this Personal Information Privacy and Security Contract.

10 e. CONTRACTOR's Agents and Subcontractors. To impose the same restrictions and
11 conditions set forth in this Personal Information and Security Contract on any subcontractors or other
12 agents with whom CONTRACTOR subcontracts any activities under the Contract that involve the
13 disclosure of DHCS PI or PII to such subcontractors or other agents.

14 f. Availability of Information. To make DHCS PI and PII available to the DHCS and/or
15 COUNTY for purposes of oversight, inspection, amendment, and response to requests for records,
16 injunctions, judgments, and orders for production of DHCS PI and PII. If CONTRACTOR receives DHCS
17 PII, upon request by COUNTY and/or DHCS, CONTRACTOR shall provide COUNTY and/or DHCS
18 with a list of all employees, contractors and agents who have access to DHCS PII, including employees,
19 contractors and agents of its subcontractors and agents.

20 g. Cooperation with COUNTY. With respect to DHCS PI, to cooperate with and assist the
21 COUNTY to the extent necessary to ensure the DHCS’s compliance with the applicable terms of the CIPA
22 including, but not limited to, accounting of disclosures of DHCS PI, correction of errors in DHCS PI,
23 production of DHCS PI, disclosure of a security Breach involving DHCS PI and notice of such Breach to
24 the affected individual(s).

25 h. Breaches and Security Incidents. During the term of the Contract, CONTRACTOR
26 agrees to implement reasonable systems for the discovery of any Breach of unsecured DHCS PI and PII
27 or security incident. CONTRACTOR agrees to give notification of any Breach of unsecured DHCS PI
28 and PII or security incident in accordance with Subparagraph F, of the Business Associate Contract,
29 Exhibit B to the Contract.

30 i. Designation of Individual Responsible for Security. CONTRACTOR shall designate an
31 individual, (e.g., Security Officer), to oversee its data security program who shall be responsible for
32 carrying out the requirements of this Personal Information Privacy and Security Contract and for
33 communicating on security matters with the COUNTY.

34 //
35 //
36 //
37 //



**AMENDMENT NO. 2
TO
CONTRACT NO. MA-042-23010291
FOR
Mental Health and Recovery Services**

This Amendment (“Amendment No. 2”) to Contract No. MA-042-23010291 for Mental Health and Recovery Services is made and entered into as of the date fully executed (“Effective Date”) between Mind OC (“Contractor”), with a place of business at 18650 MacArthur Blvd., Suite 350, Irvine, CA 92612, and the County of Orange, a political subdivision of the State of California (“County”), through its Health Care Agency, with a place of business at 405 W. 5th St., Ste. 600, Santa Ana, CA 92701. Contractor and County may sometimes be referred to individually as “Party” or collectively as “Parties”.

RECITALS

WHEREAS, the Parties executed Contract No. MA-042-23010291 for Mental Health and Recovery Services, effective October 1, 2022 through June 30, 2025, in an amount not to exceed \$63,832,280 (“Contract”); and

WHEREAS, the Parties executed Amendment No. 1 to amend Exhibit A to the Contract to update the budget table and language to the Budget paragraph; and

WHEREAS, the Parties now desire to enter into this Amendment No. 2 to increase the Period Three Amount Not to Exceed by \$2,974,333, from \$23,211,738 to \$26,186,071, for a revised cumulative total amount to exceed \$66,806,613, to amend and add various terms and conditions to the Contract, to replace Exhibit A with Exhibit A-1 of the Contract, to add Exhibit B to the Contract to separate out provider services in the Contract, and to move Exhibit B and Exhibit C of the Contract to Exhibit C and Exhibit D, respectively; and

NOW THEREFORE, Contractor and County agree to amend the Contract as follows:

1. All references to “Maximum Obligation” in the Contract are deleted and replaced with “Amount Not to Exceed”.
2. Period Three Amount Not to Exceed is increased by \$2,974,333, from \$23,211,738 to \$26,186,071, for a revised cumulative total amount not to exceed \$66,806,613.
3. Referenced Contract Provisions, Maximum Obligation provision, of the Contract is deleted in its entirety and replaced with the following:

“Amount Not to Exceed:

Period One Amount Not to Exceed:	\$17,408,804
Period Two Amount Not to Exceed:	\$23,211,738
Period Three Amount Not to Exceed:	<u>\$26,186,071</u>
TOTAL AMOUNT NOT TO EXCEED:	\$66,806,613”

4. Referenced Contract Provisions, Notices to COUNTY and CONTRACTOR, of the Contract is deleted in its entirety and replaced with the following:

<p>“COUNTY: County of Orange: Health Care Agency Procurement & Contract Services 405 West 5th Street, Suite 600 Santa Ana, CA 92701-4637</p>	<p>CONTRACTOR: Mind OC Phillip Franks 18650 MacArthur Blvd., Suite 350 Irvine, CA 92612 Phillip.Franks@Mind-OC.org “</p>
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4. Referenced Contract Provisions, CFDA Table, of the Contract is deleted in its entirety and replaced with the following:

“CFDA #	FAIN#	Program/ Service Title	Federal Funding Agency	Federal Award Date	Amount	R&D Award (Y/N)
93-959	VE2ZZY1ZHN19	SUBG – Substance Use Prevention, Treatment, and Recovery Services Block Grant	SAMHS A	(approval letter dated 08/11/2022) cover period 07/01/2022 to 06/30/2024	\$19,306,499	N”
TBD	TBD	TBD	TBD	TBD	TBD	TBD

5. Paragraph II. Alteration of Terms, subparagraph A., of the Contract is deleted in its entirety and replaced with the following:

“ A. This Contract, together with Exhibits A, B, C and D attached hereto and incorporated herein, fully expresses the complete understanding of COUNTY and CONTRACTOR with respect to the subject matter of this Contract.”

6. Paragraph IV. Beneficiaries' Rights of the Contract is deleted in its entirety and replaced with the following:

“IV. BENEFICIARIES’ RIGHTS

A. CONTRACTOR shall post the current Drug Medi-Cal Organized Delivery System (DMC-ODS) and Mental Health Plan (MHP) Grievance and Appeals poster in locations readily available to Members and staff and have Grievance and Appeal forms in the threshold languages and envelopes readily accessible to Members to take without having to request it on the unit.

B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have an internal grievance process to address concerns that may be resolved internally within one business day approved by ADMINISTRATOR, to which the Member shall have access.

1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance and/or utilization management guidelines and procedures. The Member has the right to utilize either or both grievance process simultaneously in order to resolve their dissatisfaction.

2. Title IX Rights Advocacy. This process may be initiated by a Member who registers a statutory rights violation or a denial or abuse complaint with the County Patients' Rights Office. Patient's Rights Advocacy Services (PRAS) program. The Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall apply, which involve ADMINISTRATOR'S Director of Behavioral Health Care and the State Patients' Rights Office.

C. The parties agree that Members have recourse to initiate an expression of dissatisfaction to CONTRACTOR and file a grievance or complaint.

D. No provision of this Contract shall be construed as replacing or conflicting with the duties of County Patients' Rights Office pursuant to Welfare and Institutions Code Section 5500.”

7. All references to Authority and Quality Improvement Services (AQIS) are deleted and replaced with Quality Management Services (QMS).

8. Paragraph XVII. Licenses and Laws of the Contract is deleted in its entirety and replaced with the following:

“I. LICENSES AND LAWS

A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations, waivers, and exemptions necessary for the provision of the services hereunder and required by the laws, regulations and requirements of the United States, the State of California, COUNTY, and all other applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and in writing of its inability to obtain or maintain,

irrespective of the pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be cause for termination of this Contract. In addition, all treatment providers will be certified by the State Department of Health Care Services as a Drug Medi-Cal provider and must meet any additional requirements established by COUNTY as part of this certification.

B. CONTRACTOR shall comply with all applicable governmental laws, regulations, and requirements as they exist now or may be hereafter amended or changed. These laws, regulations, and requirements shall include, but not be limited to, the following:

1. ARRA of 2009.
2. Trafficking Victims Protection Act of 2000.
3. CCC §§56 through 56.37, Confidentiality of Medical Information.
4. CCC §§1798.80 through 1798.84, Customer Records.
5. CCC §1798.85, Confidentiality of Social Security Numbers.
6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social Security.
7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse Master Plans.
8. HSC, §§123110 through 123149.5, Patient Access to Health Records.
9. Code of Federal Regulations, Title 42, Public Health.
10. 2 CFR 230, Cost Principles for Nonprofit Organizations.
11. 2 CFR 376, Nonprocurement, Debarment and Suspension.
12. 41 CFR 50, Public Contracts and Property Management.
13. 42 CFR Part 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
14. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse prevention and treatment block grants and/or projects for assistance in transition from homelessness grants.
15. 45 CFR 93, New Restrictions on Lobbying.
16. 45 CFR 96.127, Requirements regarding Tuberculosis.
17. 45 CFR 96.132, Additional Contracts.
18. 45 CFR 96.135, Restrictions on Expenditure of Grant.
19. 45 CFR 160, General Administrative Requirements.
20. 45 CFR 162, Administrative Requirements.
21. 45 CFR 164, Security and Privacy.
22. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
23. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.

24. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions.
25. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism.
26. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services Administration.
27. 42 USC §290dd-2, Confidentiality of Records.
28. 42 USC §1320(a), Uniform reporting systems for health services facilities and organizations.
29. 42 USC §§1320d through 1320d-9, Administrative Simplification.
30. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
31. 42 USC §6101 et seq., Age Discrimination Act of 1975.
32. 42 USC §2000d, Civil Rights Act of 1964.
33. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
34. U.S. Department of Health and Human Services, National Institutes of Health (NIH), Grants Policy Statement (10/13).
35. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.
36. State of California, Department of Health Care Services (DHCS), Alcohol and/or Other Drug Program Certification Standards, December 2020.
37. CCR Title 22, §§70751e, 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).
38. State of California, Department of Health Care Services ASRS Manual.
39. State of California, Department of Health Care Services DPFS Manual.
40. HSC §123145.
41. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).
42. 5 USC §7321 – §7326, Political Activities (Hatch Act)
43. DMC Certification Title 22, California Code of Regulations (CCR).
44. DMC Billing Manual April 2019.
45. Federal Medicare Cost reimbursement principles and cost reporting standards.
46. Orange County Drug Medi-Cal Organized Delivery System Managed Care Plan
47. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions, August 2015, and subsequent versions.

48. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
49. California Code of Regulations (CCR), Title 22, Section 51341.1; 51490.1; 51516.1 and the Drug Medi-Cal Certification Standards for Substance Abuse Clinics.
50. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1.
51. Standards for Drug Treatment Programs (October 21, 1981).
52. Title 9, CCR, Division 4, Chapter 5, Subchapter 1, Sections 10000, et seq.
53. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.
54. Title 9, CCR, Section 1810.435.
55. Title 9, CCR, Section 1840.105.
56. Title 22, CCR, §51009, Confidentiality of Records.
57. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
58. 2 CFR 200.501 – Single Audit Act
59. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance.
60. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
61. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
62. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
63. Fair Employment and Housing Act (Gov. Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code Regs., tit. 2, Div. 4 § 7285.0 et seq.).
64. Title 2, Division 3, Article 9.5 of the Gov. Code, commencing with Section 11135.
65. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Agreement or terminate all, or any type, of funding provided hereunder.
66. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
67. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
68. Age Discrimination in Employment Act (29 CFR Part 1625).
69. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting

discrimination against the disabled in employment.

70. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities.

71. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.

72. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of individuals with disabilities.

73. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance.

74. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.

75. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.

76. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).

77. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).

78. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.

79. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.

80. No federal funds shall be used by CONTRACTOR or its subcontractors for sectarian worship, instruction, or proselytization. No federal funds shall be used by CONTRACTOR or its subcontractors to provide direct, immediate, or substantial support to any religious activity.”

9. Paragraph XXVII. Revenue, subparagraph A., of the Contract is deleted in its entirety and replaced with the following:

“ A. CLIENT FEES – CONTRACTOR shall not charge a fee to Clients to whom services are provided pursuant to this Contract, their estates and/or responsible relatives, unless a Share of Cost is determined per Medi-Cal eligibility.”

10. Paragraph XXXV. – Paragraph XLV. are added to the Contract as follows:

“XXXV. YOUTH TREATMENT GUIDELINES

COUNTY must comply with DHCS guidelines in developing and implementing youth treatment programs funded under this Enclosure, until new Youth Treatment Guidelines are

established and adopted. Youth Treatment Guidelines are posted online at <http://www.dhcs.ca.gov/provgovpart/Pages/Youth-Services.aspx>

Adolescent Substance Use Disorder Best Practices Guide found here: https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdoIBestPracGuideOCTOBER2020.pdf

XXXVI. PARTICIPATION OF COUNTY BEHAVIORAL HEALTH DIRECTOR'S ASSOCIATION OF CALIFORNIA

Participation of County Behavioral Health Director's Association of California: The County AOD Program Administrator shall participate and represent the County in meetings of the County Behavioral Health Director's Association of California for the purposes of representing the counties in their relationship with DHCS with respect to policies, standards, and administration for AOD abuse services.

The County AOD Program Administrator shall attend any special meetings called by the Director of DHCS. Participation and representation shall also be provided by the County Behavioral Health Director's Association of California.

XXXVII. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES

COUNTY certifies that under the laws of the United States and the State of California, COUNTY will not unlawfully discriminate against any person.

XXXVIII. INTRAVENOUS DRUG USE (IVDU) TREATMENT

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

XXXIX. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996:

All work performed under this Contract is subject to HIPAA, COUNTY shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Exhibit E of DHCS Agreement #21-10100, DHCS and COUNTY shall cooperate to assure mutual agreement as to those transactions between them, to which this provision applies. Refer to Exhibit E of DHCS Agreement #21-10100 for additional information.

XL. DEBARMENT AND SUSPENSION

A. COUNTY shall not subcontract with or employ any party listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp. p. 189) and 12689 (3 CFR part 1989., p. 235), "Debarment and Suspension." SAM exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

B. COUNTY shall advise all subcontractors of their obligation to comply with applicable federal debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001.

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

XLII. LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES

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

XLIII. NONDISCRIMINATION AND INSTITUTIONAL SAFEGUARDS FOR RELIGIOUS PROVIDERS

COUNTY shall establish such processes and procedures as necessary to comply with the provisions of USC, Title 42, Section 300x-65 and CFR, Title 42, Part 54.

XLIV. NO UNLAWFUL USE OR UNLAWFUL USE MESSAGES REGARDING DRUGS

COUNTY agrees that information produced through these funds, and which pertains to drugs and alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol-related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC, Division 10.7, Chapter 1429, Sections 11999-11999.3). By signing this Enclosure, COUNTY agrees that it will enforce, and will require its subcontractors to enforce, these requirements.

XLV. RESTRICTION ON DISTRIBUTION OF STERILE NEEDLES

No SABG funds made available through this Contract shall be used to carry out any program

that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug unless DHCS chooses to implement a demonstration syringe services program for injecting drug users.

XLV. TRAFFICKING VICTIMS PROTECTION ACT OF 2000

COUNTY and its subcontractors that provide services covered by this Contract shall comply with the Trafficking Victims Protection Act of 2000 (USC, Title 22, Chapter 78, Section 7104) as amended by section 1702 of Pub. L. 112-239.”

11. Exhibit A of the Contract is deleted in its entirety and replaced with Exhibit A-1 attached hereto.
12. Exhibit B attached hereto is added to the Contract as Exhibit B.
13. Exhibit B. Business Associate Contract and Exhibit C. Personal Information Privacy and Security Contract of the Contract are renumbered Exhibit C. Business Associate Contract and Exhibit D. Personal Information Privacy and Security Contract.

This Amendment No. 2 modifies the Contract, including all previous Amendments, only as expressly set forth herein. Wherever there is a conflict in the terms or conditions between this Amendment No. 2 and the Contract, including all previous Amendments, the terms and conditions of this Amendment No. 2 prevail. In all other respects, the terms and conditions of the Contract, including all previous Amendments, not specifically changed by this Amendment No. 2 remain in full force and effect.

SIGNATURE PAGE FOLLOWS



SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 2. If Contractor is a corporation, Contractor shall provide two signatures as follows: 1) the first signature must be either the Chairman of the Board, the President, or any Vice President; 2) the second signature must be either the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution or by-laws demonstrating the legal authority of the signature to bind the company.

Contractor: Mind OC

Phillip Franks	CEO
_____ Print Name	_____ Title
<small>DocuSigned by:</small> <i>Phillip Franks</i>	5/1/2024
<small>9333DD4EA1B44BE...</small>	_____ Date
_____ Print Name	_____ Title
_____ Signature	_____ Date

County of Orange, a political subdivision of the State of California

Purchasing Agent/Designee Authorized Signature:

_____ Print Name	_____ Title
_____ Signature	_____ Date

APPROVED AS TO FORM

Office of the County Counsel
Orange County, California

Brittany McLean	Deputy County Counsel
_____ Print Name	_____ Title
<small>DocuSigned by:</small> <i>Brittany McLean</i>	5/2/2024
<small>71CFE638662E411...</small>	_____ Date
_____ Signature	



EXHIBIT A-1

TO MASTER SERVICES AGREEMENT
FOR PROVISION OF
MENTAL HEALTH AND RECOVERY SERVICES
BETWEEN
COUNTY OF ORANGE
AND
MIND OC
OCTOBER 1, 2022 THROUGH JUNE 30, 2025

I. COMMON TERMS AND DEFINITIONS

A. The Parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in this Contract.

1. AB109 means services for those Clients deemed eligible by Assembly Bill 109, Public Safety Realignment, under which the Client's last offense was non-violent, non-sexual, and non-serious.

2. AB109 Supervision means an offender released from prison to OCPD, or sentenced under AB109 and is doing their incarceration in jail instead of prison.

3. Access Log means data that is immediately entered into IRIS after the member/client has been screened for an appointment to access services to ensure timely access to MHP or DMC-ODS services.

4. Acute Administrative Day means those days authorized by a designated point of authorization or utilization review committee in an acute inpatient facility when, due to the lack of a payer approved and/or county approved lower level of care placement, the Client's stay at an acute inpatient facility must be continued beyond the Client's need for acute care.

5. Acute Psychiatric Inpatient Hospital Services means services provided either in an acute care hospital, a freestanding psychiatric hospital or psychiatric health facility for the care and treatment of an acute episode of mental illness meeting the medical necessity criteria covered by the Medi-Cal program. Services provided in a freestanding hospital may only be reimbursed for person's age 21 or younger and 65 or older, unless a letter of agreement (LOA) or other contract permits otherwise.

6. Adult Mental Health Inpatient (AMHI) means the County contracted hospital(s) that provide adult mental health inpatient services for unfunded clients.

7. Admission means documentation, by CONTRACTOR, for completion of entry and

evaluation services, provided to Clients seen in COUNTY and COUNTY-contracted services, into IRIS.

8. ART Team means a Health Care Agency Assessment for Residential Treatment team that conducts assessments and authorizes treatment for residential treatment services.

9. ASAM Criteria means a comprehensive set of guidelines for placement, continued stay and transfer/discharge of Clients with addiction and co-occurring conditions.

10. Authorizations means a unique individual's complete utilization management (UM) process, which includes reviewing clinical documents when clinically indicated, evaluating medical necessity and formally deciding to authorize/deny additional inpatient psychiatric services, that lasts for the duration of the inpatient stay, i.e. initial admission notification to discharge aftercare planning whichever comes first.

11. Bed Day means one (1) calendar day during which CONTRACTOR provides Residential Treatment Services within the Mental Health Plan as described in Exhibit A of the Contract. If admission and discharge occur on the same day, one (1) Bed Day will be charged.

12. Client-directed means services delivered in a therapeutic alliance between providers and Clients where both are partners in goal setting and treatment planning. The final decision for treatment options rests with the Client and designated family members.

13. Client Satisfaction Surveys means surveys to measure Clients' overall satisfaction with Mental Health Services, and with specific aspects of those services in order to identify problems and opportunities for improvement

14. Client Support System/Family means immediate family members, extended family members, significant others or other supports designated by the Client.

15. CalOMS means a statewide Client-based data collection and outcomes measurement system as required by the State to effectively manage and improve the provision of alcohol and drug treatment services at the State, COUNTY, and provider levels.

16. Case Management means the activities of managing services and coordinating care to Clients, including assessments, referrals, service planning, linkage, consultation, discharge planning and coordination. This definition applies to programs under the MHP.

17. Care Coordination means services that assist a Client to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. This definition applies to programs under the DMC-ODS and MHP.

18. CAT means Crisis Assessment Team which provides twenty-four (24) hour mobile response services to anyone who has a psychiatric emergency. This program assists law enforcement, social service agencies, and families in providing crisis intervention services for individuals in behavioral health crisis in the community. CAT is a multi-disciplinary program

that conducts risk assessments, initiates involuntary hospitalizations, and provides linkage, follow ups for Clients evaluated.

19. Client means a person who has been deemed eligible, pursuant to this Contract, to receive Mental Health or Substance Use Disorder services regardless of funding source, and includes all Members.

20. Clinical Documents means any clinical information, documentation or data collected from the service provider for purposes of conducting concurrent review and coordinating treatment.

21. Closed-Loop Referral means the people, processes and technologies that are deployed to coordinate and refer Clients to available community resources (i.e., health care, behavioral health services, and/or other support services) and follow-up to verify if services were rendered.

22. Completion means the completion of a program whereby the Client has made adequate progress in treatment and no longer meets medical necessity for the Level of Care.

23. Concurrent Review means the review of treatment authorization requests for inpatient mental health services by providers in order to approve, modify, or deny requests based on medical necessity. The review of the treatment authorization requests is concurrent with the provision of services and is required after the first day of admission through discharge.

24. Contract Monitor means a person designated by COUNTY to consult with and assist both CONTRACTOR and any subcontractors in the provision of services to COUNTY Clients as specified herein. The Contract Monitor shall at no time be construed as being ADMINISTRATOR.

25. Co-Occurring means a person has at least one substance use disorder and one mental health disorder that can be diagnosed independently of each other.

26. Credentialing means a review process conducted by ADMINISTRATOR, including a peer review process, based upon specific criteria, standards and prerequisites, to approve a provider or professional who applies to be contracted to provide care in a hospital, clinic, medical group or in a health plan.

27. Client Statistical Information (CSI) means DHCS required data elements pertaining to mental health Clients.

28. Crisis Stabilization Unit (CSU) means a behavioral health crisis stabilization program that operates 24 hours a day that serves Orange County residents, aged 13 and older, who are experiencing behavioral health crises that cannot wait until regularly scheduled appointments. Crisis Stabilization services include psychiatric evaluations provided by Doctors of Medicine (MD), Nurse Practitioners (NP), Doctors of Osteopathic Medicine (DO, counseling/therapy provided by Licensed Clinical Social Workers or Marriage Family Therapists,

nursing assessments, collateral services that include consultations with family, significant others and outpatient providers, client and family education, crisis intervention services, basic medical services, medication services, and referrals and linkages to the appropriate level of continuing care and community services, including Peer Specialist and Peer Mentoring services. As a designated outpatient facility, the CSU may evaluate and treat Clients for no longer than 23 hours and 59 minutes. The primary goal of the CSU is to help stabilize the crises and begin treating Clients in order to refer them to the most appropriate, least restrictive, non-hospital setting when indicated or to facilitate admission to psychiatric inpatient units when the need for this level of care is present. Services Clients receive are formulated in a database and reported to the State.

29. CYS means the division of Behavioral Health Services responsible for the administration and oversight of Mental Health Services to children and adolescents.

30. DATAR means the DHCS system used to collect data on SUD treatment capacity and waiting lists.

31. DHCS Level of Care (LOC) means a designation that is issued by DHCS to a program based on the services provided at the facility. For the purposes of this Contract, CONTRACTOR shall provide services in accordance with one of the following DHCS-Designated Levels of Care:

a. 3.1 - Clinically Managed Low-Intensity Residential Services: 24-hour structure with available trained personnel; at least five (5) hours of clinical service/week and prepare for outpatient treatment and/or sober living.

b. 3.3 - Clinically Managed Population-Specific High-Intensity Residential Services: 24-hour care with trained counselors to stabilize multidimensional imminent danger. Less intense milieu and group treatment with at least five (5) hours of clinical service/week for those with cognitive or other impairments unable to use full active milieu or therapeutic community and prepare for outpatient treatment.

c. 3.5 - Clinically Managed High-Intensity Residential Services: 24-hour care with trained counselors to stabilize multidimensional imminent danger, at least five (5) hours of clinical service/week, and prepare for outpatient treatment. Clients are able to tolerate and use full milieu or therapeutic community.

32. Diagnosis means the definition of the nature of the Client's disorder. When formulating the diagnosis of the Client, CONTRACTOR shall use the diagnostic codes as specified in the most current edition of the DSM published by the American Psychiatric Association. CONTRACTOR shall follow DSM procedures for all Clients.

33. DSH means Direct Service Hours and refers to a measure in minutes that a clinician spends providing Client services. DSH credit is obtained for providing mental health, case

management, medication support and a crisis intervention service to any Client open in IRIS, which includes both billable and non-billable services.

34. Engagement means the process where a trusting relationship is developed over a short period of time with the goal to link the Client(s) to appropriate services within the community. Engagement is the objective of a successful outreach.

35. EPSDT means the federally mandated Medicaid benefit that entitles full-scope Medi-Cal-covered members less than twenty-one (21) years of age to receive any Medicaid service necessary to correct or help to improve a defect, mental illness, or other condition, such as a substance-related disorder, that is discovered during a health screening.

36. Family Member means any traditional or non-traditional support system, significant other or natural support designated by the Client.

37. FFS Provider means a Medi-Cal outpatient Fee-For-Service provider serving Clients in his or her own independent practice or in a group practice.

38. Head of Service means an individual ultimately responsible for overseeing the program and is required to be licensed as a mental health professional.

39. Health Care Practitioner (HCP) means a person duly licensed and regulated under Division 2 (commencing with Section 500) of the Business and Professions Code, who is acting within the scope of their license or certificate.

40. Incidental Medical Services (IMS) means optional services, approved by DHCS to be provided at a licensed adult alcoholism or drug use residential treatment facility by or under the supervision of a HCP that addresses medical issues associated with either detoxification or substance use.

41. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in which specific information about the Client is gathered including the ability to pay and standard admission forms pursuant to this Contract.

42. IRIS means Integrated Records Information System, a collection of applications and databases that serve the needs of programs within HCA and includes functionality such as registration and scheduling, laboratory information system, invoices and reporting capabilities, compliance with regulatory requirements, electronic medical records and other relevant applications.

43. Linkage means when a Client has attended at least one appointment or made one visit to the identified program or service for which the Client has received a referral or to which they have self-referred.

44. Lanterman–Petris–Short (LPS) Act (Cal. Welf & Inst. Code, sec. 5000 et seq.) provides guidelines for handling involuntary civil commitment to a mental health institution in

the State of California.

45. Licensed Clinical Social Worker (LCSW) means a licensed individual, pursuant to the provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

46. Licensed Marriage Family Therapist (MFT) means a licensed individual, pursuant to the provisions of Chapter 13 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

47. Licensed Professional Clinical Counselor (LPCC) means a licensed individual, pursuant to the provisions of Chapter 13 and Chapter 16 of the California Business and Professions Code, who can provide clinical service to individuals they serve. The license must be current and in force and not suspended or revoked.

48. LPHA means any Physician, Nurse Practitioners, Physician Assistants, Registered Nurses, Registered Pharmacists, Licensed Clinical Psychologists, Licensed Clinical Social Worker, Licensed Professional Clinical Counselor, Licensed Marriage and Family Therapists, or Licensed Eligible Practitioners working under the supervision of Licensed Clinicians within their scope of practice.

49. Licensed Psychiatric Technician (LPT) means a licensed individual, pursuant to the provisions of Chapter 10 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force and not suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

50. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter 6.6 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

51. Licensed Vocational Nurse (LVN) means a licensed individual, pursuant to the provisions of Chapter 6.5 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

52. Linkage means when a Client has attended at least one appointment or made one visit to the identified program or service for which the Client has received a referral or to which they have self-referred.

53. Live Scan means an inkless, electronic fingerprint which is transmitted directly to the Department of Justice (DOJ) for the completion of a criminal record check, typically required of employees who have direct contact with the individuals served.

54. Medi-Cal means the State of California's implementation of the federal Medicaid health care program which pays for a variety of medical services for children and adults who meet eligibility criteria.

55. Medication for Addiction Treatment (MAT) Services means the use of Federal Drug Administration-approved medications in combination with behavioral therapies to provide a whole Client approach to treating substance use disorders.

56. MEDS means the Medi-Cal Eligibility Data System information systems maintained by DHCS for all Medi-Cal recipient eligibility information and in Title 9, California Code of Regulations, Division 4 - Department of Alcohol and Drug Programs for DMC-ODS reimbursement for Substance Use Disorder (SUD) services.

57. Medical Necessity means criteria set forth by Title 9, California Code of Regulations, Chapter 11, Medi-Cal Specialty Mental Health Services for MHP reimbursement of Specialty Mental Health Services.

58. Medication Services means face-to-face or telehealth/telephone services provided by a licensed physician, licensed psychiatric nurse practitioner, or other qualified medical staff. This service shall include documentation of the clinical justification for use of the medication, dosage, side effects, compliance, and response to medication.

59. Member means the primary Orange County Medi-Cal eligible user of Mental Health Plan or Drug Medi-Cal Organized Delivery System (DMC-ODS) Plan services.

60. MHP means COUNTY as the MHP Manager with COUNTY clinics as well as COUNTY contracted clinics, including CONTRACTOR, being providers in the Plan.

61. Mental Health Services means interventions designed to provide the maximum reduction of mental disability and restoration or maintenance of functioning consistent with the requirements for learning, development, and enhanced self-sufficiency. Services shall include:

a. Assessment/Mental Health Evaluation means services designed to provide formal, documented evaluation or analysis of the cause or nature of a Client's mental, emotional, or behavioral disorders. The Parties understand that such services shall be primarily limited to initial telephone intake examinations to triage and refer the Client to a Network Provider who shall develop the treatment/service plan. Cultural issues should be addressed where appropriate.

Additionally, this evaluation should include an appraisal of the individual's community functioning in several areas including living situation, daily activities, social support systems and health status.

b. Collateral Therapy means face-to-face or telephone contact(s) with significant others in the life of the Client necessary to meet the mental health needs of the Client.

c. Family Therapy means a clinical service that includes family members identified by the Client in the treatment process, providing education about factors important to the Client's treatment as well as holistic recovery of the family system.

d. Individual Therapy means a goal directed face-to-face therapeutic intervention with the Client which focuses on the mental health needs of the Client.

e. Group Therapy means a goal directed face-to-face therapeutic intervention with a group of no less than two (2), and for SUD no more than twelve (12), Clients receiving services at the same time. Such intervention shall be consistent with the Clients goals and focus primarily on symptom reduction as a means to improve functional impairments.

62. MMEF means Monthly MEDS Extract file. This file contains data of current month and previous fifteen (15) months which provides eligibility data for all Orange County residents.

63. National Provider Identifier (NPI) means the standard unique health identifier that was adopted by the Secretary of HHS Services under HIPAA for health care providers. All HIPAA covered healthcare providers, individuals, and organizations must obtain an NPI for use to identify themselves in HIPAA standard transactions. The NPI is assigned for life.

64. Network Provider means mental health service providers credentialed and under contract with CONTRACTOR. Such providers may be individual practitioners, provider groups, or clinics.

65. Notice of Privacy Practices (NPP) means a document that notifies individuals of uses and disclosures of PHI that may be made by or on behalf of the health plan or health care provided as set forth in HIPAA.

66. Notice of Adverse Benefit Determination (NOABD), as outlined in California Code of Regulations Title 9 Chapter 11 Section 1850.210 and Title 22, Section 50179 means to provide formal written notification via hand-delivery or mail to Medi-Cal Clients and faxed or mailed to the ADMINISTRATOR when services are denied, modified, reduced, delayed, suspended or terminated as specified by State standards.

67. Outreach means reaching out to potential Clients to help link them to appropriate Mental Health Services within the community. Outreach activities will include educating the community about the services offered and requirements for participation in the various mental health programs within the community. Such activities should result in CONTRACTOR

developing its own Referral sources for programs being offered within the community.

68. Peer Recovery Specialist/Counselor means an individual in a paid position who has been through the same or similar Recovery process as those being assisted to attain their Recovery goals in the programs. A peer Recovery Specialist practice is informed by personal experience.

69. Program Director means an individual who is responsible for all aspects of administration and clinical operations of the behavioral health program, including development and adherence to the annual budget. This individual will also be responsible for the following hiring, development and performance management of professional and support staff, and ensuring mental health treatment services are provided in concert with COUNTY and state rules and regulations.

70. Protected Health Information (PHI) means individually identifiable health information usually transmitted through electronic media. PHI can be maintained in any medium as defined in the regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is created or received by a covered entity and is related to the past, present, or future physical or mental health or condition of an individual, provision of health care to an individual, or the past, present, or future payment for health care provided to an individual.

71. Psychiatrist means an individual who meets the minimum professional and licensure requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of experience treating children and TAY.

72. Out-of-County means any California county other than COUNTY or border community.

73. Patients' Rights Advocacy means group responsible for providing outreach and educational materials to inform Clients about their rights and remedies in receiving mental health treatment; representing Clients' interests in fair hearings, grievances and other legal proceedings related to the provision of services; and monitoring mental health programs for compliance with patients' rights legal standards as the designee of the Local Mental Health Director.

74. Perinatal means the condition of being pregnant or postpartum. This condition must be documented to apply billing descriptor for perinatal attached to services.

75. Perinatal Residential Treatment Services means AOD treatment services that are provided to a woman, eighteen (18) years and older, who is pregnant and/or has custody of dependent children up to twelve (12) years of age, in her care; who has a primary problem of substance use disorder; and who demonstrates a need for perinatal substance use disorder residential treatment services. Services are provided in a twenty-four (24) hour residential program. These services are provided in a non-medical, residential setting that has been licensed and certified by DHCS to provide perinatal services. These treatment services are provided to

both perinatal and parenting women in accordance with the Perinatal Network Service Guidelines.

76. Postpartum means the twelve-month period beginning on the last day of pregnancy, regardless of whether other conditions of eligibility are met. Eligibility shall end on the last day of the calendar month in which the twelfth month occurs.

77. Primary Source Verification means procedures for the review and direct verification of credentialing information submitted by care providers, including, but not limited to, confirmation of references, appointments, and licensure.

78. Quality Improvement (QI) means the use of interdisciplinary teams to review performance measures to identify opportunities for improvement. The teams use participatory processes to analyze and confirm causes for poor performance, design interventions to address causes, implement interventions, and measure improvement. Successful improvements are then implemented wherever appropriate. Where interventions are unsuccessful, the team again addresses the causes and designs new interventions until improvements are achieved.

79. Recovery Services means a level of care designed to support recovery and prevent relapse. It is not considered treatment. Services focus on restoring the Client to their best possible functional level and emphasize the Client's role in managing their health by using effective self-management support strategies.

80. Referral means the process of sending a Client from one service provider to another service provider for health care, behavioral health services, and/or other support services, by electronic transmission, in writing or verbally, regardless of linkage status.

81. Residential Treatment Authorization means the approval that is provided by the HCA ART team for a Client to receive residential services to ensure that the Client meets the requirements for the service.

82. Resource Recommendation means the process of providing a Client with one or more suggested resources, without plans and/or an ability to follow up on Linkage status.

83. Retrospective Review means determination of the appropriateness or necessity of services after they have been delivered, generally through the review of the medical or treatment record.

84. Token means the security device which allows an individual user to access IRIS.

85. RTS means alcohol and other drug treatment services that are provided to Clients at a twenty-four (24) hour residential program. Services are provided in an alcohol and drug free environment and support recovery from alcohol and/or other drug related problems. These services are provided in a non-medical, residential setting that has been licensed and certified by DHCS.

86. Registered Nurse (RN) means a licensed individual, pursuant to the provisions of

Chapter 6 of the California Business and Professions Code, who can provide clinical services to the Clients served. The license must be current and in force, and has not been suspended or revoked.

87. Seriously Emotionally Disturbed (SED) means children or adolescent minors under the age of eighteen (18) years who have a behavioral health disorder, as identified in the most recent edition of the DSM and/or the ICD 10, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child's age according to expected developmental norms. W&I 5 5600.3.

88. Self-Help Groups means a non-professional, peer participatory meeting formed by people with a common problem or situation offering mutual support to each other towards a goal or healing or recovery.

89. Self-Referral means when a Client or family member directly contacts a service provider with the goal of receiving services for themselves or a family member, regardless of Linkage status.

90. Service Authorization means the determination of appropriateness of services prior to the services being rendered, based upon medical or service necessity criteria. This includes the authorization of outpatient services authorized by CONTRACTOR.

91. Share of Cost means a monthly amount that the Client is to pay to receive Medi-Cal services.

92. SSA means COUNTY department responsible for child welfare services and Medi-Cal eligibility determination.

93. Structured Therapeutic Activities means organized program activities that are designed to meet treatment goals and objectives for increased social responsibility, self-motivation, and integration into the larger community. Such activities would include participation in the social structure of the residential program. It also includes the Client's progression, with increasing levels of responsibility and independence through job and other assignments culminating in employment seeking and employment-initiation activities in the community.

94. SUD means a condition in which the use of one or more substances leads to a clinically significant impairment or distress per the DSM-5.

95. Supervisory Review means ongoing clinical case reviews in accordance with procedures developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards. Supervisory review is conducted by the program/clinic director or designee.

96. Token means the security device which allows an individual user to access IRIS.

97. Uniform Method of Determining Ability to Pay (UMDAP) means the method used

for determining an individual’s annual liability for Mental Health Services received from the COUNTY mental health system and is set by the State of California. Every Client seen in any COUNTY or COUNTY-contracted program needs an UMDAP regardless of contract payment structure, whether the contract is actual cost based or fee for service.

98. Unit of Service (UOS) means the measurement used to quantify services provided to a client/member; these units can vary depending on type of service in the MHP or DMC_ODS plans.

99. Wellness Action & Recovery Plan (WRAP) refers to a self-help technique for monitoring and responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of life.

100. Utilization Management Program means the infrastructure required to carry out the concurrent review services according to this Contract including, but not limited to, policies and procedures, request staffing and information systems.

101. Warm Hand-off means the process to allow for in-person (or Telehealth/telephonic, if clinically appropriate) for care coordination and behavioral health linkages. For transitions of care, the warm handoff is the first step in establishing a trusted relationship between the Client and the new care provider to ensure seamless service delivery and coordination.

B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Common Terms and Definitions Paragraph of this Exhibit A-1 to the Contract.

II. BUDGET

A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph of this Exhibit A-1 to the Contract and the following budget, which is set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

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	<u>PERIOD</u> <u>ONE</u>	<u>PERIOD</u> <u>TWO</u>	<u>PERIOD</u> <u>THREE</u>	<u>TOTAL</u>
ADMINISTRATIVE COSTS	\$ 1,350,000	\$ 1,800,000	\$ 1,800,000	\$ 4,950,000
PROGRAM COSTS				
Salaries	\$ 1,279,495	\$ 1,705,993	\$ 1,857,714	\$ 4,843,202
Benefits	548,355	731,140	464,429	1,743,924
Services and Supplies	14,230,954	18,974,605	1,718,774	34,924,333

Sobering Center Services	0	0	1,100,000	1,100,000
DMC Residential 3.1, 3.5	0	0	3,300,000	3,300,000
Adult Withdrawal	0	0	1,500,000	1,500,000
Management				
Facility Reserves	0	0	1,457,868	1,457,868
SUBTOTAL PROGRAM COSTS	\$ 16,058,804	\$ 21,411,738	\$ 11,398,785	\$ 48,869,327
TOTAL AMOUNT NOT TO EXCEED	\$ 17,408,804	\$ 23,211,738	\$ 13,198,785	\$ 53,819,327

B. CONTRACTOR and ADMINISTRATOR mutually agree that the Amount Not to Exceed identified in Subparagraph II.A. of this Exhibit A-1 to the Contract includes Indirect Costs not to exceed ten percent (10%) of Direct Costs, and which may include operating income estimated at two percent (2%). Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may include operating income.

C. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds between programs, or between budgeted line items within a program, for the purpose of meeting specific program needs or for providing continuity of care to its Clients, by utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance, which will include a justification narrative specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining annual impact of the shift as may be applicable to the current contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.

D. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete financial records of its cost and operating expenses. Such records will reflect the actual cost of the type of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will be made in accordance with GAAP, and Medicare regulations. The Client eligibility determination and fee charged to and collected from Clients, together with a record of all billings rendered and revenues received from any source, on behalf of Clients treated

pursuant to the Contract, must be reflected in CONTRACTOR's financial records.

E. For all funds allocated to the Facility Reserves budgeted line items in Paragraph II.A, CONTRACTOR must obtain prior review and written approval by the County Chief Executive ("CEO") or Chief Financial Officer ("CFO"), or their designee, of any proposed use of such funds. CONTRACTOR's failure to obtain such prior review and written approval for use of funds allocated to the Facility Reserves budgeted line items may result in disallowance of the costs for such use.

F. With the exception of the review and approval requirement stated in Paragraph II.E. of this Exhibit A-1, CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget Paragraph of this Exhibit A-1 to the Contract. Any modification to Paragraph II.E. must be approved by the CEO or CFO, or their designee.

III. PAYMENTS

A. BASIS FOR REIMBURSEMENT –

1. Master Service Agreement: COUNTY shall pay CONTRACTOR monthly, in arrears, the provisional amount of \$1,934,311 for Periods One and Two and \$1,099,898 for Period Three. All payments are interim payments only and are subject to Final Settlement in accordance with the Cost Report Paragraph of the Contract for which CONTRACTOR shall be reimbursed for the actual cost of providing the services, which may include Indirect Administrative Costs, as identified in Paragraph II.A. of this Exhibit A-1 to the Contract; provided, however, the total of such payments does not exceed COUNTY's Amount Not to Exceed as specified in the Referenced Contract Provisions of the Contract and, provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY, State and/or Federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices or make advance payments for any month during the term.

a. Payments of claims to providers shall be at rates set by CONTRACTOR, with mutual agreement by ADMINISTRATOR, for all services.

b. In support of the monthly invoices, CONTRACTOR shall submit an Expenditure and Revenue Report as specified in the Reports Paragraph of this Exhibit A-1 to the Contract. ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.

c. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR

and the year-to-date actual cost incurred by CONTRACTOR.

d. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR may authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred by CONTRACTOR.

B. CONTRACTOR's invoices shall be on a form approved or supplied by COUNTY and provide such information as is required by ADMINISTRATOR. Invoices are due the twentieth (20th) calendar day of each month. Invoices received after the due date may not be paid within the same month. Payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice form.

C. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements, canceled checks, receipts, receiving records and records of services provided.

D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with any provision of the Contract.

E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration and/or termination of the Contract, except as may otherwise be provided under the Contract, or specifically agreed upon in a subsequent contract.

F. In conjunction with Paragraph II.A above, CONTRACTOR shall not enter Units of Service into COUNTY's IRIS system for services not rendered. If such information has been entered, CONTRACTOR shall make corrections within ten (10) calendar days from notification by ADMINISTRATOR. Additionally, to assist in the protection of data integrity, CONTRACTOR shall create a procedure to ensure separation of duties between the individual performing direct services (LPHA, clinicians, counselors, etc.), and the clerical staff who enter claims into the IRIS system. Clerical staff shall enter billing into IRIS using the chart information provided by the direct service staff.

G. CONTRACTOR shall ensure compliance with all Medi-Cal and DMC billing and documentation requirements when entering Units of Service into COUNTY's IRIS system. ADMINISTRATOR shall withhold payment for non-compliant Units of Service, and may reduce, withhold or delay any payment associated with non-compliant billing practices.

H. CONTRACTOR may be required to have an audit conducted in accordance with federal OMB Circular A-133. CONTRACTOR shall be responsible for complying with any federal audit requirements within the reporting period specified by OMB Circular A-133.

I. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Payments Paragraph of this Exhibit A-1 to the Contract.

IV. REPORTS

A. CONTRACTOR shall maintain records, create and analyze statistical reports as required by ADMINISTRATOR and DHCS in a format approved by ADMINISTRATOR. CONTRACTOR shall provide ADMINISTRATOR with the following:

1. FISCAL

a. In support of the monthly invoice, CONTRACTOR shall submit monthly Expenditure and Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by ADMINISTRATOR and shall report actual costs and revenues for each of CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of Exhibit A-1 to the Contract. CONTRACTOR shall submit these reports by no later than twenty (20) calendar days following the end of the month reported.

1). CONTRACTOR shall include third party payor information to be included in the Fiscal Expenditure and Revenue Report.

b. CONTRACTOR shall provide a check register and remittance summary by provider, as well as a turnaround summary, for services provided by Network Providers, to ADMINISTRATOR upon request.

c. CONTRACTOR shall track and provide Incurred but not Reported (IBNR) information on a monthly basis. Monthly IBNR shall be calculated and compared with the record of uncashed checks and stop-payment checks, as well as to the undeliverable check report and the donated checks report. CONTRACTOR shall prepare and submit to ADMINISTRATOR a monthly report showing total IBNR liability and revenue received based upon the provisional payments received from COUNTY.

d. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report anticipated year-end actual costs and revenues for CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of Exhibit A-1 to the Contract. Such reports shall include actual monthly costs and revenue to date and anticipated monthly costs and revenue to the end of the fiscal year. Year-End Projection Reports shall be submitted at the same time as the monthly Expenditure and Revenue Reports.

2. STAFFING REPORT – CONTRACTOR shall submit monthly Staffing Reports to ADMINISTRATOR. CONTRACTOR's reports shall contain required information, and be on a form acceptable to, or provided by ADMINISTRATOR. CONTRACTOR shall submit these

reports no later than twenty (20) calendar days following the end of the month being reported.

3. PROGRAMMATIC REPORTS – CONTRACTOR shall submit monthly Programmatic reports for sub-contractors and CONTRACTOR’s direct services to ADMINISTRATOR. These reports shall be in a format approved by ADMINISTRATOR and shall include but not limited to, descriptions of any performance objectives, outcomes, and or interim findings as directed by ADMINISTRATOR. CONTRACTOR shall be prepared to present and discuss the programmatic reports at the monthly and quarterly meetings with ADMINISTRATOR, to include an analysis of data and findings, and whether or not CONTRACTOR is progressing satisfactorily and if not, specify what steps are being taken to achieve satisfactory progress.

a. CONTRACTOR is required to comply with all applicable reporting requirements, including the requirements set forth in Division 5 of the California Welfare Institutions Code and Division 1, Title 9 of the California Code of Regulations, as well as any reports required of LPS designated facilities in the County of Orange.

b. CONTRACTOR shall enter demographic information of all Clients served, direct services information, and other appropriate data into the COUNTY’s data information system (IRIS), including the utilization of the Behavioral Health Services (BHS) Access Logs and Notice of Adverse Beneficiary Decision (NOABD) reporting as required for all programs.

B. CONTRACTOR shall provide records and program reports, as listed below, which shall be received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month being reported or as requested by ADMINISTRATOR. CONTRACTOR shall make additional reports, as required by ADMINISTRATOR, concerning CONTRACTOR’s activities as they affect the services hereunder. ADMINISTRATOR will be specific as to the nature of information requested and the time frame the information is needed.

1. Mental Health Plan (MHP) Programs
 - a. MONTHLY
 - i. Provider Directories
 - ii. Monthly Program Reporting spreadsheets
 - iii. Transportation Log
 - iv. Utilization Review
 - b. QUARTERLY
 - i. Change of Provider
 - ii. Second Opinion Log
 - c. ANNUALLY
 - i. Medication Monitoring

- ii. Sanction Screening tracker
- 2. Substance Use Disorder (SUD) Programs
 - a. MONTHLY
 - i. Provider Directories
 - ii. Monthly Data & Performance Outcome Report (MDPOR)
 - iii. Units of Service (UOS) IRIS
 - iv. Transportation Log
 - v. Utilization Review
 - b. QUARTERLY
 - i. Change of Provider Log
 - ii. Second Opinion Log
 - c. ANNUALLY
 - i. Medication Monitoring
 - ii. Sanction Screening tracker

3. ACCESS LOG – CONTRACTOR shall develop and maintain an Access Log of all requests for services received via telephone, in writing, or in person. CONTRACTOR is responsible for this log that meets the DHCS regulations and requirements, as interpreted by COUNTY, and records all services requested twenty-four (24) hours-seven (7) days a week. The Access Log shall contain, at a minimum, whether or not the caller has Medi-Cal, the name of the individual, date of the request, nature of the request, call status (emergent, urgent, routine), if the request is an initial request for Specialty Mental Health Services or DMC-ODS, and the disposition of the request, which shall include interventions. CONTRACTOR must be able to produce a sortable log, for any time-period specified by COUNTY within twenty-four (24) hours of receiving the request from COUNTY. If the caller's name is not provided, then the log shall reflect that the caller did not provide a name. Access Logs shall be entered into IRIS within timelines stated above. CONTRACTOR shall make available to ADMINISTRATOR upon request, the most recent telephone log which shall include previous day's calls.

4. DATA COLLECTION AND REPORTING –

a. ADMINISTRATOR shall provide CONTRACTOR with the exact specifications required to enter data into IRIS or other COUNTY approved CONTRACTOR reporting system, as deemed appropriate. The Parties understand that such requirements may be modified periodically by the State and those modifications shall automatically become requirements of this Contract.

b. CONTRACTOR shall ensure the timely data entry of information into COUNTY approved CONTRACTOR reporting system.

c. CONTRACTOR shall use data collection and visualization systems identified by COUNTY including, but not limited to, the IRIS Electronic Health Record system and other electronic platforms for digitized program workflows

d. CONTRACTOR shall conduct up-front and retrospective auditing of data to ensure the accuracy, completeness, and timeliness of the information input into CONTRACTOR's reporting system. CONTRACTOR shall build in audit trails and reconciliation reports to ensure accuracy and comprehensiveness of the input data. In addition, transaction audit trails shall be thoroughly monitored for accuracy and conformance to operating procedures.

e. CONTRACTOR shall input all required data regarding services provided to Clients who are deemed, by the appropriate state or federal authorities, to be COUNTY's responsibility.

f. CONTRACTOR shall correct all input data resulting in CSI and 837 Medi-Cal claim denials and rejections. These errors will be communicated to CONTRACTOR immediately upon discovery and must be corrected in a timely manner. CONTRACTOR remains responsible for ongoing monitoring of billing queues to identify and correct billing errors within one week of posting.

g. CONTRACTOR shall ensure the confidentiality of all administrative and clinical data. This shall include both the electronic system as well as printed public reports. No identifying information or data on the system shall be exchanged with any external entity or other business, or among providers without prior written approval of the Client or ADMINISTRATOR. Confidentiality procedures shall meet all local, state, and federal requirements.

h. CONTRACTOR shall ensure that information is safeguarded in the event of a disaster and that appropriate service authorization and data collection continues.

C. CONTRACTOR shall be responsible to inform ADMINISTRATOR of any problems in collecting data, pertinent facts or interim findings, staff changes, status of license(s) and/or certification(s), changes in population served, and reasons for any changes. Additionally, a statement that CONTRACTOR is or is not progressing satisfactorily in achieving all the terms of the Contract shall be included.

D. CONTRACTOR shall respond to any requests that are needed with an immediate response time due to any requests from entities that could include but not be limited to DHCS, internal and/or external audits.

E. CONTRACTOR shall provide ADMINISTRATOR with a report key, established by CONTRACTOR, and as agreed upon by ADMINISTRATOR, that describes each report, its purpose and usefulness. CONTRACTOR shall update the report key when reports are added or deleted and provide updated report key to ADMINISTRATOR within thirty (30) calendar days.

F. CONTRACTOR shall upon ADMINISTRATOR's request revise and make changes to all reports as needed.

G. ADMINISTRATOR and CONTRACTOR may mutually agree, in writing, to modify the frequency of the reports. Each report shall include an unduplicated client count and a fiscal year-to-date summary and, unless otherwise specified, shall be reported in aggregate.

H. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issue that materially or adversely affect the quality or accessibility of services provided by CONTRACTOR.

I. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional welfare of the Clients seen, including, but not limited to, serious physical harm to self or others, serious destruction of property, developments, etc., and which may raise liability issues with COUNTY. CONTRACTOR shall notify COUNTY within twenty-four (24) hours of any such serious adverse incident in the form of a Special Incident Report (SIR).

J. ADDITIONAL REPORTS – Upon ADMINISTRATOR's request, CONTRACTOR shall make such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information requested and allow thirty (30) calendar days for CONTRACTOR to respond.

K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports Paragraph of this Exhibit A-1 to the Contract.

V. SERVICES

A. FACILITY OPERATIONS AND ASSET MANAGEMENT – Services shall be provided at the following locations, or at any other location approved in advance, in writing, by ADMINISTRATOR:

265 South Anita Drive
Orange, CA 92868

1. CONTRACTOR shall manage a diverse scope of facilities-related services, in four key areas:

- a. Facilities Management
- b. Property Accounting
- c. Capital Project Management
- d. Lease Management

2. CONTRACTOR shall ensure high-value, efficient and accountable oversight of facilities operations and asset management.

3. CONTRACTOR shall provide ongoing facility operations and asset management activities which include, but are not limited to:

4. FACILITIES MANAGEMENT

a. Manage and oversee the overall safety of the facility, including day-to-day maintenance and cleaning of the property, including all buildings, parking lots and landscaping;

b. Contract management for all property utilities, property insurance policies, building related services and maintenance, and supply procurement;

c. Ongoing property assessments to inform preventative maintenance needs, forecast capital repair and replacement schedules, and ensure adequate capital reserves are maintained; and

d. Key point of contact for all building-related requests and concerns.

5. PROPERTY ACCOUNTING

a. Financial management of all operating expenses and property taxes in a timely manner;

b. Prepare and provide monthly property financial reports and annual financial statements inclusive of balance sheet, income statement cash flow statement, variance report, rent roll, and detailed property activity summary;

c. Prepare and manage an annual operating budget for the property inclusive of a capital budget, detailed leasing and expense projections, and cash flow projections;

6. CAPITAL PROJECT MANAGEMENT

a. Solicit proposals from, engage, and manage architects, engineers and other design consultants as necessary for completion of the work;

b. Manage the process of securing all permits and other governmental approvals; and

c. Manage a competitive construction contractor bidding process and oversee construction and installation process to ensure all work is completed in a timely manner.

7. LEASE MANAGEMENT

a. Manage and enforce all tenant leases and rental agreements, and lead negotiations of lease renewals and extensions as they arise; and

b. Financial management of all rents and other receivables.

B. PROVIDER CONTRACTING

1. CONTRACTOR shall monitor and ensure operations at the Be Well Orange Campus meet the requirements of CMS, DHCS and BHS.

2. CONTRACTOR shall contract with providers for authorized substance use disorder treatment services as outlined in Exhibit A-1 Paragraphs VI. through IX. The contractor providers will meet state and federal requirements for Specialty Medi-Cal services inclusive of substance use disorder treatment.

a. The contractor providers must perform all activities and obligations, including services provided and related reporting responsibilities; and

b. The contractor providers must perform delegated activities and responsibilities in compliance with BHS' obligations to DHCS. The contractor providers must meet established requirements with reimbursement negotiated on state rates and costs only. CONTRACTOR must monitor and ensure that claims are entered accurately and in a timely manner.

2. PROVIDER CONTRACTING AND OVERSIGHT

a. As a partially delegated entity, CONTRACTOR will act on behalf of BHS in ensuring the following activities and responsibilities for authorized substance use disorder treatment services as outlined in Exhibit A-1 Paragraphs VI. through IX.:

- 1) Quality Management, including but not limited to;
 - a) Provide Training on Documentation Requirements
 - b) Documentation Review Tool for State Submission
 - c) Quality Improvement comments related to documentation
 - d) Corrective Action Plans
 - e) Ensuring Fraud, Waste and Abuse is reported timely to HCA Compliance Department
 - f) Ensure Compliance Investigation Follow-up within timeframes
 - g) Inform Providers of new practice guidelines
 - h) Ensure there is an appropriately qualified, licensed staff member to conduct documentation reviews at each program.
- 2) Program Integrity, including but not limited to;
 - a) Site Reviews and completion of Monitoring Tool for SUD programs
 - b) Maintain LPS designation of Staff and Site
 - c) Ensure proper credentialing of staff with HCA
 - d) Ensure Policies and Procedures are developed to address regulatory requirements
 - e) Ensure provider job descriptions meet the minimum requirements for staff scope of practice
 - f) Ensure PAVE enrollment of Providers
 - g) Ensure Proper Clinical Supervision of Staff

- h) Attend Monthly Quality Improvement meetings for both DMC and MH programs
- 3) Cultural Competency, including but not limited to;
 - a) Mandatory Training is completed as assigned by ADMINISTRATOR
- 4) Training, including but not limited to;
 - a) ASAM Training
 - b) Motivational Interviewing Training
 - c) Other required Evidence Based Practices
 - d) Annual Compliance Training
 - e) Annual Provider Training
 - f) Documentation Training, as applicable (SUD/MHP)
 - g) CEU/CME in addiction, as needed
- 5) Claiming, including but not limited to;
 - a) Ensure Billing Training is completed
 - b) Services entered correctly into the County IRIS system
 - c) Ensure Client information entered correctly into the County IRIS system
- 6) Reports, including but not limited to;
 - a) Participation in the OC Navigator
 - b) NACT submissions
 - c) Report of Billable Services
 - d) Cost Reporting
 - e) Access Log Reports
 - f) NOABD Reports
 - g) Grievance and Appeals Investigations
 - h) Response to External Quality Review Organization Report; and
- 7) Data collection, including but not limited to:
 - a) CalOMS
 - b) DATAR
 - c) Medication Monitoring Reports

b. All references to CONTRACTOR in Paragraph VI. Through IX. Of this Exhibit A-1 shall be references to contractor providers. CONTRACTOR must include the services and requirements set forth in Paragraph VI. Through IX. In the contracts with the provider.

3. REGULATORY COMPLIANCE, INSURANCE, AND INDEMNIFICATION

a. Compliance Program – CONTRACTOR will ensure providers have required policies and procedures and will reinforce federal and state requirements established in the

Contract, such as cultural competency trainings.

b. Sanction Screening – CONTRACTOR will ensure all applicable Covered Individuals are initially and routinely screened in accordance with requirements for MHPs and SUD contracts per DHCS and Contract requirements.

c. Insurance – CONTRACTOR will maintain insurance in compliance with the contractual requirements and will ensure that subcontractors' insurance is also in compliance. CONTRACTOR anticipates being able to support subcontractors in negotiating competitive rates for appropriate coverage.

d. Medi-Cal billing, Coding and Documentation Compliance Standards – CONTRACTOR will ensure that CONTRACTOR and subcontractor coding of health care claims, billings and/or invoices for same are prepared and submitted, are timely and accurate, and in compliance with the Contract requirements.

e. Indemnification – CONTRACTOR will provide indemnification pursuant to contractual requirements.

C. ACCESS AND PROGRAM MANAGEMENT

1. CONTRACTOR will ensure that an optimized mix of Clients with public and commercial coverage can access and enroll in services at the Orange Campus. Moreover, CONTRACTOR will ensure that CONTRACTOR and subcontractors receive referrals and that such referrals are accepted in accordance with the Contract(s), with appropriate contract monitoring based on the BHS provided monitoring tools(s).

2. PAYOR MIX OPTIMIZATION AND MANAGEMENT – CONTRACTOR will procure and support subcontractors in securing contracts with an array of commercial insurance plans, as well as manage and optimize the diverse public/commercial payer mix to achieve the original goals of Be Well and ensure whole community access while maintaining a commitment to serving the most vulnerable. Based on current projections, the initial target is a 26% commercial, 74% public ratio, which will be adjusted, as needed.

3. CARE COORDINATION AND TRANSITIONS MANGEMENT – CONTRACTOR will provide high level operational oversight to ensure contractual compliance and good business flow in a standardized, organized manner via reporting, meetings, and audits.

4. CLINICAL AND PROGRAM OPERATIONS – CONTRACTOR will attend required trainings and ensure that Be Well Campus and provider policies and practices meet contractual requirements for QI, authorization, clinical, billing, and administrative requirements. CONTRACTOR will ensure that subcontractors participate in required provider trainings offered by COUNTY and ensure subcontractors maintain client records in compliance with contractual requirements.

D. ESTIMATED COUNTY COST OFFSETS

1. CONTRACTOR will work closely with the providers to ensure third party revenues are maximized for both CONTRACTOR and sub-contractors. CONTRACTOR shall secure a Third-Party Administrator (TPA) license that will allow them to work to support commercial billing and collections.

2. CONTRACTOR will recover the value of the service when the service is rendered to a Client whenever the Client is covered for the same services, either fully or partially, under any other state or federal medical program or under other contractual or legal entitlement including but not limited to, a private group or indemnification program, but excluding instances of tort liability of a third party or casualty liability. The monies recovered are retained by CONTRACTOR. CONTRACTOR and COUNTY will establish a settlement process to ensure that COUNTY payments to CONTRACTOR are adjusted in a timely manner to reflect other monies recovered, pursuant to the above standards from other sources.

3. CONTRACTOR'S estimated offsets of per period Gross Costs are nine percent (9%) for Period One, fourteen percent (14%) for Period Two, and twenty two percent (22%) for Period Three.

E. PERFORMANCE OBJECTIVES AND OUTCOMES – CONTRACTOR will provide a comprehensive approach for performance and for monitoring and achieving outcome measures required by COUNTY, sought after by community stakeholders, and needed by the people being served. These requirements will be specified in subcontracts, with regular monitoring and oversight per contractual requirements, with outcome measures documented and communicated monthly in dashboards and other required reports.

1. CONTRACTOR staff will comply with COUNTY criteria for Federal law under HIPAA and 42CFR Part 2 and undergo COUNTY required training. CONTRACTOR will maintain an ongoing performance outcomes monitoring program using provider information, COUNTY required client satisfaction surveys, and documentation completed by providers, including utilization patterns, COUNTY required assessment and screening tools, peer review, and medical record audits. CONTRACTOR will identify specific outcomes for reporting and will make COUNTY data available upon request, pursuant to contract terms.

2. CONTRACTOR will periodically review provider performance using standard treatment and/or site review audits, along with claims and/or treatment-related data. CONTRACTOR will work with COUNTY to ensure compliance with updated state requirements and standards for performance outcome measures.

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Services Paragraph of this Exhibit A-1 to the Contract.

VI. SOBERING CENTER SERVICES

A. **FACILITY** –CONTRACTOR shall ensure facility remains clean, safe and in good repair. The Sobering Center consists of 12 cots, an intake station, showers, food storage, and a laundry facility. CONTRACTOR shall store client personal belongings while receiving services.

B. **PERSONS TO BE SERVED** – Sobering Center services shall be provided to adults 18 years of age and older, who present with intoxication and can safely be served at the facility. These persons might otherwise be detained by law enforcement or utilize hospital emergency departments for issues related to intoxication. Persons must arrive at the center by vehicle. Arriving on foot is not permitted. Referrals will include HCA identified referral sources and others. This service will be provided to all eligible clients regardless of payor status.

C. **SERVICES**

1. Screening - CONTRACTOR shall perform phone screening with referral source to determine if the individual can be safely served in the facility.

2. Admissions - CONTRACTOR shall ensure admissions are conducted 24 hours a day.

3. Intake – CONTRACTOR shall record demographics and past medical history.

4. Insurance Verification – CONTRACTOR will verify insurance coverage and/or Medi-Cal for each individual serviced to ensure that only non-insured or non-Medi-Cal clients paid for under this contract.

4. Engagement – CONTRACTOR shall utilize evidence based practices such as Motivational Interviewing and/ or Negotiated interviewing to engage Clients who may not wish to participate to assist with preventing Clients from leaving prior to it being safe for them to do so.

5. Monitoring – CONTRACTOR shall monitor of signs and symptoms of intoxication per protocols established by medical staff. CONTRACTOR shall incorporate blood pressure checks and the Clinical Opiate Withdrawal Scale (COWS) and/or Clinical Institute Withdrawal Assessment of Alcohol (CIWA) scale Clients who are sleeping will be monitored visually every 30 minutes.

6. Anticipated length of stay to last between 6 and 8 hours. Length of stay shall be less than 24 hours.

7. Ancillary Services – CONTRACTOR shall provide light snacks and hydration, temporary clean clothing, toiletries, clean linen and laundry service.

8. Discharge Planning – CONTRACTOR must begin Discharge Planning as soon as the Client enters Sobering Services. CONTRACTOR shall develop an exit/transition plan with

the Client. The exit/transition plan shall include:

a. A strategy or strategies to assist the Client in maintaining an alcohol and drug free lifestyle.

b. A plan for linkage and transition of the Client to appropriate services, including treatment services. When Residential Treatment services are appropriate, CONTRACTOR shall link Client to the residential access center by phone to complete an assessment and obtain residential authorization.

c. Linkage – CONTRACTOR shall provide a warm link transfer to ongoing physical health, and/or behavioral health treatment as appropriate utilizing ASAM criteria to determine appropriate level of care. Withdrawal management linkages are made directly to provider. Residential linkages are coordinated with the ART team unless the Client meets criteria for any of the higher acuity populations permitting a direct intake to residential treatment. CONTRACTOR shall provide referral and linkage to support group meetings, and Social Service benefits.

9. Transportation – CONTRACTOR shall arrange for or provide transportation to next care setting upon discharge.

10. Support Services – CONTRACTOR shall provide housekeeping, maintenance and arrangements for emergency and non-emergency medical services.

11. Follow-up – CONTRACTOR shall obtain consent to follow-up while Client is in services and shall follow up with Client at seven (7) and thirty (30) calendar days post-services.

D. PERFORMANCE OUTCOMES

1. Capture linkage rate to continuing MHRS (or BHS services)
2. Capture linkage rate to other medical, dental, social services or recovery supports.
2. Capture number of unduplicated clients served.
3. Capture number of admissions
4. Capture percentage of clients who accepted a referral appointment upon discharge
5. Capture percentage of clients who complete a relapse prevention plan prior to discharge
6. Future developing measures that attempt to improve the overall system of care may be added.

E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Sobering Center Services paragraph of this Exhibit A-1 to the Contract.

VII. ADULT RESIDENTIAL SUD TREATMENT SERVICES

A. LENGTH OF STAY– Length of stay is based on medical necessity as determined by a

Licensed Practitioner of the Healing Arts. COUNTY is adhering to the State goal of a thirty (30) calendar day average in the residential level of care. The facility shall have a capacity of thirty (30) beds and include adequate physical space to support the services identified within the Contract.

1. Adults, ages eighteen (18) and older, may receive residential level SUD services based on medical necessity with no predetermined maximum days.

2. If determined to be medically necessary, perinatal clients may receive additional services and faster placement, in accordance with State perinatal guidelines.

B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services despite the ability to pay. In order to receive services through the DMC-ODS, the Client must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.

C. RESIDENTIAL TREATMENT AUTHORIZATION - Clients will be authorized and referred to CONTRACTOR by the Assessment/Authorization for Residential Treatment (ART) Team. Clients who contact CONTRACTOR directly to request services shall be referred by CONTRACTOR to the ART Team. If Client is pregnant, and/or has a history of intravenous drug use, a person who has a recent history of fentanyl use disorder or a person linking to residential from any withdrawal management within the Orange County DMC-ODS system, and meets medical necessity for Residential Treatment, CONTRACTOR may directly admit the Client to treatment due to high acuity if provider has available bed slot. In this instance, CONTRACTOR must complete a SUD assessment and establish medical necessity for residential level of care. Assessment and authorization request must be submitted to the ART team for authorization within seventy-two (72) hours of Client admission. CONTRACTOR shall enter data regarding request for service into the IRIS access log established by ADMINISTRATOR for these Clients who access provider directly and bypass the ART team.

D. SERVICES – CONTRACTOR shall provide a non-institutional, twenty-four (24) hour non-medical, short-term residential program that provides rehabilitation services to Clients in accordance with an individualized plan. These services are intended to be individualized to treat the functional deficits identified in the ASAM Criteria. CONTRACTOR and Client work collaboratively to define barriers, set priorities, establish goals, create treatment plans/problem lists, and solve problems. Goals include sustaining abstinence, preparing for relapse triggers, improving personal health and social functioning, and engaging in continuing care. CONTRACTOR shall provide services in accordance with DHCS-Designated Level of Care 3.1. Services shall include.

1. Intake: The process of determining that a Client meets the medical necessity criteria and a Client is admitted into a substance use disorder treatment program. Intake includes the

evaluation or analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of treatment needs to provide medically necessary services. Intake may include a physical examination and laboratory testing necessary for substance use disorder treatment.

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

3. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the needs of the individuals served. Groups that count towards the structured service requirements shall not have a maximum limit for participants.

4. Family Therapy: As clinically appropriate, family members can provide social support to the Client, help motivate their loved one to remain in treatment, and receive help and support for their own family recovery as well.

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

6. Medication Storage: Facilities will store all Client medication and facility staff members will oversee resident's self-administration of medication.

7. Collateral Services: Sessions with therapists or counselors and significant persons in the life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the Client's treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the Client.

8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services shall be limited to the stabilization of the Client's emergency situation.

9. Treatment Planning: CONTRACTOR shall prepare an individualized written treatment plan or problem list, whichever applies, based upon information obtained in the intake and assessment process and in adherence to documentation standards set forth in QMSSUD documentation manual. The treatment plan/problem list will be consistent with the qualifying diagnosis and will be signed by the Client and the LPHA.

10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a minimum of twenty (20) hours of structured activity per week.

11. EBPs: CONTRACTORS will implement at least two of the following EBPs, one of which must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality. The required EBP include:

a. Motivational Interviewing: A Client-centered, empathetic, but directive

counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem-solving or solution-focused strategies that build on Clients' past successes.

b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral reactions are learned and that new ways of reacting and behaving can be learned.

c. Relapse Prevention: A behavioral self-control program that teaches individuals with substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved during initial substance use treatment.

d. Trauma-Informed Treatment: Services must take into account an understanding of trauma, and place priority on trauma survivors' safety, choice and control.

e. Psycho-Education: Psycho-educational groups are designed to educate Clients about substance abuse, and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth and change, identify community resources that can assist Clients in recovery, develop an understanding of the process of recovery, and prompt people using substances to take action on their own behalf.

12. Care Coordination: Care coordination services may be provided by a LPHA or registered/certified counselor or other eligible provider type and must be provided based on medical necessity. Care Coordination shall provide advocacy and care coordination to physical health, mental health, and transportation, housing, vocational, educational, and transition services for reintegration into the community. CONTRACTOR shall provide Care Coordination services for the Client during treatment, transition to other levels of care and follow ups, to encourage the Client to engage and participate in an appropriate level of care or Recovery Services after discharge. Care Coordination becomes the responsibility of the next treating provider after successful transition to a different level of care. CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care, integration around primary care especially for Clients with a chronic SUD, and interaction with the criminal justice system, if needed. Care Coordination services may be provided face-to-face, by telephone, or by telehealth with the Client and may be provided anywhere in the community.

13. MAT: Services may be provided onsite with approval for Incidental Medical Services from DHCS. Medically necessary MAT services must be provided in accordance with an individualized treatment plan determined by a licensed physician or LPHA working within their scope of practice.

a. MAT services must be provided in compliance with Policy and Procedures

submitted to DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning, ordering, prescribing, administering, and monitoring of all medications for SUDs.

b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of SUDs may also be prescribed and administered, as medically necessary.

c. CONTRACTOR must provide care coordination with treatment and ancillary service providers and facilitate transitions between levels of care. Clients may simultaneously participate in MAT services and other ASAM LOCs.

14. Care Coordination for Mental and Physical Health: Programs must screen for mental health issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home provider of Client's admission to treatment within seven (7) calendar days of admission and request medical records/ physical exam. If Client does not have a medical home, identifying one shall be on the treatment plan/problem list.

15. Physician/Clinician Consultation: Physician/Clinician Consultation Services include DMC physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists, or clinicians consulting with other clinicians on difficult cases. Physician/Clinician consultation services are designed to assist DMC physicians and clinicians by allowing them to seek expert advice with regards to designing treatment plans/problem lists for specific DMC-ODS members. Physician consultation services may address medication selection, dosing, side effect management, adherence, drug interactions, or level of care considerations. ADMINISTRATOR will provide one or more physicians or pharmacists to provide consultation services.

16. Discharge Services: The process to prepare the Client for referral into another level of care, post treatment return or reentry into the community, and/or the linkage of the individual to essential community treatment, housing and human services. CONTRACTOR shall provide or arrange for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and Client. The exit plan shall be documented in the Client's chart.

17. Recovery Services: A level of care designed to support recovery and prevent relapse. It is not considered treatment. The focus is on restoring the Client to their best possible functional level and emphasizes the Client's role in managing their health by using effective self-management support strategies. The components of Recovery Services are:

a. Outpatient counseling services in the form of individual or group counseling to

stabilize the Client and then reassess if the Client needs further care;

- b. Recovery Monitoring: Recovery coaching, monitoring via telephone and internet;
- c. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;
- d. Education and Job Skills: Linkages to life skills, employment services, job training, and education services;
- e. Family Support: Linkages to childcare, parent education, child development support services, family/marriage education;
- f. Support Groups: Linkages to self-help and support, spiritual and faith-based support;
- g. Ancillary Services: Linkages to housing assistance, transportation, case management, individual services coordination.

18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries, clean linen, and food service.

19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by Clients and laundry access.

20. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure that all persons admitted for Residential Treatment services have a health questionnaire completed using form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information requested in the DHCS 5103 form.

a. The health questionnaire is a Client's self-assessment of his/her current health status and shall be completed by Client.

1) CONTRACTOR shall review and approve the health questionnaire form prior to Client's admission to the program. The completed health questionnaire shall be signed and dated by CONTRACTOR and Client, prior to admission.

2) A copy of the questionnaire shall be filed in the Client's record.

b. CONTRACTOR shall, based on information provided by Client on the health questionnaire form, refer Client to licensed medical professionals for physical and laboratory examinations as appropriate.

1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to Client's admission to the program when applicable.

2) A copy of the referral and clearance shall be filed in the Client's file.

3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV antibody testing and risk assessment and disclosure counseling.

4) The programs shall have written procedures for obtaining medical or

psychiatric evaluation and emergency and non-emergency services.

5) The programs shall post the name, address, and telephone number for the fire department, a crisis program, local law enforcement, and ambulance service.

6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar days of admission. These TB services shall consist of the following:

- a) Counseling with respect to TB;
- b) Testing to determine whether the individual has been infected and to determine the appropriate form of treatment;
- c) Provision for, or referral of, infected Clients for medical evaluation, treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to commencing treatment.

21. Transportation Services

a. COUNTY shall only pay for medical ambulance or medical van transportation to and from designated residential substance use disorder treatment programs or health facilities through the COUNTY's Medical Transportation Contract under the following conditions:

1) Ambulance transportation shall be used for services requiring immediate attention for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where delay in providing such services may aggravate the medical condition or cause the loss of life.

2) When any Client needs non-emergency transportation as identified in Subparagraph 21.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client's physical condition and/or limitations.

3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call Log to request transportation services from Ambulance Providers designated for transportation within the city of the CONTRACTOR's facility for each said month as identified on the log.

4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified on the Monthly Rotation Call Log as those providers who offer van transportation services if and when an ambulance is not required.

5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service under this section by the COUNTY.

b. Non-Emergency Transportation – CONTRACTOR shall transport Client to

locations that are considered necessary and/or important to the Client's recovery plan including, but not limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-emergency medical or mental health services not identified in Subparagraph 21.a. above, that require treatment at a physician office, urgent care, or emergency room when an ambulance provider is not necessary or required for transportation based on the level of severity and/or services required by the Client.

E. PERFORMANCE OUTCOMES

1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR recognizes that alterations may be necessary to the following services to meet the objectives, and, therefore, revisions to objectives and services may be implemented by mutual agreement between CONTRACTOR and ADMINISTRATOR.

2. Performance Outcome Objectives

a. Objective 1: Provide effective residential substance abuse assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as measured by Completion Rate.

b. Objective 2: Completion Rates shall be calculated by using the number of Clients who leave with satisfactory progress divided by the total number of Clients discharged during the evaluation period. Seventy percent (70%) of Clients will complete residential treatment program.

c. Objective 3: Provide linkage to the next level of care for Medi-Cal Clients upon discharge. thirty percent (30%) of Clients who have discharged will be linked with a lower level of care within thirty (30) calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be excluded.

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult Residential SUD Treatment Services Paragraph of this Exhibit A-1 to the Contract.

VIII. ADULT CO-OCCURRING RESIDENTIAL TREATMENT SERVICES

A. LENGTH OF STAY – Length of stay is based on medical necessity as determined by a Licensed Practitioner of the Healing Arts. COUNTY is adhering to the state goal of a thirty (30) calendar day average in the residential level of care. The facility shall have a capacity of thirty (30) beds and include adequate physical space to support the services identified within the Contract.

B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive

services despite the ability to pay. In order to receive services through the DMC-ODS, the Client must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.

C. RESIDENTIAL TREATMENT AUTHORIZATION - Clients will be authorized and referred to CONTRACTOR by the ART Team. If Client is pregnant, and/or has a history of intravenous drug use, a person who has a recent history of fentanyl use disorder, or a person linking to residential from any withdrawal management within the Orange County DMC-ODS system, and meets medical necessity for Residential Treatment, CONTRACTOR may directly admit the Client to treatment due to high acuity if provider has available bed slot. Clients who contact CONTRACTOR directly to request services shall be referred by CONTRACTOR to the ART Team. If Client is pregnant or an intravenous drug user who meets medical necessity for Residential Treatment, CONTRACTOR may admit to treatment bypassing the ART Team due to acuity, if provider has available bed slot and if program is licensed/certified for perinatal services. In this instance, CONTRACTOR must complete a SUD assessment and establish medical necessity for residential level of care. Assessment and authorization request must be submitted to the ART team for authorization within seventy-two (72) hours of client admission. CONTRACTOR shall enter data regarding request for service into IRIS access log established by ADMINISTRATOR for these Clients who access provider directly and bypass the ART team.

D. SERVICES – CONTRACTOR shall provide a non-institutional, twenty-four (24) hour non-medical, short-term residential program that provides rehabilitation services to Client based on Client goals and objectives during treatment. These services are intended to be individualized to treat the functional deficits identified in the ASAM Criteria. CONTRACTOR and Client work collaboratively to define barriers, set priorities, establish goals, create goals and objectives, and solve problems. Goals include sustaining abstinence, preparing for relapse triggers, improving personal health and social functioning, and engaging in continuing care. CONTRACTOR shall provide services in accordance with DHCS-Designated Levels of Care 3.3 or 3.5. Residential Treatment program shall consist of the following:

1. Intake: The process of determining that a Client meets the medical necessity criteria and a Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or analysis of substance use disorders; the diagnosis of substance use disorders; the review and signing of legal and admission paperwork; and the assessment of treatment needs to provide medically necessary services. Intake may include a physical examination and laboratory testing necessary for substance use disorder treatment.

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

3. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat two (2) or more Clients at the same time with a maximum of twelve (12) in the

group, focusing on the needs of the individuals served. Groups that count towards the structured service requirements shall not have a maximum limit for participants. 4.

Family Therapy: Family members can provide social support to the Client, help motivate their loved one to remain in treatment, and receive help and support for their own family recovery as well.

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

6. Medication Storage: Facilities will store all Client medication and facility staff members will oversee resident's self-administration of medication.

7. Collateral Services: Sessions with therapists or counselors and significant persons in the life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the Client's treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the Client.

8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services shall be limited to the stabilization of the Client's emergency situation.

9. Treatment Planning: CONTRACTOR shall collaborate with the Client on their progress in treatment in the current episode of care. Treatment planning activities include, but are not limited to, collaborating with the Client on problems for the development of the problem list, reviewing and/or updating the problem list; planning for the course of treatment using the information gathered about the Client's specific needs to determine what interventions may be needed to address those needs and promote progress towards improving level of functioning. Treatment planning activities will be consistent with the qualifying diagnosis.

10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a minimum of twenty (20) hours of structured activity per week.

11.EBPs: CONTRACTORS will implement at least two of the following EBPs, one of which must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality. The required EBP include:

a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem-solving or solution-focused strategies that build on Clients' past successes.

b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and

behavioral reactions are learned and that new ways of reacting and behaving can be learned.

c. **Relapse Prevention:** A behavioral self-control program that teaches individuals with substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved during initial substance use treatment.

d. **Trauma-Informed Treatment:** Services must take into account an understanding of trauma, and place priority on trauma survivors' safety, choice and control.

e. **Psycho-Education:** Psycho-educational groups are designed to educate Clients about substance abuse, and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth and change, identify community resources that can assist Clients in recovery, develop an understanding of the process of recovery, and prompt people using substances to take action on their own behalf.

12. **Care Coordination:** Care coordination services must be provided based on the needs of the Client. Services shall provide advocacy and care coordination to physical health, mental health, and transportation, housing, vocational, educational, and transition services for reintegration into the community. CONTRACTOR shall provide Care Coordination services for the Client during treatment, transition to other levels of care and follow ups, and to encourage the Client to engage and participate in an appropriate level of care or Recovery Services after discharge. Care Coordination becomes the responsibility of the next treating provider after successful transition to a different level of care. CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care, integration around primary care especially for Clients with a chronic SUD, and interaction with the criminal justice system, if needed. Care Coordination services may be provided face-to-face, by telephone, or by telehealth with the Client and may be provided anywhere in the community.

13. **MAT:** Services may be provided onsite with approval for Incidental Medical Services from DHCS. Medically necessary MAT services must be provided in accordance with the Client's individualized needs as determined by a licensed physician or LPHA working within their scope of practice.

a. MAT services must be provided in compliance with Policy and Procedures submitted to DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning, ordering, prescribing, administering, and monitoring of all medications for SUDs.

b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral

and injectable), acamprostate, disulfiram, and naloxone. Other approved medications in the treatment of SUDs may also be prescribed and administered, as medically necessary.

c. CONTRACTOR must provide care coordination with treatment and ancillary service providers and facilitate transitions between levels of care. Clients may simultaneously participate in MAT services and other ASAM LOCs.

14. Care Coordination for Mental and Physical Health: Programs must screen for mental health issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home provider of Client's admission to treatment within seven (7) calendar days of admission and request medical records/ physical exam. If Client does not have a medical home, identifying one shall be listed on the treatment plan or Problem List, whichever applies. Clients who are co-occurring with severe and persistent mental illness shall receive mental health services and support through Orange County Health Care Agency PACT program, if applicable, or other County or contracted programs designed to treat SPMI.

15. Physician/clinician Consultation: Physician Consultation Services include DMC physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists, or expert clinicians consulting with other clinicians on difficult cases. Physician consultation services are designed to assist DMC physicians by allowing them to seek expert advice with regards to designing treatment plans/problem lists for specific DMC-ODS members. Physician consultation services may address medication selection, dosing, side effect management, adherence, drug interactions, or level of care considerations. ADMINISTRATOR will provide one or more physicians or pharmacists to provide consultation services.

16. Discharge Services: The process to prepare the Client for referral into another level of care, post treatment return or reentry into the community, and/or the linkage of the individual to essential community treatment, housing and human services. CONTRACTOR shall provide or arrange for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and Client. The exit plan shall be documented in the Client's chart.

17. Recovery Services: A level of care designed to support recovery and prevent relapse. It is not considered treatment. Recovery Services focus on restoring the Client to their best possible functional level and emphasizes the Client's role in managing their health by using effective self-management support strategies. Recovery services may be provided face-to-face, by telephone, or by telehealth with the Client and may be provided anywhere in the community. Recovery services shall be made available to DMC-ODS members when a Medical Director or LPHA has determined that recovery services are medically necessary in accordance with the Client's needs. Clients may enroll simultaneously in Recovery Services while receiving treatment

services at another level of care if found to be clinically appropriate. The components of Recovery Services are:

- a. Assessment;
- b. Outpatient counseling services in the form of individual, family or group counseling to stabilize the Client and then reassess if the Client needs further care;
- c. Recovery Monitoring: Recovery coaching, monitoring which includes recovery coaching and monitoring designed for the maximum reduction of the Client's SUD.
- d. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;
- e. Education and Job Skills: Linkages to life skills, employment services, job training, and education services;
- f. Family Support: Linkages to childcare, parent education, child development support services, family/marriage education;
- g. Support Groups: Linkages to self-help and support, spiritual and faith-based support;
- h. Ancillary Services: Linkages to housing assistance, transportation, case management, individual services coordination; and
- i. Relapse Prevention, which includes interventions designed to teach Clients with SUD how to anticipate and cope with the potential for relapse for the maximum reduction of the Client's SUD.

18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries, clean linen, and food service.

19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by Clients and laundry access.

20. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure that all persons admitted for Residential Treatment services have a health questionnaire completed using form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information requested in the DHCS 5103 form.

a. The health questionnaire is a Client's self-assessment of his/her current health status and shall be completed by Client.

1) CONTRACTOR shall review and approve the health questionnaire form prior to Client's admission to the program. The completed health questionnaire shall be signed and dated by CONTRACTOR and Client, prior to admission.

2) A copy of the questionnaire shall be filed in the Client's record.

b. CONTRACTOR shall, based on information provided by Client on the health questionnaire form, refer Client to licensed medical professionals for physical and laboratory

examinations as appropriate.

1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to Client's admission to the program when applicable.

2) A copy of the referral and clearance shall be filed in the Client's file.

3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV antibody testing and risk assessment and disclosure counseling.

4) The programs shall have written procedures for obtaining medical or psychiatric evaluation and emergency and non-emergency services.

5) The programs shall post the name, address, and telephone number for the fire department, a crisis program, local law enforcement, and ambulance service.

6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar days of admission. These TB services shall consist of the following:

a) Counseling with respect to TB;

b) Testing to determine whether the individual has been infected and to determine the appropriate form of treatment;

c) Provision for, or referral of, infected Clients for medical evaluation, treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to commencing treatment.

21. Transportation Services

a. COUNTY shall only pay for medical ambulance or medical van transportation to and from designated residential substance use disorder treatment programs or health facilities through the COUNTY's Medical Transportation Contract under the following conditions:

1) Ambulance transportation shall be used for services requiring immediate attention for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where delay in providing such services may aggravate the medical condition or cause the loss of life.

5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service under this section by the COUNTY.

E. PERFORMANCE OUTCOMES

1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR recognizes that alterations may be necessary to the following services to meet the objectives, and, therefore, revisions to objectives and services may be implemented by

mutual agreement in writing between CONTRACTOR and ADMINISTRATOR.

2. Performance Outcome Objectives

a. Objective 1: CONTRACTOR shall provide effective residential substance abuse assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as measured by Retention and Completion Rates:

1) Retention Rates shall be calculated by using the number of Clients currently enrolled in or successfully completing the treatment program divided by the total number of Clients served during the evaluation period.

2) Completion Rates shall be calculated by using the number of Clients successfully completing the treatment program divided by the total number of Clients discharged during the evaluation period. Fifty percent (50%) of Clients will complete residential treatment program based on meeting established treatment goals.

b. CONTRACTOR shall provide linkage to the next level of care for Medi-Cal Clients upon discharge. Twenty percent (20%) of Clients who have discharged will be linked with a lower level of care within seven (7) calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be excluded.

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult Co-Occurring Residential Treatment Services Paragraph of this Exhibit A-1 to the Contract.

IX. ADULT CLINICALLY MANAGED WITHDRAWAL MANAGEMENT SERVICES

A. LENGTH OF STAY

1. Length of stay is based on medical necessity for withdrawal management in adherence with observation protocols established by Medical Director. The facility shall have a capacity of twelve (12) beds and include adequate physical space to support the services identified within the Contract.

B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services despite ability to pay. For clients to receive services through the DMC-ODS, the Client must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.

C. SERVICES - Clinically managed withdrawal management services shall consist of the following:

1. Intake: The process of determining that a Client meets the medical necessity criteria and a Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or analysis of substance use disorders; the diagnosis of substance use disorders; and

the assessment of treatment needs to provide medically necessary services. Intake may include a physical examination and laboratory testing necessary for substance use disorder treatment.

2. Observation:

a. CONTRATOR shall ensure at least one staff member shall be assigned to the observation of Withdrawal Management Clients at all times and be certified in cardiopulmonary resuscitation, first aid, and Naloxone administration. In facilities with sixteen (16) or more Clients, two (2) staff or properly credentialed volunteers shall be present at all times.

b. Staff or volunteer shall physically check each Client for breathing by a face-to-face physical observation at least every thirty (30) minutes and vital signs every six (6) hours at a minimum during the first seventy-two (72) hours following admission. The close observation and physical checks shall continue beyond the initial seventy-two (72) hour period for as long as the withdrawal signs and symptoms warrant. After twenty-four (24) hours, close observations and physical checks may be discontinued or reduced based upon a determination by a staff member trained in providing Withdrawal Management Services. Documentation of the information that supports a decrease in close observation and physical checks shall be recorded in the Client's file.

c. Documentation of observations and physical checks shall be recorded in a systematic manner in the Client file including information supporting a decrease in observation and physical checks and signature of staff.

d. Only program staff that have been trained in the provisions of Withdrawal Management Services may conduct observations and physical checks of Clients receiving Withdrawal Management Services. Training shall include information on detoxification medications, and signs and symptoms that require referral to a higher level of care. Training shall also include first aid cardiopulmonary resuscitation, and Naloxone administration. Copies of detoxification training records shall be kept in personnel files.

e. CONTRACTOR shall track training and keep certificate of completions on file. Tracker and certificates must be made available to ADMINISTRATOR within two (2) business days, upon request.

3. Individual Counseling: Contacts between a Client and a therapist or counselor.

4. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the needs of the individuals served.

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

6. Medication Storage: Facilities will store all Client medication and facility staff

members will oversee resident's self-administration of medication.

7. Collateral Services: Sessions with therapists or counselors and significant persons in the life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the Client's treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the Client.

8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services shall be limited to the stabilization of the Client's emergency situation.

9. Treatment Planning: CONTRACTOR shall engage in treatment planning activities, based upon information obtained in the intake and assessment process and in adherence to documentation standards set forth in QMS SUD documentation manual. The goals and objectives will be consistent with the qualifying diagnosis and will be signed by the Client and the LPHA.

10. EBPs: CONTRACTORS will implement at least two of the following EBPs, one of which must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality. The required EBP include:

a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem-solving or solution-focused strategies that build on Clients' past successes.

b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral reactions are learned and that new ways of reacting and behaving can be learned.

c. Relapse Prevention: A behavioral self-control program that teaches individuals with substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved during initial substance use treatment.

d. Trauma-Informed Treatment: Services must take into account an understanding of trauma, and place priority on trauma survivors' safety, choice and control.

e. Psycho-Education: Psycho-educational groups are designed to educate Clients about substance abuse, and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth and change, identify community resources that can assist Clients in recovery, develop an understanding of the process of recovery, and prompt people using

substances to take action on their own behalf.

11. Care Coordination: Care coordination services must be provided based on client need. Care coordination shall provide advocacy and care coordination to physical health, mental health, and transportation, housing, vocational, educational, and transition services for reintegration into the community. CONTRACTOR shall provide Care Coordination services for the Client during treatment, transition to other levels of care and follow ups, to encourage the Client to engage and participate in an appropriate level of care or Recovery Services after discharge. Care Coordination becomes the responsibility of the next treating provider after successful transition to a different level of care. CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care, integration around primary care especially for Clients with a chronic SUD, and interaction with the criminal justice system, if needed. Care Coordination services may be provided face-to-face, by telephone, or by telehealth with the Client and may be provided anywhere in the community.

12. MAT: Services may be provided onsite with approval for Incidental Medical Services from DHCS. Medically necessary MAT services must be provided in accordance with an individualized treatment plan determined by a licensed physician or LPHA working within their scope of practice.

a. MAT services must be provided in compliance with Policy and Procedures submitted to DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning, ordering, prescribing, administering, and monitoring of all medications for SUDs.

b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of SUDs may also be prescribed and administered, as medically necessary.

c. CONTRACTOR must provide care coordination with treatment and ancillary service providers and facilitate transitions between levels of care. Clients may simultaneously participate in MAT services and other ASAM LOCs.

13. Care Coordination for Mental and Physical Health: Programs must screen for mental health issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home provider of Client's admission to treatment within seven (7) calendar days of admission and request medical records/ physical exam. If Client does not have a medical home, this issue shall be identified on the Treatment Plan or Problem List, whichever applies.

14. Physician/Clinician Consultation: Physician/Clinician Consultation Services include DMC physicians' consulting with addiction medicine physicians, addiction psychiatrists or

clinical pharmacists, or expert clinicians consulting with other clinicians on difficult cases. Physician/Clinician consultation services are designed to assist DMC physicians and clinicians by allowing them to seek expert advice with regards to designing treatment plans/problem lists for specific DMC-ODS members. Physician/Clinician consultation services may address medication selection, dosing, side effect management, adherence, drug interactions, or level of care considerations. ADMINISTRATOR will provide one or more physicians or pharmacists to provide consultation services.

15. Discharge Services: The process to prepare the Client for referral into another level of care, post treatment return or reentry into the community, and/or the linkage of the individual to essential community treatment, housing and human services. CONTRACTOR shall provide or arrange for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and Client. The exit plan shall be documented in the Client's chart.

16. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries, clean linen, and food service.

17. Support Services: CONTRACTOR shall provide housekeeping, which may be done by Clients and laundry access.

18. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure that all persons admitted for Residential Treatment services have a health questionnaire completed using form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information requested in the DHCS 5103 form.

a. The health questionnaire is a Client's self-assessment of his/her current health status and shall be completed by Client.

1) CONTRACTOR shall review and approve the health questionnaire form prior to Client's admission to the program. The completed health questionnaire shall be signed and dated by CONTRACTOR and Client, prior to admission.

2) A copy of the questionnaire shall be filed in the Client's record.

b. CONTRACTOR shall, based on information provided by Client on the health questionnaire form, refer Client to licensed medical professionals for physical and laboratory examinations as appropriate.

1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to Client's admission to the program when applicable.

2) A copy of the referral and clearance shall be filed in the Client's file.

3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV antibody testing and risk assessment and disclosure counseling.

4) The programs shall have written procedures for obtaining medical or psychiatric evaluation and emergency and non-emergency services.

5) The programs shall post the name, address, and telephone number for the fire department, a crisis program, local law enforcement, and ambulance service.

6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar days of admission. These TB services shall consist of the following:

a) Counseling with respect to TB;

b) Testing to determine whether the individual has been infected and to determine the appropriate form of treatment;

c) Provision for, or referral of, infected Clients for medical evaluation, treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to commencing treatment.

19. Transportation Services

a. COUNTY shall only pay for medical ambulance or medical van transportation to and from designated residential substance use disorder treatment programs or health facilities through the COUNTY's Medical Transportation Contract under the following conditions:

1) Ambulance transportation shall be used for services requiring immediate attention for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where delay in providing such services may aggravate the medical condition or cause the loss of life.

2) When any Client needs non-emergency transportation as identified in Subparagraph 20.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client's physical condition and/or limitations.

3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call Log to request transportation services from Ambulance Providers designated for transportation within the city of the CONTRACTOR's facility for each said month as identified on the log.

4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified on the Monthly Rotation Call Log as those providers who offer van transportation services if and when an ambulance is not required.

5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service under this section by the COUNTY.

b. Non-Emergency Transportation – CONTRACTOR shall transport Client to locations that are considered necessary and/or important to the Client's recovery plan including, but not limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-emergency medical or mental health services not identified in Subparagraph 19.a. above, that require treatment at a physician office, urgent care, or emergency room when an ambulance provider is not necessary or required for transportation based on the level of severity and/or services required by the Client.

D. PERFORMANCE OUTCOMES

1. Objective 1: Demonstrate provision of effective withdrawal management services with a client completion rates of at least seventy percent (70%).

2. Objective 2: Completion Rates shall be calculated by using the number of clients who leave with satisfactory progress divided by the total number of clients discharged during the evaluation period.

3. Objective 3: Linkage to the next level of care for Medi-Cal Clients upon discharge; thirty percent (30%) of Clients who have discharged will be linked with a lower level of care within thirty (30) calendar days, as measured by charge data entered into IRIS. Linkage rates for Clients who discharge will include all California Outcome Measurement System (CalOMS) standard discharged dispositions. All CalOMS administrative discharge dispositions will be excluded.

E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult Clinically Managed Withdrawal Management Services Paragraph of this Exhibit A-1 to the Contract.

X. STAFFING

A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-Time Equivalent (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal to an average of forty (40) hours work per week.

<u>PROGRAM</u>	<u>FTE</u>
Accountant	1.00
Administrative Assistant	1.00
Admissions & Navigation Supervisor	1.00
Admissions & Navigation Team	1.00
Alumni & Volunteer Coordinator	1.00
Billing & Claims Specialist	1.00

Chief Operations Officer	0.50
Community & Health Equity Liaison	0.50
Clinical Program Monitor	1.00
Director of Quality Improvement	1.00
Executive Director of Operations	1.00
Facilities Coordinator	1.00
Front Desk Staff	3.00
Medical Director	0.25
Payer Relations & Contracting Specialist	0.50
Quality Assurance Specialist	1.00
<u>Strategy & Quality Improvement</u>	<u>0.25</u>
TOTAL FTE	16.00

B. CONTRACTOR shall provide sufficient administrative and program staffing to ensure its delivery of all services specified in this Exhibit A-1 to the Contract.

C. CONTRACTOR shall, at its own expense, provide and maintain licensed practitioners of the healing arts and supportive personnel to provide all necessary and appropriate management services.

D. CONTRACTOR shall attempt in good faith to recruit and retain bilingual, culturally competent staff to meet the diverse needs of the community threshold languages as determined by COUNTY. CONTRACTOR shall also ensure recruitment and retention of staff that have experience in working with diverse populations with specialty needs, including but not limited to, children/adolescents and older adults. When staffing vacancies occur, CONTRACTOR shall attempt to fill with bilingual and bicultural staff. If CONTRACTOR's available candidates require filling those positions with non-bilingual and bicultural staff, CONTRACTOR shall notify ADMINISTRATOR in writing, at least seven (7) calendar days in advance of hiring.

E. CONTRACTOR shall use an interpreter service when a caller speaks a language not spoken by staff, as well as the California Relay Service for hearing impaired Clients.

F. CONTRACTOR shall maintain personnel files for each staff member, both administrative and programmatic, both direct and indirect, which shall include, but not be limited to, an application for employment, qualifications for the position, documentation of bicultural/bilingual capabilities (if applicable), valid licensure verification, if applicable, and pay rate and evaluations justifying pay increases.

G. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours of any non-pooled staffing vacancies that occur during the term of the Contract.

CONTRACTOR's notification shall include at a minimum the following information: employee name(s), position title(s), date(s) of resignation, date(s) of hire, and a description of recruitment activity.

H. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) calendar days in advance, of any new non-pooled staffing changes; including promotions, temporary FTE changes and internal or external temporary staffing assignment requests that occur during the term of the Contract.

I. CONTRACTOR shall ensure that all staff are trained based on COUNTY requirements and have a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and place it in their personnel files, on forms approved by COUNTY.

J. CONTRACTOR shall ensure that all staff, albeit paid or unpaid, complete necessary training prior to performing duties associated with their titles and any other training necessary to assist CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as State and Federal regulatory requirements. Training information should be tracked on forms mutually agreed upon and approved by COUNTY.

K. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, albeit paid or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness. Supervision methods should include debriefings and consultation as needed, individual supervision or one-on-one support, and team meetings. Supervision should be provided by a supervisor who has extensive knowledge regarding mental health issues.

L. CONTRACTOR shall ensure that designated staff completes COUNTY's Annual Provider Training and Annual Compliance and Cultural Competency Training.

M. TOKENS – ADMINISTRATOR shall provide CONTRACTOR the necessary number of Tokens for appropriate individual staff to access ADMINISTRATOR designated reporting system at no cost to CONTRACTOR.

1. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member with a unique password. Tokens and passwords shall not be shared with anyone.

2. CONTRACTOR shall ensure information obtained by the use of a Token is used for the sole purpose of this Contract and shall not be shared with any other lines of business without the expressed or written consent of the Client.

3. CONTRACTOR shall request and return tokens pursuant to COUNTY Standard Operating Procedure (SOP) for Processing Token Requests.

4. CONTRACTOR shall maintain an inventory of Tokens activated/deactivated for each staff member.

5. CONTRACTOR shall request ADMINISTRATOR deactivate all Tokens under the following conditions:

- a. Token of any staff member who no longer supports the Contract;
- b. Token of any staff member who no longer requires access to ADMINISTRATOR designated reporting system;
- c. Token of any staff member who leaves employment of CONTRACTOR;
- d. Token is malfunctioning; or
- e. Termination of Contract.

N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing Paragraph of this Exhibit A-1 to the Contract.

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EXHIBIT B
 TO MASTER SERVICES AGREEMENT
 FOR PROVISION OF
 MENTAL HEALTH AND RECOVERY SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 MIND OC
 OCTOBER 1, 2022 THROUGH JUNE 30, 2025

MENTAL HEALTH CRISIS SERVICES

I. COMMON TERMS AND DEFINITIONS

A. The Parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in the Contract.

1. Admission means documentation, by CONTRACTOR, for completion of entry and evaluation services, provided to Clients seen in COUNTY and COUNTY-contracted services, into IRIS.

2. Care Coordination means services that assist a Client to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. This definition applies to programs under the DMC-ODS and MHP.

3. CAT means Crisis Assessment Team which provides twenty-four (24) hour mobile response services to anyone who has a psychiatric emergency. This program assists law enforcement, social service agencies, and families in providing crisis intervention services for the mentally ill. CAT is a multi-disciplinary program that conducts risk assessments, initiates involuntary hospitalizations, and provides linkage, follow ups for Clients evaluated. There are separate adult and youth CATs.

4. Client or Individual means a person who is referred or enrolled, for services under the Contract who is living with mental, emotional, or behavioral disorders.

5. Closed-loop referral means the people, processes and technologies that are deployed to coordinate and refer Clients to available community resources (i.e., health care, behavioral health services, and/or other support services) and follow-up to verify if services were rendered.

6. Crisis Stabilization Unit (CSU) means a behavioral health crisis stabilization program that operates 24 hours a day that serves Orange County residents, aged 13 and older,

who are experiencing behavioral health crises that cannot wait until regularly scheduled appointments. Crisis Stabilization services include psychiatric evaluations provided by Doctors of Medicine (MD), Nurse Practitioners (NP), Doctors of Osteopathic Medicine (DO, counseling/therapy provided by Licensed Clinical Social Workers or Marriage Family Therapists or registered/waivered clinicians, nursing assessments, collateral services that include consultations with family, significant others and outpatient providers, client and family education, crisis intervention services, basic medical services, medication services, and referrals and linkages to the appropriate level of continuing care and community services, including Peer Specialist and Peer Mentoring services. As a designated outpatient facility, the CSU may evaluate and treat Clients for no longer than 23 hours and 59 minutes. The primary goal of the CSU is to help stabilize the crises and begin treating Clients in order to refer them to the most appropriate, least restrictive, non-hospital setting when indicated or to facilitate admission to psychiatric inpatient units when the need for this level of care is present. The CSU must meet state and local regulatory requirements.

7. Diagnosis means identifying the nature of a disorder. When formulating a Diagnosis(es), CONTRACTOR shall use the diagnostic codes as specified in the most current edition of the Diagnostic 3 and Statistical Manual of Mental Disorders (DSM) published by the American Psychiatric Association and/or ICD 10. ICD10 diagnoses will be recorded on all IRIS documents, as appropriate.

8. DSH means Direct Service Hours and refers to a measure in minutes that a clinician spends providing Client services. DSH credit is obtained for providing mental health, case management, medication support and a crisis intervention service to any Client open in IRIS, which includes both billable and non-billable services.

9. Engagement means the process where a trusting relationship is developed over a short period of time with the goal to link the Client(s) to appropriate services within the community. Engagement is the objective of a successful outreach.

10. Face-to-Face means an encounter between the client/parent/guardian and provider where they are both physically present. This does not include contact by phone, email, etc., except for Telepsychiatry provided in a manner that meets COUNTY protocols.

11. Head of Service means an individual ultimately responsible for overseeing the program and is required to be licensed as a mental health professional.

12. Integrated Records Information System (IRIS) means COUNTY's database system and refers to a collection of applications and databases that serve the needs of programs within COUNTY and includes functionality such as registration and scheduling, laboratory information system, billing and reporting capabilities, compliance with regulatory requirements, electronic

medical records, and other relevant applications.

13. Lanterman–Petris–Short (LPS) Act (Cal. Welf & Inst. Code, sec. 5000 et seq.) provides guidelines for handling involuntary civil commitment to a mental health institution in the State of California.

14. Licensed Clinical Social Worker (LCSW) means a licensed individual, pursuant to the provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

15. Licensed Marriage Family Therapist (MFT) means a licensed individual, pursuant to the provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

16. Licensed Professional Clinical Counselor (LPCC) means a licensed individual, pursuant to the provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions of Chapter 16 of the California Business and Professions Code, who can provide clinical service to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

17. Licensed Psychiatric Technician (LPT) means a licensed individual, pursuant to the provisions of Chapter 10 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

18. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter 6.6 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

19. Licensed Vocational Nurse (LVN) means a licensed individual, pursuant to the provisions of Chapter 6.5 of the California Business and Professions Code, who can provide clinical services to individuals they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of

experience treating TAY.

20. Linkage means when a Client has attended at least one appointment or made one visit to the identified program or service for which the Client has received a referral or to which they have self-referred.

21. Live Scan means an inkless, electronic fingerprint which is transmitted directly to the Department of Justice (DOJ) for the completion of a criminal record check, typically required of employees who have direct contact with the individuals served.

22. Medi-Cal means the State of California's implementation of the federal Medicaid health care program which pays for a variety of medical services for children and adults who meet eligibility criteria.

23. Medical Necessity means that a service is medically necessary if it is needed in order to address a particular mental health condition. Four parts must be present to meet the criteria for medical necessity: 1) a covered diagnosis per COUNTY's MHP, 2) an impairment as a result of the disorder that affects your ability to function individually or in the community, 3) the intervention needed must be focused on addressing the impairment, and 4) the intervention must meet specialty mental health service criteria (i.e., the condition being treated would be responsive to mental health treatment, but would not be responsive to physical health care based treatment).

24. The Mental Health Services Act (MHSA) means a voter-approved initiative to develop a comprehensive approach to providing community-based mental health services and supports for California residents. It is also known as "Proposition 63."

25. National Provider Identifier (NPI) means the standard unique health identifier that was adopted by the Secretary of HHS Services under HIPAA for health care providers. All HIPAA covered healthcare providers, individuals, and organizations must obtain an NPI for use to identify themselves in HIPAA standard transactions. The NPI is assigned for life.

26. Milestones of Recovery Scale (MORS) refers to a Recovery scale that COUNTY uses in Adult and Older Adult Behavioral Health programs. The scale assigns Clients to their appropriate level of care and replaces diagnostic and acuity of illness-based tools.

27. Notice of Adverse Benefit Determination (NOABD), as outlined in California Code of Regulations Title 9 Chapter 11 Section 1850.210 and Title 22, Section 50179 means to provide formal written notification via hand-delivery or mail to Medi-Cal Beneficiaries and faxed or mailed to ADMINISTRATOR when services are denied, modified, reduced, delayed, suspended or terminated as specified by State standards.

28. Notice of Privacy Practices (NPP) means a document that notifies Clients of uses and disclosures of their PHI. The NPP may be made by, or on behalf of, the health plan or health care provider as set forth in HIPAA.

29. Outreach means linking Clients to appropriate Mental Health Services within the community. Outreach activities will include educating the community about the services offered and requirements for participation in the various mental health programs within the community. Such activities will result in CONTRACTOR developing its own Referral sources for programs being offered within the community.

30. Medi-Cal Peer Recovery Specialist/Counselor means an individual in a paid position who has been through the same or similar Recovery process as those being assisted to attain their Recovery goals in the CSU. A peer Recovery Specialist practice is informed by personal experience.

31. Program Director means an individual who is responsible for all aspects of administration and clinical operations of the behavioral health program, including development and adherence to the annual budget. This individual will also be responsible for the following: hiring, development and performance management of professional and support staff, and ensuring mental health treatment services are provided in concert with COUNTY and state rules and regulations.

32. Protected Health Information (PHI) means individually identifiable health information usually transmitted through electronic media. PHI can be maintained in any medium as defined in the regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is created or received by a covered entity and is related to the past, present, or future physical or mental health or condition of an individual, provision of health care to an individual, or the past, present, or future payment for health care provided to an individual.

33. Psychiatrist means an individual who meets the minimum professional and licensure requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of experience treating children and TAY.

34. Quality Improvement Committee (QIC) means a committee that meets quarterly to review one percent (1%) of all "high-risk" Medi-Cal recipients in order to monitor and evaluate the quality and appropriateness of services provided. At a minimum, the committee is comprised of one (1) ADMINISTRATOR, one (1) clinician, and one (1) physician who are not involved in the clinical care of the cases.

35. Referral means effectively linking Clients to other services within the community and documenting follow-up provided within five (5) business days to assure that Clients have made contact with the referred service(s).

36. Registered Nurse (RN) means a licensed individual, pursuant to the provisions of Chapter 6 of the California Business and Professions Code, who can provide clinical services to the Clients served. The license must be current and in force, and has not been suspended or

revoked.

37. Residential Counselor means an individual in a paid position who has holds a High School Diploma or General Educational Development Certificate (GED) and two (2) years' experience working in a paid position in the mental health field.

38. Resource Recommendation means the process of providing a Client with one or more suggested resources, without plans and/or an ability to follow up on Linkage status.

39. Self-Referral means when a Client or family member directly contacts a service provider with the goal of receiving services for themselves or a family member, regardless of Linkage status.

40. Seriously Emotionally Disturbed (SED) means children or adolescent minors under the age of eighteen (18) years who have a behavioral health disorder, as identified in the most recent edition of the DSM and/or the ICD 10, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child's age according to expected developmental norms. W&I 5600.3.

41. Serious Persistent Mental Impairment (SPMI) means an adult with a behavioral health disorder that is severe in degree and persistent in duration, which may cause behavioral functioning which interferes substantially with the primary activities of daily living, and which may result in an inability to maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for a long or indefinite period of time. W&I 5600.3.

42. Supervisory Review means ongoing clinical case reviews in accordance with procedures developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards. Supervisory review is conducted by the program/clinic director or designee.

43. Soft Token means the security device which allows an individual user to access the COUNTY's computer based IRIS.

44. Uniform Method of Determining Ability to Pay (UMDAP) means the method used for determining an individual's annual liability for Mental Health Services received from the COUNTY mental health system and is set by the State of California. Every Client seen in any COUNTY or COUNTY-contracted program needs an UMDAP regardless of contract payment structure, whether the contract is actual cost based or fee for service.

45. Unit of Service (UOS) means the measurement used to quantify services provided to a client/member; these units can vary depending on type of service in the MHP or DMC_ODS plans. Each one (1) hour block that the Client receives crisis stabilization services shall be claimed. Partial blocks of time shall be rounded up or down to the nearest one (1) hour increment except that services provided during the first hour shall always be rounded up.

46. Wellness Action & Recovery Plan (WRAP) means a self-help technique for monitoring and responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of life.

B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Common Terms and Definitions Paragraph of this Exhibit B to the Contract.

II. BUDGET

A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph of this Exhibit B to the Contract and the following budget, which is set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

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Crisis Stabilization Unit	<u>PERIOD THREE</u>	<u>TOTAL</u>
ADMINISTRATIVE COSTS		
Indirect Costs	\$ 921,740	\$ 921,740
TOTAL ADMINISTRATIVE COSTS	\$ 921,740	\$ 921,740
PROGRAM COSTS		
Salaries	\$ 4,442,553	\$ 4,442,553
Benefits	\$ 1,337,419	\$ 1,337,419
Services and Supplies	\$ 687,328	\$ 687,328
Subcontractor	\$ 2,750,096	\$ 2,750,096
TOTAL PROGRAM COSTS	\$ 9,217,396	\$ 9,217,396
TOTAL AMOUNT NOT TO EXCEED	\$ 10,139,136	\$ 10,139,136

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Crisis Residential Program	<u>PERIOD THREE</u>	<u>TOTAL</u>
ADMINISTRATIVE COSTS		
Indirect Costs	\$ 261,000	\$ 261,000
TOTAL ADMINISTRATIVE COSTS	\$ 261,000	\$ 261,000
PROGRAM COSTS		
Salaries	\$ 1,407,745	\$ 1,407,745
Benefits	\$ 422,323	\$ 422,323
Services and Supplies	\$ 606,764	\$ 606,764
Subcontractor	\$ 150,318	\$ 150,318
TOTAL PROGRAM COSTS	\$ 2,587,150	\$ 2,587,150
TOTAL AMOUNT NOT TO EXCEED	\$ 2,848,150	\$ 2,848,150

B. CONTRACTOR and ADMINISTRATOR mutually agree that the Amount Not to Exceed identified in Paragraph II.A. of this Exhibit B to the Contract includes Indirect Costs not to exceed ten percent (10%) of Direct Costs, and which may include operating income estimated at two percent (2%). Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may include operating income.

C. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds between programs, or between budgeted line items within a program, for the purpose of meeting specific program needs or for providing continuity of care to its members, by utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance, which will include a justification narrative specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining annual impact of the shift as may be applicable to the current contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.

D. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete financial records of its cost and operating expenses. Such records will reflect the actual

cost of the type of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will be made in accordance with GAAP, and Medicare regulations. The Client eligibility determination and fee charged to and collected from Clients, together with a record of all billings rendered and revenues received from any source, on behalf of Clients treated pursuant to the Contract, must be reflected in CONTRACTOR's financial records.

E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget Paragraph of this Exhibit B to the Contract.

III. PAYMENTS

A. BASIS FOR PAYMENT: COUNTY shall pay CONTRACTOR monthly, in arrears, the provisional amount of \$1,082,273 for Period Three. All payments are interim payments only and are subject to Final Settlement in accordance with the Cost Report Paragraph of the Contract for which CONTRACTOR shall be reimbursed for the actual cost of providing the services in this Exhibit B, which may include Indirect Administrative Costs, as identified in Paragraph II.A. of this Exhibit B to the Contract; provided, however, the total of such payments does not exceed COUNTY's Amount Not to Exceed as specified in the Referenced Contract Provisions of the Contract and, provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY, State and/or Federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices or make advance payments for any month during the term.

1. In support of the monthly invoices, CONTRACTOR shall submit an Expenditure and Revenue Report as specified in the Reports Paragraph of this Exhibit B to the Contract. ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.

2. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred by CONTRACTOR.

3. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR may authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred by CONTRACTOR.

B. CONTRACTOR's invoices shall be on a form approved or supplied by COUNTY and provide such information as is required by ADMINISTRATOR. Invoices are due the twentieth (20th) calendar day of each month. Invoices received after the due date may not be paid within the same month. Payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice form.

C. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements, canceled checks, receipts, receiving records and records of services provided.

D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with any provision of the Contract.

E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration and/or termination of the Contract, except as may otherwise be provided under the Contract, or specifically agreed upon in a subsequent contract.

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Payments Paragraph of this Exhibit B to the Contract.

IV. REPORTS

A. CONTRACTOR is required to comply with all applicable reporting requirements, including the requirements set forth in Division 5 of the California Welfare Institutions Code and Division 1, Title 9 of the California Code of Regulations, as well as any reports required of LPS designated facilities in the County of Orange.

B. CONTRACTOR shall enter demographic information of all Clients served, direct services information, and other appropriate data into COUNTY's data information system (IRIS), including the utilization of the BHS Access Logs and NOABD reporting as required for all programs.

C. PROGRAMMATIC – CONTRACTOR shall submit monthly programmatic reports to ADMINISTRATOR. These reports shall be in a format approved by ADMINISTRATOR and shall include, but not limited to, descriptions of any performance objectives, outcomes, and or interim findings as directed by ADMINISTRATOR. CONTRACTOR shall be prepared to present and discuss the programmatic reports at the monthly meetings with ADMINISTRATOR, to include whether or not CONTRACTOR is progressing satisfactorily and if not, specify what steps are being taken to achieve satisfactory progress. Such reports shall be received by ADMINISTRATOR no later than the twentieth (20th) calendar day following the end of the month being reported.

D. On a monthly basis, CONTRACTOR shall report the following information to

ADMINISTRATOR:

1. Number of admissions, both involuntary vs voluntary;
2. Referral source;
3. Number of admissions by funding (Medi-Cal, Health Plan, unfunded, etc.);
4. Average daily census;
5. Average length of stay (LOS);
6. Number of discharges and inpatient transfers;
7. Type of residence upon discharge;
8. Instances of Restraint and Seclusions/ Initiated and Instances of Seclusions;
9. Percentages of Clients seen for medication by MD/NP within an hour;
10. Percentages Discharged to a lower level of care and higher level of care;
11. Number of stays over twenty-four (24) hours and respective LOS for each;
12. A mutually agreed upon measure of seclusion and restraint utilization;
13. Recidivism, defined as readmissions occurring up to 14 and 60 calendar days post-discharge; and
14. Data regarding recidivating Clients with unmet needs, defined as Clients with four or more admissions in a month.

E. ACCESS LOG – CONTRACTOR shall enter all appropriate services into County BHS Access Log in IRIS.

F. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issue that materially or adversely affect the quality or accessibility of services provided by, or under contract with, COUNTY.

G. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional welfare of the Clients seen, including, but not limited to, serious physical harm to self or others, serious destruction of property, developments, etc., and which may raise liability issues with COUNTY. CONTRACTOR shall notify COUNTY within twenty-four (24) hours of any such serious adverse incident in the form of a Special Incident Report (SIR).

H. ADDITIONAL REPORTS – Upon ADMINISTRATOR's request, CONTRACTOR shall make such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information requested and allow thirty (30) calendar days for CONTRACTOR to respond.

I. CONTRACTOR shall be responsible to inform ADMINISTRATOR of any problems in collecting data, pertinent facts or interim findings, staff changes, status of license(s) and/or certification(s), changes in population served, and reasons for any changes. Additionally, a

statement that CONTRACTOR is or is not progressing satisfactorily in achieving all the terms of the Contract shall be included.

J. CONTRACTOR shall, upon ADMINISTRATOR's request, revise and make changes to all reports as needed.

K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify this Reports paragraph in Exhibit B.

V. CRISIS STABILIZATION SERVICES

A. FACILITIES

1. CONTRACTOR shall maintain the capability to provide Crisis Stabilization Services to Clients aged thirteen (13) and above at the following facility, which meets the minimum requirements for Medi-Cal eligibility and Designation:

265 South Anita Drive
Orange, CA 92868

2. CONTRACTOR shall provide Crisis Stabilization Services twenty-four (24) hours per day seven (7) days per week, 365 days per year.

3. CONTRACTOR shall commence service delivery thirty (30) calendar days to sixty (60) calendar days from contract start date. A written request for an extension must be submitted in advance to ADMINISTRATOR for approval if CONTRACTOR is not ready to provide services by the target date.

4. The facility shall have access for persons presenting on a drive-up basis, walk-in, via police drop off and ambulance delivery.

5. The facility shall have a minimum of seventy-three hundred (7,300) square feet with the majority of the space dedicated to Clients served and their care. Treatment areas shall be in visible line of sight from the nursing area. Space shall be allocated for: rest; socialization/living room; dining; seclusion and restraint/quiet rooms for agitated persons; private intake/exam space; medication room; and sufficient workspace for staff and conference/meeting rooms. Space shall be designed for the Clients treated and treatment staff to coningle for the majority of the time and shall enable them to work together in an easily accessible fashion. There shall be space dedicated for their families and significant others/support network to receive collateral treatment and areas for family/significant others to participate in program, visit, and stay with the Client being treated as clinically indicated. Nursing stations will be open and easily accessible for staff and Clients to communicate.

6. The facility shall meet the standards of the applicable sections of:
 - a. Sections 1840.338 and 1840.348 of California Code of Regulations (CCR) Title 9, for Crisis Stabilization Services;
 - b. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq., as implemented in 45 CFR 84.1 et seq.);
 - c. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the prohibition of discrimination against qualified persons with disabilities in all programs or activities, as they exist now or may be hereafter amended together with succeeding legislation;
 - d. All SD/MC requirements as delineated in California Code of Regulations, Title 9, Chapter 11, Medi-Cal Specialty Mental Health Services; and
 - e. All applicable requirements delineated in Division 5 of the California Welfare & Institutions Code and required by ADMINISTRATOR for LPS designated facilities.

7. CONTRACTOR shall be SD/MC certified prior to the effective date for commencing contracted services. To obtain COUNTY's certification of CONTRACTOR's site, CONTRACTOR shall be responsible for making any necessary changes to meet or maintain Medi-Cal site standards.

8. CONTRACTOR shall be LPS designated prior to the effective date for commencing contracted services for Clients involuntarily detained on Welfare and Institutions Code 5150 or 5585 holds.

9. The facility shall have a capacity to serve twenty-two (22) Clients at one time and twenty-four (24) Clients per day and will include adequate physical space to support the services identified within this Contract.

10. CONTRACTOR's administrative staff holiday schedule shall be consistent with COUNTY's holiday schedule unless otherwise approved in writing by ADMINISTRATOR.

B. CLIENTS TO BE SERVED:

1. Orange County Residents;
2. Experiencing a behavioral health emergency, may have a co-occurring disorder, at risk of hospitalization and cannot wait for a regularly scheduled appointment; and
3. Individuals thirteen (13) years of age or more.

C. SERVICES TO BE PROVIDED

1. CONTRACTOR shall provide psychiatric crisis stabilization services to individuals in behavioral health crisis on a twenty-four (24) hours a day basis to provide a viable option to the default presentation to emergency departments. Crisis Stabilization Services shall be rendered to any individual presenting for services who is in a behavioral health crisis and cannot wait for their regularly scheduled appointment if it is medically safe to do so. Crisis Stabilization services

shall include, but are not limited to: psychiatric assessment, physical screening, collateral history, therapy, crisis intervention, medication services, education, nursing assessment, peer specialist services, coordination of referrals to continuing care and emergency housing, post discharge planning and facilitation of transfer of Clients to inpatient treatment facilities when clinically appropriate and indicated. Services described herein are primarily designed to provide timely and effective crisis intervention and stabilization for persons experiencing behavioral health emergencies. The goals also include: minimize distress for the Client/family resulting from lengthy waits in emergency departments, reduce the wait time for law enforcement presenting Clients for emergency behavioral health treatment; and treating the Client in the least restrictive, most dignified setting as appropriate in lieu of inpatient settings, utilizing alternative, less restrictive treatment options whenever possible and appropriate. Services shall be provided in compliance with Welfare & Institutions Code and consistent with all patients' rights regulations, upholding the dignity and respect of all Clients served and meeting the goals for such services. The services shall also be provided utilizing Trauma Informed and Recovery Model principles that are person-centered, strengths-based, individualized, focused on imparting hope and identifying strengths and resiliency in all persons served. Services shall be tailored to the unique strengths of each Client and will use shared decision-making to encourage the Client to manage their behavioral health treatment, set their own path toward recovery and fulfillment of their hopes and dreams. CONTRACTOR shall have an affiliation with an identified hospital that will be providing the facility with access to medical, laboratory and pharmaceutical support prior to initiating services.

2. CONTRACTOR shall perform clinical and psycho-diagnostic assessment using the most recent DSM and/or ICD10 to include clinical consideration of each fundamental need: physical, psychological, familial, educational, social, environmental and recreational. Additional examinations, tests and evaluations may be conducted as clinically indicated. Findings of the examinations and evaluations shall be documented in the client record and signed by CONTRACTOR's appropriate and responsible staff.

3. CONTRACTOR shall provide psychiatric evaluations by licensed psychiatrist or psychiatric nurse practitioner(s) who shall issue prescriptions and order medications as clinically indicated. Medication support services shall include a system of medication quality review provided by well-trained, experienced psychiatrists knowledgeable in the use of medication to improve functioning.

4. CONTRACTOR shall complete physical health assessments which shall be performed by a physician, doctor of osteopathy, a nurse practitioner or registered nurse. CONTRACTOR shall provide or arrange for laboratory tests as are necessary to adequately

complete the assessment and to support continued psychiatric stabilization of the Client. Non-emergency medical intervention will be provided on-site by qualified and trained and appropriately licensed individuals.

5. CONTRACTOR shall engage both the Client and the Clients' family or other significant support persons whenever possible. Such collateral services may include providing therapy to parents/guardians, adult caregivers or significant others to help the Client in maintaining living arrangements in the community. CONTRACTOR shall refer such caregiver(s) to appropriate community supports, and/or educational services. CONTRACTOR shall document contact with family/support persons or document why such contact is not possible or not advisable.

6. CONTRACTOR shall obtain valid consents from the Clients, parents or courts for treatment as required.

7. CONTRACTOR shall provide a sufficient amount of treatment services at all times to accommodate the Clients served and their supports not able to participate during regular daytime hours.

8. CONTRACTOR shall provide individual sessions for intake, recovery planning, and discharge. Additional individual counseling sessions shall take place as clinically necessary.

9. CONTRACTOR shall use individual therapy, brief intensive services, motivational interviewing, and short-term group therapy modalities including psycho-educational, cognitive behavioral and self-soothing therapy techniques.

10. CONTRACTOR shall promote recovery via individual and/or group sessions. Topics may include, but not be limited to: building a wellness toolbox or resource list, trauma informed principles of self-care, healthy habits, symptom monitoring, triggers and early warning signs of symptoms/relapse, identifying a crisis plan, and WRAP, etc.

11. CONTRACTOR shall provide all medically necessary substance use disorder treatment services for Clients who are living with a co-occurring substance use disorder problem in addition to their behavioral health issues as appropriate and shall make appropriate referrals to the SUD system of care for needs that extend beyond those that co-occur during the course of the mental health crisis stabilization episode.

12. CONTRACTOR shall develop strategies to advance trauma-informed care and to accommodate the vulnerabilities of trauma survivors.

13. Services are to be provided in an environment which is compatible with and supportive of a recovery model. Services shall be delivered in the spirit of recovery and resiliency, tailored to the unique strengths of each Client. The focus will be on personal responsibility for symptom management and independence, which fosters empowerment, hope,

and an expectation of recovery from behavioral health illness. Recovery oriented and trauma informed language and principles shall be evident and incorporated in CONTRACTOR's policies, program design and space, and practice.

14. CONTRACTOR shall sustain a culture that supports and employs Peer Recovery Specialist/Counselors in providing supportive socialization for Clients that will assist in their recovery, self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be encouraged to share their stories of recovery as much as possible to stimulate the milieu with the notion that recovery is possible and to destigmatize behavioral health issues, inspire, and provide guidance.

15. CONTRACTOR shall ensure that Clients leave the facility with a medication supply (seven (7) to fourteen (14) day supply) sufficient to bridge them to their aftercare appointment with a prescribing provider by establishing a contractual agreement with a licensed pharmacy to deliver and supply discharge medications as necessary.

16. CONTRACTOR shall ensure prescribers consider respective formularies as part of their prescribing practices and in accordance with the HCA Behavioral Health Services (BHS) practice guidelines.

17. CONTRACTOR shall have light meals and snacks available as needed. Food will be nutritious and balanced and consist of an array of different foods that consider the special dietary and ethnic and cultural needs/values of the Clients served.

18. CONTRACTOR shall provide linkage and consultation with both more restrictive levels of care and community-based services designed to avoid hospitalization.

19. CONTRACTOR shall develop a written discharge and aftercare plan, including written discharge instructions for each Client that shall be based on the assessment and diagnosis of that Client. The discharge/aftercare plan and discharge instructions shall include all required elements for designated facilities.

20. CONTRACTOR shall adhere to any/all LPS designated facility requirements including providing assessments for involuntary hospitalization when necessary. This service must be available twenty-four (24) hours per day, seven (7) days per week, 365 days per year.

21. CONTRACTOR will make follow up calls to assist Clients in making successful linkage to on-going behavioral health services. Such calls shall be initiated within twenty-four (24) hours during business days and seventy-two (72) hours of discharge during weekend periods and shall be documented in the medical record as a Care Coordination Services as appropriate.

22. As a designated outpatient facility, the facility may evaluate and treat Clients for no longer than twenty-three (23) hours and fifty-nine (59) minutes. CONTRACTOR shall have a process in place for describing actions taken when a person seen at the CSU has an episode that

exceeds the twenty-three (23) hours and fifty-nine (59) minute limitation for a CSU stay. At a minimum, CONTRACTOR will notify COUNTY's Patient Rights Advocate of these instances. CONTRACTOR shall follow designated outpatient requirements as modified by the state for Crisis Stabilization.

23. CONTRACTOR is responsible to provide or arrange for the transport of Clients requiring an inpatient level of care. This may include establishing a system both emergency and non emergency transportation.

D. QUALITY IMPROVEMENT

1. CONTRACTOR shall participate in any clinical case review and implement any recommendations made by COUNTY to improve the care provided to the individuals seen.

2. CONTRACTOR shall conduct Supervisory Review in accordance with procedures developed by ADMINISTRATOR. CONTRACTOR shall ensure that all chart documentation complies with all federal, state, and local guidelines and standards.

3. CONTRACTOR shall ensure that all clinical documentation is completed promptly and is reflected in the individual's chart within seventy-two (72) hours after the completion of services.

4. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR Documentation Manual or its equivalent, and any State requirements, as provided by ADMINISTRATOR, which describes, but is not limited to, the requirements for Medi-Cal and ADMINISTRATOR charting standards. CONTRACTOR shall have a utilization management process in place to internally monitor documentation and billing standards on a routine basis.

5. CONTRACTOR shall demonstrate the capability to maintain a medical records system, including the capability to utilize COUNTY's IRIS system, to enter appropriate data. CONTRACTOR shall regularly review one hundred percent (100%) of their charting for accuracy and clinical appropriateness, IRIS data input and billing systems to ensure compliance with COUNTY and state P&Ps and establish mechanisms to prevent inaccurate claim submissions and follow up on corrections in a timely manner.

6. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality improvement meetings and processes. Such records and minutes also are subject to regular review by ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and ADMINISTRATOR's P&P.

7. CONTRACTOR shall allow ADMINISTRATOR to attend QIC and medication monitoring meetings and complete all Medication Monitoring reports per COUNTY.

8. CONTRACTOR shall allow COUNTY to periodically review the quantity and quality of services provided pursuant to this Contract. This review will be conducted at

CONTRACTOR's facility(ties) and will consist of a review of medical and other records of Clients provided services pursuant to the Contract.

9. At all times during the term of this Contact, CONTRACTOR shall maintain a compliance program in accordance with COUNTY.

10. CONTRACTOR shall attend meetings as requested by COUNTY including, but not limited to:

a. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical care and implement any recommendations made by COUNTY to improve individual care;

b. Monthly COUNTY management meetings with ADMINISTRATOR to discuss contractual and other issues related to, but not limited to, whether it is or is not progressing satisfactorily in achieving all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory progress, compliance with P&Ps, review of statistics and clinical services; and

c. Clinical staff and IRIS staff training for individuals conducted by CONTRACTOR and/or ADMINISTRATOR.

11. CONTRACTOR will follow the following guidelines for COUNTY tokens:

a. CONTRACTOR recognizes access Soft Tokens are granted to specific staff members with a unique password. Passwords are not to be shared with anyone.

b. CONTRACTOR shall maintain an inventory of staff members granted access to Soft Tokens.

c. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the Token for each staff member assigned a Token.

d. CONTRACTOR shall notify ADMINISTRATOR when changes have occurred under the following conditions:

- 1) Each staff member who no longer supports this Contract;
- 2) Each staff member who no longer requires access to the HCA IRIS;
- 3) Each staff member who leaves employment of CONTRACTOR;
- 4) If Soft Token is malfunctioning; or
- 5) Termination of Contract.

e. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice. All statistical data used to monitor CONTRACTOR shall be compiled using only IRIS reports, if available, and if applicable.

12. CONTRACTOR shall obtain a NPI – The standard unique health identifier adopted by the Secretary of HHS under HIPAA of 1996 for health care providers.

a. All HIPAA covered healthcare providers, individuals and organizations must

obtain a NPI for use to identify themselves in HIPAA standard transactions.

b. CONTRACTOR, including each employee that provides services under the Contract, will obtain a NPI upon commencement of the Contract or prior to providing services under the Contract. CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by ADMINISTRATOR, all NPI as soon as they are available.

13. CONTRACTOR shall provide the NPP for COUNTY, as the MHP, at the time of the first service provided under the Contract to individuals who are covered by Medi-Cal and have not previously received services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon request, the NPP for COUNTY, as the MHP, to any individual who received services under the Contract.

14. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to conduct research activity on individuals seen in COUNTY services without obtaining prior written authorization from ADMINISTRATOR.

15. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the terms of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.

16. CONTRACTOR shall maintain all requested and required written policies, and provide ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps and program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include, but not limited to, the following:

- a. Admission Criteria and Admission Procedure;
- b. Assessments;
- c. Individual and Group Counseling Sessions;
- d. Crisis Intervention/Evaluation for Involuntary Holds;
- e. Treatment of Non-Compliant Individuals/Unplanned Discharges;
- f. Medication Management and Medication Monitoring;
- g. Recovery Program Policies and Practices;
- h. Community Integration/Case Management/Discharge Planning;
- i. Documentation Standards;
- j. Quality Management/Performance Outcomes;
- k. Individual Rights;
- l. Personnel/In service Training;
- m. Ensuring Proper Staffing;

- n. Unusual Occurrence Reporting;
- o. Code of Conduct/Compliance;
- p. Mandated Reporting;
- q. Seclusion and Restraints;
- r. De-escalation Techniques, including use of voluntary and/or emergency medications;
- s. Nutritious Snack Services; (if Clients remain in CSU over 24 hours the availability of light meals are addressed above);
- t. Transportation Services;
- u. Peer Support Services;
- v. Chart Review Protocol; and
- w. Any/all required LPS Designation Protocols.

17. CONTRACTOR shall provide initial and on-going training and staff development that includes, but is not limited to, the following:

- a. Orientation to the programs' goals and P&Ps;
- b. Training on subjects as required by state regulations;
- c. Orientation to the services in this Paragraph V. of this Exhibit B to the Contract;
- d. Recovery philosophy, Trauma Informed Care and individual empowerment;
- e. Crisis intervention and de-escalation;
- f. Substance use disorder and dependence;
- g. Motivational interviewing;
- h. Seclusion and Restraints;
- i. Crisis Prevention and Crisis Intervention Training;
- j. Documentation Training;
- k. Assessment and Diagnosis;
- l. LPS Involuntary Detention Policies; and
- m. Community and Ancillary Resources.

E. PROGRAM DIRECTOR – The Program Director will have ultimate responsibility for the program (s) and will ensure the following:

- 1. CONTRACTOR shall maintain adequate records on each individual seen in services, which shall include all required forms and evaluations, on-going progress notes, and records of service provided by various personnel in sufficient detail to permit an evaluation of services;
- 2. CONTRACTOR shall designate a qualified reviewer of records. This reviewer shall complete one hundred percent (100%) review of individual charts regarding clinical documentation, ensuring all charts are in compliance with medical necessity and Medi-

Cal/Medicare chart compliance. CONTRACTOR shall ensure that all chart documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall ensure that all chart documentation is completed within the appropriate timelines.

3. Provide clinical direction and training to staff on all clinical documentation;
4. Oversee all aspects of the clinical services of the Crisis Stabilization program (s);
5. Coordinate with clinicians, psychiatrists and/or nurses regarding individual treatment issues, professional consultations, or medication evaluations; and
6. Facilitate on-going program development and provide or ensure appropriate and timely supervision and guidance to staff regarding difficult cases and mental health emergencies

F. PERFORMANCE OUTCOMES

1. CONTRACTOR shall be required to achieve, track and report Performance Outcome Objectives, on a quarterly basis as outlined below:

- a. Sustain an average daily census of twenty four (24) unduplicated individuals per day;
- b. At least sixty percent (60%) of Clients admitted shall be successfully stabilized and returned to the community;
- c. At least seventy-five percent (75%) of Clients returned to the community shall successfully link (keep appointment) to on-going behavioral health services within fourteen (14) calendar days of discharge;
- d. Provide timely evaluations as measured by completing ninety-five percent (95%) of CSU admissions within one (1) hour of Clients arrival on a monthly basis; and
- e. CONTRACTOR shall work towards the ability to track the rate of readmission to any CSU within two days of CONTRACTOR discharge and will remain below two percent (2%) of all admissions.
- f. CONTRACTOR and COUNTY shall work towards the ability to track the rate of mobile Crisis Assessment Team (CAT) response within two days of discharge will remain below five percent (5%) of all admissions

G. DATA: On a monthly basis, CONTRACTOR shall report the following information to ADMINISTRATOR:

1. Number of admissions, both involuntary vs voluntary;
2. Referral source;
3. Number of admissions by funding (Medi-Cal, Health Plan, unfunded, etc.);
4. Average daily census;
5. Average length of stay (LOS);
6. Number of discharges and inpatient transfers;

7. Type of residence upon discharge;
8. Summary of Satisfaction Survey Results;
9. Instances of Restraint and Seclusions/ Initiated and Instances of Seclusions;
10. Percentages of Clients seen for medication by MD/NP within an hour;
11. Percentages Discharged to a lower level of care and higher level of care;
12. Number of stays over twenty-four (24) hours and respective LOS for each; and
13. Data regarding recidivating Clients with unmet needs, defined as Clients with four or more admissions in a month.

H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis Stabilization Services Paragraph of this Exhibit B to the Contract.

VI. CRISIS RESIDENTIAL SERVICES

A. FACILITIES

1. CONTRACTOR shall maintain a facility(ies) for the provision of Adult Crisis Residential Services. The facility(ies) shall include space to support the services identified within the Contract.

2. CONTRACTOR shall meet the standards of the applicable sections of:

- a. HSC Code 1520 et.seq;
- b. CCR, Title 22. Division 6, Chapter 2, Social Rehabilitation Facilities; Subchapter 1, Article 7;
- c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social Rehabilitation Programs;
- d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670.5;
- e. Section 504 of the Rehabilitation Act of 1973 -- (29 U.S.C. 794 et seq., as implemented in 45 CFR 84.1 et seq.);
- f. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the prohibition of discrimination against qualified persons with disabilities in all programs or activities, as they exist now or may be hereafter amended together with succeeding legislation.

3. The facility shall have a capacity of fifteen (15) beds and include adequate physical space to support the services identified within the Contract.

4. The facility shall be open for regular admissions between the hours of 8:00 a.m. and 8:00 p.m. Monday through Sunday and will also maintain the ability to accept an admission outside of these hours as requested. Services to Clients in this program will be provided on a twenty-four (24) hour, seven (7) day per week, three hundred sixty-five (365) day per year basis.

5. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday

schedule unless otherwise approved, in advance and in writing, by ADMINISTRATOR.

B. INDIVIDUALS TO BE SERVED – CONTRACTOR shall provide short-term crisis residential services to individuals evaluated by and referred by COUNTY, COUNTY contractors, and other referring providers as appropriate. CONTRACTOR will serve as the principal source to authorize admissions of individuals who meet the following criteria:

1. Adults between ages eighteen and fifty-nine (18 and 59) and individuals over sixty (60) years of age whose needs are compatible with those of other Clients if they require the same level of care and supervision and all Community Care Licensing requirements can be met;
2. COUNTY Client;
3. Diagnosed with a behavioral health disorder and who may have a co-occurring disorder;
4. In crisis and at the risk of hospitalization and could safely benefit from this level of care; and
5. Willing to participate fully and voluntarily in services.

C. ADULT CRISIS RESIDENTIAL PROGRAM – This program operates twenty-four (24) hours a day, seven (7) days a week, emulates a home-like environment and supports a social rehabilitation model, which is designed to enhance individuals' social connections with family or community so that they can move back into the community and prevent inpatient stays. Short-term crisis residential services will be provided to adults who are in behavioral health crises and may be at risk of psychiatric hospitalization and will involve families and significant others throughout the treatment episodes so that the dynamics of the Clients' circumstances are improved prior to discharge. For individuals who are referred from Adult and Older Adult Behavioral Health Services County or County-contracted behavioral health providers CONTRACTOR shall collaborate with these existing providers to arrange for discharge planning, appropriate housing placements, as needed, in addition to securing linkages to ongoing treatment providers prior to discharge. Crisis residential services provide positive, temporary alternatives for people experiencing acute psychiatric episodes or intense emotional distress who might otherwise face voluntary or involuntary inpatient treatment. CONTRACTOR shall provide crisis intervention, therapy, medication monitoring and evaluation to determine the need for the type and intensity of additional services within a framework of evidence based and trauma-informed approaches to recovery planning, including a rich peer support component. Services shall include treatment for co-occurring disorders based on either harm-reduction or abstinence-based approaches, if clinically appropriate, to wellness and recovery, including providing a safe, smoke free, drug free, accepting environment that nurtures Clients' processes of personal growth and overall wellness. CONTRACTOR must emphasize mastery of daily living skills and

social development using strength-based approaches that support recovery and wellness. The residential settings will create solid links to the continuum of care with heavy emphasis on housing supports and linkages that will ease the transitions into independent living and prevent recidivism. Intensive psychosocial services are provided on an individual and group basis by licensed and licensed-waivered mental health professionals, including therapy, crisis intervention, group education, assistance with self-administration of medications and case management. The focus is on recovery and intensive behavioral health treatment, management and discharge planning, linkage and reintegration into the community. The average length of stay per Client is twenty one (21) calendar days. The program will offer an environment where Clients are supported as they look at their own life experiences, set their own paths toward recovery, and work towards the fulfillment of their hopes and dreams. The Clients are expected to participate fully in all program activities, including all individual sessions, groups, and recovery oriented outings.

1. CONTRACTOR shall operate the program in such a manner that meets or exceeds the following regulations:

- a. HSC 1520 et.seq;
- b. CCR, Title 22, Division 6, Chapter 2 Social Rehabilitation Facilities;
- c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social Rehabilitation Programs, Section 531-535; and
- d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670, 5670.5 and 5671.

2. CONTRACTOR shall provide short term crisis residential program services as follows:

a. Admission Services:

1) CONTRACTOR shall admit individuals who have been determined to meet admission criteria and will have the Client sign an admission agreement describing the services to be provided, Client rights, and the expectations of the Client regarding house rules and involvement in all aspects of the program, including individual and group therapy sessions.

2) CONTRACTOR shall complete a thorough behavioral health assessment and psychiatric evaluation within twelve (12) hours of admission.

3) During the initial seventy-two (72) hours subsequent to admission, Clients will be expected to remain on site at all times to ensure integration into the program. After this initial period, Client may be eligible for a day pass to an approved activity, usually an MD appointment or an appointment for housing, etc. Prior to the approved activity pass, the Client must be clinically evaluated an hour prior to departure and immediately upon returning to the facility. These clinical evaluations will be clearly documented in the Client's chart.

4) CONTRACTOR shall obtain or complete a medical history within twenty-four (24) hours of admission.

5) CONTRACTOR shall be responsible for Client's TB testing upon admission if Client has not completed the test prior to admission to the program.

6) CONTRACTOR shall not deny referrals for Clients that meet medical necessity if CONTRACTOR has available space and appropriate staffing.

7) CONTRACTOR and Client will together develop a written plan of care specifying goals and objectives, involving Client's family and support persons as appropriate, and as aligned with a recovery focused, person-centered and directed approach within seventy-two (72) hours of admission. CONTRACTOR shall involve the Client's family and support persons, or document attempts to obtain agreement until agreement is obtained or the Client is discharged.

8) Within seventy-two (72) hours of admission, CONTRACTOR shall establish a discharge date in collaboration with the Client and their family/support system. The targeted discharge date will be within twenty-one (21) calendar days after admission.

b. Therapeutic Services:

1) CONTRACTOR shall provide structured day and evening services seven (7) calendar days a week which will include individual, group therapy, and community meetings amongst the Clients and crisis residential staff.

2) CONTRACTOR shall provide group counseling sessions at least four (4) times daily to assist Clients in developing skills that enable them to progress towards self-sufficiency and to reside in less intensive levels of care. Topics may include, but not be limited to: self-advocacy, personal identity, goal setting, developing hope, coping alternatives, processing feelings, conflict resolution, relationship management, proper nutrition, personal hygiene and grooming, household management, personal safety, symptom monitoring, etc. These groups will be clearly documented in the individual's chart. All therapeutic process groups will be facilitated by a licensed clinician or clinically supervised registered/waivered clinicians.

3) CONTRACTOR shall provide individual therapeutic sessions provided by an MD/DO/NP, licensed clinician, or clinically supervised registered/waivered staff at least one time a day to each Client and these sessions will be clearly documented in the chart.

4) CONTRACTOR shall support a culture of "recovery" which focuses on personal responsibility for a Client's behavioral health management and independence, and fosters Client empowerment, hope, and an expectation of recovery from mental illness. Activities and chores shall be encouraged and assigned to each Client on a daily basis to foster responsibility and learning of independent living skills. These chores will be followed up on by residential staff, in the spirit of learning, who will also assist the Client in learning the new skills and completing

the chores as needed.

5) CONTRACTOR's program will be designed to enhance Client motivation to actively participate in the program, provide Clients with intensive assistance in accessing community resources, and assist Clients developing strategies to maintain independent living in the community and improve their overall quality of life. Therapeutic outings (to local museums, art galleries, nature centers, parks, coffee shops) will be provided for all Clients in support of these goals.

6) CONTRACTOR shall assist the Client in developing and working on a WRAP throughout their stay at the program and will promote Client recovery on a daily basis via individual and/or group sessions. This will assist Clients in monitoring and responding to their symptoms in order to achieve the highest possible level of wellness, stability and quality of life. Topics may include but not be limited to: building a wellness toolbox or resource list, symptom monitoring, triggers and early warning signs of symptoms, identifying a crisis plan, etc.

7) CONTRACTOR shall engage both the Client and family/support persons in the program whenever possible. CONTRACTOR shall document contact with family/support persons or document why such contact is not possible or not advisable.

8) CONTRACTOR shall support a Dual Disorders Integrated Treatment Model that is non-confrontational, follows behavioral principles, considers interactions between behavioral health disorders and substance abuse and has gradual expectations of abstinence. CONTRACTOR shall provide, on a regularly scheduled basis, education via individual and/or group sessions to Clients on the effects of alcohol and other drug abuse, triggers, relapse prevention, and community recovery resources. Twelve (12) step groups and Smart Recovery groups will be encouraged at the facility on a regular basis.

9) CONTRACTOR shall support a culture that supports a smoke free environment in the facility and on the campus. CONTRACTOR shall provide educational groups regarding tobacco cessation and provide viable alternatives such as tobacco patches and other approved methods that support tobacco use reduction and cessation.

10) CONTRACTOR shall assist Clients in developing prevocational and vocational plans to achieve gainful employment and/or perform volunteer work if identified as a goal in the service plan.

11) CONTRACTOR shall provide crisis intervention and crisis management services designed to enable the Client to cope with the crisis at hand while maintaining his/her functioning status within the community and to prevent further decompensation or hospitalization.

12) CONTRACTOR shall provide assessments for involuntary hospitalization

when necessary. This service must be available twenty-four (24) hours per day, seven (7) days per week.

13) CONTRACTOR will provide information, support, advocacy education, and assistance with including the Client's natural support system in treatment and services.

14) CONTRACTOR shall sustain a culture that supports Peer Recovery Specialist/Counselors in providing supportive socialization for Clients that will assist Clients in their recovery, self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be encouraged to share their stories of recovery as much as possible to infuse the milieu with the notion that recovery is possible.

15) CONTRACTOR shall provide close supervision and be aware of Clients' whereabouts at all times to ensure the safety of all Clients. Every clinician and Residential Counselor will have an assigned caseload and be responsible for the monitoring of the assigned Clients. CONTRACTOR shall provide routine room checks in the evening and document observations. Rounds are completed by staff on regular intervals.

16) CONTRACTOR will actively explore, research and present ideas for additional evidence-based practices in order to continually improve and refine aspects of the program.

c. Case Management/Discharge Services:

1) CONTRACTOR shall actively engage in discharge planning from the day of admission, instructing and assisting Clients with successful linkage to community resources such as outpatient mental health clinics, substance abuse treatment programs, housing, including providing supportive assistance to the Client in identifying and securing adequate and appropriate follow up living arrangements, physical health care, and government entitlement programs.

2) CONTRACTOR shall collaborate proactively with Client's Mental Health Plan Provider when such is required to link Clients to COUNTY or contracted housing services which may include continued temporary housing, permanent supported housing, interim placement, or other community housing options.

3) CONTRACTOR shall assist Clients in scheduling timely follow-up appointment(s) between Client and their mental health service provider while still a Client or within twenty-four (24) hours following discharge to ensure that appropriate linkage has been successful and if not, relinkage services will be provided. Provide telephone follow up within five (5) days to ensure linkage was successful. Services shall be documented in the Client record. Peer Recovery Specialists and Residential Counselors will be expected to accompany Clients to their follow up linkage appointments as part of their case management duties.

4) CONTRACTOR shall coordinate treatment with physical health providers

as appropriate and assist Clients with accessing medical and dental services and providing transportation and accompaniment to those services as needed.

5) CONTRACTOR shall develop a plan to provide a van/car for each admission as needed accompanied by a Residential Counselor so that a warm hand-off can occur when a Client is in need of transport to the facility. This will also ensure that the engagement and welcoming process commences immediately when a referral is received. Transportation out of the program will also be required to be provided by CONTRACTOR.

6) CONTRACTOR shall obtain concurrent review from ADMINISTRATOR for Clients who are deemed necessary to stay in the program for more than twenty-one (21) calendar days. CONTRACTOR will abide by County Policies from ADMINISTRATOR for Clients who are deemed necessary to stay in the program for more than twenty-one (21) calendar days.

7) Unplanned discharges will be avoided at all costs and only after all other interventions have failed. If, at any time, a Client presents as a serious danger to themselves or others, CONTRACTOR shall assess the safety needs of all concerned and may have the Client assessed for voluntary or involuntary hospitalization utilizing ADMINISTRATOR protocols. If a Client is seriously or repetitively non-compliant with the program, CONTRACTOR may discharge the Client if deemed necessary and only following a multi-disciplinary case conference which will include ADMINISTRATOR. CONTRACTOR shall be in compliance with eviction procedures following the CCR, Title 22, Section 81068.5, and Title 9, Section 532.3, and will provide an unusual occurrence report to ADMINISTRATOR no later than the following business day.

8) In the event a Client leaves the program against clinical advice, CONTRACTOR shall hold Client's bed open for twenty-four (24) hours unless otherwise mutually agreed upon by ADMINISTRATOR and CONTRACTOR.

9) In the event a Client is transferred for crisis stabilization to the COUNTY CSU or to the Emergency Department (ED), CONTRACTOR shall provide a warm hand-off to the CSU or ED receiving staff member and hold a Client's bed open for twenty-four (24) hours unless otherwise mutually agreed upon by ADMINISTRATOR and CONTRACTOR.

d. Medication Support Services:

1) CONTRACTOR shall provide medications, as clinically appropriate, to all Clients regardless of funding.

2) CONTRACTOR shall educate Clients on the role of medication in their recovery plan, and how the Client can take an active role in their own recovery process. CONTRACTOR shall provide education to Clients on medication choices, risks, benefits,

alternatives, side effects and how these can be managed. Client education will be provided on a regularly scheduled basis via individual and group sessions.

3) CONTRACTOR shall obtain signed medication consent forms for each psychotropic medication prescribed.

4) Medications will be dispensed by a physician's order by licensed and qualified staff in accordance with CCR, Title 9, Div. 1, Chapter 3, Article 3.5, Section 532.1, as well as CCL Requirements.

5) Licensed staff authorized to dispense medication will document the Client's response to their medication, as well as any side effects to that medication, in the Client's record.

6) CONTRACTOR shall insure all medications are securely locked in a designated storage area with access limited to only those personnel authorized to prescribe, dispense, or administer medication.

7) CONTRACTOR shall establish written policies and procedures that govern the receipt, storage and dispensing of medication in accordance with state regulations.

8) CONTRACTOR shall not utilize sample medications in the program without first establishing policies and procedures for the use of sample medications consistent with State regulatory requirements.

9) CONTRACTOR shall provide a medication follow-up visit by a psychiatrist at a frequency necessary to manage the acute symptoms to allow the Client to safely stay at the Crisis Residential Program and to prepare the Client to transition to outpatient level of care upon discharge. At a minimum, CONTRACTOR shall provide an initial psychiatric evaluation by a psychiatric prescribing provider within twelve (12) hours after admission and will have a psychiatric prescribing provider available as needed for medication follow-up as needed or at a minimum twice per week thereafter.

10) Upon discharge, CONTRACTOR shall make available a sufficient supply of current psychiatric medications to which the Client has responded, to meet the Client's needs until they can be seen in an outpatient clinic. This may be a combination of new prescriptions, the Client's specific medications remaining at the Crisis Residential Program, and/or additional sample medications with patient labels.

11) CONTRACTOR shall utilize the COUNTY PBM to supply medications for unfunded Clients.

e. Transportation Services:

1) CONTRACTOR shall provide transportation services for program related activities which may include, but not be limited to, transportation to appointments deemed necessary for medical or dental care or activities related to and in support of preparation for

discharge and/or community integration. All other non-crucial appointments will be delayed until after the Client is discharged. CONTRACTOR staff will accompany Clients on these necessary appointments.

f. Food Services:

1) CONTRACTOR shall meet meal service and food supply requirements per Community Care Licensing regulations which shall include, but not be limited to:

a) Meals shall be served in the dining room and tray service provided on emergency need only so as to encourage community food preparation, eating and clean-up activities.

b) CONTRACTOR shall create opportunities for Clients to participate in the planning, preparation and clean-up of food preparation activities.

c) Food Services will meet meal and food supply requirements, including an abundant supply of healthy and fresh food options, including fruits, vegetables and other items that promote healthy choices and wellness.

D. PROGRAM DIRECTOR/QI RESPONSIBILITIES – The Program Director will have ultimate responsibility for the program and will ensure the following:

1. Maintenance of adequate records on each Client which shall include all required forms and evaluations, a written treatment/rehabilitation plan specifying goals, objectives, and responsibilities, on-going progress notes, and records of service provided by various personnel in sufficient detail to permit an evaluation of services.

2. There is a supervisory and administrative structure in place that will ensure high quality, consistent staff are providing high quality and consistent trauma informed services at all hours of operation, including the evenings and nocturnal shifts.

3. The Clinical Supervisor, the Program Administrator/Manager or designated Qualified Staff will complete one hundred percent (100%) review of Client charts regarding clinical documentation, ensuring all charts are in compliance with medical necessity and Medi-Cal and Medicare requirements. Charts will be reviewed within one day of admission to ensure that all initial charting requirements are met and at the time of discharge. CONTRACTOR shall ensure that all chart documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall ensure that all chart documentation is completed within the appropriate timelines.

4. Provide clinical direction and training to staff on all clinical documentation and treatment plans/problem lists;

5. Retain on staff, at all times, a qualified individual trained by the ADMINISTRATOR's QMS division; ADMINISTRATOR is requesting that Clinical Supervisor

and Program Administrator/Manager positions carry out these duties;

6. Oversee all aspects of the clinical services of the recovery program, know each Client by name and be familiar with details of each of the Clients' cases/situations that brought them to the program;

7. Coordinate with in-house clinicians, psychiatrist and/or nurse regarding Client treatment issues, professional consultations, or medication evaluations;

8. Review and approve all monthly/quarterly/annual logs submitted to ADMINISTRATOR, (e.g. medication monitoring and utilization review); and

9. Facilitate on-going program development and provide or ensure appropriate and timely supervision and guidance to staff regarding difficult cases and behavioral health emergencies.

E. QUALITY IMPROVEMENT

1. CONTRACTOR shall agree to adopt and comply with the written Quality Improvement Implementation Plan and procedures provided by ADMINISTRATOR which describe the requirements for quality improvement, supervisory review and medication monitoring.

2. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR Documentation Manual or its equivalent, and any State requirements, as provided by ADMINISTRATOR, which describes, but is not limited to, the requirements for Medi-Cal, Medicare and ADMINISTRATOR charting standards.

3. CONTRACTOR shall demonstrate the capability to maintain a medical records system, including the capability to utilize COUNTY's IRIS system to enter appropriate data. CONTRACTOR shall regularly review its charting, IRIS data input and billing systems to ensure compliance with COUNTY and State P&Ps and establish mechanisms to prevent inaccurate claim submissions.

4. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality improvement meetings and processes. Such records and minutes will also be subject to regular review by ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and ADMINISTRATOR's P&P.

5. CONTRACTOR shall allow ADMINISTRATOR to attend QIC and medication monitoring meetings.

6. CONTRACTOR shall allow COUNTY to review the quantity and quality of services provided pursuant to this Contract quarterly or as needed. This review will be conducted at CONTRACTOR's facility and will consist of a review of medical and other records of Clients provided services pursuant to the Contract.

F. CONTRACTOR shall attend meetings, trainings and presentations as requested by COUNTY including but not limited to:

1. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical care and implement any recommendations made by COUNTY to improve Client care.

2. Monthly COUNTY management meetings with ADMINISTRATOR to discuss contractual and other issues related to, but not limited to whether it is or is not progressing satisfactorily in achieving all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory progress, compliance with P&Ps, review of statistics and clinical services;

3. Any trainings that COUNTY recommends or deems necessary.

4. Any presentations/in-services as requested by COUNTY involving new providers/systems of care so that CONTRACTOR is educated, apprised, up to date, knowledgeable and part of the larger COUNTY system of care.

5. Clinical staff and IRIS staff training for individuals conducted by CONTRACTOR and/or ADMINISTRATOR.

6. CONTRACTOR will follow the following guidelines for COUNTY tokens:

a. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member with a unique password. Tokens and passwords will not be shared with anyone.

b. CONTRACTOR shall maintain an inventory of the Tokens, by serial number and the staff member to whom each is assigned.

c. CONTRACTOR shall request that ADMINISTRATOR deactivate all Tokens under the following conditions:

1) Token of each staff member who no longer supports this Contract;

2) Token of each staff member who no longer requires access to COUNTY

IRIS;

3) Token of each staff member who leaves employment of CONTRACTOR;

4) Token is malfunctioning; or

5) Termination of Contract.

d. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice. All statistical data used to monitor CONTRACTOR shall be compiled using IRIS reports, if available, and if applicable.

G. CONTRACTOR shall obtain a NPI – The standard unique health identifier adopted by the Secretary of HHS under HIPAA of 1996 for health care providers.

1. All HIPAA covered healthcare providers, individuals and organizations must obtain a NPI for use to identify themselves in HIPAA standard transactions.

2. CONTRACTOR, including each employee that provides services under the Contract,

will obtain a NPI upon commencement of the Contract or prior to providing services under the Contract. CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by ADMINISTRATOR, all NPI as soon as they are available.

H. CONTRACTOR shall provide the NPP for COUNTY, as the MHP, at the time of the first service provided under the Contract to individuals who are covered by Medi-Cal and have not previously received services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon request, the NPP for COUNTY, as the MHP, to any individual who received services under the Contract.

I. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to conduct research activity on Clients without obtaining prior written authorization from ADMINISTRATOR.

J. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the terms of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.

K. CONTRACTOR shall maintain all requested and required written policies, and provide to ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps and program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include but not limited to the following:

1. Admission Criteria and Admission Procedure;
2. Assessments and Individual Service Plans;
3. Crisis Intervention/Evaluation for Involuntary Holds;
4. Handling Non-Compliant Clients/Unplanned Discharges;
5. Medication Management and Medication Monitoring;
6. Recovery Program/Rehabilitation Program;
7. Community Integration/Case Management/Discharge Planning;
8. Documentation Standards;
9. Quality Management/Performance Outcomes;
10. Client Rights;
11. Personnel/In service Training;
12. Unusual Occurrence Reporting;
13. Code of Conduct/Compliance;
14. Mandated Reporting; and
15. Good Neighbor Policy.

L. CONTRACTOR shall provide initial and on-going training and staff development that includes but is not limited to the following:

1. Orientation to the program's goals and P&Ps;
2. Training on subjects as required by state regulations;
3. Orientation to the services sections outlined in this Section VI. of this Exhibit B to the Contract;
4. Recovery philosophy and individual empowerment;
5. Crisis intervention and de-escalation;
6. Substance abuse and dependence; and
7. Motivational interviewing.

M. PERFORMANCE OUTCOMES

1. CONTRACTOR shall be required to achieve, track and report Performance Outcome Objectives, on a quarterly basis as outlined below:

- a. A minimum of seventy-five percent (75%) of Clients shall be discharged to a lower level of care.
- b. A minimum of seventy percent (70%) of Clients shall be linked to a continuing care provider.
- c. A minimum of ninety-five percent (95%) of Clients shall not be hospitalized within 48 hours of discharge.
- d. A minimum of seventy-five percent (75%) of Clients shall not be readmitted within fourteen (14) calendar days of discharge.
- e. Average Length of Stay for all Clients shall be tracked and reported.

N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis Residential Services Paragraph of this Exhibit B to the Contract.

VII. STAFFING

A. CONTRACTOR shall provide adequate staffing to assure that the services outlined above are performed in an efficient manner.

B. Crisis Stabilization Services:

1. CONTRACTOR shall provide staffing in conformance with Title 9 regulations for Crisis Stabilization services; shall have as Head of Service a licensed mental health professional in conformance to one of the following staff categories: Psychiatrist, Licensed Psychologist, LCSW, LPCC, Licensed MFT or RN; and shall have one RN on-site at all times.

C. Crisis Residential Services:

1. CONTRACTOR shall ensure that all staff are trained and have a clear understanding

of all Personnel Requirements as stated in CCR Title 22, standards for a Social Rehabilitation Facility as for a Short Term Crisis Residential Division 6, 81065 and that continuing education is provided.

2. Staffing levels and qualifications will meet the requirements as stated in CCR Title 22, Division 6, Chapters 1 and 2; Title 9, Division 1, Chapter 3, Article 3.5; as well as the WIC Division 5, Part 2, Chapter 2.5, Article 1; and the HSC Division 2, Chapter 3, Article 2, and/or other certification standards for a Social Rehabilitation Facility as well as for a Short Term Crisis Residential, as appropriate to the services being provided. A sufficient number of clinical staff will be licensed in order to meet all State requirements. COUNTY shall not reimburse CONTRACTOR for services provided by clinical staff who do not meet these requirements.

3. A limited number of clinical staff will be qualified and designated by COUNTY to perform evaluations pursuant to Section 5150, WIC.

4. WORKLOAD STANDARDS

a. One (1) DSH will be equal to sixty (60) minutes of direct Client service.

b. CONTRACTOR shall provide nine hundred fifty (950) DSHs per year of direct physician time which will include medication support services which are inclusive of both billable and non-billable services.

c. CONTRACTOR shall ensure prescriber services are available a minimum of three (3) hours per day, seven (7) days a week and that each Client is seen at least twice per week or more often as needed.

d. CONTRACTOR shall provide four thousand eight hundred (4,800) Client bed days per year, which are inclusive of both billable and non-billable services.

e. CONTRACTOR shall, during the term of the Contract, provide Client related services, tracking the number of individual counseling sessions and number of therapeutic and educational didactic groups provided with a minimum of four (4) groups, including two therapeutic groups facilitated by licensed clinicians or clinically supervised registered/waivered clinicians and two didactic groups facilitated by non-licensed staff, and one (1) individual session provided by a licensed clinician or clinically supervised registered/waivered clinicians per day .

D. Both Programs:

1. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours, of any staffing vacancies that occur during the term of the Contract. CONTRACTOR's notification shall include at a minimum the following information: employee name(s), position title(s), date(s) of resignation, date(s) of hire, and a description of recruitment activity.

2. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) calendar days in advance, of any new staffing changes; including promotions, temporary FTE

changes and internal or external temporary staffing assignment requests that occur during the term of the Contract.

3. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold languages as determined by ADMINISTRATOR. Whenever possible, bilingual/bicultural staff should be retained. Any clinical vacancies occurring at a time when bilingual and bicultural composition of the clinical staffing does not meet the above requirement, the vacancies must be filled with bilingual and bicultural staff unless ADMINISTRATOR consents, in advance and in writing, to the filling of those positions with non-bilingual staff. Salary savings resulting from such vacant positions may not be used to cover costs other than salaries and employees benefits unless otherwise authorized, in advance and in writing, by ADMINISTRATOR.

4. CONTRACTOR shall maintain personnel files for each staff person, including management and other administrative positions, both direct and indirect to the Contract, which shall include, but not be limited to, an application for employment, qualifications for the position, applicable licenses, waivers, registrations, documentation of bicultural/bilingual capabilities (if applicable), pay rate and evaluations justifying pay increases.

5. CONTRACTOR shall make its best effort to provide services pursuant to the Contract in a manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR shall maintain documents of such efforts which may include; but not be limited to: records of participation in COUNTY-sponsored or other applicable training; recruitment and hiring P&Ps; copies of literature in multiple languages and formats, as appropriate; and descriptions of measures taken to enhance accessibility for, and sensitivity to, Clients who are physically challenged.

6. CONTRACTOR shall recruit, hire, train, and maintain staff that are persons in recovery, and/or family members of persons in recovery. These individuals shall not be currently receiving services directly from CONTRACTOR. Documentation may include, but not be limited to, the following: records attesting to efforts made in recruitment, hiring practices and identification of measures taken to enhance accessibility for potential staff in these categories.

7. CONTRACTOR shall ensure that all staff, paid or unpaid, complete necessary training prior to discharging duties associated with their titles and any other training necessary to assist CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as State and Federal regulatory requirements.

8. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, paid or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness. Supervision methods should include debriefings and consultations as needed,

individual supervision or one-on-one support, and team meetings. Supervision should be provided by a supervisor who has extensive knowledge regarding behavioral health issues.

9. CONTRACTOR may augment the above paid staff with volunteers or interns upon written approval of ADMINISTRATOR. CONTRACTOR shall provide supervision to volunteers or intern as specified in their respective job descriptions or work contracts.

10. CONTRACTOR shall ensure that all staff, including interns and volunteers, are trained and have a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and place in their personnel files.

11. CONTRACTOR shall provide detailed job descriptions, including education and experience requirements, all applicable responsibilities, assigned duties, and workflow for each delineated position.

E. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-Time Equivalent (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal to an average of forty (40) hours work per week.

Crisis Stabilization Unit Staffing

<u>Program</u>	<u>FTE</u>
Program Director	1.00
Program Support Assistant	1.00
Biller	2.00
RN/LVNe	20.69
Mental Health Worker	19.65
Peer Advocate	2.00
Intake Coordinator	1.40
Social Services Coordinator	4.25
Financial Counselor	<u>1.00</u>
Total FTEs	52.99

Crisis Residential Services Staffing

<u>Program</u>	<u>FTE</u>
Program Director	1.00
Program Support Assistant	1.40
Data Specialist	0.50
RN/LVN	4.94
Mental Health Worker	8.56

Care Coordinator	1.00
Intake Coordinator	1.00
Social Services Coordinator II	1.00
Peer Mentor Navigator	<u>1.40</u>
Total FTEs	20.80

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing Paragraph of this Exhibit B to the Contract.

Contract Summary Form

OC Expediter Requisition #: 1673614

Mind OC

Mental Health and Recovery Services

SUMMARY OF SIGNIFICANT CHANGES

Amendment No. 2

1. Terms and Conditions, updated terms and conditions, Pages 3- 10
2. Costs: Period Three Amount Not to Exceed: \$26,186,071, Total Amount Not to Exceed: \$66,806,613, Pages 1
3. Exhibit A-1 replace Exhibit A: Modifications to services provided and requirements, pages 1 – 50
4. Exhibit B: Mind OC will now serve as Direct Service Provider for Mental Health Crisis Services, pages 1-38
5. Exhibit B renamed to Exhibit C
6. Exhibit C renamed to Exhibit D

SUBCONTRACTORS

This contract, due to the nature of the services, could require the addition of subcontractors. In order to add subcontractor(s) to the contract, the provider/contractor must seek express consent from the department. Should the addition of a subcontractor impact the scope of work and/or contract amount, the department will bring the item back to the Board of Supervisors for approval. In the past (if there is information available), subcontractor(s) have/have not been used for this contract.

This contract includes the following subcontractors or pass through to other providers.

Subcontractor Name:	Service(s)	Amount
Unknown	Various services for CRP and CSU Contracts	Period Three: \$2,900,414

CONTRACT OPERATING EXPENSES

Exhibit A-1: Master Service Agreement

	<u>PERIOD</u> <u>ONE</u>	<u>PERIOD</u> <u>TWO</u>	<u>PERIOD</u> <u>THREE</u>	<u>TOTAL</u>
ADMINISTRATIVE COSTS	\$ 1,350,000	\$ 1,800,000	\$ 1,800,000	\$ 4,950,000

PROGRAM COSTS

Salaries	\$ 1,279,495	\$ 1,705,993	\$ 1,857,714	\$ 4,843,202
Benefits	548,355	731,140	464,429	1,743,924
Services and Supplies	14,230,954	18,974,605	1,718,774	34,924,333
Sobering Center Services	0	0	1,100,000	1,100,000
DMC Residential 3.1, 3.5	0	0	3,300,000	3,300,000
Adult Withdrawal	0	0	1,500,000	1,500,000
Management				
Facility Reserves	0	0	1,457,868	1,457,868
SUBTOTAL PROGRAM COSTS	\$ 16,058,804	\$ 21,411,738	\$ 11,398,785	\$ 48,869,327
TOTAL AMOUNT NOT TO EXCEED	\$ 17,408,804	\$ 23,211,738	\$ 13,198,785	\$ 53,819,327

Exhibit B- Mental Health Crisis Services

Crisis Stabilization Unit		
	<u>PERIOD THREE</u>	<u>TOTAL</u>
ADMINISTRATIVE COSTS		
Indirect Costs	\$ 921,740	\$ 921,740
TOTAL ADMINISTRATIVE COSTS	\$ 921,740	\$ 921,740
PROGRAM COSTS		
Salaries	\$ 4,442,553	\$ 4,442,553
Benefits	\$ 1,337,419	\$ 1,337,419
Services and Supplies	\$ 687,328	\$ 687,328
Subcontractor	\$ 2,750,096	\$ 2,750,096
TOTAL PROGRAM COSTS	\$ 9,217,396	\$ 9,217,396
TOTAL AMOUNT NOT TO EXCEED	\$ 10,139,136	\$ 10,139,136

Crisis Residential Program

	PERIOD THREE	TOTAL
ADMINISTRATIVE COSTS		
Indirect Costs	\$ 261,000	\$ 261,000
TOTAL ADMINISTRATIVE COSTS	\$ 261,000	\$ 261,000
PROGRAM COSTS		
Salaries	\$ 1,407,745	\$ 1,407,745
Benefits	\$ 422,323	\$ 422,323
Services and Supplies	\$ 606,764	\$ 606,764
Subcontractor	\$ 150,318	\$ 150,318
TOTAL PROGRAM COSTS	\$ 2,587,150	\$ 2,587,150
TOTAL AMOUNT NOT TO EXCEED	\$ 2,848,150	\$ 2,848,150

**Administrative or indirect costs may include, but are not limited to, Office Expense, Program Telephone, Mileage, Staff Development, Travel, Advertising, Facility, Equipment, Maintenance, Insurance, Independent Audit, Miscellaneous*

Contract Summary Form

OC Expediter Requisition #: 1673617

Mind OC

Mental Health and Recovery Services Irvine Campus

SUMMARY OF SIGNIFICANT CHANGES

Master Service Agreement for Irvine Campus for the term of January 1, 2025 through December 31, 2027.

SUBCONTRACTORS

This contract, due to the nature of the services, could require the addition of subcontractors. In order to add subcontractor(s) to the contract, the provider/contractor must seek express consent from the department. Should the addition of a subcontractor impact the scope of work and/or contract amount, the department will bring the item back to the Board of Supervisors for approval. In the past (if there is information available), subcontractor(s) have/have not been used for this contract.

This contract includes the following subcontractors or pass through to other providers.

Subcontractor Name:	Service(s)	Amount
Unknown	Substance Use Disorder and Mental Health Services	Period One; \$13,127,478 Period Two: \$26,254,960 Period Three: 26,254,960 Period Four: \$13,127,478

CONTRACT OPERATING EXPENSES

Actual Cost: Master Service Agreement

	<u>PERIOD</u> <u>ONE</u>	<u>PERIOD</u> <u>TWO</u>	<u>PERIOD</u> <u>THREE</u>	<u>PERIOD</u> <u>FOUR</u>	<u>TOTAL</u>
Administrative/Overhead Costs	\$750,000	\$1,500,000	\$1,545,000	\$795,675	\$4,590,675
Salaries/Benefits	\$789,995	\$2,106,655	\$2,169,854	\$1,117,475	\$6,183,979
Facility Operations Expenses	\$1,193,841	\$3,183,576	\$3,279,083	\$1,688,728	\$9,345,227

Less Imputed Rent		(\$1,380,000)	(\$1,380,000)	(\$690,000)	(\$3,450,000)
TOTAL COST	\$2,733,836	\$5,410,231	\$5,613,937	\$2,911,878	\$16,669,882

Fee For Service: Substance Use Disorder and Mental Health Services

<u>SERVICES</u>	<u>PERIOD ONE</u>	<u>PERIOD TWO</u>	<u>PERIOD THREE</u>	<u>PERIOD FOUR</u>
Crisis Mental Health	\$ 9,258,980	\$18,517,961	\$18,517,961	\$ 9,258,980
Substance Use Disorder Adult	\$1,605,032	\$3,210,065	\$ 3,210,065	\$ 1,605,032
Adolescent Residential and Perinatal Residential	\$2,263,466	\$4,526,934	\$ 4,526,934	\$ 2,263,466
Total	\$13,127,478	\$ 26,254,960	\$26,254,960	\$ 13,127,478

**Administrative or indirect costs may include, but are not limited to, Office Expense, Program Telephone, Mileage, Staff Development, Travel, Advertising, Facility, Equipment, Maintenance, Insurance, Independent Audit, Miscellaneous*

1 MASTER SERVICES AGREEMENT
2 FOR PROVISION OF
3 MENTAL HEALTH AND RECOVERY SERVICES
4 BETWEEN
5 COUNTY OF ORANGE
6 AND
7 MIND OC
8 OCTOBER 1, 2022 THROUGH JUNE 30, 2025
9

10 THIS CONTRACT entered into this st day of October, 2025 (effective date), is by and between the
11 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY), and MIND OC a
12 California Non-Profit (CONTRACTOR). COUNTY and CONTRACTOR may sometimes be referred
13 to herein individually as “Party” or collectively as “Parties.” This Contract shall be administered by the
14 County of Orange Health Care Agency (ADMINISTRATOR).
15

16 W I T N E S S E T H :
17

18 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Mental Health
19 and Recovery Services described herein to the residents of Orange County; and

20 WHEREAS, CONTRACTOR is agreeable to the rendering of such services on the terms and
21 conditions hereinafter set forth:

22 NOW, THEREFORE, in consideration of the mutual covenants, benefits, and promises contained
23 herein, COUNTY and CONTRACTOR do hereby agree as follows:

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10 **V. Crisis Stabilization Services..... 12**

11 **VI. Crisis Residential Services 22**

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EXHIBIT B C

15 I. Business Associate Contract

16 1

EXHIBIT C D

19 I. Personal Information Privacy and Security Contract

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REFERENCED CONTRACT PROVISIONS

Term: October 1, 2022 through June 30, 2025

Period One means the period from October 1, 2022 through June 30, 2023

Period Two means the period from July 1, 2023 through June 30, 2024

Period Three means the period from July 1, 2024 through June 30, 2025

~~Maximum Obligation:-~~

~~Period One Maximum Obligation: \$17,408,804~~

~~Period Two Maximum Obligation: \$23,211,738~~

~~Period Three Maximum Obligation: \$23,211,738~~

~~TOTAL MAXIMUM OBLIGATION: \$63,832,280~~

Amount Not to Exceed:

Period One Amount Not to Exceed: \$17,408,804

Period Two Amount Not to Exceed: \$23,211,738

Period Three Amount Not to Exceed: \$26,186,071

TOTAL AMOUNT NOT TO EXCEED: \$66,806,613

Basis for Reimbursement: Actual Cost

Payment Method: Monthly in Arrears

CONTRACTOR UEI Number: 111922215

CONTRACTOR TAX ID Number: 82-3901590

Notices to COUNTY and CONTRACTOR:

~~COUNTY: County of Orange
Health Care Agency
Procurement & Contract Services
405 West 5th Street, Suite 600
Santa Ana, CA 92701-4637~~

~~CONTRACTOR: Mind OC
Marshall Monerief
18650 MacArthur Blvd., Suite 220
Irvine, CA 92612
Marshall.Monerief@Mind-OC.org~~

COUNTY: County of Orange
Health Care Agency
Procurement & Contract Services
405 West 5th Street, Suite 600

CONTRACTOR: Mind OC
Phillip Franks
18650 MacArthur Blvd., Suite 220
Irvine, CA 92612

Santa Ana, CA 92701-4637

Phillip.Franks@Mind-OC.org

CFDA#	FAIN#	Program/ Service Title	Federal Funding Agency	Federal Award Date	Amount	R&D Award (Y/N)
Pending	Pending	Pending	Pending	Pending	Pending	Pending

<u>"CFDA#</u>	<u>FAIN#</u>	<u>Program/ Service Title</u>	<u>Federal Funding Agency</u>	<u>Federal Award Date</u>	<u>Amount</u>	<u>R&D Award (Y/N)</u>
<u>93-959</u>	<u>VE2ZZY1ZHN19</u>	<u>SUBG - Substance Use Prevention, Treatment, and Recovery Services Block Grant</u>	<u>SAMHSA</u>	<u>(approval letter dated 08/11/2022) cover period 07/01/2022 to 06/30/2024</u>	<u>\$19,306,499</u>	<u>N"</u>
<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>

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I. ACRONYMS

The following standard definitions are for reference purposes only and may or may not apply in their entirety throughout this Contract:

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3		
4	A. AES	Advanced Encryption Standard
5	B. AOD	Alcohol and Other Drug
6	C. ARRA	American Recovery and Reinvestment Act
7	D. ASAM	American Society of Addiction Medicine
8	E. ASRS	Alcohol and Drug Programs Reporting System
9	F. BCP	Business Continuity Plan
10	G. CalOMS	California Outcomes Measurement System
11	H. CAP	Corrective Action Plan
12	I. CCC	California Civil Code
13	J. CCR	California Code of Regulations
14	K. CD/DVD	Compact Disc/Digital Video or Versatile Disc
15	L. CEO	County Executive Office
16	M. CESI	Client Evaluation of Self at Intake
17	N. CEST	Client Evaluation of Self and Treatment
18	O. CHHS	California Health and Human Services Agency
19	P. CFR	Code of Federal Regulations
20	Q. CHPP	COUNTY HIPAA Policies and Procedures
21	R. CHS	Correctional Health Services
22	S. CIPA	California Information Practices Act
23	T. CMPPA	Computer Matching and Privacy Protection Act
24	U. COI	Certificate of Insurance
25	V. CSU	Crisis Stabilization Unit
26	W. DATAR	Drug Abuse Treatment Access Report
27	X. DHCS	Department of Health Care Services
28	Y. D/MC	Drug/Medi-Cal
29	Z. DMC ODS	Drug Medi-Cal Organized Delivery System
30	AA. DoD	US Department of Defense
31	AB. DPFS	Drug Program Fiscal Systems
32	AC. DRP	Disaster Recovery Plan
33	AD. DRS	Designated Record Set
34	AE. DSM-5	Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition
35	AF. DSS	Department of Social Services
36	AG. EBPs	Evidenced Based Treatment Practices
37	AH. EHR	Electronic Health Records

1	AI. ePHI	Electronic Protected Health Information
2	AJ. EPSDT	Early Periodic Screening, Diagnostic and Treatment
3	AK. FIPS	Federal Information Processing Standards
4	AL. FTE	Full Time Equivalent
5	AM. GAAP	Generally Accepted Accounting Principles
6	AN. HCA	Health Care Agency
7	AO. HHS	Health and Human Services
8	AP. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
9		Law 104–191
10	AQ. HITECH Act	The Health Information Technology for Economic and Clinical Health
11		Act, Public Law 111–005
12	AR. HSC	California Health and Safety Code
13	AS. ID	Identification
14	AT. IEA	Information Exchange Contract
15	AU. IRIS	Integrated Records and Information System
16	AV. ISO	Insurance Services Office
17	AW. LPHA	Licensed Practitioner of the Healing Arts
18	AX. MAT	Medication Assisted Treatment
19	AY. NIST	National Institute of Standards and Technology
20	AZ. NPI	National Provider Identifier
21	BA. NPPES	National Plan and Provider Enumeration System
22	BB. OCPD	Orange County Probation Department
23	BC. OCR	Office for Civil Rights
24	BD. OIG	Office of Inspector General
25	BE. OMB	Office of Management and Budget
26	BF. OPM	Federal Office of Personnel Management
27	BG. P&P	Policy and Procedure
28	BH. PA DSS	Payment Application Data Security Standard
29	BI. PC	State of California Penal Code
30	BJ. PCI DSS	Payment Card Industry Data Security Standard
31	BK. PHI	Protected Health Information
32	BL. PII	Personally Identifiable Information
33	BM. PI	Personal Information
34	BN. RPC	Residential Placement Coordinator
35	BO. RTS	Residential Treatment Services
36	BP. SIR	Self-Insured Retention
37	BQ. SMA	Statewide Maximum Allowance

1	BR. STC	Special Terms and Conditions
2	BS. SUD	Substance Use Disorder
3	BT. TB	Tuberculosis
4	BU. UMDAP	Uniform method of Determining Ability to Pay
5	BV. USC	United States Code

7 II. ALTERATION OF TERMS

8 ~~— A. This Contract, together with Exhibits A, B and C attached hereto and incorporated herein, fully~~
9 ~~expresses the complete understanding of COUNTY and CONTRACTOR with respect to the subject~~
10 ~~matter of this Contract.~~

11 A. This Contract, together with Exhibits A, B, C and D attached hereto and incorporated herein,
12 fully expresses the complete understanding of COUNTY and CONTRACTOR with respect to the
13 subject matter of this Contract.

14 B. Unless otherwise expressly stated in this Contract, no addition to, or alteration of the terms of
15 this Contract or any Exhibits, whether written or verbal, made by the parties, their officers, employees or
16 agents shall be valid unless made in the form of a written amendment to this Contract, which has been
17 formally approved and executed by both parties.

18 III. ASSIGNMENT OF DEBTS

19 Unless this Contract is followed without interruption by another Contract between the Parties hereto
20 for the same services and substantially the same scope, at the termination of this Contract,
21 CONTRACTOR shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of
22 persons receiving services pursuant to this Contract. CONTRACTOR shall immediately notify by mail
23 each of the respective Parties, specifying the date of assignment, the County of Orange as assignee, and
24 the address to which payments are to be sent. Payments received by CONTRACTOR from or on behalf
25 of said persons, shall be immediately given to COUNTY.
26

27 ~~IV. BENEFICIARIES' RIGHTS~~

28 ~~— A. CONTRACTOR shall post the current Drug Medi-Cal Organized Delivery System (DMC-~~
29 ~~ODS) Grievance and Appeals poster in locations readily available to Clients and staff and have~~
30 ~~Grievance and Appeal forms in the threshold languages and envelopes readily accessible to Clients to~~
31 ~~take without having to request it on the unit.~~

32 ~~— B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have an~~
33 ~~internal grievance processes approved by ADMINISTRATOR, to which the beneficiary shall have~~
34 ~~access.~~

35 ~~— 1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance and/or~~
36 ~~utilization management guidelines and procedures. The beneficiary has the right to utilize either or both~~
37

1 ~~grievance process simultaneously in order to resolve their dissatisfaction.~~

2 ~~2. Title IX Rights Advocacy. This process may be initiated by a Client who registers a~~
3 ~~statutory rights violation or a denial or abuse complaint with the County Patients' Rights Office. The~~
4 ~~Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall apply,~~
5 ~~which involve ADMINISTRATOR'S Director of Behavioral Health Care and the State Patients' Rights~~
6 ~~Office.~~

7 ~~C. The parties agree that Clients have recourse to initiate an expression of dissatisfaction to~~
8 ~~CONTRACTOR and file a grievance or complaint.~~

9 ~~D. No provision of this Contract shall be construed as replacing or conflicting with the duties of~~
10 ~~County Patients' Rights Office pursuant to Welfare and Institutions Code Section 5500.~~

11 **IV. BENEFICIARIES' RIGHTS**

12 A. CONTRACTOR shall post the current Drug Medi-Cal Organized Delivery System (DMC-
13 ODS) and Mental Health Plan (MHP) Grievance and Appeals poster in locations readily available to
14 Members and staff and have Grievance and Appeal forms in the threshold languages and envelopes
15 readily accessible to Members to take without having to request it on the unit.

16 B. In addition to those processes provided by ADMINISTRATOR, CONTRACTOR shall have an
17 internal grievance process to address concerns that may be resolved internally within one business day
18 approved by ADMINISTRATOR, to which the Member shall have access.

19 1. CONTRACTOR's grievance processes shall incorporate COUNTY's grievance and/or
20 utilization management guidelines and procedures. The Member has the right to utilize either or both
21 grievance process simultaneously in order to resolve their dissatisfaction.

22 2. Title IX Rights Advocacy. This process may be initiated by a Member who registers a
23 statutory rights violation or a denial or abuse complaint with the County Patients' Rights Office.
24 Patient's Rights Advocacy Services (PRAS) program. The Patients' Rights office shall investigate the
25 complaint, and Title IX grievance procedures shall apply, which involve ADMINISTRATOR'S
26 Director of Behavioral Health Care and the State Patients' Rights Office.

27 C. The parties agree that Members have recourse to initiate an expression of dissatisfaction to
28 CONTRACTOR and file a grievance or complaint.

29 D. No provision of this Contract shall be construed as replacing or conflicting with the duties of
30 County Patients' Rights Office pursuant to Welfare and Institutions Code Section 5500

31
32 **V. COMPLIANCE**

33 A. COMPLIANCE PROGRAM - ADMINISTRATOR has established a Compliance Program for
34 the purpose of ensuring adherence to all rules and regulations related to federal and state health care
35 programs.

36 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the policies and
37 procedures relating to ADMINISTRATOR's Compliance Program, Code of Conduct and access to

1 General Compliance and Annual Provider Trainings.

2 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own
3 compliance program, code of conduct and any compliance related policies and procedures.
4 CONTRACTOR's compliance program, code of conduct and any related policies and procedures shall
5 be verified by ADMINISTRATOR's Compliance Department to ensure they include all required
6 elements by ADMINISTRATOR's Compliance Officer as described in this Compliance Paragraph to
7 this Contract. These elements include:

- 8 a. Designation of a Compliance Officer and/or compliance staff.
- 9 b. Written standards, policies and/or procedures.
- 10 c. Compliance related training and/or education program and proof of completion.
- 11 d. Communication methods for reporting concerns to the Compliance Officer.
- 12 e. Methodology for conducting internal monitoring and auditing.
- 13 f. Methodology for detecting and correcting offenses.
- 14 g. Methodology/Procedure for enforcing disciplinary standards.

15 3. If CONTRACTOR does not provide proof of its own compliance program to
16 ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR's Compliance
17 Program and Code of Conduct, CONTRACTOR shall submit to ADMINISTRATOR within thirty (30)
18 calendar days of execution of this Contract a signed acknowledgement that CONTRACTOR shall
19 internally comply with ADMINISTRATOR's Compliance Program and Code of Conduct.
20 CONTRACTOR shall have as many Covered Individuals it determines necessary complete
21 ADMINISTRATOR's annual compliance training to ensure proper compliance.

22 4. If CONTRACTOR elects to have its own compliance program, code of conduct and any
23 Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR
24 shall submit a copy of its compliance program, code of conduct and all relevant policies and procedures
25 to ADMINISTRATOR within thirty (30) calendar days of execution of this Contract.
26 ADMINISTRATOR's Compliance Officer, or designee, shall review said documents within a
27 reasonable time, which shall not exceed forty-five (45) calendar days, and determine if
28 CONTRACTOR's proposed compliance program and code of conduct contain all required elements to
29 ADMINISTRATOR's satisfaction as consistent with the HCA's Compliance Program and Code of
30 Conduct. ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and
31 CONTRACTOR shall revise its compliance program and code of conduct to meet
32 ADMINISTRATOR's required elements within thirty (30) calendar days after ADMINISTRATOR's
33 Compliance Officer's determination and resubmit the same for review by ADMINISTRATOR.

34 5. Upon written confirmation from ADMINISTRATOR's compliance officer that the
35 CONTRACTOR's compliance program, code of conduct and any compliance related policies and
36 procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals
37 relative to this Contract are made aware of CONTRACTOR's compliance program, code of conduct,

1 related policies and procedures and contact information for ADMINISTRATOR's Compliance Program.

2 B. SANCTION SCREENING – CONTRACTOR must screen all Covered Individuals employed
3 or retained to provide services related to this Contract to ensure that they are not designated as Ineligible
4 Persons, as pursuant to this Contract. Screening must be conducted against the Social Security
5 Administration's Death Master File at the date of employment. Screening must be conducted monthly
6 against the General Services Administration's Excluded Parties List System or System for Award
7 Management, the Health and Human Services/Office of Inspector General List of Excluded
8 Individuals/Entities, and the California Medi-Cal Suspended and Ineligible Provider List, and/or any
9 other list or system as identified by ADMINISTRATOR.

10 1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees,
11 interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items
12 or services or who perform billing or coding functions on behalf of ADMINISTRATOR.
13 CONTRACTOR shall ensure that all Covered Individuals relative to this Contract are made aware of
14 ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures (or
15 CONTRACTOR's own compliance program, code of conduct and related policies and procedures if
16 CONTRACTOR has elected to use its own).

17 2. An Ineligible Person shall be any individual or entity who:
18 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in
19 federal and state health care programs; or
20 b. has been convicted of a criminal offense related to the provision of health care items or
21 services and has not been reinstated in the federal and state health care programs after a period of
22 exclusion, suspension, debarment, or ineligibility.

23 //

24 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
25 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
26 Contract.

27 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors monthly to
28 ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that its
29 subcontractors use their best efforts to verify that they are eligible to participate in all federal and State
30 of California health programs and have not been excluded or debarred from participation in any federal
31 or state health care programs, and to further represent to CONTRACTOR that they do not have any
32 Ineligible Person in their employ or under contract.

33 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
34 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
35 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing
36 services directly relative to this Contract becomes debarred, excluded or otherwise becomes an
37 Ineligible Person.

1 6. CONTRACTOR acknowledges that Ineligible Persons are precluded from providing
 2 federal and state funded health care services by contract with COUNTY in the event that they are
 3 currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency.
 4 If CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person,
 5 CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY
 6 business operations related to this Contract.

7 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or
 8 entity is currently excluded, suspended or debarred, or is identified as such after being sanction
 9 screened. Such individual or entity shall be immediately removed from participating in any activity
 10 associated with this Contract. ADMINISTRATOR will determine appropriate repayment from, or
 11 sanction(s) to CONTRACTOR for services provided by ineligible person or individual.
 12 CONTRACTOR shall promptly return any overpayments within forty-five (45) business days after the
 13 overpayment is verified by ADMINISTRATOR.

14 C. GENERAL COMPLIANCE TRAINING - ADMINISTRATOR shall make General
 15 Compliance Training available to Covered Individuals.

16 1. CONTRACTORS that have acknowledged to comply with ADMINISTRATOR's
 17 Compliance Program shall use its best efforts to encourage completion by all Covered Individuals;
 18 provided, however, that at a minimum CONTRACTOR shall assign at least one (1) designated
 19 representative to complete the General Compliance Training when offered.

20 2. Such training will be made available to Covered Individuals within thirty (30) calendar
 21 days of employment or engagement.

22 3. Such training will be made available to each Covered Individual annually.

23 //

24 4. ADMINISTRATOR will track training completion while CONTRACTOR shall provide
 25 copies of training certification upon request.

26 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
 27 compliance training. ADMINISTRATOR shall provide instruction on group training completion while
 28 CONTRACTOR shall retain the training certifications. Upon written request by ADMINISTRATOR,
 29 CONTRACTOR shall provide copies of the certifications.

30 D. SPECIALIZED PROVIDER TRAINING – ADMINISTRATOR shall make Specialized
 31 Provider Training, where appropriate, available to Covered Individuals.

32 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered
 33 Individuals relative to this Contract. This includes compliance with federal and state healthcare
 34 program regulations and procedures or instructions otherwise communicated by regulatory agencies;
 35 including the Centers for Medicare and Medicaid Services or their agents.

36 2. Such training will be made available to Covered Individuals within thirty (30) calendar
 37 days of employment or engagement.

1 3. Such training will be made available to each Covered Individual annually.

2 4. ADMINISTRATOR will track online completion of training while CONTRACTOR shall
3 provide copies of the certifications upon request.

4 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
5 compliance training. ADMINISTRATOR shall provide instructions on completing the training in a
6 group setting while CONTRACTOR shall retain the certifications. Upon written request by
7 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

8 E. MEDI-CAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

9 1. CONTRACTOR shall take reasonable precaution to ensure that the coding of health care
10 claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner
11 and are consistent with federal, state and county laws and regulations. This includes compliance with
12 federal and state health care program regulations and procedures or instructions otherwise
13 communicated by regulatory agencies including the Centers for Medicare and Medicaid Services or
14 their agents.

15 2. CONTRACTOR shall not submit any false, fraudulent, inaccurate and/or fictitious claims
16 for payment or reimbursement of any kind.

17 3. CONTRACTOR shall bill only for those eligible services actually rendered which are also
18 fully documented. When such services are coded, CONTRACTOR shall use proper billing codes which
19 accurately describes the services provided and must ensure compliance with all billing and
20 documentation requirements.

21 4. CONTRACTOR shall act promptly to investigate and correct any problems or errors in
22 coding of claims and billing, if and when, any such problems or errors are identified.

23 //

24 5. CONTRACTOR shall promptly return any overpayments within forty-five (45) business
25 days after the overpayment is verified by ADMINISTRATOR.

26 6. CONTRACTOR shall meet the HCA Quality Assessment and Performance Improvement
27 Standards established by ~~Authority and Quality Improvement Services (AQIS)~~ Quality Management
28 Services (QMS) and participate in the quality improvement activities developed in the implementation
29 of the DMC-ODS Quality Management Program. CONTRACTOR shall establish an internal Quality
30 Management program and appoint designated Quality Improvement (QI) staff consisting of at least one
31 dedicated QI coordinator/professional to participate in QI activities with ADMINISTRATOR and to
32 ensure service delivery and support program staff implement QI initiatives and requirements
33 appropriately at the program site.

34 7. CONTRACTOR shall comply with the provisions of the ADMINISTRATOR's Cultural
35 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
36 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
37 §1810.410.subds.(c)-(d).

1 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a
 2 breach of the Contract on the part of CONTRACTOR and grounds for COUNTY to terminate the
 3 Contract. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty
 4 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this
 5 Compliance Paragraph prior to ADMINISTRATOR's right to terminate this Contract on the basis of
 6 such default.

7 8 **VI. CONFIDENTIALITY**

9 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any
 10 audio and/or video recordings, in accordance with all applicable federal, state and county codes and
 11 regulations, including 42 USC §290dd-2 (Confidentiality of Records), as they now exist or may
 12 hereafter be amended or changed.

13 B. Prior to providing any services pursuant to this Contract, all members of the Board of Directors
 14 or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns of the
 15 CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the confidentiality of any and
 16 all information and records which may be obtained in the course of providing such services. This
 17 Contract shall specify that it is effective irrespective of all subsequent resignations or terminations of
 18 CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,
 19 consultants, subcontractors, volunteers and interns.

20 C. CONTRACTOR shall have in effect a system to protect patient records from inappropriate
 21 disclosure in connection with activity funded under this Contract. This system shall include provisions
 22 for employee education on the confidentiality requirements, and the fact that disciplinary action may
 23 occur upon inappropriate disclosure. CONTRACTOR agrees to implement administrative, physical, and
 24 technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and
 25 availability of all confidential information that it creates, receives, maintains or transmits.
 26 CONTRACTOR shall provide ADMINISTRATOR with information concerning such safeguards.

27 D. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known
 28 to CONTRACTOR, or its subcontractors or agents in violation of the applicable state and federal
 29 regulations regarding confidentiality.

30 E. CONTRACTOR shall monitor compliance with the above provisions on confidentiality and
 31 security, and shall include them in all subcontracts.

32 F. CONTRACTOR shall notify ADMINISTRATOR within twenty-four (24) hours during a work
 33 week, of any suspected or actual breach of its computer system.

34 35 **VII. CONFLICT OF INTEREST**

36 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions
 37 that could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation

1 shall apply to CONTRACTOR's employees, agents, and subcontractors associated with the provision of
 2 goods and services provided under this Contract. CONTRACTOR's efforts shall include, but not be
 3 limited to establishing rules and procedures preventing its employees, agents, and subcontractors from
 4 providing or offering gifts, entertainment, payments, loans or other considerations which could be
 5 deemed to influence or appear to influence COUNTY staff or elected officers in the performance of
 6 their duties.

8 **VIII. COST REPORT**

9 A. CONTRACTOR shall submit an individual and/or consolidated Cost Report for each Period, or
 10 for a portion thereof to COUNTY no later than forty-five (45) calendar days following the period for
 11 which they are prepared or termination of this Contract. CONTRACTOR shall prepare the individual
 12 and/or consolidated Cost Report in accordance with all applicable federal, state and COUNTY
 13 requirements, GAAP and the Special Provisions Paragraph of this Contract. CONTRACTOR shall
 14 allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in
 15 accordance with such requirements and consistent with prudent business practice, which costs and
 16 allocations shall be supported by source documentation maintained by CONTRACTOR, and available at
 17 any time to ADMINISTRATOR upon reasonable notice. In the event CONTRACTOR has multiple
 18 Contracts for mental health services that are administered by HCA, consolidation of the individual Cost
 19 Reports into a single consolidated Cost Report may be required, as stipulated by ADMINISTRATOR.
 20 CONTRACTOR shall submit the consolidated Cost Report to COUNTY no later than five (5) business
 21 days following approval by ADMINISTRATOR of all individual Cost Reports to be incorporated into a
 22 consolidated Cost Report.

23 //

24 1. If CONTRACTOR fails to submit an accurate and complete Cost Report within the time
 25 period specified above, ADMINISTRATOR has sole discretion to impose one or both of the following:

26 a. CONTRACTOR may be assessed a late penalty of five hundred dollars (\$500) for each
 27 business day after the above specified due date that the accurate and complete Cost Report is not
 28 submitted. Imposition of the late penalty shall be at the sole discretion of ADMINISTRATOR. The late
 29 penalty shall be assessed separately on each outstanding Cost Report due COUNTY by
 30 CONTRACTOR.

31 b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
 32 pursuant to any or all contracts between COUNTY and CONTRACTOR until such time that the
 33 accurate and complete Cost Report is delivered to ADMINISTRATOR.

34 2. CONTRACTOR may request, in advance and in writing, an extension of the due date of the
 35 Cost Report setting forth good cause for justification of the request. Approval of such requests shall be
 36 at the sole discretion of ADMINISTRATOR and shall not be unreasonably denied. In no case shall
 37 extensions be granted for more than seven (7) calendar days.

1 3. In the event that CONTRACTOR does not submit an accurate and complete Cost Report
2 within one hundred and eighty (180) calendar days following the termination of this Contract, and
3 CONTRACTOR has not entered into a subsequent or new contract for any other services with
4 COUNTY, then all amounts paid to CONTRACTOR by COUNTY during the term of the Contract shall
5 be immediately reimbursed to COUNTY.

6 B. The individual and/or consolidated Cost Report prepared for each period shall be the final
7 financial and statistical report submitted by CONTRACTOR to COUNTY, and shall serve as the basis
8 for final settlement to CONTRACTOR for that period. CONTRACTOR shall document that costs are
9 reasonable and allowable and directly or indirectly related to the services to be provided hereunder. The
10 Cost Report shall be the final financial record for subsequent audits, if any.

11 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder,
12 less applicable revenues and any late penalty, not to exceed the negotiated rate as specified in the
13 Contract. CONTRACTOR shall not claim expenditures to COUNTY which are not reimbursable
14 pursuant to applicable federal, state and COUNTY laws, regulations and requirements. Any payment
15 made by COUNTY to CONTRACTOR, which is subsequently determined to have been for an
16 unreimbursable expenditure or service, shall be repaid by CONTRACTOR to COUNTY in cash, or
17 other authorized form of payment, within thirty (30) calendar days of submission of the Cost Report or
18 COUNTY may elect to reduce any amount owed CONTRACTOR by an amount not to exceed the
19 reimbursement due COUNTY.

20 D. Costs of Medi-Cal services shall not exceed the negotiated rate as specified in this Contract.

21 E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to
22 this Contract, less applicable revenues and any late penalty, are higher than the aggregate of interim
23 monthly payments to CONTRACTOR, then COUNTY shall pay CONTRACTOR the difference,
24 provided such payment does not exceed the COUNTY's Total Aggregate Amount Not to Exceed and
25 separate non-Medi-Cal Aggregate Amount Not to Exceed and Aggregate Medi-Cal Amount Not to
26 Exceed.

27 F. All Cost Reports shall contain the following attestation, which may be typed directly on or
28 attached to the Cost Report:

29
30 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and
31 supporting documentation prepared by _____ for the cost report period
32 beginning _____ and ending _____ and that, to the best of my
33 knowledge and belief, costs reimbursed through this Contract are reasonable and
34 allowable and directly or indirectly related to the services provided and that this Cost
35 Report is a true, correct, and complete statement from the books and records of
36 (provider name) in accordance with applicable instructions, except as noted. I also
37 hereby certify that I have the authority to execute the accompanying Cost Report.

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Signed _____
Name _____
Title _____
Date _____"

IX. DEBARMENT AND SUSPENSION CERTIFICATION

A. CONTRACTOR certifies that it and its principals:

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-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

3. Are not presently indicted for or otherwise criminally or civilly charged by a federal, state, or local governmental entity with commission of any of the offenses enumerated in Subparagraph A.2. above.

4. Have not within a three-year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

5. Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR Part 9, Subpart 9.4), debarred, // suspended, declared ineligible, or voluntarily excluded from participation in such transaction unless authorized by the State of California.

6. Shall include without modification, the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction," (i.e., transactions with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in accordance with 2 CFR Part 376.

B. The terms and definitions of this paragraph have the meanings set out in the Definitions and Coverage sections of the rules implementing 51 F.R. 6370.

X. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS

A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without prior written consent of COUNTY. CONTRACTOR shall provide written notification of CONTRACTOR's intent to delegate the obligations hereunder, either in whole or part, to

1 ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the delegation.
2 Any attempted assignment or delegation in derogation of this paragraph shall be void.

3 B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR's
4 business prior to completion of this Contract, and COUNTY agrees to an assignment of the Contract, the
5 new owners shall be required under the terms of sale or other instruments of transfer to assume
6 CONTRACTOR's duties and obligations contained in this Contract and complete them to the
7 satisfaction of COUNTY. CONTRACTOR may not assign the rights hereunder, either in whole or in
8 part, without the prior written consent of COUNTY.

9 1. If CONTRACTOR is a nonprofit organization, any change from a nonprofit corporation to
10 any other corporate structure of CONTRACTOR, including a change in more than fifty percent (50%)
11 of the composition of the Board of Directors within a two (2) month period of time, shall be deemed an
12 assignment for purposes of this paragraph, unless CONTRACTOR is transitioning from a community
13 clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal
14 Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.

15 2. If CONTRACTOR is a for-profit organization, any change in the business structure,
16 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of
17 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a
18 change in fifty percent (50%) or more of Board of Directors or any governing body of CONTRACTOR
19 at one time shall be deemed an assignment pursuant to this paragraph. Any attempted assignment or
20 delegation in derogation of this subparagraph shall be void.

21 3. If CONTRACTOR is a governmental organization, any change to another structure,
22 including a change in more than fifty percent (50%) of the composition of its governing body (i.e. Board
23 of Supervisors, City Council, School Board) within a two (2) month period of time, shall be deemed an

24 //
25 assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of
26 this subparagraph shall be void.

27 4. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
28 CONTRACTOR shall provide written notification of CONTRACTOR's intent to assign the obligations
29 hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to
30 the effective date of the assignment.

31 5. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
32 CONTRACTOR shall provide written notification within thirty (30) calendar days to
33 ADMINISTRATOR when there is change of less than fifty percent (50%) of Board of Directors or any
34 governing body of CONTRACTOR at one time.

35 6. COUNTY reserves the right to immediately terminate the Contract in the event COUNTY
36 determines, in its sole discretion, that the assignee is not qualified or is otherwise unacceptable to
37 COUNTY for the provision of services under the Contract.

1 C. CONTRACTOR's obligations undertaken pursuant to this Contract may be carried out by
 2 means of subcontracts, provided such subcontractors are approved in advance by ADMINISTRATOR,
 3 meet the requirements of this Contract as they relate to the service or activity under subcontract, include
 4 any provisions that ADMINISTRATOR may require, and are authorized in writing by
 5 ADMINISTRATOR prior to the beginning of service delivery.

6 1. After approval of the subcontractor, ADMINISTRATOR may revoke the approval of the
 7 subcontractor upon five (5) calendar days' written notice to CONTRACTOR if the subcontractor
 8 subsequently fails to meet the requirements of this Contract or any provisions that ADMINISTRATOR
 9 has required. ADMINISTRATOR may disallow subcontractor expenses reported by CONTRACTOR.

10 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY
 11 pursuant to this Contract.

12 3. ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR,
 13 amounts claimed for subcontracts not approved in accordance with this paragraph.

14 4. This provision shall not be applicable to service contracts usually and customarily entered
 15 into by CONTRACTOR to obtain or arrange for supplies, technical support, and professional services
 16 provided by consultants.

17 D. CONTRACTOR shall notify COUNTY in writing of any change in CONTRACTOR's status
 18 with respect to name changes that do not require an assignment of the Contract. CONTRACTOR is also
 19 obligated to notify COUNTY in writing if CONTRACTOR becomes a party to any litigation against
 20 COUNTY, or a party to litigation that may reasonably affect CONTRACTOR's performance under the
 21 Contract, as well as any potential conflicts of interest between CONTRACTOR and COUNTY that may
 22 arise prior to or during the period of Contract performance. While CONTRACTOR will be required to
 23 provide this information without prompting from COUNTY any time there is a change in

24 //

25 CONTRACTOR's name, conflict of interest or litigation status, CONTRACTOR must also provide an
 26 update to COUNTY of its status in these areas whenever requested by COUNTY.

27 28 **XI. DISPUTE RESOLUTION**

29 A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the
 30 dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a
 31 reasonable period of time by CONTRACTOR and ADMINISTRATOR, such matter shall be brought to
 32 the attention of the COUNTY Purchasing Agent by way of the following process:

33 1. CONTRACTOR shall submit to the COUNTY Purchasing Agent a written demand for a
 34 final decision regarding the disposition of any dispute between the Parties arising under, related to, or
 35 involving this Contract, unless COUNTY, on its own initiative, has already rendered such a final
 36 decision.

37 2. CONTRACTOR's written demand shall be fully supported by factual information, and, if

1 such demand involves a cost adjustment to the Contract, CONTRACTOR shall include with the demand
 2 a written statement signed by an authorized representative indicating that the demand is made in good
 3 faith, that the supporting data are accurate and complete, and that the amount requested accurately
 4 reflects the Contract adjustment for which CONTRACTOR believes COUNTY is liable.

5 B. Pending the final resolution of any dispute arising under, related to, or involving this Contract,
 6 CONTRACTOR agrees to proceed diligently with the performance of services secured via this Contract,
 7 including the delivery of goods and/or provision of services. CONTRACTOR's failure to proceed
 8 diligently shall be considered a material breach of this Contract.

9 C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and
 10 shall be signed by a COUNTY Deputy Purchasing Agent or designee. If COUNTY does not render a
 11 decision within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed
 12 a final decision adverse to CONTRACTOR's contentions.

13 D. This Contract has been negotiated and executed in the State of California and shall be governed
 14 by and construed under the laws of the State of California. In the event of any legal action to enforce or
 15 interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in
 16 Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of
 17 such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically
 18 agree to waive any and all rights to request that an action be transferred for adjudication to another
 19 county.

20 21 **XII. EMPLOYEE ELIGIBILITY VERIFICATION**

22 CONTRACTOR attests that it shall fully comply with all federal and state statutes and regulations
 23 regarding the employment of aliens and others and to ensure that employees, subcontractors, and
 24 consultants performing work under this Contract meet the citizenship or alien status requirements set
 25 forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees,
 26 subcontractors, and consultants performing work hereunder, all verification and other documentation of
 27 employment eligibility status required by federal or state statutes and regulations including, but not
 28 limited to, the Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently
 29 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all
 30 covered employees, subcontractors, and consultants for the period prescribed by the law.

31 32 **XIII. EQUIPMENT**

33 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all
 34 property of a Relatively Permanent nature with significant value, purchased in whole or in part by
 35 ADMINISTRATOR to assist in performing the services described in this Contract. "Relatively
 36 Permanent" is defined as having a useful life of one (1) year or longer. Equipment which costs \$5,000
 37 or over, including freight charges, sales taxes, and other taxes, and installation costs are defined as

1 Capital Assets. Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes
 2 and other taxes, and installation costs, or electronic equipment that costs less than \$600 but may contain
 3 PHI or PII, are defined as Controlled Equipment. Controlled Equipment includes, but is not limited to
 4 phones, tablets, audio/visual equipment, computer equipment, and lab equipment. The cost of
 5 Equipment purchased, in whole or in part, with funds paid pursuant to this Contract shall be depreciated
 6 according to GAAP.

7 B. CONTRACTOR shall obtain ADMINISTRATOR's written approval prior to purchase of any
 8 Equipment with funds paid pursuant to this Contract. Upon delivery of Equipment, CONTRACTOR
 9 shall forward to ADMINISTRATOR, copies of the purchase order, receipt, and other supporting
 10 documentation, which includes delivery date, unit price, tax, shipping and serial numbers.
 11 CONTRACTOR shall request an applicable asset tag for said Equipment and shall include each
 12 purchased asset in an Equipment inventory.

13 C. Upon ADMINISTRATOR's prior written approval, CONTRACTOR may expense to
 14 COUNTY the cost of the approved Equipment purchased by CONTRACTOR. To "expense," in
 15 relation to Equipment, means to charge the proportionate cost of Equipment in the fiscal year in which it
 16 is purchased. Title of expensed Equipment shall be vested with COUNTY.

17 D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part
 18 with funds paid through this Contract, including date of purchase, purchase price, serial number, model
 19 and type of Equipment. Such inventory shall be available for review by ADMINISTRATOR, and shall
 20 include the original purchase date and price, useful life, and balance of depreciated Equipment cost, if
 21 any.

22 E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical
 23 inventories of all Equipment. Upon demand by ADMINISTRATOR, CONTRACTOR shall return any
 24 or all Equipment to COUNTY.

25 F. CONTRACTOR must report any loss or theft of Equipment in accordance with the procedure
 26 approved by ADMINISTRATOR and the Notices Paragraph of this Contract. In addition,
 27 CONTRACTOR must complete and submit to ADMINISTRATOR a notification form when items of
 28 Equipment are moved from one location to another or returned to COUNTY as surplus.

29 G. Unless this Contract is followed without interruption by another Contract between the Parties
 30 for substantially the same type and scope of services, at the termination of this Contract for
 31 any cause, CONTRACTOR shall return to COUNTY all Equipment purchased with funds paid through
 32 this Contract.

33 H. CONTRACTOR shall maintain and administer a sound business program for ensuring the
 34 proper use, maintenance, repair, protection, insurance, and preservation of COUNTY Equipment.

35 36 **XIV. FACILITIES, PAYMENTS AND SERVICES**

37 CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance with

1 this Contract. COUNTY shall compensate, and authorize, when applicable, said services.
 2 CONTRACTOR shall operate continuously throughout the term of this Contract with at least the
 3 minimum number and type of staff which meet applicable federal and state requirements, and which are
 4 necessary for the provision of the services hereunder.

5 6 **XV. INDEMNIFICATION AND INSURANCE**

7 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,
 8 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special
 9 districts and agencies for which COUNTY's Board of Supervisors acts as the governing Board
 10 ("COUNTY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature,
 11 including but not limited to personal injury or property damage, arising from or related to the services,
 12 products or other performance provided by CONTRACTOR pursuant to this Contract. If judgment is
 13 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the
 14 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and
 15 COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall
 16 request a jury apportionment.

17 B. Prior to the provision of services under this Contract, CONTRACTOR agrees to purchase all
 18 required insurance at CONTRACTOR's expense, including all endorsements required herein, necessary
 19 to satisfy COUNTY that the insurance provisions of this Contract have been complied with.
 20 CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance (COI), and
 21 endorsements on deposit with COUNTY during the entire term of this Contract. In addition, all
 22 subcontractors performing work on behalf of CONTRACTOR pursuant to this Contract shall obtain
 23 insurance subject to the same terms and conditions as set forth herein for CONTRACTOR.

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25 C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of
 26 CONTRACTOR pursuant to this Contract shall be covered under CONTRACTOR's insurance as an
 27 Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for
 28 CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less
 29 than the level of coverage required by COUNTY from CONTRACTOR under this Contract. It is the
 30 obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor
 31 and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of
 32 insurance must be maintained by CONTRACTOR through the entirety of this Contract for inspection by
 33 COUNTY representative(s) at any reasonable time.

34 D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand
 35 dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of
 36 CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved,
 37 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this

1 Contract, agrees to all of the following:

2 1. In addition to the duty to indemnify and hold COUNTY harmless against any and all
3 liability, claim, demand or suit resulting from CONTRACTOR's, its agents, employee's or
4 subcontractor's performance of this Contract, CONTRACTOR shall defend COUNTY at its sole cost
5 and expense with counsel approved by Board of Supervisors against same; and

6 2. CONTRACTOR's duty to defend, as stated above, shall be absolute and irrespective of any
7 duty to indemnify or hold harmless; and

8 3. The provisions of California Civil Code Section 2860 shall apply to any and all actions to
9 which the duty to defend stated above applies, and CONTRACTOR's SIR provision shall be interpreted
10 as though the CONTRACTOR was an insurer and COUNTY was the insured.

11 E. If CONTRACTOR fails to maintain insurance acceptable to COUNTY for the full term of this
12 Contract, COUNTY may terminate this Contract.

13 F. QUALIFIED INSURER

14 1. The policy or policies of insurance must be issued by an insurer with a minimum rating of
15 A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current
16 edition of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com). It is preferred,
17 but not mandatory, that the insurer be licensed to do business in the state of California (California
18 Admitted Carrier).

19 2. If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of
20 Risk Management retains the right to approve or reject a carrier after a review of the company's
21 performance and financial ratings.

22 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
23 limits and coverage as set forth below:

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<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned, and hired vehicles (4 passengers or less)	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence

1	Network Security & Privacy Liability	\$1,000,000 per claims -made
2		
3	Professional Liability Insurance	\$1,000,000 per claims -made
4		\$1,000,000 aggregate
5		
6	Sexual Misconduct Liability	\$1,000,000 per occurrence
7		

8 H. REQUIRED COVERAGE FORMS

9 1. The Commercial General Liability coverage shall be written on ISO form CG 00 01, or a
10 substitute form providing liability coverage at least as broad.

11 2. The Business Automobile Liability coverage shall be written on ISO form CA 00 01, CA
12 00 05, CA 00 12, CA 00 20, or a substitute form providing coverage at least as broad.

13 I. REQUIRED ENDORSEMENTS

14 1. The Commercial General Liability policy shall contain the following endorsements, which
15 shall accompany the COI:

16 a. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least
17 as broad naming the County of Orange, its elected and appointed officials, officers, agents and
18 employees as Additional Insureds, or provide blanket coverage, which will state AS REQUIRED BY
19 WRITTEN CONTRACT.

20 b. A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at
21 least as broad evidencing that CONTRACTOR's insurance is primary and any insurance or self-
22 insurance maintained by the County of Orange shall be excess and non-contributing.

23 2. The Network Security and Privacy Liability policy shall contain the following
24 endorsements, which shall accompany the COI:

25 a. An Additional Insured endorsement naming the County of Orange, its elected and
26 appointed officials, officers, agents and employees as Additional Insureds for its vicarious liability.

27 b. A primary and non-contributing endorsement evidencing that the CONTRACTOR's
28 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be
29 excess and non-contributing.

30 J. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving
31 all rights of subrogation against the County of Orange, its elected and appointed officials, officers,
32 agents and employees, or provide blanket coverage, which will state AS REQUIRED BY WRITTEN
33 CONTRACT.

34 K. All insurance policies required by this Contract shall waive all rights of subrogation against the
35 County of Orange, its elected and appointed officials, officers, agents and employees when acting within
36 the scope of their appointment or employment.

37 L. CONTRACTOR shall notify COUNTY in writing within thirty (30) calendar days of any policy

1 cancellation and within ten (10) calendar days for non-payment of premium and provide a copy of the
 2 cancellation notice to COUNTY. Failure to provide written notice of cancellation shall constitute a
 3 breach of CONTRACTOR's obligation hereunder and ground for COUNTY to suspend or terminate
 4 this Contract.

5 M. If CONTRACTOR's Professional Liability, Technology Errors & Omissions and/or Network
 6 Security & Privacy Liability are "Claims -Made" policies, CONTRACTOR shall agree to maintain
 7 coverage for two (2) years following the completion of the Contract.

8 N. The Commercial General Liability policy shall contain a "severability of interests" clause also
 9 known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

10 O. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease
 11 insurance of any of the above insurance types throughout the term of this Contract. Any increase or
 12 decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to
 13 adequately protect COUNTY.

14 P. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
 15 CONTRACTOR does not deposit copies of acceptable COI and endorsements with COUNTY
 16 incorporating such changes within thirty (30) calendar days of receipt of such notice, this Contract may
 17 be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal
 18 remedies.

19 Q. The procuring of such required policy or policies of insurance shall not be construed to limit
 20 CONTRACTOR's liability hereunder nor to fulfill the indemnification provisions and requirements of
 21 this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

22 R. SUBMISSION OF INSURANCE DOCUMENTS

23 1. The COI and endorsements shall be provided to COUNTY as follows:
 24 a. Prior to the start date of this Contract.
 25 b. No later than the expiration date for each policy.
 26 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
 27 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

28 2. The COI and endorsements shall be provided to COUNTY at the address as specified in the
 29 Referenced Contract Provisions of this Contract.

30 3. If CONTRACTOR fails to submit the COI and endorsements that meet the insurance
 31 provisions stipulated in this Contract by the above specified due dates, ADMINISTRATOR shall have
 32 sole discretion to impose one or both of the following:

33 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
 34 pursuant to any and all contracts between COUNTY and CONTRACTOR until such time that the
 35 required COI and endorsements that meet the insurance provisions stipulated in this Contract are
 36 submitted to ADMINISTRATOR.

37 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late

1 COI or endorsement for each business day, pursuant to any and all contracts between COUNTY and
 2 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance
 3 provisions stipulated in this Contract are submitted to ADMINISTRATOR.

4 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from
 5 CONTRACTOR's monthly invoice.

6 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
 7 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
 8 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.

9 10 **XVI. INSPECTIONS AND AUDITS**

11 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
 12 of the State of California, the Secretary of the United States Department of Health and Human Services,
 13 the Comptroller General of the United States, or any other of their authorized representatives, shall to
 14 the extent permissible under applicable law have access to any books, documents, and records, including
 15 but not limited to, financial statements, general ledgers, relevant accounting systems, medical and Client
 16 records, of CONTRACTOR that are directly pertinent to this Contract, for the purpose of responding to
 17 a beneficiary complaint or conducting an audit, review, evaluation, or examination, or making
 18 transcripts during the periods of retention set forth in the Records Management and Maintenance
 19 Paragraph of this Contract. Such persons may at all reasonable times inspect or otherwise evaluate the
 20 services provided pursuant to this Contract, and the premises in which they are provided.

21 B. CONTRACTOR shall actively participate and cooperate with any person specified in
 22 Subparagraph A. above in any evaluation or monitoring of the services provided pursuant to this
 23 Contract, and shall provide the above-mentioned persons adequate office space to conduct such
 24 evaluation or monitoring.

25 C. AUDIT RESPONSE

26 1. Following an audit report, in the event of non-compliance with applicable laws and
 27 regulations governing funds provided through this Contract, COUNTY may terminate this Contract as
 28 provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement
 29 appropriate corrective action. A CAP shall be submitted to ADMINISTRATOR in writing within thirty
 30 (30) calendar days after receiving notice from ADMINISTRATOR.

31 2. If the audit reveals that money is payable from one Party to the other, that is,
 32 reimbursement by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to
 33 CONTRACTOR, said funds shall be due and payable from one Party to the other within sixty (60)
 34 calendar days of receipt of the audit results. If reimbursement is due from CONTRACTOR to
 35 COUNTY, and such reimbursement is not received within said sixty (60) calendar days, COUNTY may,
 36 in addition to any other remedies provided by law, reduce any amount owed CONTRACTOR by an
 37 amount not to exceed the reimbursement due COUNTY.

1 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare an
 2 annual Single Audit as required by 31 USC 7501 – 7507, as well as its implementing regulations under
 3 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
 4 Federal Awards. CONTRACTOR shall forward the Single Audit to ADMINISTRATOR within
 5 fourteen (14) calendar days of receipt.

6 E. ADMINISTRATOR shall inform providers and CONTRACTOR, at the time they enter into a
 7 contract, of the following:

8 1. Beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in
 9 42 C.F.R. 438.400 through 42 C.F.R. 438.424.

10 2. The beneficiary's right to file grievances and appeals and the requirements and timeframes
 11 for filling.

12 3. The availability of assistance to the beneficiary with filling grievances and appeals.

13 4. The beneficiary's right to request continuation of benefits that the ADMINISTRATOR
 14 seeks to reduce or terminate during an appeal or state fair hearing filing, if filed within the allowable
 15 timeframes, although the beneficiary may be liable for the cost of any continued benefits while the
 16 appeal or state fair hearing is pending if the final decision is adverse to the beneficiary.

17 5. The conducting of random reviews to ensure beneficiaries are being notified in a timely
 18 manner.

19 F. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records,
 20 documents, contracts, computers, or other electronic systems pertaining to Medi-Cal/Drug Medi-Cal
 21 enrollees, Medi-Cal/Drug Medi-Cal-related activities, services and activities furnished under the terms
 22 of the Contract or determinations of amounts payable available at any time for inspection, examination
 23 of copying by the State, CMS, HHS Inspector General, the United States Comptroller General, their
 24 designees, and other authorized federal and state agencies. (42 CFR §438.3(h)) This audit right will
 25 exist for ten (10) years from the final date of the contract period or from the date of completion of any
 26 audit, whichever is later. (42 CFR §438.230(c)(3)(iii)). The State, CMS, or the HHS Inspector General
 27 may inspect, evaluate, and audit CONTRACTOR at any time if there is a reasonable possibility of fraud
 28 or similar risk (42 CFR §438.230(c)(3)(iv)).

30 **XVII. LICENSES AND LAWS**

31 ~~— A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout~~
 32 ~~the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations,~~
 33 ~~waivers, and exemptions necessary for the provision of the services hereunder and required by the laws,~~
 34 ~~regulations and requirements of the United States, the State of California, COUNTY, and all other~~
 35 ~~applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and~~
 36 ~~in writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals,~~
 37 ~~permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be~~

1 ~~cause for termination of this Contract. In addition, all treatment providers will be certified by the State~~
 2 ~~Department of Health Care Services as a Drug Medi-Cal provider and must meet any additional~~
 3 ~~requirements established by COUNTY as part of this certification~~

4 ~~— B. CONTRACTOR shall comply with all applicable governmental laws, regulations, and~~
 5 ~~requirements as they exist now or may be hereafter amended or changed. These laws, regulations, and~~
 6 ~~requirements shall include, but not be limited to, the following:~~

7 ~~— 1. ARRA of 2009.~~

8 ~~— 2. Trafficking Victims Protection Act of 2000.~~

9 ~~— 3. CCC §§56 through 56.37, Confidentiality of Medical Information.~~

10 ~~— 4. CCC §§1798.80 through 1798.84, Customer Records.~~

11 ~~— 5. CCC §1798.85, Confidentiality of Social Security Numbers.~~

12 ~~— 6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social~~
 13 ~~Security.~~

14 ~~— 7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse~~
 15 ~~Master Plans.~~

16 ~~— 8. HSC, §§123110 through 123149.5, Patient Access to Health Records.~~

17 ~~— 9. Code of Federal Regulations, Title 42, Public Health.~~

18 ~~— 10. 2 CFR 230, Cost Principles for Nonprofit Organizations.~~

19 ~~— 11. 2 CFR 376, Nonprocurement, Debarment and Suspension.~~

20 ~~— 12. 41 CFR 50, Public Contracts and Property Management.~~

21 ~~— 13. 42 CFR Part 2, Confidentiality of Alcohol and Drug Abuse Patient Records.~~

22 ~~— 14. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse~~
 23 ~~prevention and treatment block grants and/or projects for assistance in transition from homelessness~~
 24 ~~grants.~~

25 ~~— 15. 45 CFR 93, New Restrictions on Lobbying.~~

26 ~~— 16. 45 CFR 96.127, Requirements regarding Tuberculosis.~~

27 ~~— 17. 45 CFR 96.132, Additional Contracts.~~

28 ~~— 18. 45 CFR 96.135, Restrictions on Expenditure of Grant.~~

29 ~~— 19. 45 CFR 160, General Administrative Requirements.~~

30 ~~— 20. 45 CFR 162, Administrative Requirements.~~

31 ~~— 21. 45 CFR 164, Security and Privacy.~~

32 ~~— 22. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.~~

33 ~~— 23. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.~~

34 ~~— 24. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal~~
 35 ~~Contracting and Financial Transactions.~~

36 ~~— 25. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism.~~

37 ~~— 26. 42 USC §§290aa through 290kk 3, Substance Abuse and Mental Health Services~~

1 ~~Administration:~~

- 2 ~~27. 42 USC §290dd-2, Confidentiality of Records.~~
- 3 ~~28. 42 USC §1320(a), Uniform reporting systems for health services facilities and~~
- 4 ~~organizations.~~
- 5 ~~29. 42 USC §§1320d through 1320d-9, Administrative Simplification.~~
- 6 ~~30. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.~~
- 7 ~~31. 42 USC §6101 et seq., Age Discrimination Act of 1975.~~
- 8 ~~32. 42 USC §2000d, Civil Rights Act of 1964.~~
- 9 ~~33. 31 USC 7501—7507, as well as its implementing regulations under 2 CFR Part 200,~~
- 10 ~~Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards~~
- 11 ~~34. U.S. Department of Health and Human Services, National Institutes of Health (NIH),~~
- 12 ~~Grants Policy Statement (10/13).~~
- 13 ~~35. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-~~
- 14 ~~Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.~~
- 15 ~~36. State of California, Department of Health Care Services (DHCS), Alcohol and/or Other~~
- 16 ~~Drug Program Certification Standards, December 2020.~~
- 17 ~~37. CCR Title 22, §§70751(e), 71551(e), 73543(a), 74731(d), 75055(a), 75343(a), and~~
- 18 ~~77143(a).~~
- 19 ~~38. State of California, Department of Health Care Services ASRS Manual.~~
- 20 ~~39. State of California, Department of Health Care Services DPFS Manual.~~
- 21 ~~40. HSC §123145.~~
- 22 ~~41. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(e) and (j).~~
- 23 ~~42. 5 USC §7321—§7326, Political Activities (Hatch Act)~~
- 24 ~~43. DMC Certification Title 22, California Code of Regulations (CCR).~~
- 25 ~~44. DMC Billing Manual April 2019.~~
- 26 ~~45. Federal Medicare Cost reimbursement principles and cost reporting standards.~~
- 27 ~~46. Orange County Drug Medi-Cal Organized Delivery System Managed Care Plan~~
- 28 ~~47. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,~~
- 29 ~~August 2015, and subsequent versions.~~
- 30 ~~48. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.~~
- 31 ~~49. California Code of Regulations (CCR), Title 22, Section 51341.1; 51490.1; 51516.1 and the~~
- 32 ~~Drug Medi-Cal Certification Standards for Substance Abuse Clinics.~~
- 33 ~~50. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1.~~
- 34 ~~51. Standards for Drug Treatment Programs (October 21, 1981).~~
- 35 ~~52. Title 9, CCR, Division 4, Chapter 5, Subchapter 1, Sections 10000, et seq.~~
- 36 ~~53. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.~~
- 37 ~~54. Title 9, CCR, Section 1810.435.~~

~~55. Title 9, CCR, Section 1840.105.~~

~~56. Title 22, CCR, §51009, Confidentiality of Records.~~

~~57. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.~~

~~58. 2 CFR 200.501 Single Audit Act~~

XVIII. LICENSES AND LAWS

A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout the term of this Contract, maintain all necessary licenses, permits, approvals, certificates, accreditations, waivers, and exemptions necessary for the provision of the services hereunder and required by the laws, regulations and requirements of the United States, the State of California, COUNTY, and all other applicable governmental agencies. CONTRACTOR shall notify ADMINISTRATOR immediately and in writing of its inability to obtain or maintain, irrespective of the pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be cause for termination of this Contract. In addition, all treatment providers will be certified by the State Department of Health Care Services as a Drug Medi-Cal provider and must meet any additional requirements established by COUNTY as part of this certification.

B. CONTRACTOR shall comply with all applicable governmental laws, regulations, and requirements as they exist now or may be hereafter amended or changed. These laws, regulations, and requirements shall include, but not be limited to, the following:

1. ARRA of 2009.
2. Trafficking Victims Protection Act of 2000.
3. CCC §§56 through 56.37, Confidentiality of Medical Information.
4. CCC §§1798.80 through 1798.84, Customer Records.
5. CCC §1798.85, Confidentiality of Social Security Numbers.
6. CCR, Title 9, Rehabilitative and Developmental Services, Division 4; and Title 22 Social Security.
7. HSC, Divisions 10.5 Alcohol and Drug Programs and 10.6. Drug and Alcohol Abuse Master Plans.
8. HSC, §§123110 through 123149.5, Patient Access to Health Records.
9. Code of Federal Regulations, Title 42, Public Health.
10. 2 CFR 230, Cost Principles for Nonprofit Organizations.
11. 2 CFR 376, Nonprocurement, Debarment and Suspension.
12. 41 CFR 50, Public Contracts and Property Management.
13. 42 CFR Part 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
14. 42 CFR 54, Charitable choice regulations applicable to states receiving substance abuse prevention and treatment block grants and/or projects for assistance in transition from homelessness grants.
15. 45 CFR 93, New Restrictions on Lobbying.

- 1 16. 45 CFR 96.127, Requirements regarding Tuberculosis.
- 2 17. 45 CFR 96.132, Additional Contracts.
- 3 18. 45 CFR 96.135, Restrictions on Expenditure of Grant.
- 4 19. 45 CFR 160, General Administrative Requirements.
- 5 20. 45 CFR 162, Administrative Requirements.
- 6 21. 45 CFR 164, Security and Privacy.
- 7 22. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
- 8 23. 8 USC §1324 et seq., Immigration Reform and Control Act of 1986.
- 9 24. 31 USC §1352, Limitation on Use of Appropriated Funds to Influence Certain Federal
- 10 Contracting and Financial Transactions.
- 11 25. 42 USC §§285n through 285o, National Institute on Alcohol Abuse and Alcoholism.
- 12 26. 42 USC §§290aa through 290kk-3, Substance Abuse and Mental Health Services
- 13 Administration.
- 14 27. 42 USC §290dd-2, Confidentiality of Records.
- 15 28. 42 USC §1320(a), Uniform reporting systems for health services facilities and
- 16 organizations.
- 17 29. 42 USC §§1320d through 1320d-9, Administrative Simplification.
- 18 30. 42 USC §12101 et seq., The Americans with Disabilities Act of 1990 as amended.
- 19 31. 42 USC §6101 et seq., Age Discrimination Act of 1975.
- 20 32. 42 USC §2000d, Civil Rights Act of 1964.
- 21 33. 31 USC 7501 – 7507, as well as its implementing regulations under 2 CFR Part 200,
- 22 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 23 34. U.S. Department of Health and Human Services, National Institutes of Health (NIH),
- 24 Grants Policy Statement (10/13).
- 25 35. Fact Sheet Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for Co-
- 26 Occurring Disorders, Mental Health Services Oversight and Accountability Commission, 1/17/08.
- 27 36. State of California, Department of Health Care Services (DHCS), Alcohol and/or Other
- 28 Drug Program Certification Standards, December 2020.
- 29 37. CCR Title 22, §§70751e, 71551(c), 73543(a), 74731(d), 75055(a), 75343(a), and 77143(a).
- 30 38. State of California, Department of Health Care Services ASRS Manual.
- 31 39. State of California, Department of Health Care Services DPFS Manual.
- 32 40. HSC §123145.
- 33 41. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).
- 34 42. 5 USC §7321 – §7326, Political Activities (Hatch Act)
- 35 43. DMC Certification Title 22, California Code of Regulations (CCR).
- 36 44. DMC Billing Manual April 2019.
- 37 45. Federal Medicare Cost reimbursement principles and cost reporting standards.

- 1 46. Orange County Drug Medi-Cal Organized Delivery System Managed Care Plan
- 2 47. California Bridge to Health Reform DMC-ODS Waiver, Standard Terms and Conditions,
- 3 August 2015, and subsequent versions.
- 4 48. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8.
- 5 49. California Code of Regulations (CCR), Title 22, Section 51341.1; 51490.1; 51516.1 and the
- 6 Drug Medi-Cal Certification Standards for Substance Abuse Clinics.
- 7 50. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1.
- 8 51. Standards for Drug Treatment Programs (October 21, 1981).
- 9 52. Title 9, CCR, Division 4, Chapter 5, Subchapter 1, Sections 10000, et seq.
- 10 53. Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq.
- 11 54. Title 9, CCR, Section 1810.435.
- 12 55. Title 9, CCR, Section 1840.105.
- 13 56. Title 22, CCR, §51009, Confidentiality of Records.
- 14 57. California Welfare and Institutions Code, §14100.2, Medicaid Confidentiality.
- 15 58. 2 CFR 200.501 – Single Audit Act
- 16 59. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
- 17 nondiscrimination in employment under federal contracts and construction contracts greater than
- 18 \$10,000 funded by federal financial assistance.
- 19 60. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with
- 20 limited English proficiency.
- 21 61. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
- 22 nondiscrimination on the basis of drug abuse.
- 23 62. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and
- 24 Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of
- 25 alcohol abuse or alcoholism.
- 26 63. Fair Employment and Housing Act (Gov. Code Section 12900 et seq.) and the applicable
- 27 regulations promulgated thereunder (Cal. Code Regs., tit. 2, Div. 4 § 7285.0 et seq.).
- 28 64. Title 2, Division 3, Article 9.5 of the Gov. Code, commencing with Section 11135.
- 29 65. Noncompliance with the requirements of nondiscrimination in services shall constitute
- 30 grounds for state to withhold payments under this Agreement or terminate all, or any type, of funding
- 31 provided hereunder.
- 32 66. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination
- 33 on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental
- 34 of housing.
- 35 67. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101 –
- 36 6107), which prohibits discrimination on the basis of age.
- 37 68. Age Discrimination in Employment Act (29 CFR Part 1625).

1 69. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting
 2 discrimination against the disabled in employment.

3 70. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination
 4 against the disabled by public entities.

5 71. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.

6 72. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794),
 7 prohibiting discrimination on the basis of individuals with disabilities.

8 73. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding
 9 nondiscrimination in employment under federal contracts and construction contracts greater than
 10 \$10,000 funded by federal financial assistance.

11 74. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with
 12 limited English proficiency.

13 75. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to
 14 nondiscrimination on the basis of drug abuse.

15 76. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A –
 16 E).

17 77. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the
 18 applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).

19 78. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.

20 79. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.

21 80. No federal funds shall be used by CONTRACTOR or its subcontractors for sectarian
 22 worship, instruction, or proselytization. No federal funds shall be used by CONTRACTOR or its
 23 subcontractors to provide direct, immediate, or substantial support to any religious activity.

24 **XIX. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

25
 26 A. Any written information or literature, including educational or promotional materials,
 27 distributed by CONTRACTOR to any person or organization for purposes directly or indirectly related
 28 to this Contract must be approved at least thirty (30) calendar days in advance and in writing by
 29 ADMINISTRATOR before distribution. For the purposes of this Contract, distribution of written
 30 materials shall include, but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads,
 31 and electronic media such as the Internet.

32 B. Any advertisement through radio, television broadcast, or the Internet, for educational or
 33 promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this
 34 Contract must be approved in advance at least thirty (30) calendar days and in writing by
 35 ADMINISTRATOR.

36 C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly
 37 available social media sites) in support of the services described within this Contract, CONTRACTOR

1 shall develop social media policies and procedures and have them available to ADMINISTRATOR
 2 upon reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all forms of social media
 3 used to either directly or indirectly support the services described within this Contract. CONTRACTOR
 4 shall comply with COUNTY Social Media Use Policy and Procedures as they pertain to any social
 5 media developed in support of the services described within this Contract. CONTRACTOR shall also
 6 //
 7 include any required funding statement information on social media when required by
 8 ADMINISTRATOR.

9 D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement
 10 by COUNTY, unless ADMINISTRATOR consents thereto in writing.

11 E. CONTRACTOR shall also clearly explain through these materials that there shall be no
 12 unlawful use of drugs or alcohol associated with the services provided pursuant to this Contract, as
 13 specified in HSC, §11999-11999.3.

14 **XX. AMOUNT NOT TO EXCEED**

15 A. The Total Aggregate Amount Not to Exceed of COUNTY for services provided in accordance
 16 with this Contract, and the separate Aggregate Amount Not to Exceeds for each period under this
 17 Contract, are as specified in the Referenced Contract Provisions of this Contract, except as allowed for
 18 in Subparagraph B. below.

19 B. ADMINISTRATOR may amend the Aggregate Amount Not to Exceed by an amount not to
 20 exceed ten percent (10%) of Period One funding for this Contract.

21 **XXI. MINIMUM WAGE LAWS**

22 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and
 23 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the
 24 federal or California Minimum Wage to all its Covered Individuals (as defined within the "Compliance"
 25 paragraph of this Contract) that directly or indirectly provide services pursuant to this Contract, in any
 26 manner whatsoever. CONTRACTOR shall require and verify that all of its Covered Individuals
 27 providing services pursuant to this Contract be paid no less than the greater of the federal or California
 28 Minimum Wage.

29 B. CONTRACTOR shall comply and verify that its Covered Individuals comply with all other
 30 federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor
 31 standards pursuant to providing services pursuant to this Contract.

32 C. Notwithstanding the minimum wage requirements provided for in this clause, CONTRACTOR,
 33 where applicable, shall comply with the prevailing wage and related requirements, as provided for in
 34 accordance with the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the
 35 State of California (§§1770, et seq.), as it now exists or may hereafter be amended.
 36
 37

XXII. NONDISCRIMINATION

A. EMPLOYMENT

1. During the term of this Contract, CONTRACTOR and its Covered Individuals (as defined in the “Compliance” paragraph of this Contract) shall not unlawfully discriminate against any employee or applicant for employment because of his/her race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Additionally, during the term of this Contract, CONTRACTOR and its Covered Individuals shall require in its subcontracts that subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of his/her race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status.

2. CONTRACTOR and its Covered Individuals shall not discriminate against employees or applicants for employment in the areas of employment, promotion, demotion or transfer; recruitment or recruitment advertising, layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship.

3. CONTRACTOR shall not discriminate between employees with spouses and employees with domestic partners, or discriminate between domestic partners and spouses of those employees, in the provision of benefits.

4. CONTRACTOR shall post in conspicuous places, available to employees and applicants for employment, notices from ADMINISTRATOR and/or the United States Equal Employment Opportunity Commission setting forth the provisions of the EOC.

5. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR and/or subcontractor shall state that all qualified applicants will receive consideration for employment without regard to race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Such requirements shall be deemed fulfilled by use of the term EOE.

6. Each labor union or representative of workers with which CONTRACTOR and/or subcontractor has a collective bargaining contract or other contract or understanding must post a notice advising the labor union or workers' representative of the commitments under this Nondiscrimination Paragraph and shall post copies of the notice in conspicuous places, available to employees and applicants for employment.

B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental

1 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender
 2 expression, age, sexual orientation, or military and veteran status in accordance with Title IX of the
 3 Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights
 4 Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division
 5 4, Chapter 6, Article 1 (§10800, et seq.) of the CCR; and Title II of the Genetic Information
 6 Nondiscrimination Act of 2008, 42 USC 2000ff, et seq. as applicable, and all other pertinent rules and
 7 regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all
 8 may now exist or be hereafter amended or changed. For the purpose of this Nondiscrimination
 9 paragraph, discrimination includes, but is not limited to the following based on one or more of the
 10 factors identified above:

- 11 1. Denying a Client or potential Client any service, benefit, or accommodation.
- 12 2. Providing any service or benefit to a Client which is different or is provided in a different
 13 manner or at a different time from that provided to other Clients.
- 14 3. Restricting a Client in any way in the enjoyment of any advantage or privilege enjoyed by
 15 others receiving any service and/or benefit.
- 16 4. Treating a Client differently from others in satisfying any admission requirement or
 17 condition, or eligibility requirement or condition, which individuals must meet in order to be provided
 18 any service and/or benefit.
- 19 5. Assignment of times or places for the provision of services.

20 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all Clients
 21 through a written statement that CONTRACTOR's and/or subcontractor's Clients may file all
 22 complaints alleging discrimination in the delivery of services with CONTRACTOR, subcontractor, and
 23 ADMINISTRATOR or the U.S. Department of Health and Human Services' OCR.

24 1. Whenever possible, problems shall be resolved at the point of service. CONTRACTOR
 25 shall establish an internal problem resolution process for Clients not able to resolve such problems at the
 26 point of service. Clients may initiate a grievance or complaint directly with CONTRACTOR either
 27 orally or in writing.

28 a. COUNTY shall establish a formal resolution and grievance process in the event
 29 grievance is not able to be resolved at point of service.

30 2. Within the time limits procedurally imposed, the complainant shall be notified in writing as
 31 to the findings regarding the alleged complaint and, if not satisfied with the decision, has the right to
 32 request a State Fair Hearing.

33 D. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply
 34 with the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as
 35 implemented in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 as amended (42
 36 USC 12101 et seq.; as implemented in 29 CFR 1630), as applicable, pertaining to the prohibition of
 37 discrimination against qualified persons with disabilities in all programs or activities, and if applicable

1 as implemented in Title 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended together
2 with succeeding legislation.

3 E. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents shall
4 intimidate, coerce or take adverse action against any person for the purpose of interfering with rights
5 secured by federal or state laws, or because such person has filed a complaint, certified, assisted or
6 //
7 otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to
8 enforce rights secured by federal or state law.

9 F. In the event of non-compliance with this paragraph or as otherwise provided by federal and
10 state law, this Contract may be canceled, terminated or suspended in whole or in part and
11 CONTRACTOR or subcontractor may be declared ineligible for further contracts involving federal,
12 state or COUNTY funds.

13 **XXIII. NOTICES**

14 A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements
15 authorized or required by this Contract shall be effective:

- 16 1. When written and deposited in the United States mail, first class postage prepaid and
17 addressed as specified in the Referenced Contract Provisions of this Contract or as otherwise directed by
18 ADMINISTRATOR;
- 19 2. When faxed, transmission confirmed;
- 20 3. When sent by Email; or
- 21 4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel
22 Service, or any other expedited delivery service.

23 B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of
24 this Contract or as otherwise directed by ADMINISTRATOR and shall be effective when faxed,
25 transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United
26 Parcel Service, or any other expedited delivery service.

27 C. CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of
28 becoming aware of any occurrence of a serious nature, which may expose COUNTY to liability. Such
29 occurrences shall include, but not be limited to, accidents, injuries, or acts of negligence, or loss or
30 damage to any COUNTY property in possession of CONTRACTOR.

31 D. For purposes of this Contract, any notice to be provided by COUNTY may be given by
32 ADMINISTRATOR.

33 **XXIV. NOTIFICATION OF DEATH**

34 A. Upon becoming aware of the death of any person served pursuant to this Contract,
35 CONTRACTOR shall immediately notify ADMINISTRATOR.
36
37

1 B. All Notifications of Death provided to ADMINISTRATOR by CONTRACTOR shall contain
2 the name of the deceased, the date and time of death, the nature and circumstances of the death, and the
3 name(s) of CONTRACTOR's officers or employees with knowledge of the incident.

4 1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by
5 telephone immediately upon becoming aware of the death due to non-terminal illness of any person
6 served pursuant to this Contract; notice need only be given during normal business hours.

7 2. WRITTEN NOTIFICATION

8 a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send
9 via encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming
10 aware of the death due to non-terminal illness of any person served pursuant to this Contract.

11 b. TERMINAL ILLNESS – CONTRACTOR shall notify ADMINISTRATOR by written
12 report hand delivered, faxed, sent via encrypted email, within forty-eight (48) hours of becoming aware
13 of the death due to terminal illness of any person served pursuant to this Contract.

14 c. When notification via encrypted email is not possible or practical CONTRACTOR may
15 hand deliver or fax to a known number said notification.

16 C. If there are any questions regarding the cause of death of any person served pursuant to this
17 Contract who was diagnosed with a terminal illness, or if there are any unusual circumstances related to
18 the death, CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with this
19 Notification of Death Paragraph.

20 D. All death reports must be verified by the coroner's office. The information should include date
21 of the death as well as the cause of death.

22
23 **XXV. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

24 A. CONTRACTOR shall notify ADMINISTRATOR of any public event or meeting funded in
25 whole or in part by the COUNTY, except for those events or meetings that are intended solely to serve
26 Clients or occur in the normal course of business.

27 B. CONTRACTOR shall notify ADMINISTRATOR at least thirty (30) business days in advance
28 of any applicable public event or meeting. The notification must include the date, time, duration,
29 location and purpose of the public event or meeting. Any promotional materials or event related flyers
30 must be approved by ADMINISTRATOR prior to distribution.

31
32 **XXVI. RECORDS MANAGEMENT AND MAINTENANCE**

33 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term
34 of this Contract, prepare, maintain and manage records appropriate to the services provided and in
35 accordance with this Contract and all applicable requirements.

36 1. CONTRACTOR shall maintain records that are adequate to substantiate the services for
37 which claims are submitted for reimbursement under this Contract and the charges thereto. Such

1 records shall include, but not be limited to, individual patient charts and utilization review records.

2 2. CONTRACTOR shall keep and maintain records of each service rendered to each MSN
3 Patient, the identity of the MSN Patient to whom the service was rendered, the date the service was
4 rendered, and such additional information as ADMINISTRATOR or DHCS may require.

5 3. CONTRACTOR shall maintain books, records, documents, accounting procedures and
6 practices, and other evidence sufficient to reflect properly all direct and indirect cost of whatever nature
7 claimed to have been incurred in the performance of this Contract and in accordance with Medicare
8 principles of reimbursement and GAAP.

9 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
10 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
11 necessity of the service, and the quality of care provided. Records shall be maintained in accordance
12 with §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

13 B. CONTRACTOR shall implement and maintain administrative, technical and physical
14 safeguards to ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of
15 PHI in violation of the HIPAA, federal and state regulations. CONTRACTOR shall mitigate to the
16 extent practicable, the known harmful effect of any use or disclosure of PHI made in violation of federal
17 or state regulations and/or COUNTY policies.

18 C. CONTRACTOR's participant, client, and/or patient records shall be maintained in a secure
19 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish
20 and implement written record management procedures.

21 D. CONTRACTOR shall retain all financial records for a minimum of ten (10) years from the
22 termination of the contract, unless a longer period is required due to legal proceedings such as litigations
23 and/or settlement of claims.

24 E. CONTRACTOR shall retain all client and/or patient medical records for ten (10) years
25 following discharge of the participant, client and/or patient.

26 F. CONTRACTOR shall make records pertaining to the costs of services, participant fees, charges,
27 billings, and revenues available at one (1) location within the limits of the County of Orange. If
28 CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR may provide
29 written approval to CONTRACTOR to maintain records in a single location, identified by
30 CONTRACTOR.

31 G. CONTRACTOR shall notify ADMINISTRATOR of any PRA requests related to, or arising out
32 of, this Contract, within forty-eight (48) hours. CONTRACTOR shall provide ADMINISTRATOR all
33 information that is requested by the PRA request.

34 H. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that
35 clients, participants and/or patients be provided the right to access or receive a copy of their DRS and/or
36 request addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records
37 maintained by or for a covered entity that is:

1 1. The medical records and billing records about individuals maintained by or for a covered
2 health care provider;

3 2. The enrollment, payment, claims adjudication, and case or medical management record
4 systems maintained by or for a health plan; or

5 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.

6 //

7 I. CONTRACTOR may retain client, and/or patient documentation electronically in accordance
8 with the terms of this Contract and common business practices. If documentation is retained
9 electronically, CONTRACTOR shall, in the event of an audit or site visit:

10 1. Have documents readily available within twenty-four (24) hour notice of a scheduled audit
11 or site visit.

12 2. Provide auditor or other authorized individuals access to documents via a computer
13 terminal.

14 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if
15 requested.

16 J. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and
17 security of PII and/or PHI. CONTRACTOR shall, upon discovery of a Breach of privacy and/or
18 security of PII and/or PHI by CONTRACTOR, notify federal and/or state authorities as required by law
19 or regulation, and copy ADMINISTRATOR on such notifications.

20 K. CONTRACTOR may be required to pay any costs associated with a Breach of privacy and/or
21 security of PII and/or PHI, including but not limited to the costs of notification. CONTRACTOR shall
22 pay any and all such costs arising out of a Breach of privacy and/or security of PII and/or PHI.

23 L. CONTRACTOR shall obtain an NPI for each site identified as a location for providing
24 contractual services. Provider’s site NPIs must be submitted to ADMINISTRATOR prior to rendering
25 services to Clients. If CONTRACTOR is providing direct or indirect services for State reporting must
26 also submit rendering (individual) provider NPIs to ADMINISTRATOR for each staff member
27 providing Medi-Cal billable services. Contractor reimbursement will not be processed unless NPIs are
28 on file with ADMINISTRATOR in advance of providing services to Clients. It is the responsibility of
29 each provider site and individual staff member that bills Medi-Cal to obtain an NPI from the NPPES.
30 Each contract site, as well as every staff member that provides billable services, is responsible for
31 notifying the NPPES within thirty (30) calendar days of any updates to personal information, which may
32 include, but is not limited to, worksite address, name changes, taxonomy code changes, etc.

33
34 **XXVII. RESEARCH AND PUBLICATION**

35 CONTRACTOR shall not utilize information and/or data received from COUNTY, or arising out
36 of, or developed, as a result of this Contract for the purpose of personal or professional research, or for
37 publication.

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XXVIII. REVENUE

~~A. CLIENT FEES – CONTRACTOR shall not charge a fee to DMC beneficiaries to whom services are provided pursuant to this Contract, their estates and/or responsible relatives, unless a Share of Cost is determined per Medi-Cal eligibility~~

A. CLIENT FEES – CONTRACTOR shall not charge a fee to Clients to whom services are provided pursuant to this Contract, their estates and/or responsible relatives, unless a Share of Cost is determined per Medi-Cal eligibility.

B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all available third-party reimbursement for which persons served pursuant to this Contract may be eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR’s usual and customary charges. An Assignment of Benefits must be present in a Participant’s file when applicable.

C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately ensure proper billing and collection procedures. CONTRACTOR’s procedures shall specifically provide for the identification of delinquent accounts and methods for pursuing such accounts. CONTRACTOR shall provide ADMINISTRATOR, monthly, a written report specifying the current status of fees which are billed, collected, transferred to a collection agency, or deemed by CONTRACTOR to be uncollectible.

XXIX. SEVERABILITY

If a court of competent jurisdiction declares any provision of this Contract or application thereof to any person or circumstances to be invalid or if any provision of this Contract contravenes any federal, state or county statute, ordinance, or regulation, the remaining provisions of this Contract or the application thereof shall remain valid, and the remaining provisions of this Contract shall remain in full force and effect, and to that extent the provisions of this Contract are severable.

XXX. SPECIAL PROVISIONS

A. CONTRACTOR shall not use the funds provided by means of this Contract for the following purposes:

1. Making cash payments to intended recipients of services through this Contract.
2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use of appropriated funds to influence certain federal contracting and financial transactions).
3. Fundraising.
4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR’s staff, volunteers, or members of the Board of Directors or governing body.
5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing

1 body for expenses or services.

2 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,
3 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
4 agent, or making salary advances or giving bonuses to CONTRACTOR's staff.

5 7. Paying an individual salary or compensation for services at a rate in excess of the current
6 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary
7 Schedule may be found at www.opm.gov.

8 8. Severance pay for separating employees.

9 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
10 codes and obtaining all necessary building permits for any associated construction.

11 10. Purchasing or improving land, including constructing or permanently improving any
12 building or facility, except for tenant improvements.

13 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal
14 funds (matching).

15 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.

16 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or
17 alcohol.

18 14. Promoting the legalization of any drug or other substance included in Schedule 1 of the
19 Controlled Substance Act (21 USC 812).

20 15. Distributing or aiding in the distribution of sterile needles or syringes for the hypodermic
21 injection of any illegal drug.

22 16. Assisting, promoting, or deterring union organizing.

23 17. Providing inpatient hospital services or purchasing major medical equipment.

24 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR
25 shall not use the funds provided by means of this Contract for the following purposes:

26 1. Funding travel or training (excluding mileage or parking).

27 2. Making phone calls outside of the local area unless documented to be directly for the
28 purpose of client care.

29 3. Payment for grant writing, consultants, certified public accounting, or legal services.

30 4. Purchase of artwork or other items that are for decorative purposes and do not directly
31 contribute to the quality of services to be provided pursuant to this Contract.

32 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
33 CONTRACTOR's clients.

34 C. Neither Party shall be responsible for delays or failures in performance to the extent resulting
35 from acts beyond the control of the affected Party. Such acts shall include, but not be limited to, acts of
36 God, fire,

37 flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight, embargo, public

1 related utility, or governmental statutes or regulations imposed after the fact.

3 **XXXI. STATUS OF CONTRACTOR**

4 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
 5 wholly responsible for the manner in which it performs the services required of it by the terms of this
 6 Contract. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and
 7 consultants employed by CONTRACTOR. This Contract shall not be construed as creating the
 8 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR
 9 or any of CONTRACTOR's employees, agents, consultants, or subcontractors. CONTRACTOR
 10 assumes exclusively the responsibility for the acts of its employees, agents, consultants, or
 11 subcontractors as they relate to the services to be provided during the course and scope of their
 12 employment. CONTRACTOR, its agents, employees, consultants, or subcontractors, shall not be
 13 entitled to any rights or privileges of COUNTY's employees and shall not be considered in any manner
 14 to be COUNTY's employees.

16 **XXXII. TERM**

17 A. This specific Contract with CONTRACTOR is only one of several Contracts to which the term
 18 of this Contract applies. This specific Contract shall commence as specified in the Reference Contract
 19 Provisions of this Contract or the execution date, whichever is later. This specific Contract shall
 20 terminate as specified in the Referenced Contract Provisions of this Contract, unless otherwise sooner
 21 terminated as provided in this Contract; provided, however, CONTRACTOR shall be obligated to
 22 perform such duties as would normally extend beyond this term, including but not limited to, obligations
 23 with respect to confidentiality, indemnification, audits, reporting and accounting.

24 B. Any administrative duty or obligation to be performed pursuant to this Contract on a weekend
 25 or holiday may be performed on the next regular business day.

27 **XXXIII. TERMINATION**

28 A. COUNTY may terminate this Contract, without cause, upon thirty (30) calendar days' written
 29 notice. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be
 30 exclusive, and are in addition to any other rights and remedies provided by law or under this Contract.

31 B. CONTRACTOR is responsible for meeting all programmatic and administrative contracted
 32 objectives and requirements as indicated in this Contract. CONTRACTOR shall be subject to the
 33 issuance of a CAP for the failure to perform to the level of contracted objectives, continuing to not meet
 34 goals and expectations, and/or for non-compliance. If CAPs are not completed within timeframe as
 35 determined by ADMINISTRATOR notice, payments may be reduced or withheld until CAP is resolved
 36 and/or the Contract could be terminated.

37 C. Unless otherwise specified in this Contract, COUNTY may terminate this Contract upon five

1 (5) calendar days' written notice if CONTRACTOR fails to perform any of the terms of this Contract.
 2 At ADMINISTRATOR's sole discretion, CONTRACTOR may be allowed up to thirty (30) calendar
 3 days for corrective action.

4 D. COUNTY may terminate this Contract immediately, upon written notice, on the occurrence of
 5 any of the following events:

- 6 1. The loss by CONTRACTOR of legal capacity.
- 7 2. Cessation of services.

8 //

9 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
 10 another entity without the prior written consent of COUNTY.

11 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
 12 required pursuant to this Contract.

13 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of
 14 this Contract.

15 6. The continued incapacity of any physician or licensed person to perform duties required
 16 pursuant to this Contract.

17 7. Unethical conduct or malpractice by any physician or licensed person providing services
 18 pursuant to this Contract; provided, however, COUNTY may waive this option if CONTRACTOR
 19 removes such physician or licensed person from serving persons treated or assisted pursuant to this
 20 Contract.

21 E. CONTINGENT FUNDING

22 1. Any obligation of COUNTY under this Contract is contingent upon the following:

23 a. The continued availability of federal, state and county funds for reimbursement of
 24 COUNTY's expenditures, and

25 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)
 26 approved by the Board of Supervisors.

27 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
 28 terminate or renegotiate this Contract upon thirty (30) calendar days' written notice given
 29 CONTRACTOR. If COUNTY elects to renegotiate this Contract due to reduced or terminated funding,
 30 CONTRACTOR shall not be obligated to accept the renegotiated terms.

31 F. In the event this Contract is suspended or terminated prior to the completion of the term as
 32 specified in the Referenced Contract Provisions of this Contract, ADMINISTRATOR may, at its
 33 sole discretion, reduce the Amount Not to Exceed of this Contract in an amount consistent with the
 34 reduced term of the Contract.

35 G. In the event this Contract is terminated by either Party pursuant to Subparagraphs B., C., or D.
 36 above, CONTRACTOR shall do the following:

- 37 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which

1 is consistent with recognized standards of quality care and prudent business practice.

2 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
3 performance during the remaining contract term.

4 3. Until the date of termination, continue to provide the same level of service required by this
5 Contract.

6 4. If Clients are to be transferred to another facility for services, furnish ADMINISTRATOR,
7 upon request, all Client information and records deemed necessary by ADMINISTRATOR to effect an
8 orderly transfer.

9 5. Assist ADMINISTRATOR in effecting the transfer of Clients in a manner consistent with
10 Client's best interests.

11 6. If records are to be transferred to COUNTY, pack and label such records in accordance
12 with directions provided by ADMINISTRATOR.

13 7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and
14 supplies purchased with funds provided by COUNTY.

15 8. To the extent services are terminated, cancel outstanding commitments covering the
16 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding
17 commitments which relate to personal services. With respect to these canceled commitments,
18 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims
19 arising out of such cancellation of commitment which shall be subject to written approval of
20 ADMINISTRATOR.

21 9. Provide written notice of termination of services to each Client being served under this
22 Contract, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of
23 termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendars
24 day period.

25 26 **XXXIV. THIRD-PARTY BENEFICIARY**

27 Neither Party hereto intends that this Contract shall create rights hereunder in third-parties
28 including, but not limited to, any subcontractors or any clients provided services pursuant to this
29 Contract.

30 31 **XXXV. WAIVER OF DEFAULT OR BREACH**

32 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any
33 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this
34 Contract shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any
35 default or any breach by CONTRACTOR shall not be considered a modification of the terms of this
36 Contract.

XXXV. YOUTH TREATMENT GUIDELINES

County must comply with DHCS guidelines in developing and implementing youth treatment programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted. Youth Treatment Guidelines are posted online at <http://www.dhcs.ca.gov/provgovpart/Pages/Youth-Services.aspx>

Adolescent Substance Use Disorder Best Practices Guide found here: https://www.dhcs.ca.gov/Documents/CSD_CMHCS/Adol%20Best%20Practices%20Guide/AdolBestPracGuideOCTOBER2020.pdf

XXXVI. PARTICIPATION OF COUNTY BEHAVIORAL HEALTH DIRECTOR'S ASSOCIATION OF CALIFORNIA

Participation of County Behavioral Health Director's Association of California: The County AOD Program Administrator shall participate and represent the County in meetings of the County Behavioral Health Director's Association of California for the purposes of representing the counties in their relationship with DHCS with respect to policies, standards, and administration for AOD abuse services.

The County AOD Program Administrator shall attend any special meetings called by the Director of DHCS. Participation and representation shall also be provided by the County Behavioral Health Director's Association of California.

XXXVII. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES

County certifies that under the laws of the United States and the State of California, County will not unlawfully discriminate against any person.

XXXVIII. INTRAVENOUS DRUG USE (IVDU) TREATMENT

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

XXXIX. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996:

All work performed under this Contract is subject to HIPAA, County shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Exhibit E, DHCS and County shall cooperate to assure mutual agreement as to those transactions between them, to which this provision applies. Refer to Exhibit E for additional information.

XL. DEBARMENT AND SUSPENSION

A. County shall not subcontract with or employ any party listed on the government wide

1 exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2
 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp. p. 189) and 12689 (3 CFR
 3 part 1989., p. 235), "Debarment and Suspension." SAM exclusions contain the names of parties
 4 debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under
 5 statutory or regulatory authority other than Executive Order 12549.

6 B. The County shall advise all subcontractors of their obligation to comply with applicable federal
 7 debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001.

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

10 **XLII. LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF** 11 **CONTROLLED SUBSTANCES**

12 None of the funds made available through this Contract may be used for any activity that promotes
 13 the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled
 14 Substances Act (21 USC 812).

15 **XLIII. NONDISCRIMINATION AND INSTITUTIONAL SAFEGUARDS FOR RELIGIOUS** 16 **PROVIDERS**

17 County shall establish such processes and procedures as necessary to comply with the provisions of
 18 USC, Title 42, Section 300x-65 and CFR, Title 42, Part 54.

19 **XLIV. NO UNLAWFUL USE OR UNLAWFUL USE MESSAGES REGARDING DRUGS**

20 County agrees that information produced through these funds, and which pertains to drugs and
 21 alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of
 22 drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol-related
 23 program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol
 24 (HSC, Division 10.7, Chapter 1429, Sections 11999-11999.3). By signing this Enclosure, County agrees
 25 that it will enforce, and will require its subcontractors to enforce, these requirements.

26 **XLV. RESTRICTION ON DISTRIBUTION OF STERILE NEEDLES**

27 No SABG funds made available through this Contract shall be used to carry out any program that
 28 includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug
 29 unless DHCS chooses to implement a demonstration syringe services program for injecting drug users.

30 **XLVI. TRAFFICKING VICTIMS PROTECTION ACT OF 2000**

31 County and its subcontractors that provide services covered by this Contract shall comply with the
 32 Trafficking Victims Protection Act of 2000 (USC, Title 22, Chapter 78, Section 7104) as amended by
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section 1702 of Pub. L. 112-239.

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1 IN WITNESS WHEREOF, the parties have executed this Contract, in the County of Orange, State
2 of California.

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4 MIND OC

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7 BY: _____ DATED: _____

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9 TITLE: _____

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12 BY: _____ DATED: _____

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14 TITLE: _____

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17 COUNTY OF ORANGE

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20 BY: _____ DATED: _____

21 HEALTH CARE AGENCY

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23
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25 APPROVED AS TO FORM
26 OFFICE OF THE COUNTY COUNSEL
27 ORANGE COUNTY, CALIFORNIA

28
29
30 BY: _____ DATED: _____

31 DEPUTY

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33
34 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the
35 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer
36 or any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution
37 or by-laws whereby the Board of Directors has empowered said authorized individual to act on its behalf by his or her
signature alone is required by ADMINISTRATOR.

EXHIBIT A
TO MASTER SERVICES AGREEMENT
FOR PROVISION OF
MENTAL HEALTH AND RECOVERY SERVICES
BETWEEN
COUNTY OF ORANGE
AND
MIND-OC
OCTOBER 1, 2022 THROUGH JUNE 30, 2025

I. COMMON TERMS AND DEFINITIONS

~~A. The Parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in this Contract.~~

~~1. AB109 means services for those Clients deemed eligible by Assembly Bill 109, Public Safety Realignment, under which the Client's last offense was non-violent, non-sexual, and non-serious.~~

~~2. AB109 Supervision means an offender released from prison to OCPD, or sentenced under AB109 and is doing their incarceration in jail instead of prison.~~

~~3. Acute Administrative Day means those days authorized by a designated point of authorization or utilization review committee in an acute inpatient facility when, due to the lack of a payer approved and/or county approved lower level of care placement, the Beneficiary's stay at an acute inpatient facility must be continued beyond the Beneficiary's need for acute care.~~

~~4. Acute Psychiatric Inpatient Hospital Services means services provided either in an acute care hospital, a freestanding psychiatric hospital or psychiatric health facility for the care and treatment of an acute episode of mental illness meeting the medical necessity criteria covered by the Medi-Cal program. Services provided in a freestanding hospital may only be reimbursed for person's age 21 or younger and 65 or older, unless a letter of agreement (LOA) or other contract permits otherwise.~~

~~5. Adult Mental Health Inpatient (AMHI) means the County contracted hospital(s) that provide adult mental health inpatient services for unfunded clients.~~

~~6. ART Team means a Health Care Agency Assessment for Residential Treatment team that conducts assessments and authorizes treatment for residential treatment services~~

~~7. ASAM Criteria means a comprehensive set of guidelines for placement, continued stay and transfer/discharge of Clients with addiction and co-occurring conditions.~~

~~8. Authorizations means a unique individual's complete UM process, which includes reviewing clinical documents when clinically indicated, evaluating medical necessity and formally deciding to authorize/deny additional inpatient psychiatric services, that lasts for the duration of the inpatient stay, i.e. initial admission notification to discharge aftercare planning whichever comes first.~~

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1 ~~9. Bed Day means one (1) calendar day during which CONTRACTOR provides Residential~~
 2 ~~Treatment Services as described in Exhibit B of the Contract. If admission and discharge occur on the~~
 3 ~~same day, one (1) Bed Day will be charged.~~

4 ~~10. Beneficiary means the primary Orange County Medi-Cal eligible user of Mental Health~~
 5 ~~Services.~~

6 ~~11. Beneficiary directed means services delivered in a therapeutic alliance between providers~~
 7 ~~and Beneficiaries where both are partners in goal setting and treatment planning. The final decision for~~
 8 ~~treatment options rests with the Beneficiary and designated family members.~~

9 ~~12. Beneficiary Satisfaction Surveys means surveys to measure Beneficiaries' overall~~
 10 ~~satisfaction with Mental Health Services, and with specific aspects of those services in order to identify~~
 11 ~~problems and opportunities for improvement.~~

12 ~~13. Beneficiary Support System/Family means immediate family members, extended family~~
 13 ~~members, significant others or other supports designated by the Beneficiary.~~

14 ~~14. CalOMS means a statewide Client-based data collection and outcomes measurement system~~
 15 ~~as required by the State to effectively manage and improve the provision of alcohol and drug treatment~~
 16 ~~services at the State, COUNTY, and provider levels.~~

17 ~~15. CalWORKs means the program implemented by COUNTY's Social Services Agency~~
 18 ~~(SSA) after passage of AB 1542 regarding welfare reform~~

19 ~~16. Care Coordination means the activities of managing services and coordinating care to~~
 20 ~~Beneficiaries, including assessments, referrals, service planning, linkage, consultation, discharge~~
 21 ~~planning and coordination. These functions shall be performed by COUNTY and COUNTY contracted~~
 22 ~~staff.~~

23 ~~17. Case Management or Care Coordination means services that assist a Client to access~~
 24 ~~needed medical, educational, social, prevocational, vocational, rehabilitative, or other community~~
 25 ~~services.~~

26 ~~18. CESI/CEST means self-administered survey instruments designed to assess Clients'~~
 27 ~~motivation for change, engagement in treatment, social and peer support, and other psychosocial~~
 28 ~~indicators of progress in recovery.~~

29 ~~19. Client means a person who has a substance use disorder, for whom a COUNTY approved~~
 30 ~~intake and admission for Residential Treatment Services as appropriate have been completed pursuant to~~
 31 ~~this Contract.~~

32 ~~20. Clinical Component means services designed to improve a Client's ability to structure and~~
 33 ~~organize tasks of daily living and recovery.~~

34 ~~21. Clinical Documents means any clinical information, documentation or data collected from~~
 35 ~~the service provider for purposes of conducting concurrent review and coordinating treatment.~~

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1 ~~22. Completion means the completion of the Residential Treatment Services program whereby~~
 2 ~~the Client has successfully completed goals and objectives documented in the Client's treatment plan~~
 3 ~~and no longer has medical necessity for the Residential Level of Care.~~

4 ~~23. Concurrent Review means the review of treatment authorization requests for inpatient~~
 5 ~~mental health services by providers in order to approve, modify, or deny requests based on medical~~
 6 ~~necessity. The review of the treatment authorization requests is concurrent with the provision of services~~
 7 ~~and is required after the first day of admission through discharge.~~

8 ~~24. Contract Monitor means a person designated by COUNTY to consult with and assist~~
 9 ~~CONTRACTOR in the provision of services to COUNTY Beneficiaries as specified herein. The~~
 10 ~~Contract Monitor shall at no time be construed as being ADMINISTRATOR.~~

11 ~~25. Co-Occurring means a person has at least one substance use disorder and one mental health~~
 12 ~~disorder that can be diagnosed independently of each other.~~

13 ~~26. Credentialing means a review process, including a peer review process, based upon specific~~
 14 ~~criteria, standards and prerequisites, to approve a provider or professional who applies to be contracted~~
 15 ~~to provide care in a hospital, clinic, medical group or in a health plan.~~

16 ~~27. CSI means DHCS required data elements pertaining to mental health Beneficiaries and the~~
 17 ~~services they receive formulated in a database and reported to the State.~~

18 ~~28. CYBH means the division of Behavioral Health Services responsible for the administration~~
 19 ~~and oversight of Mental Health Services to children and adolescents.~~

20 ~~29. DATAR means the DHCS system used to collect data on SUD treatment capacity and~~
 21 ~~waiting lists.~~

22 ~~30. DHCS LOC means a designation that is issued by DHCS to a residential program based on~~
 23 ~~the services provided at the facility. For the purposes of this Contract, CONTRACTOR shall provide~~
 24 ~~services in accordance with one of the following DHCS Designated Levels of Care:~~

25 ~~a. 3.1 Clinically Managed Low Intensity Residential Services: 24-hour structure with~~
 26 ~~available trained personnel; at least five (5) hours of clinical service/week and prepare for outpatient~~
 27 ~~treatment and/or sober living.~~

28 ~~b. 3.3 Clinically Managed Population Specific High Intensity Residential Services: 24-~~
 29 ~~hour care with trained counselors to stabilize multidimensional imminent danger. Less intense milieu~~
 30 ~~and group treatment with at least five (5) hours of clinical service/week for those with cognitive or other~~
 31 ~~impairments unable to use full active milieu or therapeutic community and prepare for outpatient~~
 32 ~~treatment.~~

33 ~~c. 3.5 Clinically Managed High Intensity Residential Services: 24-hour care with trained~~
 34 ~~counselors to stabilize multidimensional imminent danger, at least five (5) hours of clinical~~
 35 ~~service/week, and prepare for outpatient treatment. Clients are able to tolerate and use full milieu or~~
 36 ~~therapeutic community.~~

37 #

1 ~~———— 31. Diagnosis means the definition of the nature of the Beneficiary's disorder. When~~
 2 ~~formulating the diagnosis of the Beneficiary, CONTRACTOR shall use the diagnostic codes and axes as~~
 3 ~~specified in the most current edition of the DSM published by the American Psychiatric Association.~~
 4 ~~CONTRACTOR shall follow DSM procedures for all Beneficiaries.~~

5 ~~———— 32. EPSDT means the federally mandated Medicaid benefit that entitles full scope Medi-Cal~~
 6 ~~covered beneficiaries less than twenty one (21) years of age to receive any Medicaid service necessary~~
 7 ~~to correct or help to improve a defect, mental illness, or other condition, such as a substance-related~~
 8 ~~disorder, that is discovered during a health screening.~~

9 ~~———— 33. Family Member means any traditional or non-traditional support system, significant other~~
 10 ~~or natural support designated by the Beneficiary.~~

11 ~~———— 34. FFS Provider means a Medi-Cal outpatient FFS provider serving Beneficiaries in his or her~~
 12 ~~own independent practice or in a group practice.~~

13 ~~———— 35. Health Care Practitioner (HCP) means a person duly licensed and regulated under Division~~
 14 ~~2 (commencing with Section 500) of the Business and Professions Code, who is acting within the scope~~
 15 ~~of their license or certificate.~~

16 ~~———— 36. Incidental Medical Services means optional services, approved by DHCS to be provided at~~
 17 ~~a licensed adult alcoholism or drug use residential treatment facility by or under the supervision of a~~
 18 ~~HCP that addresses medical issues associated with either detoxification or substance use.~~

19 ~~———— 37. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in~~
 20 ~~which specific information about the Client is gathered including the ability to pay and standard~~
 21 ~~admission forms pursuant to this Contract.~~

22 ~~———— 38. IRIS means a collection of applications and databases that serve the needs of programs~~
 23 ~~within HCA and includes functionality such as registration and scheduling, laboratory information~~
 24 ~~system, invoices and reporting capabilities, compliance with regulatory requirements, electronic medical~~
 25 ~~records and other relevant applications.~~

26 ~~———— 39. Linkage means connecting a Client to ancillary services such as outpatient and/or~~
 27 ~~residential treatment and supportive services which may include self-help groups, social services,~~
 28 ~~rehabilitation services, vocational services, job training services, or other appropriate services.~~

29 ~~———— 40. LPHA means any Physician, Nurse Practitioners, Physician Assistants, Registered Nurses,~~
 30 ~~Registered Pharmacists, Licensed Clinical Psychologists, Licensed Clinical Social Worker, Licensed~~
 31 ~~Professional Clinical Counselor, Licensed Marriage and Family Therapists, or Licensed Eligible~~
 32 ~~Practitioners working under the supervision of Licensed Clinicians within their scope of practice.~~

33 ~~———— 41. MAT Services means the use of Federal Drug Administration approved medications in~~
 34 ~~combination with behavioral therapies to provide a whole Client approach to treating substance use~~
 35 ~~disorders.~~

36 ~~———— 42. MEDS means the information systems maintained by DHCS for all Medi-Cal recipient~~
 37 ~~eligibility information.~~

~~43. Medical Necessity means criteria set forth by Title 9, California Code of Regulations, Chapter 11, Medi-Cal Specialty Mental Health Services for MHP reimbursement of Specialty Mental Health Services.~~

~~44. Medication Services means face-to-face or telephone services provided by a licensed physician, licensed psychiatric nurse practitioner, or other qualified medical staff. This service shall include documentation of the clinical justification for use of the medication, dosage, side effects, compliance, and response to medication.~~

~~45. MHP means COUNTY as the MHP Manager with COUNTY clinics as well as COUNTY contracted clinics, including CONTRACTOR, being providers in the Plan.~~

~~46. Mental Health Services means interventions designed to provide the maximum reduction of mental disability and restoration or maintenance of functioning consistent with the requirements for learning, development, and enhanced self-sufficiency. Services shall include:~~

~~a. Assessment/Mental Health Evaluation means services designed to provide formal, documented evaluation or analysis of the cause or nature of a Beneficiary's mental, emotional, or behavioral disorders. The Parties understand that such services shall be primarily limited to initial telephone intake examinations to triage and refer the Beneficiary to a Network Provider who shall develop the treatment/service plan. Cultural issues should be addressed where appropriate. Additionally, this evaluation should include an appraisal of the individual's community functioning in several areas including living situation, daily activities, social support systems and health status.~~

~~b. Collateral Therapy means face-to-face or telephone contact(s) with significant others in the life of the Beneficiary necessary to meet the mental health needs of the Beneficiary. Family therapy provided on behalf of the individual Beneficiary is also considered collateral.~~

~~c. Individual Therapy means a goal directed face-to-face therapeutic intervention with the Beneficiary which focuses on the mental health needs of the Beneficiary.~~

~~d. Group Therapy means a goal directed face-to-face therapeutic intervention with a group of no less than two (2) and no more than eight (8) Beneficiaries receiving services at the same time. Such intervention shall be consistent with the Beneficiaries' goals and focus primarily on symptom reduction as a means to improve functional impairments.~~

~~47. MMEF means Monthly MEDS Extract file. This file contains data of current month and previous fifteen (15) months which provides eligibility data for all Orange County residents.~~

~~48. Network Provider means mental health service providers credentialed and under contract with CONTRACTOR. Such providers may be individual practitioners, provider groups, or clinics.~~

~~49. NPP means a document that notifies individuals of uses and disclosures of PHI that may be made by or on behalf of the health plan or health care provided as set forth in HIPAA.~~

~~50. Out of County means any California county other than COUNTY or border community.~~

~~51. Patients' Rights Advocacy means group responsible for providing outreach and educational materials to inform Beneficiaries about their rights and remedies in receiving mental health treatment;~~

1 ~~representing Beneficiaries' interests in fair hearings, grievances and other legal proceedings related to~~
 2 ~~the provision of services; and monitoring mental health programs for compliance with patients' rights~~
 3 ~~legal standards as the designee of the Local Mental Health Director.~~

4 ~~———— 52. Perinatal means the condition of being pregnant or postpartum. This condition must be~~
 5 ~~documented to apply billing descriptor for perinatal attached to services.~~

6 ~~———— 53. Perinatal Residential Treatment Services means AOD treatment services that are provided~~
 7 ~~to a woman, eighteen (18) years and older, who is pregnant and/or has custody of dependent children up~~
 8 ~~to twelve (12) years of age, in her care; who has a primary problem of substance use disorder; and who~~
 9 ~~demonstrates a need for perinatal substance use disorder residential treatment services. Services are~~
 10 ~~provided in a twenty four (24) hour residential program. These services are provided in a non-medical,~~
 11 ~~residential setting that has been licensed and certified by DHCS to provide perinatal services. These~~
 12 ~~treatment services are provided to both perinatal and parenting women in accordance with the Perinatal~~
 13 ~~Network Service Guidelines.~~

14 ~~———— 54. Postpartum means the 60-day period beginning on the last day of pregnancy, regardless of~~
 15 ~~whether other conditions of eligibility are met. Eligibility shall end on the last day of the calendar~~
 16 ~~month in which the 60th day occurs.~~

17 ~~———— 55. Primary Source Verification means procedures for the review and direct verification of~~
 18 ~~credentialing information submitted by care providers, including, but not limited to, confirmation of~~
 19 ~~references, appointments, and licensure.~~

20 ~~———— 56. QI means the use of interdisciplinary teams to review performance measures to identify~~
 21 ~~opportunities for improvement. The teams use participatory processes to analyze and confirm causes for~~
 22 ~~poor performance, design interventions to address causes, implement interventions, and measure~~
 23 ~~improvement. Successful improvements are then implemented wherever appropriate. Where~~
 24 ~~interventions are unsuccessful, the team again addresses the causes and designs new interventions until~~
 25 ~~improvements are achieved.~~

26 ~~———— 57. Recovery Services means billable services available after the Client has completed a course~~
 27 ~~of treatment. Recovery services emphasize the Client's central role in managing their health, using~~
 28 ~~effective self management support strategies, and organizing internal and community resources to~~
 29 ~~provide ongoing self management support to Client.~~

30 ~~———— 58. Referral means providing effective linkage of a Beneficiary to another service, when~~
 31 ~~indicated; with follow up to be provided to assure that the Beneficiary has made contact with the~~
 32 ~~referred service.~~

33 ~~———— 59. Residential Treatment Authorization means the approval that is provided by the HCA ART~~
 34 ~~team for a Client to receive residential services to ensure that the beneficiary meets the requirements for~~
 35 ~~the service.~~

36 ~~———— 60. Retrospective Review means determination of the appropriateness or necessity of services~~
 37 ~~after they have been delivered, generally through the review of the medical or treatment record.~~

1 ~~61. RSA Token means the security device which allows an individual user to access IRIS.~~

2 ~~62. RTS means alcohol and other drug treatment services that are provided to Clients at a~~
 3 ~~twenty four (24) hour residential program. Services are provided in an alcohol and drug free~~
 4 ~~environment and support recovery from alcohol and/or other drug related problems. These services are~~
 5 ~~provided in a non-medical, residential setting that has been licensed and certified by DHCS.~~

6 ~~63. Self Help Meetings means a non-professional, peer participatory meeting formed by people~~
 7 ~~with a common problem or situation offering mutual support to each other towards a goal or healing or~~
 8 ~~recovery.~~

9 ~~64. Service Authorization means the determination of appropriateness of services prior to the~~
 10 ~~services being rendered, based upon medical or service necessity criteria. This includes the authorization~~
 11 ~~of outpatient services authorized by CONTRACTOR.~~

12 ~~65. Share of Cost means a monthly amount that the Beneficiary is to pay to receive Medi-Cal~~
 13 ~~services.~~

14 ~~66. SSA means COUNTY department responsible for child welfare services and Medi-Cal~~
 15 ~~eligibility determination.~~

16 ~~67. Structured Therapeutic Activities means organized program activities that are designed to~~
 17 ~~meet treatment goals and objectives for increased social responsibility, self-motivation, and integration~~
 18 ~~into the larger community. Such activities would include participation in the social structure of the~~
 19 ~~residential program. It also includes the Client's progression, with increasing levels of responsibility~~
 20 ~~and independence through job and other assignments culminating in employment seeking and~~
 21 ~~employment initiation activities in the community.~~

22 ~~68. SUD means a condition in which the use of one or more substances leads to a clinically~~
 23 ~~significant impairment or distress per the DSM-5.~~

24 ~~69. Token means the security device which allows an individual user to access IRIS.~~

25 ~~70. Utilization Management Program means the infrastructure required to carry out the~~
 26 ~~concurrent review services according to this Contract including, but not limited to, policies and~~
 27 ~~procedures, request staffing and information systems.~~

28 ~~71. Warm Transfer means the referring party stays on the telephone call until the transfer and~~
 29 ~~exchange of relevant information to the receiving party is complete.~~

30 ~~B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the~~
 31 ~~Common Terms and Definitions Paragraph of this Exhibit A to the Contract.~~

32 ~~H. BUDGET~~

33 ~~A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph of this~~
 34 ~~Exhibit A to the Contract and the following budget, which is set forth for informational purposes only~~
 35 ~~and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.~~

36 ~~#~~

	<u>PERIOD</u>	<u>PERIOD</u>	<u>PERIOD</u>	<u>TOTAL</u>
	<u>ONE</u>	<u>TWO</u>	<u>THREE</u>	
ADMINISTRATIVE COSTS	\$ 1,350,000	\$ 1,800,000	\$ 1,800,000	\$ 4,950,000
PROGRAM COSTS				
— Salaries	\$ 1,279,495	\$ 1,705,993	\$ 1,705,993	\$ 4,691,481
— Benefits	\$ 548,355	\$ 731,140	\$ 731,140	\$ 2,010,635
— Services and Supplies	\$ 14,230,954	\$ 18,974,605	\$ 18,974,605	\$ 52,180,164
SUBTOTAL PROGRAM COSTS	\$ 16,058,804	\$ 21,411,738	\$ 21,411,738	\$ 58,882,280
TOTAL GROSS COST	\$ 17,408,804	\$ 23,211,738	\$ 23,211,738	\$ 63,832,280

~~— B. CONTRACTOR and ADMINISTRATOR mutually agree that the Amount Not to Exceed identified in Subparagraph H.A. of this Exhibit A to the Contract includes Indirect Costs not to exceed ten percent (10%) of Direct Costs, and which may include operating income estimated at two percent (2%). Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may include operating income.~~

~~— C. BUDGET/STAFFING MODIFICATIONS — CONTRACTOR may request to shift funds between programs, or between budgeted line items within a program, for the purpose of meeting specific program needs or for providing continuity of care to its members, by utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance, which will include a justification narrative specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining annual impact of the shift as may be applicable to the current contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.~~

~~— D. FINANCIAL RECORDS — CONTRACTOR shall prepare and maintain accurate and complete financial records of its cost and operating expenses. Such records will reflect the actual cost of the type of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will be made in accordance with GAAP, and Medicare regulations. The Client eligibility determination and fee charged to and collected from Clients, together with a record of all billings rendered and revenues received from any source, on behalf of Clients treated pursuant to the Contract, must be reflected in CONTRACTOR's financial records.~~

~~#~~

~~E. For all funds allocated to the Facility Reserves and the Facility Operations Contingency budgeted line items in Paragraph II.A., CONTRACTOR must obtain ADMINISTRATOR's prior review and written approval of any proposed use of such funds. CONTRACTOR's failure to obtain ADMINISTRATOR's prior review and written approval for use of funds allocated to the Facility Reserves and/or the Facility Operations Contingency budgeted line items may result in disallowance of the costs for such use.~~

~~F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget Paragraph of this Exhibit A to the Contract.~~

III. PAYMENTS

~~A. COUNTY shall pay CONTRACTOR monthly, in arrears, the provisional amount of \$1,934,311. All payments are interim payments only and are subject to Final Settlement in accordance with the Cost Report Paragraph of the Contract for which CONTRACTOR shall be reimbursed for the actual cost of providing the services, which may include Indirect Administrative Costs, as identified in Subparagraph II.A. of this Exhibit A to the Contract; provided, however, the total of such payments does not exceed COUNTY's Amount Not to Exceed as specified in the Referenced Contract provisions of the Contract and, provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY, State and/or Federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices or make advance payments for any month during the term.~~

~~1. Payments of claims to providers shall be at rates set by CONTRACTOR, with mutual agreement by ADMINISTRATOR, for all services.~~

~~2. In support of the monthly invoices, CONTRACTOR shall submit an Expenditure and Revenue Report as specified in the Reports Paragraph of this Exhibit A to the Contract. ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.~~

~~3. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR's and the year-to-date actual cost incurred by CONTRACTOR.~~

~~4. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR may authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred by CONTRACTOR.~~

~~B. CONTRACTOR's invoices shall be on a form approved or supplied by COUNTY and provide such information as is required by ADMINISTRATOR. Invoices are due the twentieth (20th) calendar~~

~~day of each month. Invoices received after the due date may not be paid within the same month. Payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice form.~~

~~C. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements, canceled checks, receipts, receiving records and records of services provided.~~

~~D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply with any provision of the Contract.~~

~~E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration and/or termination of the Contract, except as may otherwise be provided under the Contract, or specifically agreed upon in a subsequent Contract.~~

~~F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Payments Paragraph of this Exhibit A to the Contract.~~

~~IV. REPORTS~~

~~A. CONTRACTOR shall maintain records, create and analyze statistical reports as required by ADMINISTRATOR and DHCS in a format approved by ADMINISTRATOR. CONTRACTOR shall provide ADMINISTRATOR with the following:~~

~~1. FISCAL~~

~~a. In support of the monthly invoice, CONTRACTOR shall submit monthly Expenditure and Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by ADMINISTRATOR and shall report actual costs and revenues for each of the CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of Exhibit A to the Contract. CONTRACTOR shall submit these reports by no later than twenty (20) calendar days following the end of the month reported.~~

~~b. CONTRACTOR shall provide a check register and remittance summary by provider, as well as a turnaround summary, for services provided by Network Providers, to ADMINISTRATOR upon request.~~

~~c. CONTRACTOR shall track and provide IBNR information on a monthly basis. Monthly IBNR shall be calculated and compared with the record of uncashed checks and stop payment checks, as well as to the undeliverable check report and the donated checks report. CONTRACTOR shall prepare and submit to ADMINISTRATOR a monthly report showing total IBNR liability and revenue received based upon the provisional payments received from COUNTY.~~

~~d. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report anticipated year-end actual costs and revenues for CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of Exhibit A to the Contract. Such reports shall include actual~~

~~monthly costs and revenue to date and anticipated monthly costs and revenue to the end of the fiscal year. Year-End Projection Reports shall be submitted at the same time as the monthly Expenditure and Revenue Reports.~~

~~2. STAFFING REPORT — CONTRACTOR shall submit monthly Staffing Reports to ADMINISTRATOR. CONTRACTOR's reports shall contain required information, and be on a form acceptable to, or provided by ADMINISTRATOR. CONTRACTOR shall submit these reports no later than twenty (20) calendar days following the end of the month being reported.~~

~~3. PROGRAMMATIC REPORTS — CONTRACTOR shall submit monthly Programmatic reports to ADMINISTRATOR. These reports shall be in a format approved by ADMINISTRATOR and shall include but not limited to, descriptions of any performance objectives, outcomes, and or interim findings as directed by ADMINISTRATOR. CONTRACTOR shall be prepared to present and discuss the programmatic reports at the monthly and quarterly meetings with ADMINISTRATOR, to include an analysis of data and findings, and whether or not CONTRACTOR is progressing satisfactorily and if not, specify what steps are being taken to achieve satisfactory progress.~~

~~B. CONTRACTOR shall provide records and program reports, as listed below, which shall be received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month being reported or as requested by ADMINISTRATOR.~~

~~1. MONTHLY~~

- ~~a. Access Log~~
- ~~b. Telephone Access Summary: Performance Targets~~
- ~~c. Lower Level of Care Transitions~~
- ~~d. Requested 837 UOS Reports by fiscal year~~
- ~~e. UM Reports will be mutually agreed upon implementation of services~~
- ~~f. Credentialing Reports~~

~~2. QUARTERLY~~

- ~~a. QI Beneficiary Satisfaction Survey, ASO's Access Line~~
- ~~b. QI Grievance Report~~
- ~~c. QI Provider Claims Appeals~~
- ~~d. QI NOA and Second Opinion Log~~
- ~~e. High Utilizer by Provider~~
- ~~f. Timeliness of Utilization Management Decision Making~~
- ~~g. Authorizations and Access to Services~~
- ~~h. Requested UOS Reports (837, ASO UOS, Cost Report UOS)~~
- ~~i. Cost of Service Reports will be mutually agreed upon implementation of revised Mental Health Claims processing~~
- ~~j. Period of Quarterly Reports:~~
 - ~~1) July 1 through September 30~~

~~2) October 1 through December 31~~

~~3) January 1 through March 31~~

~~4) April 1 through June 30~~

~~3. ANNUAL~~

~~a. QI Member Satisfaction Survey~~

~~b. QI Provider Satisfaction Survey~~

~~c. QI Committee Review~~

~~d. Year-end ASO UOS and Cost report UOS~~

~~d. Demographics Network Providers~~

~~4. ACCESS LOG CONTRACTOR shall develop and maintain a written Access Log of all requests for services received via telephone, in writing, or in person. CONTRACTOR is responsible for this written log that meets the DHCS regulations and requirements, as interpreted by COUNTY, and records all services requested twenty four (24) hours seven (7) days a week. The Access Log shall contain, at a minimum, whether or not the caller has Medi-Cal, the name of the individual, date of the request, nature of the request, call status (emergent, urgent, routine), if the request is an initial request for Specialty Mental Health Services, and the disposition of the request, which shall include interventions. CONTRACTOR must be able to produce a sortable log, for any time period specified by COUNTY within twenty four (24) hours of receiving the request from COUNTY. If the caller's name is not provided, then the log shall reflect that the caller did not provide a name. CONTRACTOR shall make available to ADMINISTRATOR upon request, the most recent telephone log which shall include previous day's calls.~~

~~5. DATA COLLECTION AND REPORTING ADMINISTRATOR shall provide CONTRACTOR with the exact specifications required to enter data into ADMINISTRATOR approved CONTRACTOR reporting system to allow ADMINISTRATOR to create the claims file used for Medi-Cal claiming and for ADMINISTRATOR's CSI data reporting. CONTRACTOR shall submit Medi-Cal 837 claims, voids, and replacements, and CSI files electronically to ADMINISTRATOR. The Parties understand that such requirements may be modified periodically by the State and those modifications shall automatically become requirements of this Contract.~~

~~a. ADMINISTRATOR shall provide CONTRACTOR with a monthly MEDS Extract file (MMFE) when available from DHCS.~~

~~b. CONTRACTOR shall ensure the timely data entry of information into COUNTY approved CONTRACTOR reporting system.~~

~~c. Contractor shall use data collection and visualization systems identified by HCA including, but not limited to, the IRIS Electronic Health Record system, OC Navigator resource referral and linkage system, and other electronic platforms for digitized program workflows~~

~~d. CONTRACTOR shall conduct up-front and retrospective auditing of data to ensure the accuracy, completeness, and timeliness of the information input into CONTRACTOR's reporting~~

1 ~~system. CONTRACTOR shall build in audit trails and reconciliation reports to ensure accuracy and~~
 2 ~~comprehensiveness of the input data. In addition, transaction audit trails shall be thoroughly monitored~~
 3 ~~for accuracy and conformance to operating procedures.~~

4 ~~_____ e. CONTRACTOR shall input all required data regarding services provided to~~
 5 ~~Beneficiaries who are deemed, by the appropriate state or federal authorities, to be COUNTY's~~
 6 ~~responsibility.~~

7 ~~_____ f. CONTRACTOR shall correct all input data resulting in CSI and 837 Medi-Cal claim~~
 8 ~~denials and rejections. These errors will be communicated to CONTRACTOR immediately upon~~
 9 ~~discovery and must be corrected in a timely manner.~~

10 ~~_____ g. CONTRACTOR shall ensure the confidentiality of all administrative and clinical data.~~
 11 ~~This shall include both the electronic system as well as printed public reports. No identifying~~
 12 ~~information or data on the system shall be exchanged with any external entity or other business, or~~
 13 ~~among providers without prior written approval of the Beneficiary or ADMINISTRATOR.~~
 14 ~~Confidentiality procedures shall meet all local, state, and federal requirements.~~

15 ~~_____ h. CONTRACTOR shall ensure that information is safeguarded in the event of a disaster~~
 16 ~~and that appropriate service authorization and data collection continues.~~

17 ~~_____ C. CONTRACTOR shall respond to any requests that are needed with an immediate response time~~
 18 ~~due to any requests from entities that could include but not be limited to DHCS, internal and/or external~~
 19 ~~audits.~~

20 ~~_____ D. CONTRACTOR shall provide ADMINISTRATOR with a report key, established by~~
 21 ~~CONTRACTOR, and as agreed upon by ADMINISTRATOR, that describes each report, its purpose~~
 22 ~~and usefulness. CONTRACTOR shall update the report key when reports are added or deleted and~~
 23 ~~provide updated report key to ADMINISTRATOR within thirty (30) calendar days.~~

24 ~~_____ E. CONTRACTOR shall upon ADMINISTRATOR's request revise and make changes to all~~
 25 ~~reports as needed.~~

26 ~~_____ F. ADMINISTRATOR and CONTRACTOR may mutually agree, in writing, to modify the~~
 27 ~~frequency of the reports. Each report shall include an unduplicated client count and a fiscal year-to-date~~
 28 ~~summary and, unless otherwise specified, shall be reported in aggregate.~~

29 ~~_____ G. ADDITIONAL REPORTS Upon ADMINISTRATOR's request, CONTRACTOR shall make~~
 30 ~~such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as~~
 31 ~~they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information~~
 32 ~~requested and allow thirty (30) calendar days for CONTRACTOR to respond.~~

33 ~~_____ H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the~~
 34 ~~Reports Paragraph of this Exhibit A to the Contract.~~

35 ~~_____~~ **V. CRISIS STABILIZATION SERVICES**

36 ~~_____~~ **A. FACILITIES**

~~1. CONTRACTOR shall maintain the capability to provide Crisis Stabilization Services to clients aged thirteen (13) and above.~~

~~2. CONTRACTOR shall provide Crisis Stabilization Services twenty four (24) hours per day seven (7) days per week, 365 days per year.~~

~~3. CONTRACTOR shall commence service delivery thirty (30) calendar days to sixty (60) calendar days from contract start date. A written request for an extension must be submitted in advance to ADMINISTRATOR for approval if CONTRACTOR is not ready to provide services by the target date.~~

~~4. The facility shall have access for persons presenting on a drive-up basis, via police drop-off and ambulance delivery.~~

~~5. The facility shall have a minimum of seventy three hundred (7,300) square feet with the majority of the space dedicated to clients served and their care. Treatment areas shall be in visible line of sight from the nursing area. Space shall be allocated for: rest; socialization/living room; dining; seclusion/quiet rooms for agitated persons; private intake/exam space; medication room; and sufficient work space for staff and conference/meeting rooms. Space shall be designed for the clients treated and treatment staff to comingle for the majority of the time and shall enable them to work together in an easily accessible fashion. There shall be space dedicated for their families and significant others/support network to receive collateral treatment and areas for family/significant others to participate in program, visit, and stay with the client being treated as clinically indicated.~~

~~6. The facility shall be used exclusively for the CSU and COUNTY shall have full access to the facility and to COUNTY's service providers. CONTRACTOR is responsible for maintenance, repair, and capital improvements to the facility.~~

~~7. The facility shall meet the standards of the applicable sections of:~~

~~a. Sections 1840.338 and 1840.348 of California Code of Regulations (CCR) Title 9, for Crisis Stabilization Services;~~

~~b. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq., as implemented in 45 CFR 84.1 et seq.);~~

~~c. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the prohibition of discrimination against qualified persons with disabilities in all programs or activities, as they exist now or may be hereafter amended together with succeeding legislation;~~

~~d. All SD/MC requirements as delineated in California Code of Regulations, Title 9, Chapter 11, Medi-Cal Specialty Mental Health Services; and~~

~~e. All applicable requirements delineated in Division 5 of the California Welfare & Institutions Code and required by ADMINISTRATOR for LPS designated facilities.~~

~~8. Contractor shall be SD/MC certified prior to the effective date for commencing contracted services. To obtain COUNTY'S certification of CONTRACTOR'S site, CONTRACTOR shall be responsible for making any necessary changes to meet or maintain Medi-Cal site standards.~~

~~9. CONTRACTOR shall be LPS designated prior to the effective date for commencing contracted services.~~

~~10. The facility shall have a capacity to serve twenty four (24) clients per day and will include adequate physical space to support the services identified within this Contract.~~

~~11. CONTRACTOR'S administrative staff holiday schedule shall be consistent with COUNTY'S holiday schedule unless otherwise approved in writing by ADMINISTRATOR.~~

~~B. CLIENTS TO BE SERVED:~~

~~1. Orange County Residents;~~

~~2. Experiencing a behavioral health emergency, may have a co-occurring disorder, at risk of hospitalization and cannot wait for a regularly scheduled appointment; and~~

~~3. Between the ages of thirteen (13) and fifty nine (59), including Transitional Age Youth (TAY) between the ages of eighteen and twenty five. Adults over sixty years of age whose needs are compatible with those of other clients may be included in target population if they require the same level of care and supervision.~~

~~C. SERVICES TO BE PROVIDED~~

~~1. CONTRACTOR shall provide psychiatric crisis stabilization services on a twenty four (24) hours a day basis to provide a viable option to the default presentation to emergency departments for persons in behavioral health crisis. Crisis Stabilization Services shall be rendered to any individual presenting for services who is in a behavioral health crisis and cannot wait for their regularly scheduled appointment if it is medically safe to do so. Crisis Stabilization services shall include, but are not limited to: psychiatric assessment, physical screening, collateral history, therapy, crisis intervention, medication services, education, nursing assessment, peer specialist services, coordination of referrals to continuing care and emergency housing, post discharge planning and facilitation of transfer of clients to inpatient treatment facilities when clinically appropriate and indicated. Services described herein are primarily designed to provide timely and effective crisis intervention and stabilization for persons experiencing behavioral health emergencies. The goals also include: minimize distress for the client/family resulting from lengthy waits in emergency departments, reduce the wait time for law enforcement presenting clients for emergency behavioral health treatment; and treating the client in the least restrictive, most dignified setting as appropriate in lieu of inpatient settings, utilizing alternative, less restrictive treatment options whenever possible and appropriate. Services shall be provided in compliance with Welfare & Institutions Code and consistent with all patients' rights regulations, upholding the dignity and respect of all clients served and meeting the goals for such services. The services shall also be provided utilizing Trauma Informed and Recovery Model principles that are person-centered, strengths-based, individualized, focused on imparting hope and identifying strengths and resiliency in all persons served. Services shall be tailored to the unique strengths of each client and will use shared decision-making to encourage the client to manage their behavioral health treatment, set their own path toward recovery and fulfillment of their hopes and dreams.~~

1 ~~2. CONTRACTOR shall perform clinical and psycho-diagnostic assessment using the most~~
2 ~~recent DSM and/or ICD10 to include clinical consideration of each fundamental need: physical,~~
3 ~~psychological, familial, educational, social, environmental and recreational. Additional examinations,~~
4 ~~tests and evaluations may be conducted as clinically indicated. Findings of the examinations and~~
5 ~~evaluations shall be documented in the client record and signed by CONTRACTOR's appropriate and~~
6 ~~responsible staff.~~

7 ~~3. CONTRACTOR shall provide psychiatric evaluations by licensed psychiatrist or~~
8 ~~psychiatric nurse practitioner(s) who shall issue prescriptions and order medications as clinically~~
9 ~~indicated. Medication support services shall include a system of medication quality review provided by~~
10 ~~well-trained, experienced psychiatrists knowledgeable in the use of medication to improve functioning.~~

11 ~~4. CONTRACTOR shall complete physical health assessments which shall be performed by a~~
12 ~~physician, doctor of osteopathy, a nurse practitioner or registered nurse. CONTRACTOR shall provide~~
13 ~~or arrange for laboratory tests as are necessary to adequately complete the assessment and to support~~
14 ~~continued psychiatric stabilization of the client. Non-emergency medical intervention will be provided~~
15 ~~on-site by qualified and trained and appropriately licensed individuals.~~

16 ~~5. CONTRACTOR shall engage both the client and the clients' family or other significant~~
17 ~~support persons whenever possible. Such collateral services may include providing therapy to~~
18 ~~parents/guardians, adult caregivers or significant others to help the client in maintaining living~~
19 ~~arrangements in the community. CONTRACTOR shall refer such caregiver(s) to appropriate~~
20 ~~community supports, and/or educational services. CONTRACTOR shall document contact with~~
21 ~~family/support persons or document why such contact is not possible or not advisable.~~

22 ~~6. CONTRACTOR shall obtain valid consents from the clients served.~~

23 ~~7. CONTRACTOR shall provide a sufficient amount of treatment services at all times to~~
24 ~~accommodate the clients served and their supports not able to participate during regular daytime hours.~~

25 ~~8. CONTRACTOR shall provide individual sessions for intake, recovery planning, and~~
26 ~~discharge. Additional individual counseling sessions shall take place as clinically necessary.~~

27 ~~9. CONTRACTOR shall use individual therapy, brief intensive services, motivational~~
28 ~~interviewing, and short-term group therapy modalities including psycho-educational, cognitive~~
29 ~~behavioral and self-soothing therapy techniques.~~

30 ~~10. CONTRACTOR shall promote recovery via individual and/or group sessions. Topics may~~
31 ~~include, but not be limited to: building a wellness toolbox or resource list, trauma informed principles of~~
32 ~~self-care, healthy habits, symptom monitoring, triggers and early warning signs of symptoms/relapse,~~
33 ~~identifying a crisis plan, and WRAP, etc.~~

34 ~~11. CONTRACTOR shall provide all necessary substance use disorder treatment services for~~
35 ~~clients who are living with a co-occurring substance use disorder problem in addition to their behavioral~~
36 ~~health issues as appropriate.~~

37 ~~12. CONTRACTOR shall develop strategies to advance trauma-informed care and to~~

1 ~~accommodate the vulnerabilities of trauma survivors.~~

2 ~~———— 13. Services are to be provided in an environment which is compatible with and supportive of a~~
 3 ~~recovery model. Services shall be delivered in the spirit of recovery and resiliency, tailored to the~~
 4 ~~unique strengths of each client. The focus will be on personal responsibility for symptom management~~
 5 ~~and independence, which fosters empowerment, hope, and an expectation of recovery from behavioral~~
 6 ~~health illness. Recovery oriented and trauma informed language and principles shall be evident and~~
 7 ~~incorporated in CONTRACTOR's policies, program design and space, and practice.~~

8 ~~———— 14. CONTRACTOR shall sustain a culture that supports and employs Peer Recovery~~
 9 ~~Specialist/Counselors in providing supportive socialization for clients that will assist in their recovery,~~
 10 ~~self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be encouraged to~~
 11 ~~share their stories of recovery as much as possible to stimulate the milieu with the notion that recovery~~
 12 ~~is possible and to destigmatize behavioral health issues, inspire, and provide guidance.~~

13 ~~———— 15. CONTRACTOR shall ensure that clients leave the facility with a medication supply~~
 14 ~~sufficient to bridge them to their aftercare appointment by establishing a contractual agreement with a~~
 15 ~~licensed pharmacy to deliver and supply discharge medications as necessary.~~

16 ~~———— 16. CONTRACTOR shall ensure prescribers consider respective formularies as part of their~~
 17 ~~prescribing practices.~~

18 ~~———— 17. CONTRACTOR shall have light meals and snacks available as needed. Food will be~~
 19 ~~nutritious and balanced and consist of an array of different foods that consider the special dietary and~~
 20 ~~ethnic and cultural needs/values of the clients served.~~

21 ~~———— 18. CONTRACTOR shall provide linkage and consultation with both more restrictive levels of~~
 22 ~~care and community based services designed to avoid hospitalization.~~

23 ~~———— 19. CONTRACTOR shall develop a written discharge and aftercare plan, including written~~
 24 ~~discharge instructions for each client that shall be based on the assessment and diagnosis of that client.~~
 25 ~~The discharge/aftercare plan and discharge instructions shall include all required elements for~~
 26 ~~designated facilities.~~

27 ~~———— 20. CONTRACTOR shall adhere to any/all LPS designated facility requirements including~~
 28 ~~providing assessments for involuntary hospitalization when necessary. This service must be available~~
 29 ~~twenty-four (24) hours per day, seven (7) days per week, 365 days per year.~~

30 ~~———— 21. CONTRACTOR will make follow up calls to assist clients in making successful linkage to~~
 31 ~~on-going behavioral health services. Such calls shall be initiated within twenty-four (24) hours during~~
 32 ~~business days and seventy-two (72) hours of discharge during weekend periods and shall be documented~~
 33 ~~in the medical record as billable Case Management Services as appropriate.~~

34 ~~———— 22. As a designated outpatient facility, the facility may evaluate and treat clients for no longer~~
 35 ~~than twenty-three (23) hours and fifty-nine (59) minutes. CONTRACTOR shall have a process in place~~
 36 ~~for describing actions taken when a person seen at the CSU has an episode that exceeds the twenty-three~~
 37 ~~(23) hours and fifty-nine (59) minute limitation for a CSU stay. At a minimum, the CONTRACTOR~~

1 will notify the COUNTY's Patient Rights Advocate of these instances. CONTRACTOR shall follow
2 designated outpatient requirements as modified by the state for Crisis Stabilization.

3 ~~23. CONTRACTOR is responsible to provide or arrange for the transport of clients requiring~~
4 ~~an inpatient level of care.~~

5 #

6 ~~D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis~~
7 ~~Stabilization Services Paragraph of this Exhibit A to the Contract.~~

8

9 VI. CRISIS RESIDENTIAL SERVICES

10 ~~A. FACILITIES~~

11 ~~1. CONTRACTOR shall maintain a facility(ies) for the provision of Adult Crisis Residential~~
12 ~~Services. The facility(ies) shall include space to support the services identified within the Contract.~~

13 ~~2. CONTRACTOR shall meet the standards of the applicable sections of:~~

14 ~~a. HSC Code 1520 et seq;~~

15 ~~b. CCR, Title 22, Division 6, Chapter 2, Social Rehabilitation Facilities;~~
16 ~~Subchapter 1, Article 7;~~

17 ~~c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of~~
18 ~~Social Rehabilitation Programs;~~

19 ~~d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670.5;~~

20 ~~e. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq., as implemented~~
21 ~~in 45 CFR 84.1 et seq.);~~

22 ~~f. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the~~
23 ~~prohibition of discrimination against qualified persons with disabilities in all programs or activities, as~~
24 ~~they exist now or may be hereafter amended together with succeeding legislation.~~

25 ~~3. The facility shall have a capacity of fifteen (15) beds and include adequate physical space~~
26 ~~to support the services identified within the Contract.~~

27 ~~4. The facility shall be open for regular admissions between the hours of 8:00 a.m. and~~
28 ~~8:00 p.m. Monday through Sunday, and will also maintain the ability to accept an admission outside of~~
29 ~~these hours as requested. Services to Clients in this program will be provided on a twenty-four (24)~~
30 ~~hour, seven (7) day per week, three hundred sixty five (365) day per year basis.~~

31 ~~5. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday schedule~~
32 ~~unless otherwise approved, in advance and in writing, by ADMINISTRATOR.~~

33 ~~B. INDIVIDUALS TO BE SERVED CONTRACTOR shall provide short term crisis residential~~
34 ~~services to individuals evaluated by and referred by COUNTY and COUNTY contractors as~~
35 ~~appropriate. CONTRACTOR shall not provide walk in evaluation and admission services unless~~
36 ~~mutually agreed upon, in writing, between CONTRACTOR and ADMINISTRATOR.~~
37 ~~ADMINISTRATOR will serve as the principal source to authorize admissions of individuals who meet~~

1 the following criteria:

2 ~~1. Adults between ages eighteen and fifty-nine (18 and 59) and individuals over sixty (60)~~
 3 ~~years of age whose needs are compatible with those of other Clients if they require the same level of~~
 4 ~~care and supervision and all Community Care Licensing requirements can be met.;~~

5 ~~2. COUNTY Client;~~

6 ~~3. Diagnosed with a behavioral health disorder and who may have a co-occurring disorder;~~

7 ~~4. In crisis and at the risk of hospitalization and could safely benefit from this level of care;~~
 8 ~~and~~

9 ~~5. Willing to participate fully and voluntarily in services.~~

10 ~~C. ADULT CRISIS RESIDENTIAL PROGRAM—This program operates twenty-four (24) hours~~
 11 ~~a day, seven (7) days a week, emulates a home-like environment and supports a social rehabilitation~~
 12 ~~model, which is designed to enhance individuals' social connections with family or community so that~~
 13 ~~they can move back into the community and prevent inpatient stays. Short-term crisis residential~~
 14 ~~services will be provided to adults who are in behavioral health crises and may be at risk of psychiatric~~
 15 ~~hospitalization and will involve families and significant others throughout the treatment episodes so that~~
 16 ~~the dynamics of the Clients' circumstances are improved prior to discharge. Individuals are referred~~
 17 ~~from Adult and Older Adult Behavioral Health County or County-contracted behavioral health providers~~
 18 ~~and services will be rich in collaborating with these existing providers to arrange for discharge planning,~~
 19 ~~appropriate housing placements, as needed, in addition to securing linkages to ongoing treatment~~
 20 ~~providers prior to discharge. Crisis residential services provide positive, temporary alternatives for~~
 21 ~~people experiencing acute psychiatric episodes or intense emotional distress who might otherwise face~~
 22 ~~voluntary or involuntary inpatient treatment. Programs will provide crisis intervention, therapy,~~
 23 ~~medication monitoring and evaluation to determine the need for the type and intensity of additional~~
 24 ~~services within a framework of evidence-based and trauma-informed approaches to recovery planning,~~
 25 ~~including a rich peer support component. Program will include treatment for co-occurring disorders~~
 26 ~~based on either harm-reduction or abstinence-based approaches to wellness and recovery, including~~
 27 ~~providing a safe, smoke-free, drug-free, accepting environment that nurtures individuals' processes of~~
 28 ~~personal growth and overall wellness. The programs must emphasize mastery of daily living skills~~
 29 ~~and social development using strength-based approaches that support recovery and wellness. The~~
 30 ~~residential settings will create solid links to the continuum of care with heavy emphasis on housing~~
 31 ~~supports and linkages that will ease the transitions into independent living and prevent recidivism.~~

32 ~~—Intensive psychosocial services are provided on an individual and group basis by licensed and~~
 33 ~~licensed-waivered mental health professionals, including therapy, crisis intervention, group education,~~
 34 ~~assistance with self-administration of medications and case management. The focus is on recovery and~~
 35 ~~intensive behavioral health treatment, management and discharge planning, linkage and reintegration~~
 36 ~~into the community. The average length of stay per Client is fourteen (14) days.—The program will~~
 37 ~~offer an environment where Clients are supported as they look at their own life experiences, set their~~

1 ~~own paths toward recovery, and work towards the fulfillment of their hopes and dreams. The Clients~~
 2 ~~are expected to participate fully in all program activities, including all individual sessions, groups, and~~
 3 ~~recovery oriented outings.~~

4 ~~1. CONTRACTOR shall operate the program in such a manner that meets or exceeds the~~
 5 ~~following regulations:~~

6 ~~a. HSC 1520 et.seq;~~

7 ~~b. CCR, Title 22, Division 6, Chapter 2 Social Rehabilitation Facilities;~~

8 ~~c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of~~
 9 ~~Social Rehabilitation Programs, Section 531-535; and~~

10 ~~d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670, 5670.5 and 5671.~~

11 ~~2. CONTRACTOR shall provide short term crisis residential program services as follows:~~

12 ~~a. Admission Services:~~

13 ~~1) CONTRACTOR shall admit individuals who have been determined to meet~~
 14 ~~admission criteria and will have the Client sign an admission agreement describing the services to be~~
 15 ~~provided, Client rights, and the expectations of the Client regarding house rules and involvement in all~~
 16 ~~aspects of the program, including individual and group therapy sessions.~~

17 ~~2) CONTRACTOR shall complete a thorough behavioral health assessment and~~
 18 ~~psychiatric evaluation within twelve (12) hours of admission.~~

19 ~~3) During the initial seventy two (72) hours subsequent to admission, Clients will be~~
 20 ~~expected to remain on site at all times to ensure integration into the program. After this initial period,~~
 21 ~~Client may be eligible for a day pass to an approved activity, usually an MD appointment or an~~
 22 ~~appointment for housing, etc. Prior to the approved activity pass, the Client must be clinically~~
 23 ~~evaluated an hour prior to departure and immediately upon returning to the facility. These clinical~~
 24 ~~evaluations will be clearly documented in the individual's chart.~~

25 ~~4) CONTRACTOR shall obtain or complete a medical history within twenty four (24)~~
 26 ~~hours of admission.~~

27 ~~5) CONTRACTOR shall be responsible for Client's TB testing upon admission if~~
 28 ~~Client has not completed the test prior to admission to the program.~~

29 ~~6) CONTRACTOR shall not deny referrals if CONTRACTOR has available space~~
 30 ~~and appropriate staffing, unless mutually agreed upon by CONTRACTOR and ADMINISTRATOR.~~

31 ~~7) CONTRACTOR and Client will together develop a written treatment/service plan~~
 32 ~~specifying goals and objectives, involving Client's family and support persons as appropriate, and as~~
 33 ~~aligned with a recovery focused, person-centered and directed approach within seventy two (72) hours~~
 34 ~~of admission. CONTRACTOR shall involve the Client's family and support persons or document~~
 35 ~~attempts to obtain consent until consent is obtained or the Client is discharged.~~

36 ~~8) Within seventy two (72) hours of admission, CONTRACTOR shall establish a~~
 37 ~~discharge date in concert with the Client and their family/support system. The targeted discharge date~~

1 ~~will be within fourteen (14) calendar days after admission.~~

2 ~~_____ b. Therapeutic Services:~~

3 ~~_____ 1) CONTRACTOR shall provide structured day and evening services seven (7)~~
 4 ~~calendar days a week which will include individual, group therapy, and community meetings amongst~~
 5 ~~the Clients and crisis residential staff.~~

6 ~~_____ 2) CONTRACTOR shall provide group counseling sessions at least four (4) times~~
 7 ~~daily to assist Clients in developing skills that enable them to progress towards self-sufficiency and to~~
 8 ~~reside in less intensive levels of care. Topics may include, but not be limited to: self-advocacy, personal~~
 9 ~~identity, goal setting, developing hope, coping alternatives, processing feelings, conflict resolution,~~
 10 ~~relationship management, proper nutrition, personal hygiene and grooming, household management,~~
 11 ~~personal safety, symptom monitoring, etc. These groups will be clearly documented in the individual's~~
 12 ~~chart. All therapeutic process groups will be facilitated by a licensed clinician.~~

13 ~~_____ 3) CONTRACTOR shall provide individual therapeutic sessions provided by a~~
 14 ~~licensed clinician at least one time a day to each Client and these sessions will be clearly documented in~~
 15 ~~the chart.~~

16 ~~_____ 4) CONTRACTOR shall support a culture of "recovery" which focuses on personal~~
 17 ~~responsibility for a Client's behavioral health management and independence, and fosters Client~~
 18 ~~empowerment, hope, and an expectation of recovery from mental illness. Activities and chores shall be~~
 19 ~~encouraged and assigned to each Client on a daily basis to foster responsibility and learning of~~
 20 ~~independent living skills. These chores will be followed up on by residential staff, in the spirit of~~
 21 ~~learning, who will also assist the Client in learning the new skills and completing the chores as needed.~~

22 ~~_____ 5) CONTRACTOR's program will be designed to enhance Client motivation to~~
 23 ~~actively participate in the program, provide Clients with intensive assistance in accessing community~~
 24 ~~resources, and assist Clients developing strategies to maintain independent living in the community and~~
 25 ~~improve their overall quality of life. Therapeutic outings (to local museums, art galleries, nature~~
 26 ~~centers, parks, coffee shops) will be provided for all Clients in support of these goals.~~

27 ~~_____ 6) CONTRACTOR shall assist the Client in developing and working on a WRAP~~
 28 ~~throughout their stay at the program and will promote Client recovery on a daily basis via individual~~
 29 ~~and/or group sessions. This will assist Clients in monitoring and responding to their symptoms in order~~
 30 ~~to achieve the highest possible level of wellness, stability and quality of life. Topics may include but~~
 31 ~~not be limited to: building a wellness toolbox or resource list, symptom monitoring, triggers and early~~
 32 ~~warning signs of symptoms, identifying a crisis plan, etc.~~

33 ~~_____ 7) CONTRACTOR shall engage both the Client and family/support persons in the~~
 34 ~~program whenever possible. CONTRACTOR shall document contact with family/support persons or~~
 35 ~~document why such contact is not possible or not advisable.~~

36 ~~_____ 8) CONTRACTOR shall support a Dual Disorders Integrated Treatment Model that is~~
 37 ~~non-confrontational, follows behavioral principles, considers interactions between behavioral health~~

~~disorders and substance abuse and has gradual expectations of abstinence. CONTRACTOR shall provide, on a regularly scheduled basis, education via individual and/or group sessions to Clients on the effects of alcohol and other drug abuse, triggers, relapse prevention, and community recovery resources. Twelve (12) step groups and Smart Recovery groups will be encouraged at the facility on a regular basis.~~

~~9) CONTRACTOR shall support a culture that supports a smoke free environment in the facility and on the campus. CONTRACTOR shall provide educational groups regarding tobacco cessation and provide viable alternatives such as tobacco patches and other approved methods that support tobacco use reduction and cessation.~~

~~10) CONTRACTOR shall assist Clients in developing prevocational and vocational plans to achieve gainful employment and/or perform volunteer work if identified as a goal in the service plan.~~

~~11) CONTRACTOR shall provide crisis intervention and crisis management services designed to enable the Client to cope with the crisis at hand while maintaining his/her functioning status within the community and to prevent further decompensation or hospitalization.~~

~~12) CONTRACTOR shall provide assessments for involuntary hospitalization when necessary. This service must be available twenty four (24) hours per day, seven (7) days per week.~~

~~13) CONTRACTOR will provide information, support, advocacy education, and assistance with including the Client's natural support system in treatment and services.~~

~~14) CONTRACTOR shall sustain a culture that supports Peer Recovery Specialist/Counselors in providing supportive socialization for Clients that will assist Clients in their recovery, self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be encouraged to share their stories of recovery as much as possible to infuse the milieu with the notion that recovery is possible.~~

~~15) CONTRACTOR shall provide close supervision and be aware of Clients' whereabouts at all times to ensure the safety of all Clients. Every clinician and residential counselor will have an assigned caseload and be responsible for the monitoring of the assigned individuals. CONTRACTOR shall provide routine room checks in the evening and document observations. Rounds are completed by staff on regular intervals.~~

~~16) CONTRACTOR will actively explore, research and present ideas for additional evidence based practices in order to continually improve and refine aspects of the program.~~

~~c. Case Management/Discharge Services:~~

~~1) CONTRACTOR shall actively engage in discharge planning from the day of admission, instructing and assisting Clients with successful linkage to community resources such as outpatient mental health clinics, substance abuse treatment programs, housing, including providing supportive assistance to the individual in identifying and securing adequate and appropriate follow up living arrangements, FSP, physical health care, and government entitlement programs.~~

~~2) CONTRACTOR shall collaborate proactively with Client's Mental Health Plan Provider when such is required to link Clients to COUNTY or contracted housing services which may include continued temporary housing, permanent supported housing, interim placement, or other community housing options.~~

~~#~~

~~3) CONTRACTOR shall assist Clients in scheduling timely follow up appointment(s) between Client and their mental health service provider while still a Client or within twenty four (24) hours following discharge to ensure that appropriate linkage has been successful and if not, relinkage services will be provided. Provide telephone follow up within five (5) days to ensure linkage was successful. Services shall be documented in the Client record. Peer Recovery Specialists and Residential Counselors will be expected to accompany Clients to their follow up linkage appointments as part of their case management duties.~~

~~4) CONTRACTOR shall coordinate treatment with physical health providers as appropriate and assist Clients with accessing medical and dental services, and providing transportation and accompaniment to those services as needed.~~

~~5) CONTRACTOR shall come up with a plan to provide a van/car for each admission as needed accompanied by a residential counselor so that a warm hand-off can occur when a client is in need of transport to the facility. This will also ensure that the engagement and welcoming process commences immediately when a referral is received. Transportation out of the program will also be required to be provided by CONTRACTOR.~~

~~6) CONTRACTOR shall obtain prior approval from ADMINISTRATOR for Clients who are deemed necessary to stay in the program for more than fourteen (14) calendar days. CONTRACTOR shall obtain prior written approval from ADMINISTRATOR for Clients who are deemed necessary to stay in the program for more than thirty (30) calendar days.~~

~~7) Unplanned discharges will be avoided at all costs and only after all other interventions have failed. If, at any time, a Client presents as a serious danger to themselves or others, CONTRACTOR shall assess the safety needs of all concerned and may have the Client assessed for voluntary or involuntary hospitalization utilizing ADMINISTRATOR protocols. If a Client is seriously or repetitively non-compliant with the program, CONTRACTOR may discharge the Client if deemed necessary and only following a multi-disciplinary case conference which will include ADMINISTRATOR. CONTRACTOR shall be in compliance with eviction procedures following the CCR, Title 22, Section 81068.5, and Title 9, Section 532.3, and will provide an unusual occurrence report to ADMINISTRATOR no later than the following business day.~~

~~8) In the event a Client leaves the program without permission, CONTRACTOR shall hold Client's bed open for twenty four (24) hours unless otherwise mutually agreed upon by ADMINISTRATOR and CONTRACTOR.~~

~~9) In the event a Client is transferred for crisis stabilization to the COUNTY CSU or~~

1 to the Emergency Department (ED), CONTRACTOR shall provide a warm hand-off to the CSU or ED
 2 receiving staff member and hold a Client's bed open for twenty-four (24) hours unless otherwise
 3 mutually agreed upon by ADMINISTRATOR and CONTRACTOR.

4 ~~_____~~ d. Medication Support Services:

5 ~~_____~~ 1) CONTRACTOR shall provide medications, as clinically appropriate, to all Clients
 6 regardless of funding.

7 ~~_____~~ 2) CONTRACTOR shall educate Clients on the role of medication in their recovery
 8 plan, and how the Client can take an active role in their own recovery process. CONTRACTOR shall
 9 provide education to Clients on medication choices, risks, benefits, alternatives, side effects and how
 10 these can be managed. Client education will be provided on a regularly scheduled basis via individual
 11 and group sessions.

12 ~~_____~~ 3) CONTRACTOR shall obtain signed medication consent forms for each
 13 psychotropic medication prescribed.

14 ~~_____~~ 4) Medications will be dispensed by a physician's order by licensed and qualified
 15 staff in accordance with CCR, Title 9, Div. 1, Chapter 3, Article 3.5, Section 532.1, as well as CCL
 16 Requirements.

17 ~~_____~~ 5) Licensed staff authorized to dispense medication will document the Client's
 18 response to their medication, as well as any side effects to that medication, in the Client's record.

19 ~~_____~~ 6) CONTRACTOR shall insure all medications are securely locked in a designated
 20 storage area with access limited to only those personnel authorized to prescribe, dispense, or administer
 21 medication.

22 ~~_____~~ 7) CONTRACTOR shall establish written policies and procedures that govern the
 23 receipt, storage and dispensing of medication in accordance with state regulations.

24 ~~_____~~ 8) CONTRACTOR shall not utilize sample medications in the program without first
 25 establishing policies and procedures for the use of sample medications consistent with State regulatory
 26 requirements.

27 ~~_____~~ 9) CONTRACTOR shall provide a medication follow-up visit by a psychiatrist at a
 28 frequency necessary to manage the acute symptoms to allow the Client to safely stay at the Crisis
 29 Residential Program and to prepare the Client to transition to outpatient level of care upon discharge. At
 30 a minimum, CONTRACTOR shall provide an initial psychiatric evaluation by a psychiatrist within
 31 twelve (12) hours after admission and will have a psychiatrist available as needed for medication
 32 follow-up as needed or at a minimum twice per week thereafter.

33 ~~_____~~ 10) Upon discharge, CONTRACTOR shall make available a sufficient supply of
 34 current psychiatric medications to which the Client has responded, to meet the Client's needs until they
 35 can be seen in an outpatient clinic. This may be a combination of new prescriptions, the Client's
 36 specific medications remaining at the Crisis Residential Program, and/or additional sample medications
 37 with patient labels.

~~11) CONTRACTOR shall utilize the COUNTY PBM to supply medications for unfunded Clients.~~

~~e. Transportation Services:~~

~~1) CONTRACTOR shall provide transportation services for program related activities which may include, but not be limited to, transportation to appointments deemed necessary for medical or dental care or activities related to and in support of preparation for discharge and/or community integration. All other non-crucial appointments will be delayed until after the individual is discharged. CONTRACTOR staff will accompany individuals on these necessary appointments.~~

~~f. Food Services:~~

~~1) CONTRACTOR shall meet meal service and food supply requirements per Community Care Licensing regulations which shall include, but not be limited to:~~

~~2) Meals shall be served in the dining room and tray service provided on emergency need only so as to encourage community food preparation, eating and clean-up activities.~~

~~3) CONTRACTOR shall create opportunities for Clients to participate in the planning, preparation and clean-up of food preparation activities.~~

~~4) Food Services will meet meal and food supply requirements, including an abundant supply of healthy and fresh food options, including fruits, vegetables and other items that promote healthy choices and wellness.~~

~~D. PROGRAM DIRECTOR/QI RESPONSIBILITIES — The Program Director will have ultimate responsibility for the program and will ensure the following:~~

~~1. Maintenance of adequate records on each Client which shall include all required forms and evaluations, a written treatment/rehabilitation plan specifying goals, objectives, and responsibilities, on-going progress notes, and records of service provided by various personnel in sufficient detail to permit an evaluation of services.~~

~~2. There is a supervisory and administrative structure in place that will ensure high quality, consistent staff are providing high quality and consistent trauma informed services at all hours of operation, including the evenings and nocturnal shifts.~~

~~3. COUNTY certified reviewers, who will be the Clinical Supervisor and the Program Administrator/Manager, will complete one hundred percent (100%) audit of Client charts regarding clinical documentation, insuring all charts are in compliance with medical necessity and Medi-Cal and Medicare chart compliance. Charts will be reviewed within one day of admission to ensure that all initial charting requirements are met and at the time of discharge. CONTRACTOR shall ensure that all chart documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall ensure that all chart documentation is completed within the appropriate timelines.~~

~~4. Provide clinical direction and training to staff on all clinical documentation and treatment plans;~~

~~5. Retain on staff, at all times, a certified reviewer trained by the ADMINISTRATOR's~~

1 Authority and Quality Improvement unit; ADMINISTRATOR is requesting that Clinical Supervisor and
 2 Program Administrator/Manager positions carry out these duties;

3 ~~6. Oversee all aspects of the clinical services of the recovery program, know each Client by~~
 4 ~~name and be familiar with details of each of the Clients' cases/situations that brought them to the~~
 5 ~~program;~~

6 ~~7. Coordinate with in-house clinicians, psychiatrist and/or nurse regarding Client treatment~~
 7 ~~issues, professional consultations, or medication evaluations;~~

8 ~~8. Review and approve all quarterly logs submitted to ADMINISTRATOR, (e.g. medication~~
 9 ~~monitoring and utilization review); and~~

10 ~~9. Facilitate on-going program development and provide or ensure appropriate and timely~~
 11 ~~supervision and guidance to staff regarding difficult cases and behavioral health emergencies.~~

12 ~~E. QUALITY IMPROVEMENT~~

13 ~~1. CONTRACTOR shall agree to adopt and comply with the written Quality Improvement~~
 14 ~~Implementation Plan and procedures provided by ADMINISTRATOR which describe the requirements~~
 15 ~~for quality improvement, supervisory review and medication monitoring.~~

16 ~~2. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR~~
 17 ~~Documentation Manual or its equivalent, and any State requirements, as provided by~~
 18 ~~ADMINISTRATOR, which describes, but is not limited to, the requirements for Medi-Cal, Medicare~~
 19 ~~and ADMINISTRATOR charting standards.~~

20 ~~3. CONTRACTOR shall demonstrate the capability to maintain a medical records system,~~
 21 ~~including the capability to utilize HCA's IRIS system to enter appropriate data. CONTRACTOR shall~~
 22 ~~regularly review their charting, IRIS data input and billing systems to ensure compliance with~~
 23 ~~COUNTY and state P&Ps and establish mechanisms to prevent inaccurate claim submissions.~~

24 ~~4. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality~~
 25 ~~improvement meetings and processes. Such records and minutes will also be subject to regular review~~
 26 ~~by ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and~~
 27 ~~ADMINISTRATOR's P&P.~~

28 ~~5. CONTRACTOR shall allow ADMINISTRATOR to attend QIC and medication monitoring~~
 29 ~~meetings.~~

30 ~~6. CONTRACTOR shall allow COUNTY to review the quantity and quality of services~~
 31 ~~provided pursuant to this Contract quarterly or as needed. This review will be conducted at~~
 32 ~~CONTRACTOR's facility and will consist of a review of medical and other records of Clients provided~~
 33 ~~services pursuant to the Contract.~~

34 ~~F. CONTRACTOR shall attend meetings, trainings and presentations as requested by COUNTY~~
 35 ~~including but not limited to:~~

36 ~~1. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical~~
 37 ~~care and implement any recommendations made by COUNTY to improve Client care.~~

~~2. Monthly COUNTY management meetings with ADMINISTRATOR to discuss contractual and other issues related to, but not limited to whether it is or is not progressing satisfactorily in achieving all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory progress, compliance with P&Ps, review of statistics and clinical services;~~

~~3. Any trainings that COUNTY recommends or deems necessary.~~

~~4. Any presentations/in-services as requested by COUNTY involving new providers/systems of care so that CONTRACTOR is educated, apprised, up to date, knowledgeable and part of the larger COUNTY system of care.~~

~~5. Clinical staff and IRIS staff training for individuals conducted by CONTRACTOR and/or ADMINISTRATOR.~~

~~6. CONTRACTOR will follow the following guidelines for COUNTY tokens:~~

~~a. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member with a unique password. Tokens and passwords will not be shared with anyone.~~

~~b. CONTRACTOR shall maintain an inventory of the Tokens, by serial number and the staff member to whom each is assigned.~~

~~c. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the Token for each staff member assigned a Token.~~

~~d. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following conditions:~~

~~1) Token of each staff member who no longer supports this Contract;~~

~~2) Token of each staff member who no longer requires access to the HCA IRIS;~~

~~3) Token of each staff member who leaves employment of CONTRACTOR;~~

~~4) Token is malfunctioning; or~~

~~5) Termination of Contract.~~

~~e. CONTRACTOR shall reimburse the COUNTY for Tokens lost, stolen, or damaged through acts of negligence.~~

~~f. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice. All statistical data used to monitor CONTRACTOR shall be compiled using only IRIS reports, if available, and if applicable.~~

~~G. CONTRACTOR shall obtain a NPI— The standard unique health identifier adopted by the Secretary of HHS under HIPAA of 1996 for health care providers:~~

~~1. All HIPAA covered healthcare providers, individuals and organizations must obtain a NPI for use to identify themselves in HIPAA standard transactions.~~

~~2. CONTRACTOR, including each employee that provides services under the Contract, will obtain a NPI upon commencement of the Contract or prior to providing services under the Contract. CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by ADMINISTRATOR, all NPI as soon as they are available.~~

~~H. CONTRACTOR shall provide the NPP for the COUNTY, as the MHP, at the time of the first service provided under the Contract to individuals who are covered by Medi-Cal and have not previously received services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon request, the NPP for the COUNTY, as the MHP, to any individual who received services under the Contract.~~

~~I. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to conduct research activity on COUNTY Clients without obtaining prior written authorization from ADMINISTRATOR.~~

~~J. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the terms of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.~~

~~K. CONTRACTOR shall maintain all requested and required written policies, and provide to ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps and program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include but not limited to the following:~~

- ~~1. Admission Criteria and Admission Procedure;~~
- ~~2. Assessments and Individual Service Plans;~~
- ~~3. Crisis Intervention/Evaluation for Involuntary Holds;~~
- ~~4. Handling Non-Compliant Clients/Unplanned Discharges;~~
- ~~5. Medication Management and Medication Monitoring;~~
- ~~6. Recovery Program/Rehabilitation Program;~~
- ~~7. Community Integration/Case Management/Discharge Planning;~~
- ~~8. Documentation Standards;~~
- ~~9. Quality Management/Performance Outcomes;~~
- ~~10. Client Rights;~~
- ~~11. Personnel/In service Training;~~
- ~~12. Unusual Occurrence Reporting;~~
- ~~13. Code of Conduct/Compliance;~~
- ~~14. Mandated Reporting; and~~
- ~~15. Good Neighbor Policy.~~

~~L. CONTRACTOR shall provide initial and on-going training and staff development that includes but is not limited to the following:~~

- ~~1. Orientation to the program's goals, and P&Ps;~~
- ~~2. Training on subjects as required by state regulations;~~
- ~~3. Orientation to the services section, as outlined in the Services Section of this Exhibit A to~~

1 ~~the Contract;~~

2 ~~4. Recovery philosophy and individual empowerment;~~

3 ~~5. Crisis intervention and de-escalation;~~

4 ~~6. Substance abuse and dependence; and~~

5 ~~7. Motivational interviewing.~~

6 ~~M. PERFORMANCE OUTCOMES~~

7 ~~1. CONTRACTOR shall be required to achieve, track and report Performance Outcome~~
8 ~~Objectives, on a quarterly basis as outlined below:~~

9 ~~a. maintain an occupancy rate of at least ninety five percent (95%);~~

10 ~~b. maintain an average length of stay of fourteen (14) calendar days or less;~~

11 ~~c. discharge at least ninety five percent (95%) of Clients to a lower level of care;~~

12 ~~d. link at least ninety five percent (95%) of Clients to outpatient services at discharge.~~

13 ~~Linkage will be defined as keeping outpatient appointment within five (5) business days after discharge.~~

14 ~~Linkage can occur while the Clients are still in program to ensure success;~~

15 ~~e. ensure at least ninety five percent (95%) of Clients do not require inpatient~~
16 ~~hospitalization within forty eight (48) hours of discharge;~~

17 ~~f. ensure at least seventy five percent (75%) of Clients do not require inpatient~~
18 ~~hospitalization within sixty (60) calendar days of discharge.;~~

19 ~~g. Ensure at least ninety percent (90%) of Clients do not readmit within forty eight (48)~~
20 ~~hours of discharge; and~~

21 ~~h. ensure at least seventy five percent (75%) of Clients do not readmit within sixty (60)~~
22 ~~calendar days of discharge; and~~

23 ~~i. Implement an evidenced based performance metric of Client improvement measured~~
24 ~~upon admission and upon linkage and discharge.~~

25 ~~j. Research, propose and implement additional evidenced based metrics/performance~~
26 ~~objectives that are relevant to described services and desired outcomes.~~

27 ~~N. DATA CERTIFICATION~~

28 ~~1. CONTRACTOR shall certify the accuracy of their data and maintain an accurate and~~
29 ~~complete database for all individuals served under this Contract. The Client database shall be certified~~
30 ~~upon monthly submission and uploaded to an approved File Transfer Protocol by the tenth (10th) of~~
31 ~~every month. If CONTRACTOR's current database copy cannot be submitted via Microsoft Access file~~
32 ~~format, the data must be made available in an HCA approved database file type. If CONTRACTOR's~~
33 ~~system is web based, CONTRACTOR shall allow ADMINISTRATOR accessibility for monitoring,~~
34 ~~reporting, and allowing accessibility to view, run, print, and export Client records/reports.~~

35 ~~2. CONTRACTOR shall, within two (2) weeks of notice by COUNTY, correct Database~~
36 ~~errors.~~

37 ~~3. CONTRACTOR shall, on a monthly basis, provide a separate file comprised of required~~

1 ~~data elements provided by COUNTY as outlined in Subparagraph IV. of this Exhibit A with verification~~
2 ~~that outcome data is correct.~~

3 ~~4. CONTRACTOR shall, on a quarterly basis, report the Performance Outcome Objectives as~~
4 ~~outlined in Subparagraph IV.L. of this Exhibit A to the Contract with verification that outcome data is~~
5 ~~correct.~~

6 ~~O. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis~~
7 ~~Residential Services Exhibit A to the Contract.~~

9 **VII. SOBERING CENTER SERVICES**

10 ~~A. FACILITY CONTRACTOR shall ensure facility remains clean, safe and in good repair. The~~
11 ~~Sobering Center consists of 12 cots, an intake station, showers, food storage, and a laundry facility.~~
12 ~~CONTRACTOR shall store client personal belongings while receiving services.~~

13 ~~B. PERSONS TO BE SERVED Sobering Center services shall be provided to adults 18 years of~~
14 ~~age and older, who present with intoxication and can safely be served at the facility. These persons~~
15 ~~might otherwise be detained by law enforcement or utilize hospital emergency departments for issues~~
16 ~~related to intoxication. Persons must arrive at the center by vehicle. Arriving on foot is not permitted.~~
17 ~~Referrals will come from HCA identified referral sources. This service will be provided to all eligible~~
18 ~~noninsured or non-Medi-Cal clients.~~

19 **C. SERVICES**

20 ~~1. Screening CONTRACTOR shall perform phone screening with referral source to~~
21 ~~determine if the individual can be safely served in the facility.~~

22 ~~2. Admissions CONTRACTOR shall ensure admissions are conducted 24 hours a day.~~

23 ~~3. Intake CONTRACTOR shall record demographics and past medical history.~~

24 ~~4. Insurance Verification CONTRACTOR will verify insurance coverage and/or Medi-Cal~~
25 ~~for each individual serviced to ensure that only non-insured or non-Medi-Cal clients paid for under this~~
26 ~~contract.~~

27 ~~4. Engagement CONTRACTOR shall utilize evidence based practices such as Motivational~~
28 ~~Interviewing and/ or Negotiated interviewing to engage clients who may not wish to participate to assist~~
29 ~~with preventing clients from leaving prior to it being safe for them to do so.~~

30 ~~5. Monitoring CONTRACTOR shall monitor of signs and symptoms of intoxication per~~
31 ~~protocols established by medical staff. CONTRACTOR shall incorporate blood pressure checks and the~~
32 ~~Clinical Opiate Withdrawal Scale (COWS) and/or Clinical Institute Withdrawal Assessment of Alcohol~~
33 ~~(CIWA) scale Clients who are sleeping will be monitored visually every 30 minutes..~~

34 ~~6. Anticipated length of stay to last between 6 and 8 hours. Length of stay shall be less than~~
35 ~~24 hours.~~

36 ~~7. Ancillary Services CONTRACTOR shall provide light snacks and hydration, temporary~~
37 ~~clean clothing, toiletries, clean linen and laundry service.~~

1 #
2 #

3 ~~8. Discharge Planning~~ CONTRACTOR must begin Discharge Planning as soon as the Client
4 enters Sobering Services. ~~CONTRACTOR shall develop an exit/transition plan with the Client.~~

5 ~~The exit/transition plan shall include:~~

6 ~~a. A strategy or strategies to assist the Client in maintaining an alcohol and drug free~~
7 ~~lifestyle.~~

8 ~~b. A plan for linkage and transition of the Client to appropriate services, including~~
9 ~~treatment services. When Residential Treatment services are appropriate, CONTRACTOR shall link~~
10 ~~client to the residential access center by phone to complete an assessment and obtain residential~~
11 ~~authorization.~~

12 ~~c. Linkage~~ CONTRACTOR shall provide a warm link transfer to ongoing physical
13 ~~health, and/or behavioral health treatment as appropriate utilizing ASAM criteria to determine~~
14 ~~appropriate level of care. Withdrawal management linkages are made directly to provider. Residential~~
15 ~~linkages are coordinated with the ART team. CONTRACTOR shall provide referral and linkage to~~
16 ~~support group meetings, and Social Service benefits.~~

17 ~~9. Transportation~~ Contractor shall arrange for or provide transportation to next care setting
18 ~~upon discharge.~~

19 ~~10. Support Services~~ CONTRACTOR shall provide housekeeping, maintenance and
20 ~~arrangements for emergency and non-emergency medical services.~~

21 ~~11. Follow up~~ CONTRACTOR shall obtain consent to follow up while client is in services
22 ~~and shall follow up with client at seven (7) and thirty (30) days post services.~~

23 ~~D. PERFORMANCE OUTCOMES~~

- 24 ~~1. Capture linkage rate to continuing MHRS (or BHS services)~~
- 25 ~~2. Capture linkage rate to other medical, dental, social services or recovery supports.~~
- 26 ~~2. Capture number of unduplicated clients served.~~
- 27 ~~3. Capture number of admissions~~
- 28 ~~4. Capture percentage of clients who accepted a referral appointment upon discharge~~
- 29 ~~5. Capture percentage of clients who complete a relapse prevention plan prior to discharge~~
- 30 ~~6. Future developing measures that attempt to improve the overall system of care may be~~
31 ~~added.~~

32 ~~E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the~~
33 ~~Services paragraph of this Exhibit A to the Contract.~~

34
35 **VIII. ADULT RESIDENTIAL TREATMENT SERVICES**

36 ~~A. LENGTH OF STAY~~ Length of stay is based on medical necessity as determined by a Licensed
37 ~~Practitioner of the Healing Arts. COUNTY is adhering to the State goal of a thirty (30) calendar day~~

1 ~~average in the residential level of care. The facility shall have a capacity of fifteen (15) beds and include~~
 2 ~~adequate physical space to support the services identified within the Contract.~~

3 ~~——— 1. Adults, ages twenty one (21) and over, may receive no more than (2) residential treatment~~
 4 ~~episodes per three hundred sixty five (365) day period. A residential treatment episode is defined as one~~
 5 ~~(1) residential stay in a DHCS licensed facility for a maximum of ninety (90) calendar days if medically~~
 6 ~~necessary per three hundred sixty five (365) day period. An adult Client may receive one thirty (30)~~
 7 ~~calendar day extension, with prior authorization, if that extension is medically necessary, per three~~
 8 ~~hundred sixty five (365) day period.~~

9 ~~——— 2. Adolescents, ages eighteen (18) to twenty one (21), shall receive continuous residential~~
 10 ~~services for a maximum of thirty (30) days. Adolescent beneficiaries may receive up to a thirty (30) day~~
 11 ~~extension if that extension is determined to be medically necessary by Medical Director or LPHA.~~
 12 ~~Adolescent beneficiaries are limited to one extension per year. Adolescent beneficiaries receiving~~
 13 ~~residential treatment shall be stabilized as soon as possible and moved down to a less intensive level of~~
 14 ~~treatment.~~

15 ~~——— 3. If determined to be medically necessary, perinatal beneficiaries may receive longer lengths~~
 16 ~~of stay than those described above, in accordance with State perinatal guidelines.~~

17 ~~—— B. PERSONS TO BE SERVED — In order to receive services through the DMC-ODS, the Client~~
 18 ~~must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.~~

19 ~~—— C. RESIDENTIAL TREATMENT AUTHORIZATION — Beneficiaries will be authorized and~~
 20 ~~referred to CONTRACTOR by the ART Team. Beneficiaries who contact CONTRACTOR directly to~~
 21 ~~request services shall be referred by CONTRACTOR to the ART Team. If Beneficiary is pregnant or an~~
 22 ~~intravenous drug user who meets medical necessity for Residential Treatment, CONTRACTOR may~~
 23 ~~admit to treatment bypassing the ART Team if provider has available bed slot. In this instance,~~
 24 ~~CONTRACTOR must complete a SUD assessment and establish medical necessity for residential level~~
 25 ~~of care. Assessment and authorization request must be submitted to the ART team for authorization~~
 26 ~~within seventy two (72) hours of Beneficiary admission. CONTRACTOR shall enter data regarding~~
 27 ~~request for service into IRIS access log established by ADMINISTRATOR for these Beneficiaries who~~
 28 ~~access provider directly and bypass the ART team.~~

29 ~~—— D. SERVICES — CONTRACTOR shall provide a non-institutional, twenty four (24) hour non-~~
 30 ~~medical, short-term residential program that provides rehabilitation services to beneficiaries in~~
 31 ~~accordance with an individualized treatment plan. These services are intended to be individualized to~~
 32 ~~treat the functional deficits identified in the ASAM Criteria. CONTRACTOR and beneficiary work~~
 33 ~~collaboratively to define barriers, set priorities, establish goals, create treatment plans, and solve~~
 34 ~~problems. Goals include sustaining abstinence, preparing for relapse triggers, improving personal health~~
 35 ~~and social functioning, and engaging in continuing care. CONTRACTOR shall provide services in~~
 36 ~~accordance with DHCS Designated Level of Care 3.1. Services shall include:~~

37 ~~——— 1. Intake: The process of determining that a Client meets the medical necessity criteria and a~~

~~Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of treatment needs to provide medically necessary services. Intake may include a physical examination and laboratory testing necessary for substance use disorder treatment.~~

~~2. Individual Counseling: Contacts between a Client and a therapist or counselor.~~

~~3. Group Counseling: Face to face contacts in which one or more therapists or counselors treat two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the needs of the individuals served.~~

~~4. Family Therapy: As clinically appropriate, family members can provide social support to the Client, help motivate their loved one to remain in treatment, and receive help and support for their own family recovery as well.~~

~~5. Client Education: Provide research based education on addiction, treatment, recovery and associated health risks.~~

~~6. Medication Storage: Facilities will store all Client medication and facility staff members will oversee resident's self-administration of medication.~~

~~7. Collateral Services: Sessions with therapists or counselors and significant persons in the life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the Client's treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the Client.~~

~~8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services shall be limited to the stabilization of the Client's emergency situation.~~

~~9. Treatment Planning: CONTRACTOR shall prepare an individualized written treatment plan, based upon information obtained in the intake and assessment process and in adherence to documentation standards set forth in QMS SUD documentation manual. The treatment plan will be consistent with the qualifying diagnosis and will be signed by the Client and the LPHA.~~

~~10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a minimum of twenty (20) hours of structured activity per week.~~

~~11. EBPs: CONTRACTORS will implement at least two of the following EBPs. The two EBPs are per CONTRACTOR per service modality. The required EBP include:~~

~~a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem-solving or solution-focused strategies that build on Clients' past successes.~~

~~b. Cognitive Behavioral Therapy: Based on the theory that most emotional and behavioral reactions are learned and that new ways of reacting and behaving can be learned.~~

~~c. Relapse Prevention: A behavioral self-control program that teaches individuals with substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved during initial substance use treatment.~~

~~d. Trauma Informed Treatment: Services must take into account an understanding of trauma, and place priority on trauma survivors' safety, choice and control.~~

~~e. Psycho-Education: Psycho-educational groups are designed to educate Clients about substance abuse, and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth and change, identify community resources that can assist Clients in recovery, develop an understanding of the process of recovery, and prompt people using substances to take action on their own behalf.~~

~~12. Case Management/ Care Coordination: Case Management or care coordination services may be provided by a LPHA or registered/certified counselor and must be provided based on the frequency documented in the individualized treatment plan. Case management shall provide advocacy and care coordination to physical health, mental health, and transportation, housing, vocational, educational, and transition services for reintegration into the community. CONTRACTOR shall provide Case Management services for the Client during treatment, transition to other levels of care and follow ups, to encourage the Client to engage and participate in an appropriate level of care or Recovery Services after discharge. Case Management becomes the responsibility of the next treating provider after successful transition to a different level of care. Contractor shall ensure that Case Management services focus on coordination of SUD care, integration around primary care especially for beneficiaries with a chronic SUD, and interaction with the criminal justice system, if needed. Case Management services may be provided face-to-face, by telephone, or by telehealth with the Client and may be provided anywhere in the community.~~

~~13. MAT: Services may be provided onsite with approval for Incidental Medical Services from DHCS. Medically necessary MAT services must be provided in accordance with an individualized treatment plan determined by a licensed physician or LPHA working within their scope of practice.~~

~~a. MAT services must be provided in compliance with Policy and Procedures submitted to DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning, ordering, prescribing, administering, and monitoring of all medications for SUDs.~~

~~b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of SUDs may also be prescribed and administered, as medically necessary.~~

~~c. CONTRACTOR must provide care coordination with treatment and ancillary service providers and facilitate transitions between levels of care. Beneficiaries may simultaneously participate~~

1 ~~in MAT services and other ASAM LOCs.~~

2 ~~———— 14. Care Coordination for Mental and Physical Health: Programs must screen for mental health~~
 3 ~~issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home~~
 4 ~~provider of Client's admission to treatment within seven (7) calendar days of admission and request~~
 5 ~~medical records/ physical exam. If Client does not have a medical home, identifying one shall be on the~~
 6 ~~treatment plan~~

7 ~~———— 15. Physician Consultation: Physician Consultation Services include DMC physicians'~~
 8 ~~consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists. Physician~~
 9 ~~consultation services are designed to assist DMC physicians by allowing them to seek expert advice~~
 10 ~~with regards to designing treatment plans for specific DMC ODS beneficiaries. Physician consultation~~
 11 ~~services may address medication selection, dosing, side effect management, adherence, drug~~
 12 ~~interactions, or level of care considerations. ADMINISTRATOR will provide one or more physicians or~~
 13 ~~pharmacists to provide consultation services.~~

14 ~~———— 16. Discharge Services: The process to prepare the Client for referral into another level of care,~~
 15 ~~post treatment return or reentry into the community, and/or the linkage of the individual to essential~~
 16 ~~community treatment, housing and human services. CONTRACTOR shall provide or arrange for~~
 17 ~~transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning~~
 18 ~~immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and~~
 19 ~~Client. The exit plan shall be documented in the Client's chart.~~

20 ~~———— 17. Recovery Services: Clients may access recovery services after completing their course of~~
 21 ~~treatment to prevent relapse. Recovery Services are not offered for clients in the Withdrawal~~
 22 ~~management level of care. Recovery services may be provided face-to-face, by telephone, or by~~
 23 ~~telehealth with the Client and may be provided anywhere in the community. Recovery services shall be~~
 24 ~~made available to DMC ODS beneficiaries when a Medical Director or LPHA has determined that~~
 25 ~~recovery services are medically necessary in accordance with their individualized treatment plan. The~~
 26 ~~components of Recovery Services are:~~

27 ~~———— a. Outpatient counseling services in the form of individual or group counseling to stabilize~~
 28 ~~the Client and then reassess if the Client needs further care;~~

29 ~~———— b. Recovery Monitoring: Recovery coaching, monitoring via telephone and internet;~~

30 ~~———— c. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;~~

31 ~~———— d. Education and Job Skills: Linkages to life skills, employment services, job training, and~~
 32 ~~education services;~~

33 ~~———— e. Family Support: Linkages to childcare, parent education, child development support~~
 34 ~~services, family/marriage education;~~

35 ~~———— f. Support Groups: Linkages to self help and support, spiritual and faith-based support;~~

36 ~~———— g. Ancillary Services: Linkages to housing assistance, transportation, case management,~~
 37 ~~individual services coordination.~~

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2 ~~18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment,~~
 3 ~~toiletries, clean linen, and food service.~~

4 ~~19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by~~
 5 ~~Clients and laundry access.~~

6 ~~20. Health, Medical, Psychiatric and Emergency Services — CONTRACTOR shall ensure that~~
 7 ~~all persons admitted for Residential Treatment services have a health questionnaire completed using~~
 8 ~~form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the~~
 9 ~~information requested in the DHCS 5103 form.~~

10 ~~a. The health questionnaire is a Client's self-assessment of his/her current health status~~
 11 ~~and shall be completed by Client.~~

12 ~~1) CONTRACTOR shall review and approve the health questionnaire form prior to~~
 13 ~~Client's admission to the program. The completed health questionnaire shall be signed and dated by~~
 14 ~~CONTRACTOR and Client, prior to admission.~~

15 ~~2) A copy of the questionnaire shall be filed in the Client's record.~~

16 ~~b. CONTRACTOR shall, based on information provided by Client on the health~~
 17 ~~questionnaire form, refer Client to licensed medical professionals for physical and laboratory~~
 18 ~~examinations as appropriate.~~

19 ~~1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior~~
 20 ~~to Client's admission to the program when applicable.~~

21 ~~2) A copy of the referral and clearance shall be filed in the Client's file.~~

22 ~~3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary,~~
 23 ~~HIV antibody testing and risk assessment and disclosure counseling.~~

24 ~~4) The programs shall have written procedures for obtaining medical or psychiatric~~
 25 ~~evaluation and emergency and non-emergency services.~~

26 ~~5) The programs shall post the name, address, and telephone number for the fire~~
 27 ~~department, a crisis program, local law enforcement, and ambulance service.~~

28 ~~6) CONTRACTOR shall provide TB services to the Clients by referral to the~~
 29 ~~COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar~~
 30 ~~days of admission. These TB services shall consist of the following:~~

31 ~~a) Counseling with respect to TB;~~

32 ~~b) Testing to determine whether the individual has been infected and to determine~~
 33 ~~the appropriate form of treatment;~~

34 ~~c) Provision for, or referral of, infected Clients for medical evaluation, treatment~~
 35 ~~and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to~~
 36 ~~commencing treatment.~~

37 ~~21. Transportation Services~~

1 #

2 ~~_____ a. COUNTY shall only pay for medical ambulance or medical van transportation to and~~
3 ~~from designated residential substance use disorder treatment programs or health facilities through the~~
4 ~~COUNTY's Medical Transportation Contract under the following conditions:~~

5 ~~_____ 1) Ambulance transportation shall be used for services requiring immediate attention~~
6 ~~for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where~~
7 ~~delay in providing such services may aggravate the medical condition or cause the loss of life.~~

8 ~~_____ 2) When any Client needs non-emergency transportation as identified in~~
9 ~~Subparagraph 21.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances~~
10 ~~including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely~~
11 ~~manner or Client's physical condition and/or limitations.~~

12 ~~_____ 3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call~~
13 ~~Log to request transportation services from Ambulance Providers designated for transportation within~~
14 ~~the city of the CONTRACTOR's facility for each said month as identified on the log.~~

15 ~~_____ 4) CONTRACTOR shall use its best efforts to contact Ambulance Providers~~
16 ~~identified on the Monthly Rotation Call Log as those providers who offer van transportation services if~~
17 ~~and when an ambulance is not required.~~

18 ~~_____ 5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider~~
19 ~~for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered~~
20 ~~service under this section by the COUNTY.~~

21 ~~_____ b. Non-Emergency Transportation — CONTRACTOR shall transport Client to locations~~
22 ~~that are considered necessary and/or important to the Client's recovery plan including, but not limited to,~~
23 ~~Social Security Administration offices for Supplemental Security Income benefits and for non-~~
24 ~~emergency medical or mental health services not identified in Subparagraph 21.a. above, that require~~
25 ~~treatment at a physician office, urgent care, or emergency room when an ambulance provider is not~~
26 ~~necessary or required for transportation based on the level of severity and/or services required by the~~
27 ~~Client.~~

28 ~~— E. PERFORMANCE OUTCOMES~~

29 ~~_____ 1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance~~
30 ~~Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR~~
31 ~~recognizes that alterations may be necessary to the following services to meet the objectives, and,~~
32 ~~therefore, revisions to objectives and services may be implemented by mutual agreement between~~
33 ~~CONTRACTOR and ADMINISTRATOR.~~

34 ~~_____ 2. Performance Outcome Objectives~~

35 ~~_____ a. Objective 1: CONTRACTOR shall provide effective residential substance abuse~~
36 ~~assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as~~
37 ~~measured by Retention and Completion Rates:~~

~~1) Retention Rates shall be calculated by using the number of Clients currently enrolled in or successfully completing the treatment program divided by the total number of Clients served during the evaluation period.~~

~~2) Completion Rates shall be calculated by using the number of Clients successfully completing the treatment program divided by the total number of Clients discharged during the evaluation period. Fifty percent (50%) of Clients will complete residential treatment program.~~

~~b. Objective 2: CEST scores at midpoint and completion will be higher than national norms in perceived social support, peer support, counseling rapport, and treatment participation. CEST scores for treatment readiness and desire for help will exceed national norms and will be equal to or higher than CESI scores at intake.~~

~~c. Objective 3: CONTRACTOR shall provide linkage to the next level of care for Clients upon discharge. Twenty percent (20%) of Clients who have discharged will be linked with a lower level of care within seven (7) calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be excluded.~~

~~F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult Residential Treatment Services Paragraph of this Exhibit A to the Contract.~~

IX. ADULT CO-OCCURRING RESIDENTIAL TREATMENT SERVICES

~~A. LENGTH OF STAY— Length of stay is based on medical necessity as determined by a Licensed Practitioner of the Healing Arts. COUNTY is adhering to the state goal of a thirty (30) calendar day average in the residential level of care. The facility shall have a capacity of fifteen (15) beds and include adequate physical space to support the services identified within the Contract.~~

~~1. Adults, ages twenty one (21) and over, may receive no more than (2) residential treatment episodes per three hundred sixty five (365) day period. A residential treatment episode is defined as one (1) residential stay in a DHCS licensed facility for a maximum of ninety (90) days if medically necessary per three hundred sixty five (365) day period. An adult Client may receive one thirty (30) calendar day extension, with prior authorization, if that extension is medically necessary, per three hundred sixty five (365) day period.~~

~~2. Adolescents, ages eighteen (18) to twenty one (21), shall receive continuous residential services for a maximum of thirty (30) days. Adolescent beneficiaries may receive up to a thirty (30) day extension if that extension is determined to be medically necessary by Medical Director or LPHA. Adolescent beneficiaries are limited to one extension per year. Adolescent beneficiaries receiving residential treatment shall be stabilized as soon as possible and moved down to a less intensive level of treatment.~~

~~3. If determined to be medically necessary, perinatal beneficiaries may receive longer lengths of stay than those described above, in accordance with State perinatal guidelines.~~

~~1 — B. PERSONS TO BE SERVED — In order to receive services through the DMC ODS, the Client
2 must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.~~

~~3 — C. RESIDENTIAL TREATMENT AUTHORIZATION — Beneficiaries will be authorized and
4 referred to CONTRACTOR by the ART Team. Beneficiaries who contact CONTRACTOR directly to
5 request services shall be referred by CONTRACTOR to the ART Team. If Beneficiary is pregnant or an
6 intravenous drug user who meets medical necessity for Residential Treatment, CONTRACTOR may
7 admit to treatment bypassing the ART Team if provider has available bed slot. In this instance,
8 CONTRACTOR must complete a SUD assessment and establish medical necessity for residential level
9 of care. Assessment and authorization request must be submitted to the ART team for authorization
10 within seventy two (72) hours of beneficiary admission. CONTRACTOR shall enter data regarding
11 request for service into IRIS access log established by ADMINISTRATOR for these Beneficiaries who
12 access provider directly and bypass the ART team.~~

~~13 — D. SERVICES — CONTRACTOR shall provide a non-institutional, twenty four (24) hour non-
14 medical, short term residential program that provides rehabilitation services to Beneficiaries in
15 accordance with an individualized treatment plan. These services are intended to be individualized to
16 treat the functional deficits identified in the ASAM Criteria. CONTRACTOR and Beneficiary work
17 collaboratively to define barriers, set priorities, establish goals, create treatment plans, and solve
18 problems. Goals include sustaining abstinence, preparing for relapse triggers, improving personal health
19 and social functioning, and engaging in continuing care. CONTRACTOR shall provide services in
20 accordance with DHCS Designated Levels of Care 3.3 or 3.5. Residential Treatment program shall
21 consist of the following:~~

~~22 — 1. Intake: The process of determining that a Client meets the medical necessity criteria and a
23 Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or
24 analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of
25 treatment needs to provide medically necessary services. Intake may include a physical examination and
26 laboratory testing necessary for substance use disorder treatment.~~

~~27 — 2. Individual Counseling: Contacts between a Client and a therapist or counselor.~~

~~28 — 3. Group Counseling: Face to face contacts in which one or more therapists or counselors
29 treat two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the
30 needs of the individuals served.~~

~~31 — 4. Family Therapy: Family members can provide social support to the Client, help motivate
32 their loved one to remain in treatment, and receive help and support for their own family recovery as
33 well.~~

~~34 — 5. Client Education: Provide research based education on addiction, treatment, recovery and
35 associated health risks.~~

~~36 — 6. Medication Storage: Facilities will store all Client medication and facility staff members
37 will oversee resident's self-administration of medication.~~

~~7. Collateral Services: Sessions with therapists or counselors and significant persons in the life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the Client's treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the Client.~~

~~8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention services shall be limited to the stabilization of the Client's emergency situation.~~

~~9. Treatment Planning: CONTRACTOR shall prepare an individualized written treatment plan, based upon information obtained in the intake and assessment process and in adherence to documentation standards set forth in QMS SUD documentation manual. The treatment plan will be consistent with the qualifying diagnosis and will be signed by the Client and the LPHA.~~

~~10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a minimum of twenty (20) hours of structured activity per week.~~

~~11. EBPs: CONTRACTORS will implement at least two of the following EBPs. The two EBPs are per CONTRACTOR per service modality. The required EBP include:~~

~~a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem-solving or solution-focused strategies that build on Clients' past successes.~~

~~b. Cognitive Behavioral Therapy: Based on the theory that most emotional and behavioral reactions are learned and that new ways of reacting and behaving can be learned.~~

~~c. Relapse Prevention: A behavioral self-control program that teaches individuals with substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved during initial substance use treatment.~~

~~d. Trauma Informed Treatment: Services must take into account an understanding of trauma, and place priority on trauma survivors' safety, choice and control.~~

~~e. Psycho Education: Psycho-educational groups are designed to educate Clients about substance abuse, and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to Clients' lives; to instill self-awareness, suggest options for growth and change, identify community resources that can assist Clients in recovery, develop an understanding of the process of recovery, and prompt people using substances to take action on their own behalf.~~

~~12. Case Management/ Care Coordination: Case Management or care coordination services may be provided by a LPHA or registered/certified counselor and must be provided based on the frequency documented in the individualized treatment plan. Case management shall provide advocacy~~

1 ~~and care coordination to physical health, mental health, and transportation, housing, vocational,~~
 2 ~~educational, and transition services for reintegration into the community. CONTRACTOR shall provide~~
 3 ~~Case Management services for the Client during treatment, transition to other levels of care and follow~~
 4 ~~ups, to encourage the Client to engage and participate in an appropriate level of care or Recovery~~
 5 ~~Services after discharge. Case Management becomes the responsibility of the next treating provider~~
 6 ~~after successful transition to a different level of care. Contractor shall ensure that Case Management~~
 7 ~~services focus on coordination of SUD care, integration around primary care especially for beneficiaries~~
 8 ~~with a chronic SUD, and interaction with the criminal justice system, if needed. Case Management~~
 9 ~~services may be provided face-to-face, by telephone, or by telehealth with the Client and may be~~
 10 ~~provided anywhere in the community.~~

11 ~~———— 13. MAT: Services may be provided onsite with approval for Incidental Medical Services from~~
 12 ~~DHCS. Medically necessary MAT services must be provided in accordance with an individualized~~
 13 ~~treatment plan determined by a licensed physician or LPHA working within their scope of practice.~~

14 ~~———— a. MAT services must be provided in compliance with Policy and Procedures submitted to~~
 15 ~~DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge~~
 16 ~~through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,~~
 17 ~~ordering, prescribing, administering, and monitoring of all medications for SUDs.~~

18 ~~———— b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and~~
 19 ~~injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of~~
 20 ~~SUDs may also be prescribed and administered, as medically necessary. ————— c.~~

21 ~~—— CONTRACTOR must provide care coordination with treatment and ancillary service providers and~~
 22 ~~facilitate transitions between levels of care. Beneficiaries may simultaneously participate in MAT~~
 23 ~~services and other ASAM LOCs.~~

24 ~~———— 14. Care Coordination for Mental and Physical Health: Programs must screen for mental health~~
 25 ~~issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home~~
 26 ~~provider of Client's admission to treatment within seven (7) calendar days of admission and request~~
 27 ~~medical records/ physical exam. If Client does not have a medical home, identifying one shall be on the~~
 28 ~~treatment plan. Clients who are co-occurring with severe and persistent mental illness shall receive~~
 29 ~~mental health services and support through Orange County Health Care Agency PACT program.~~

30 ~~———— 15. Physician Consultation: Physician Consultation Services include DMC physicians'~~
 31 ~~consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists. Physician~~
 32 ~~consultation services are designed to assist DMC physicians by allowing them to seek expert advice~~
 33 ~~with regards to designing treatment plans for specific DMC ODS beneficiaries. Physician consultation~~
 34 ~~services may address medication selection, dosing, side effect management, adherence, drug~~
 35 ~~interactions, or level of care considerations. ADMINISTRATOR will provide one or more physicians or~~
 36 ~~pharmacists to provide consultation services.~~

37 ~~#~~

~~16. Discharge Services: The process to prepare the Client for referral into another level of care, post treatment return or reentry into the community, and/or the linkage of the individual to essential community treatment, housing and human services. CONTRACTOR shall provide or arrange for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and Client. The exit plan shall be documented in the Client's chart.~~

~~17. Recovery Services: Clients may access recovery services after completing their course of treatment to prevent relapse. Recovery Services are not offered for clients in the Withdrawal management level of care. Recovery services may be provided face-to-face, by telephone, or by telehealth with the Client and may be provided anywhere in the community. Recovery services shall be made available to DMC-ODS beneficiaries when a Medical Director or LPHA has determined that recovery services are medically necessary in accordance with their individualized treatment plan. The components of Recovery Services are:~~

~~a. Outpatient counseling services in the form of individual or group counseling to stabilize the Client and then reassess if the Client needs further care;~~

~~b. Recovery Monitoring: Recovery coaching, monitoring via telephone and internet;~~

~~c. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;~~

~~d. Education and Job Skills: Linkages to life skills, employment services, job training, and education services;~~

~~e. Family Support: Linkages to childcare, parent education, child development support services, family/marriage education;~~

~~f. Support Groups: Linkages to self help and support, spiritual and faith-based support;~~

~~g. Ancillary Services: Linkages to housing assistance, transportation, case management, individual services coordination.~~

~~18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries, clean linen, and food service.~~

~~19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by Clients and laundry access.~~

~~20. Health, Medical, Psychiatric and Emergency Services— CONTRACTOR shall ensure that all persons admitted for Residential Treatment services have a health questionnaire completed using form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information requested in the DHCS 5103 form.~~

~~a. The health questionnaire is a Client's self assessment of his/her current health status and shall be completed by Client.~~

~~1) CONTRACTOR shall review and approve the health questionnaire form prior to Client's admission to the program. The completed health questionnaire shall be signed and dated by CONTRACTOR and Client, prior to admission.~~

~~2) A copy of the questionnaire shall be filed in the Client's record.~~

~~b. CONTRACTOR shall, based on information provided by Client on the health questionnaire form, refer Client to licensed medical professionals for physical and laboratory examinations as appropriate.~~

~~1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to Client's admission to the program when applicable.~~

~~2) A copy of the referral and clearance shall be filed in the Client's file.~~

~~3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary, HIV antibody testing and risk assessment and disclosure counseling.~~

~~4) The programs shall have written procedures for obtaining medical or psychiatric evaluation and emergency and non-emergency services.~~

~~5) The programs shall post the name, address, and telephone number for the fire department, a crisis program, local law enforcement, and ambulance service.~~

~~6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar days of admission. These TB services shall consist of the following:~~

~~a) Counseling with respect to TB;~~

~~b) Testing to determine whether the individual has been infected and to determine the appropriate form of treatment;~~

~~c) Provision for, or referral of, infected Clients for medical evaluation, treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to commencing treatment.~~

~~21. Transportation Services~~

~~a. COUNTY shall only pay for medical ambulance or medical van transportation to and from designated residential substance use disorder treatment programs or health facilities through the COUNTY's Medical Transportation Contract under the following conditions:~~

~~1) Ambulance transportation shall be used for services requiring immediate attention for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where delay in providing such services may aggravate the medical condition or cause the loss of life.~~

~~2) When any Client needs non-emergency transportation as identified in Subparagraph 21.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client's physical condition and/or limitations.~~

~~3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call Log to request transportation services from Ambulance Providers designated for transportation within the city of the CONTRACTOR's facility for each said month as identified on the log.~~

~~#~~

~~4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified on the Monthly Rotation Call Log as those providers who offer van transportation services if and when an ambulance is not required.~~

~~5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service under this section by the COUNTY.~~

~~b. Non-Emergency Transportation—CONTRACTOR shall transport Client to locations that are considered necessary and/or important to the Client's recovery plan including, but not limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-emergency medical or mental health services not identified in Subparagraph 21.a. above, that require treatment at a physician office, urgent care, or emergency room when an ambulance provider is not necessary or required for transportation based on the level of severity and/or services required by the Client.~~

~~E. PERFORMANCE OUTCOMES~~

~~1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance Outcome Objective statistics in monthly programmatic reports, as appropriate. ADMINISTRATOR recognizes that alterations may be necessary to the following services to meet the objectives, and, therefore, revisions to objectives and services may be implemented by mutual agreement between CONTRACTOR and ADMINISTRATOR.~~

~~2. Performance Outcome Objectives~~

~~a. Objective 1: CONTRACTOR shall provide effective residential substance abuse assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as measured by Retention and Completion Rates:~~

~~1) Retention Rates shall be calculated by using the number of Clients currently enrolled in or successfully completing the treatment program divided by the total number of Clients served during the evaluation period.~~

~~2) Completion Rates shall be calculated by using the number of Clients successfully completing the treatment program divided by the total number of Clients discharged during the evaluation period. Fifty percent (50%) of Clients will complete residential treatment program.~~

~~b. Objective 2: CEST scores at midpoint and completion will be higher than national norms in perceived social support, peer support, counseling rapport, and treatment participation. CEST scores for treatment readiness and desire for help will exceed national norms and will be equal to or higher than CESI scores at intake.~~

~~c. Objective 3: CONTRACTOR shall provide linkage to the next level of care for Clients upon discharge. Twenty percent (20%) of Clients who have discharged will be linked with a lower level of care within seven (7) calendar days, as measured by charge data entered into the IRIS. Linkage rates~~

~~#~~

1 ~~for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS~~
2 ~~administrative discharge dispositions will be excluded.”~~

3 ~~— F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult~~
4 ~~Co-Occurring Residential Treatment Services Paragraph of this Exhibit C to the Contract.~~

5
6 ~~**X. ADULT CLINICALLY MANAGED WITHDRAWAL MANAGEMENT SERVICES**~~

7 ~~— A. LENGTH OF STAY~~

8 ~~—— 1. Length of stay is based on medical necessity for withdrawal management in adherence with~~
9 ~~observation protocols established by Medical Director. The facility shall have a capacity of twelve (12)~~
10 ~~beds and include adequate physical space to support the services identified within the Contract.~~

11 ~~— B. PERSONS TO BE SERVED — In order to receive services through the DMC-ODS, the Client~~
12 ~~must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.~~

13 ~~— C. SERVICES — Clinically managed withdrawal management services shall consist of the~~
14 ~~following:~~

15 ~~—— 1. Intake: The process of determining that a Client meets the medical necessity criteria and a~~
16 ~~Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or~~
17 ~~analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of~~
18 ~~treatment needs to provide medically necessary services. Intake may include a physical examination and~~
19 ~~laboratory testing necessary for substance use disorder treatment.~~

20 ~~—— 2. Observation:~~

21 ~~—— a. At least one staff member or volunteer shall be assigned to the observation of~~
22 ~~Withdrawal Management Clients at all times and be certified in cardiopulmonary resuscitation, first aid,~~
23 ~~and Naloxone administration. In facilities with sixteen (16) or more clients, two (2) staff or volunteers~~
24 ~~shall be present at all times.~~

25 ~~—— b. Staff or volunteer shall physically check each Client for breathing by a face to face~~
26 ~~physical observation at least every thirty (30) minutes and vital signs every six (6) hours at a minimum~~
27 ~~during the first seventy-two (72) hours following admission. The close observation and physical checks~~
28 ~~shall continue beyond the initial seventy-two (72) hour period for as long as the withdrawal signs and~~
29 ~~symptoms warrant. After twenty-four (24) hours, close observations and physical checks may be~~
30 ~~discontinued or reduced based upon a determination by a staff member trained in providing Withdrawal~~
31 ~~Management Services. Documentation of the information that supports a decrease in close observation~~
32 ~~and physical checks shall be recorded in the client's file.”~~

33 ~~—— c. Documentation of observations and physical checks shall be recorded in a systematic~~
34 ~~manner in the Client file including information supporting a decrease in observation and physical checks~~
35 ~~and signature of staff.~~

36 ~~—— d. Only program staff that have been trained in the provisions of Withdrawal Management~~
37 ~~Services may conduct observations and physical checks of clients receiving Withdrawal Management~~

1 ~~Services. Training shall include information on detoxification medications, and signs and symptoms that~~
 2 ~~require referral to a higher level of care. Training shall also include first aid cardiopulmonary~~
 3 ~~resuscitation, and Naloxone administration. Copies of detoxification training records shall be kept in~~
 4 ~~personnel files.~~

5 ~~3. Individual Counseling: Contacts between a Client and a therapist or counselor.~~

6 ~~4. Group Counseling: Face to face contacts in which one or more therapists or counselors~~
 7 ~~treat two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the~~
 8 ~~needs of the individuals served.~~

9 ~~5. Client Education: Provide research based education on addiction, treatment, recovery and~~
 10 ~~associated health risks.~~

11 ~~6. Medication Storage: Facilities will store all Client medication and facility staff members~~
 12 ~~will oversee resident's self-administration of medication.~~

13 ~~7. Collateral Services: Sessions with therapists or counselors and significant persons in the life~~
 14 ~~of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of the~~
 15 ~~Client's treatment goals. Significant persons are individuals that have a personal, not official or~~
 16 ~~professional, relationship with the Client.~~

17 ~~8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in crisis.~~
 18 ~~Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an unforeseen~~
 19 ~~event or circumstance which presents to the Client an imminent threat of relapse. Crisis intervention~~
 20 ~~services shall be limited to the stabilization of the Client's emergency situation.~~

21 ~~9. Treatment Planning: CONTRACTOR shall prepare an individualized written treatment~~
 22 ~~plan, based upon information obtained in the intake and assessment process and in adherence to~~
 23 ~~documentation standards set forth in QMS SUD documentation manual. The treatment plan will be~~
 24 ~~consistent with the qualifying diagnosis and will be signed by the Client and the LPHA.~~

25 ~~10. Structured Therapeutic Activities: Residential Treatment Services shall offer a minimum of~~
 26 ~~twenty (20) hours of structured activity per week.~~

27 ~~11. EBPs: CONTRACTORS will implement at least two of the following EBPs. The two EBPs~~
 28 ~~are per CONTRACTOR per service modality. The required EBP include:~~

29 ~~a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling~~
 30 ~~strategy designed to explore and reduce a person's ambivalence toward treatment. This approach~~
 31 ~~frequently includes other problem-solving or solution focused strategies that build on Clients' past~~
 32 ~~successes.~~

33 ~~b. Cognitive Behavioral Therapy: Based on the theory that most emotional and behavioral~~
 34 ~~reactions are learned and that new ways of reacting and behaving can be learned.~~

35 ~~c. Relapse Prevention: A behavioral self-control program that teaches individuals with~~
 36 ~~substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be~~

37 ~~#~~

1 ~~used as a stand-alone substance use treatment program or as an aftercare program to sustain gains~~
 2 ~~achieved during initial substance use treatment.~~

3 ~~————— d. Trauma Informed Treatment: Services must take into account an understanding of~~
 4 ~~trauma, and place priority on trauma survivors' safety, choice and control.~~

5 ~~————— e. Psycho Education: Psycho-educational groups are designed to educate Clients about~~
 6 ~~substance abuse, and related behaviors and consequences. Psycho-educational groups provide~~
 7 ~~information designed to have a direct application to Clients' lives; to instill self-awareness, suggest~~
 8 ~~options for growth and change, identify community resources that can assist Clients in recovery,~~
 9 ~~develop an understanding of the process of recovery, and prompt people using substances to take action~~
 10 ~~on their own behalf.~~

11 ~~————— 12. Case Management/Care Coordination: Case Management or care coordination services~~
 12 ~~may be provided by a LPHA or registered/certified counselor and must be provided based on the~~
 13 ~~frequency documented in the individualized treatment plan. Case management shall provide advocacy~~
 14 ~~and care coordination to physical health, mental health, and transportation, housing, vocational,~~
 15 ~~educational, and transition services for reintegration into the community. CONTRACTOR shall provide~~
 16 ~~Case Management services for the Client during treatment, transition to other levels of care and follow~~
 17 ~~ups, to encourage the Client to engage and participate in an appropriate level of care or Recovery~~
 18 ~~Services after discharge. Case Management becomes the responsibility of the next treating provider~~
 19 ~~after successful transition to a different level of care. Contractor shall ensure that Case Management~~
 20 ~~services focus on coordination of SUD care, integration around primary care especially for beneficiaries~~
 21 ~~with a chronic SUD, and interaction with the criminal justice system, if needed. Case Management~~
 22 ~~services may be provided face-to-face, by telephone, or by telehealth with the Client and may be~~
 23 ~~provided anywhere in the community.~~

24 ~~————— 13. MAT: Services may be provided onsite with approval for Incidental Medical Services from~~
 25 ~~DHCS. Medically necessary MAT services must be provided in accordance with an individualized~~
 26 ~~treatment plan determined by a licensed physician or LPHA working within their scope of practice.~~

27 ~~————— a. MAT services must be provided in compliance with Policy and Procedures submitted to~~
 28 ~~DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge~~
 29 ~~through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,~~
 30 ~~ordering, prescribing, administering, and monitoring of all medications for SUDs.~~

31 ~~————— b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and~~
 32 ~~injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of~~
 33 ~~SUDs may also be prescribed and administered, as medically necessary.~~

34 ~~————— c. CONTRACTOR must provide care coordination with treatment and ancillary service~~
 35 ~~providers and facilitate transitions between levels of care. Beneficiaries may simultaneously participate~~
 36 ~~in MAT services and other ASAM LOCs.~~

37 ~~#~~

~~14. Care Coordination for Mental and Physical Health: Programs must screen for mental health issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical home provider of Client's admission to treatment within seven (7) calendar days of admission and request medical records/ physical exam. If Client does not have a medical home, identifying one shall be on the treatment plan.~~

~~15. Physician Consultation: Physician Consultation Services include DMC physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical pharmacists. Physician consultation services are designed to assist DMC physicians by allowing them to seek expert advice with regards to designing treatment plans for specific DMC ODS beneficiaries. Physician consultation services may address medication selection, dosing, side effect management, adherence, drug interactions, or level of care considerations. ADMINISTRATOR will provide one or more physicians or pharmacists to provide consultation services.~~

~~16. Discharge Services: The process to prepare the Client for referral into another level of care, post treatment return or reentry into the community, and/or the linkage of the individual to essential community treatment, housing and human services. CONTRACTOR shall provide or arrange for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and Client. The exit plan shall be documented in the Client's chart.~~

~~17. Food and Other Services: CONTRACTOR shall provide a clean, safe environment, toiletries, clean linen, and food service.~~

~~18. Support Services: CONTRACTOR shall provide housekeeping, which may be done by Clients and laundry access.~~

~~19. Health, Medical, Psychiatric and Emergency Services—CONTRACTOR shall ensure that all persons admitted for Residential Treatment services have a health questionnaire completed using form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the information requested in the DHCS 5103 form.~~

~~a. The health questionnaire is a Client's self-assessment of his/her current health status and shall be completed by Client.~~

~~1) CONTRACTOR shall review and approve the health questionnaire form prior to Client's admission to the program. The completed health questionnaire shall be signed and dated by CONTRACTOR and Client, prior to admission.~~

~~2) A copy of the questionnaire shall be filed in the Client's record.~~

~~b. CONTRACTOR shall, based on information provided by Client on the health questionnaire form, refer Client to licensed medical professionals for physical and laboratory examinations as appropriate.~~

~~1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior to Client's admission to the program when applicable.~~

1 ~~2) A copy of the referral and clearance shall be filed in the Client's file.~~

2 ~~3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary,~~

3 ~~HIV antibody testing and risk assessment and disclosure counseling.~~

4 ~~4) The programs shall have written procedures for obtaining medical or psychiatric~~

5 ~~evaluation and emergency and non-emergency services.~~

6 ~~5) The programs shall post the name, address, and telephone number for the fire~~

7 ~~department, a crisis program, local law enforcement, and ambulance service.~~

8 ~~6) CONTRACTOR shall provide TB services to the Clients by referral to the~~

9 ~~COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar~~

10 ~~days of admission. These TB services shall consist of the following:~~

11 ~~a) Counseling with respect to TB;~~

12 ~~b) Testing to determine whether the individual has been infected and to determine~~

13 ~~the appropriate form of treatment;~~

14 ~~c) Provision for, or referral of, infected Clients for medical evaluation, treatment~~

15 ~~and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to~~

16 ~~commencing treatment.~~

17 ~~20. Transportation Services~~

18 ~~a. COUNTY shall only pay for medical ambulance or medical van transportation to and~~

19 ~~from designated residential substance use disorder treatment programs or health facilities through the~~

20 ~~COUNTY's Medical Transportation Contract under the following conditions:~~

21 ~~1) Ambulance transportation shall be used for services requiring immediate attention~~

22 ~~for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where~~

23 ~~delay in providing such services may aggravate the medical condition or cause the loss of life.~~

24 ~~2) When any Client needs non-emergency transportation as identified in~~

25 ~~Subparagraph 20.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances~~

26 ~~including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely~~

27 ~~manner or Client's physical condition and/or limitations.~~

28 ~~3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call~~

29 ~~Log to request transportation services from Ambulance Providers designated for transportation within~~

30 ~~the city of the CONTRACTOR's facility for each said month as identified on the log.~~

31 ~~4) CONTRACTOR shall use its best efforts to contact Ambulance Providers~~

32 ~~identified on the Monthly Rotation Call Log as those providers who offer van transportation services if~~

33 ~~and when an ambulance is not required.~~

34 ~~5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider~~

35 ~~for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered~~

36 ~~service under this section by the COUNTY.~~

37 #

~~_____ b. Non-Emergency Transportation _____ CONTRACTOR shall transport Client to locations that are considered necessary and/or important to the Client's recovery plan including, but not limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-emergency medical or mental health services not identified in Subparagraph 20.a. above, that require treatment at a physician office, urgent care, or emergency room when an ambulance provider is not necessary or required for transportation based on the level of severity and/or services required by the Client.~~

~~_____ D. PERFORMANCE OUTCOMES~~

~~_____ 1. CONTRACTOR shall demonstrate provision of effective withdrawal management services as measured by client retention and completion rates of at least seventy-five percent (75%).~~

~~_____ a. Retention Rates shall be calculated by using the number of Clients currently enrolled in or successfully completing their treatment program divided by the total number of Clients served during the evaluation period.~~

~~_____ b. Completion Rates shall be calculated by using the number of Clients successfully completing the treatment program divided by the total number of Clients discharged during the evaluation period.~~

~~_____ 2. CONTRACTOR shall provide linkage to the next level of care for Clients upon discharge. Twenty percent (20%) of Clients who have discharged will be linked with a lower level of care within seven (7) calendar days, as measured by charge data entered into the IRIS. Linkage rates for Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS administrative discharge dispositions will be excluded.~~

~~_____ E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult Clinically Managed Withdrawal Management Services Paragraph of this Exhibit A to the Contract.~~

XI. SERVICES

~~_____ A. FACILITY OPERATIONS AND ASSET MANAGEMENT _____ Services shall be provided at the following locations, or at any other location approved in advance, in writing, by ADMINISTRATOR:~~

~~265 South Anita Drive
Orange, CA 92868~~

~~_____ 1. CONTRACTOR will manage a diverse scope of facilities related services, in four key areas:~~

- ~~_____ a. Facilities Management~~
- ~~_____ b. Property Accounting~~
- ~~_____ c. Capital Project Management~~
- ~~_____ d. Lease Management~~

~~2. CONTRACTOR will ensure high value, efficient and accountable oversight of facilities operations and asset management.~~

~~3. CONTRACTOR shall provide ongoing facility operations and asset management activities which include, but are not limited to:~~

~~4. FACILITIES MANAGEMENT~~

~~a. Manage and oversee the overall safety of the facility, including day to day maintenance and cleaning of the property, including all buildings, parking lots and landscaping;~~

~~b. Contract management for all property utilities, property insurance policies, building related services and maintenance, and supply procurement;~~

~~c. Ongoing property assessments to inform preventative maintenance needs, forecast capital repair and replacement schedules, and ensure adequate capital reserves are maintained; and~~

~~d. Key point of contact for all building related requests and concerns.~~

~~5. PROPERTY ACCOUNTING~~

~~a. Financial management of all operating expenses and property taxes in a timely manner;~~

~~b. Prepare and provide monthly property financial reports and annual financial statements inclusive of balance sheet, income statement cash flow statement, variance report, rent roll, and detailed property activity summary;~~

~~c. Prepare and manage an annual operating budget for the property inclusive of a capital budget, detailed leasing and expense projections, and cash flow projections;~~

~~6. CAPITAL PROJECT MANAGEMENT~~

~~a. Solicit proposals from, engage, and manage architects, engineers and other design consultants as necessary for completion of the work;~~

~~b. Manage the process of securing all permits and other governmental approvals; and~~

~~c. Manage a competitive construction contractor bidding process and oversee construction and installation process to ensure all work is completed in a timely manner.~~

~~7. LEASE MANAGEMENT~~

~~a. Manage and enforce all tenant leases and rental agreements, and lead negotiations of lease renewals and extensions as they arise; and~~

~~b. Financial management of all rents and other receivables.~~

~~B. PROVIDER CONTRACTING~~

~~1. CONTRACTOR shall monitor and ensure operations at the Be Well Orange Campus meet the requirements of CMS, DHCS and MHRS. CONTRACTOR shall subcontract with providers for authorized specialty mental health services and substance use disorder treatment services. Providers will meet state and federal requirements for Specialty Medi-Cal services inclusive of mental health crisis services and substance use disorder treatment.~~

~~a. All activities and obligations, including services provided and related reporting responsibilities; and~~

~~b. Delegated activities and responsibilities in compliance with MHRS' obligations to DHCS. Providers will meet established requirements with reimbursement negotiated on state rates and costs only. CONTRACTOR will monitor and ensure that claims are entered accurately and in a timely manner.~~

~~2. PROVIDER CONTRACTING AND OVERSIGHT~~

~~a. As a partially delegated entity, CONTRACTOR will act on behalf of MHRS in ensuring the following activities and responsibilities:~~

- ~~1) Quality Management, including but not limited to;

 - ~~a) Provide Training on Documentation Requirements~~
 - ~~b) Documentation Review Tool for State Submission~~
 - ~~c) Quality Improvement comments related to documentation~~
 - ~~d) Corrective Action Plans~~
 - ~~e) Ensuring Fraud, Waste and Abuse is reported timely to HCA Compliance Department~~
 - ~~f) Ensure Compliance Investigation Follow-up within timeframes~~
 - ~~g) Inform Providers of new practice guidelines~~
 - ~~h) Ensure there is an HCA certified documentation reviewer at each program~~~~
- ~~2) Program Integrity, including but not limited to;

 - ~~a) Site Reviews and completion of Monitoring Tool for both SUD and MH programs~~
 - ~~b) Ensure LPS designation of Staff and Site~~
 - ~~c) Ensure proper credentialing of staff with HCA~~
 - ~~d) Ensure Policies and Procedures are developed to address regulatory requirements~~
 - ~~e) Ensure provider job descriptions meet the minimum requirements for staff scope of practice~~
 - ~~f) Ensure PAVE enrollment of Providers~~
 - ~~g) Ensure Proper Clinical Supervision of Staff~~
 - ~~h) Attend Monthly Quality Improvement meetings for both DMC and MH programs~~~~
- ~~3) Cultural Competency, including but not limited to;

 - ~~a) Mandatory Training is completed~~~~
- ~~4) Training, including but not limited to;

 - ~~a) ASAM Training~~
 - ~~b) Motivational Interviewing Training~~
 - ~~c) Other required Evidence Based Practices~~
 - ~~d) Annual Compliance Training~~~~

- 1 ~~e) Annual Provider Training~~
- 2 ~~5) Claiming, including but not limited to;~~
- 3 ~~a) Ensure Billing Training is completed~~
- 4 ~~b) Services entered correctly into the County IRIS system~~
- 5 ~~c) Ensure Client information entered correctly into the County IRIS system~~
- 6 ~~6) Reports, including but not limited to;~~
- 7 ~~a) Participation in the OC Navigator~~
- 8 ~~b) NACT submissions~~
- 9 ~~c) Report of Billable Services~~
- 10 ~~d) Cost Reporting~~
- 11 ~~e) Access Log Reports~~
- 12 ~~f) NOABD Reports~~
- 13 ~~g) Grievance and Appeals Investigations~~
- 14 ~~h) Response to External Quality Review Organization Report; and~~
- 15 ~~7) Data collection, including but not limited to:~~
- 16 ~~a) CalOMS~~
- 17 ~~b) DATAR~~

~~3. REGULATORY COMPLIANCE, INSURANCE, AND INDEMNIFICATION~~

- 19 ~~a. Compliance Program CONTRACTOR will ensure providers have required policies~~
- 20 ~~and procedures and will reinforce federal and state requirements established in the Contract, such as~~
- 21 ~~cultural competency trainings.~~
- 22 ~~b. Sanction Screening CONTRACTOR will ensure all applicable Covered individuals~~
- 23 ~~are initially and routinely screened in accordance with requirements for MHPs and SUD contracts per~~
- 24 ~~DHCS and Contract requirements.~~
- 25 ~~c. Insurance CONTRACTOR will maintain insurance in compliance with the~~
- 26 ~~contractual requirements and will ensure that subcontractors' insurance is also in compliance.~~
- 27 ~~CONTRACTOR anticipates being able to support subcontractors in negotiating competitive rates for~~
- 28 ~~appropriate coverage.~~
- 29 ~~d. Medi-Cal billing, Coding and Documentation Compliance Standards~~
- 30 ~~CONTRACTOR will ensure that subcontractor coding of health care claims, billings and/or invoices for~~
- 31 ~~same are prepared and submitted, are timely and accurate, and in compliance with the Contract~~
- 32 ~~requirements.~~
- 33 ~~e. Indemnification CONTRACTOR will provide indemnification pursuant to~~
- 34 ~~contractual requirements.~~

~~C. ACCESS AND PROGRAM MANAGEMENT~~

- 36 ~~1. CONTRACTOR will ensure that an optimized mix of clients with public and commercial~~
- 37 ~~coverage can access and enroll in services at the Orange Campus. Moreover, CONTRACTOR will~~

1 ~~ensure that subcontractors receive referrals and that such referrals are accepted in accordance with the~~
 2 ~~Contract(s), with appropriate contract monitoring based on the MRHS provided monitoring tool(s).~~

3 ~~———— 2. PAYOR MIX OPTIMIZATION AND MANAGEMENT ——— CONTRACTOR will support~~
 4 ~~subcontractors in securing contracts with an array of commercial insurance plans, as well as manage and~~
 5 ~~optimize the diverse public/commercial payer mix to achieve the original goals of Be Well and ensure~~
 6 ~~whole community access while maintaining a commitment to serving the most vulnerable. Based on~~
 7 ~~current projections, the initial target is a 26 % commercial, 74% public ratio, which will be adjusted, as~~
 8 ~~needed.~~

9 ~~———— 3. CARE COORDINATION AND TRANSITIONS MANGEMENT ——— CONTRACTOR will~~
 10 ~~provide high level operational oversight to ensure contractual compliance and good business flow in a~~
 11 ~~standardized, organized manner via reporting, meetings, and audits.~~

12 ~~———— 4. CLINICAL AND PROGRAM OPERATIONS ——— CONTRACTOR will attend required~~
 13 ~~trainings and ensure that Be Well Campus and provider policies and practices meet contractual~~
 14 ~~requirements for QI, authorization, clinical, billing, and administrative requirements. CONTRACTOR~~
 15 ~~will ensure that subcontractors participate in required provider trainings offered by COUNTY and~~
 16 ~~ensure subcontractors maintain client records in compliance with contractual requirements.~~

17 ~~— D. ESTIMATED COUNTY COST OFFSETS~~

18 ~~———— 1. CONTRACTOR will work closely with the providers to ensure third party revenues are~~
 19 ~~maximized. CONTRACTOR shall secure a Third-Party Administrator (TPA) license that will allow~~
 20 ~~them to work on providers' behalf to support commercial billing and collections.~~

21 ~~———— 2. CONTRACTOR will recover the value of the service when the service is rendered to a~~
 22 ~~Beneficiary whenever the Beneficiary is covered for the same serv ices, either fully or partially, under~~
 23 ~~any other state or federal medical program or under other contractual or legal entitlement including but~~
 24 ~~not limited to, a private group or indemnification program, but excluding instances of tort liability of a~~
 25 ~~third party or casualty liability. The monies recovered are retained by CONTRACTOR.~~
 26 ~~CONTRACTOR and COUNTY will establish a settlement process to ensure that COUNTY payments to~~
 27 ~~CONTRACTOR are adjusted in a timely manner to reflect other monies recovered, pursuant to the~~
 28 ~~above standards from other sources.~~

29 ~~———— 3. CONTRACTOR'S estimated offsets of per period Gross Costs are nine percent (9%) for Period~~
 30 ~~One, fourteen percent (14%) for Period Two, and twenty two percent (22%) for Period Three.~~

31 ~~— E. PERFORMANCE OBJECTIVES AND OUTCOMES ——— CONTRACTOR will provide a~~
 32 ~~comprehensive approach for monitoring and achieving outcome measures required by COUNTY,~~
 33 ~~sought after by community stakeholders, and needed by the people being served. These requirements~~
 34 ~~will be specified in subcontracts, with regular monitoring and oversight per contractual requirements,~~
 35 ~~with outcome measures documented and communicated monthly in dashboards and other required~~
 36 ~~reports.~~

37 ~~#~~

~~1. CONTRACTOR staff will comply with COUNTY criteria for HIPAA and 42CFR and undergo COUNTY required training. CONTRACTOR will maintain an ongoing performance outcomes monitoring program using provider information, COUNTY required beneficiary satisfaction surveys, and documentation completed by providers, including utilization patterns, COUNTY required assessment and screening tools, peer review, and medical record audits. CONTRACTOR will identify specific outcomes for reporting and will make COUNTY data available upon request, pursuant to contract terms.~~

~~2. CONTRACTOR will periodically review provider performance using standard treatment and/or site review audits, along with claims and/or treatment related data. CONTRACTOR will work with COUNTY to ensure compliance with updated state requirements and standards for performance outcome measures.~~

~~F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Services Paragraph of this Exhibit A to the Contract.~~

XII. STAFFING

~~A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-Time Equivalent (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal to an average of forty (40) hours work per week.~~

<u>PROGRAM</u>	<u>FTE</u>
Accounting Coordinator	1.00
Administrative Assistant	1.00
Admissions & Navigation Supervisor	1.00
Admissions & Navigation Team	3.00
Alumni & Volunteer Coordinator	1.00
Billing & Claims Specialist	1.00
Chief Operations Officer	0.75
Community & Health Equity Liaison	0.50
Compliance Officer/Contract Monitor	2.00
Director of Quality Improvement	0.50
Executive Director of Operations	1.00
Facilities Coordinator	1.00
Front Desk Staff	3.00
Medical Director	0.40
Payer Relations & Contracting Specialist	0.50
Quality Assurance Specialist	1.00
Strategy & Quality Improvement	-0.20

TOTAL FTE

18.85

~~— B. CONTRACTOR shall provide sufficient administrative and program staffing to ensure its delivery of all services specified in this Exhibit A to the Contract.~~

~~— C. CONTRACTOR shall, at its own expense, provide and maintain licensed practitioners of the healing arts and supportive personnel to provide all necessary and appropriate psychiatric inpatient hospital utilization management (UM) services.~~

~~— D. CONTRACTOR shall attempt in good faith to recruit and retain bilingual, culturally competent staff to meet the diverse needs of the community threshold languages as determined by COUNTY. CONTRACTOR shall also ensure recruitment and retention of staff that have experience in working with diverse populations with specialty needs, including but not limited to, children/adolescents and older adults. When staffing vacancies occur, CONTRACTOR shall attempt to fill with bilingual and bicultural staff. If CONTRACTOR's available candidates require filling those positions with non-bilingual and bicultural staff, CONTRACTOR shall notify ADMINISTRATOR in writing, at least seven (7) calendar days in advance of hiring.~~

~~— E. CONTRACTOR shall use an interpreter service when a caller speaks a language not spoken by staff, as well as the California Relay Service for hearing impaired members.~~

~~— G. CONTRACTOR shall maintain personnel files for each staff member, both administrative and programmatic, both direct and indirect, which shall include, but not be limited to, an application for employment, qualifications for the position, documentation of bicultural/bilingual capabilities (if applicable), valid licensure verification, if applicable, and pay rate and evaluations justifying pay increases.~~

~~— H. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours of any non-pooled staffing vacancies that occur during the term of the Contract. CONTRACTOR's notification shall include at a minimum the following information: employee name(s), position title(s), date(s) of resignation, date(s) of hire, and a description of recruitment activity.~~

~~— I. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) calendar days in advance, of any new non-pooled staffing changes; including promotions, temporary FTE changes and internal or external temporary staffing assignment requests that occur during the term of the Contract.~~

~~— J. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and place it in their personnel files.~~

~~— K. CONTRACTOR shall ensure that all staff, albeit paid or unpaid, complete necessary training prior to discharging duties associated with their titles and any other training necessary to assist CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as State and Federal regulatory requirements.~~

#

~~L. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, albeit paid or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness. Supervision methods should include debriefings and consultation as needed, individual supervision or one-on-one support, and team meetings. Supervision should be provided by a supervisor who has extensive knowledge regarding mental health issues.~~

~~M. CONTRACTOR shall ensure that designated staff completes COUNTY's Annual Provider Training and Annual Compliance and Cultural Competency Training.~~

~~N. TOKENS ADMINISTRATOR shall provide CONTRACTOR the necessary number of Tokens for appropriate individual staff to access ADMINISTRATOR designated reporting system at no cost to CONTRACTOR.~~

~~1. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member with a unique password. Tokens and passwords shall not be shared with anyone.~~

~~2. CONTRACTOR shall ensure information obtained by the use of a Token is used for the sole purpose of this Contract and shall not be shared with any other lines of business without the expressed or written consent of the Beneficiary.~~

~~3. CONTRACTOR shall request and return tokens pursuant to COUNTY Standard Operating Procedure (SOP) for Processing Token Requests for Administrative Services Organization (ASO).~~

~~4. CONTRACTOR shall maintain an inventory of the Tokens, by serial number, date issued/returned and the staff member to whom each is assigned.~~

~~5. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the Token for any staff member assigned a Token.~~

~~6. CONTRACTOR shall return to ADMINISTRATOR all Tokens under the following conditions:~~

- ~~a. Token of any staff member who no longer supports the Contract;~~
- ~~b. Token of any staff member who no longer requires access to ADMINISTRATOR designated reporting system;~~
- ~~c. Token of any staff member who leaves employment of CONTRACTOR;~~
- ~~d. Token is malfunctioning; or~~
- ~~e. Termination of Contract.~~

~~7. CONTRACTOR shall reimburse COUNTY for Tokens lost, stolen, or damaged through acts of negligence.~~

~~O. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing Paragraph of this Exhibit A to the Contract.~~

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EXHIBIT A-1
TO MASTER SERVICES AGREEMENT
FOR PROVISION OF
MENTAL HEALTH AND RECOVERY SERVICES
BETWEEN
COUNTY OF ORANGE
AND
MIND OC
OCTOBER 1, 2022 THROUGH JUNE 30, 2025

EXHA I. COMMON TERMS AND DEFINITIONS

A. The Parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in this Contract.

1. AB109 means services for those Clients deemed eligible by Assembly Bill 109, Public Safety Realignment, under which the Client’s last offense was non-violent, non-sexual, and non-serious.

2. AB109 Supervision means an offender released from prison to OCPD, or sentenced under AB109 and is doing their incarceration in jail instead of prison.

3. Access Log means data that is immediately entered into IRIS after the member/client has been screened for an appointment to access services to ensure timely access to MHP or DMC-ODS services.

4. Acute Administrative Day means those days authorized by a designated point of authorization or utilization review committee in an acute inpatient facility when, due to the lack of a payer approved and/or county approved lower level of care placement, the Client's stay at an acute inpatient facility must be continued beyond the Client's need for acute care.

5. Acute Psychiatric Inpatient Hospital Services means services provided either in an acute care hospital, a freestanding psychiatric hospital or psychiatric health facility for the care and treatment of an acute episode of mental illness meeting the medical necessity criteria covered by the Medi-Cal program. Services provided in a freestanding hospital may only be reimbursed for person’s age 21 or younger and 65 or older, unless a letter of agreement (LOA) or other contract permits otherwise.

6. Adult Mental Health Inpatient (AMHI) means the County contracted hospital(s) that provide adult mental health inpatient services for unfunded clients.

7. Admission means documentation, by CONTRACTOR, for completion of entry and evaluation services, provided to Clients seen in COUNTY and COUNTY-contracted services, into IRIS.

8. ART Team means a Health Care Agency Assessment for Residential Treatment team that conducts assessments and authorizes treatment for residential treatment services.

9. ASAM Criteria means a comprehensive set of guidelines for placement, continued stay and transfer/discharge of Clients with addiction and co-occurring conditions.

10. Authorizations means a unique individual’s complete utilization management (UM) process, which includes reviewing clinical documents when clinically indicated, evaluating medical necessity and formally deciding to authorize/deny additional inpatient psychiatric services, that lasts for the duration of the inpatient stay, i.e. initial admission notification to discharge aftercare planning whichever comes first.

1 11. Bed Day means one (1) calendar day during which CONTRACTOR provides Residential
 2 Treatment Services within the Mental Health Plan as described in Exhibit A of the Contract. If
 3 admission and discharge occur on the same day, one (1) Bed Day will be charged.

4 12. Client-directed means services delivered in a therapeutic alliance between providers and
 5 Clients where both are partners in goal setting and treatment planning. The final decision for treatment
 6 options rests with the Client and designated family members.

7 13. Client Satisfaction Surveys means surveys to measure Clients' overall satisfaction with
 8 Mental Health Services, and with specific aspects of those services in order to identify problems and
 9 opportunities for improvement

10 14. Client Support System/Family means immediate family members, extended family
 11 members, significant others or other supports designated by the Client.

12 15. CalOMS means a statewide Client-based data collection and outcomes measurement
 13 system as required by the State to effectively manage and improve the provision of alcohol and drug
 14 treatment services at the State, COUNTY, and provider levels.

15 16. Case Management means the activities of managing services and coordinating care to
 16 Clients, including assessments, referrals, service planning, linkage, consultation, discharge planning and
 17 coordination. This definition applies to programs under the MHP.

18 17. Care Coordination means services that assist a Client to access needed medical,
 19 educational, social, prevocational, vocational, rehabilitative, or other community services. This definition
 20 applies to programs under the DMC-ODS and MHP.

21 18. CAT means Crisis Assessment Team which provides twenty-four (24) hour mobile
 22 response services to anyone who has a psychiatric emergency. This program assists law enforcement,
 23 social service agencies, and families in providing crisis intervention services for individuals in
 24 behavioral health crisis in the community. CAT is a multi-disciplinary program that conducts risk
 25 assessments, initiates involuntary hospitalizations, and provides linkage, follow ups for Clients
 26 evaluated.

27 19. Client means a person who has been deemed eligible, pursuant to this Contract, to receive
 28 Mental Health or Substance Use Disorder services regardless of funding source, and includes all
 29 Members.

30 20. Clinical Documents means any clinical information, documentation or data collected
 31 from the service provider for purposes of conducting concurrent review and coordinating treatment.

32 21. Closed-Loop Referral means the people, processes and technologies that are deployed to
 33 coordinate and refer Clients to available community resources (i.e., health care, behavioral health
 34 services, and/or other support services) and follow-up to verify if services were rendered.

35 22. Completion means the completion of a program whereby the Client has made adequate
 36 progress in treatment and no longer meets medical necessity for the Level of Care.

37 23. Concurrent Review means the review of treatment authorization requests for inpatient
mental health services by providers in order to approve, modify, or deny requests based on medical
necessity. The review of the treatment authorization requests is concurrent with the provision of services
and is required after the first day of admission through discharge.

24. Contract Monitor means a person designated by COUNTY to consult with and assist both
CONTRACTOR and any subcontractors in the provision of services to COUNTY Clients as specified
herein. The Contract Monitor shall at no time be construed as being ADMINISTRATOR.

25. Co-Occurring means a person has at least one substance use disorder and one mental
health disorder that can be diagnosed independently of each other.

26. Credentialing means a review process conducted by ADMINISTRATOR, including a
peer review process, based upon specific criteria, standards and prerequisites, to approve a provider or

1 professional who applies to be contracted to provide care in a hospital, clinic, medical group or in a
2 health plan.

3 27. Client Statistical Information (CSI) means DHCS required data elements pertaining to
4 mental health Clients.

5 28. Crisis Stabilization Unit (CSU) means a behavioral health crisis stabilization program
6 that operates 24 hours a day that serves Orange County residents, aged 13 and older, who are
7 experiencing behavioral health crises that cannot wait until regularly scheduled appointments. Crisis
8 Stabilization services include psychiatric evaluations provided by Doctors of Medicine (MD), Nurse
9 Practitioners (NP), Doctors of Osteopathic Medicine (DO, counseling/therapy provided by Licensed
10 Clinical Social Workers or Marriage Family Therapists, nursing assessments, collateral services that
11 include consultations with family, significant others and outpatient providers, client and family
12 education, crisis intervention services, basic medical services, medication services, and referrals and
13 linkages to the appropriate level of continuing care and community services, including Peer Specialist
14 and Peer Mentoring services. As a designated outpatient facility, the CSU may evaluate and treat
15 Clients for no longer than 23 hours and 59 minutes. The primary goal of the CSU is to help stabilize the
16 crises and begin treating Clients in order to refer them to the most appropriate, least restrictive, non-
17 hospital setting when indicated or to facilitate admission to psychiatric inpatient units when the need for
18 this level of care is present. Services Clients receive are formulated in a database and reported to the
19 State.

20 29. CYS means the division of Behavioral Health Services responsible for the administration
21 and oversight of Mental Health Services to children and adolescents.

22 30. DATAR means the DHCS system used to collect data on SUD treatment capacity and
23 waiting lists.

24 31. DHCS Level of Care (LOC) means a designation that is issued by DHCS to a program
25 based on the services provided at the facility. For the purposes of this Contract, CONTRACTOR shall
26 provide services in accordance with one of the following DHCS-Designated Levels of Care:

27 a. 3.1 - Clinically Managed Low-Intensity Residential Services: 24-hour structure with
28 available trained personnel; at least five (5) hours of clinical service/week and prepare for outpatient
29 treatment and/or sober living.

30 b. 3.3 - Clinically Managed Population-Specific High-Intensity Residential Services: 24-
31 hour care with trained counselors to stabilize multidimensional imminent danger. Less intense milieu
32 and group treatment with at least five (5) hours of clinical service/week for those with cognitive or other
33 impairments unable to use full active milieu or therapeutic community and prepare for outpatient
34 treatment.

35 c. 3.5 - Clinically Managed High-Intensity Residential Services: 24-hour care with trained
36 counselors to stabilize multidimensional imminent danger, at least five (5) hours of clinical
37 service/week, and prepare for outpatient treatment. Clients are able to tolerate and use full milieu or
therapeutic community.

38 32. Diagnosis means the definition of the nature of the Client's disorder. When formulating
39 the diagnosis of the Client, CONTRACTOR shall use the diagnostic codes as specified in the most
40 current edition of the DSM published by the American Psychiatric Association. CONTRACTOR shall
41 follow DSM procedures for all Clients.

42 33. DSH means Direct Service Hours and refers to a measure in minutes that a clinician
43 spends providing Client services. DSH credit is obtained for providing mental health, case management,
44 medication support and a crisis intervention service to any Client open in IRIS, which includes both
45 billable and non-billable services.

1 34. Engagement means the process where a trusting relationship is developed over a short
2 period of time with the goal to link the Client(s) to appropriate services within the community.
Engagement is the objective of a successful outreach.

3 35. EPSDT means the federally mandated Medicaid benefit that entitles full-scope Medi-Cal-
4 covered members less than twenty-one (21) years of age to receive any Medicaid service necessary to
5 correct or help to improve a defect, mental illness, or other condition, such as a substance-related
6 disorder, that is discovered during a health screening.

7 36. Family Member means any traditional or non-traditional support system, significant other
8 or natural support designated by the Client.

9 37. FFS Provider means a Medi-Cal outpatient Fee-For-Service provider serving Clients in
10 his or her own independent practice or in a group practice.

11 38. Head of Service means an individual ultimately responsible for overseeing the program
12 and is required to be licensed as a mental health professional.

13 39. Health Care Practitioner (HCP) means a person duly licensed and regulated under
14 Division 2 (commencing with Section 500) of the Business and Professions Code, who is acting within
15 the scope of their license or certificate.

16 40. Incidental Medical Services (IMS) means optional services, approved by DHCS to be
17 provided at a licensed adult alcoholism or drug use residential treatment facility by or under the
18 supervision of a HCP that addresses medical issues associated with either detoxification or substance
19 use.

20 41. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff
21 in which specific information about the Client is gathered including the ability to pay and standard
22 admission forms pursuant to this Contract.

23 42. IRIS means Integrated Records Information System, a collection of applications and
24 databases that serve the needs of programs within HCA and includes functionality such as registration
25 and scheduling, laboratory information system, invoices and reporting capabilities, compliance with
26 regulatory requirements, electronic medical records and other relevant applications.

27 43. Linkage means when a Client has attended at least one appointment or made one visit to
28 the identified program or service for which the Client has received a referral or to which they have self-
29 referred.

30 44. Lanterman–Petris–Short (LPS) Act (Cal. Welf & Inst. Code, sec. 5000 et seq.) provides
31 guidelines for handling involuntary civil commitment to a mental health institution in the State of
32 California.

33 45. Licensed Clinical Social Worker (LCSW) means a licensed individual, pursuant to the
34 provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical
35 services to individuals they serve. The license must be current and in force, and has not been suspended
36 or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating
37 TAY.

38 46. Licensed Marriage Family Therapist (MFT) means a licensed individual, pursuant to the
39 provisions of Chapter 13 of the California Business and Professions Code, who can provide clinical
40 services to individuals they serve. The license must be current and in force, and has not been
41 suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience
42 treating TAY.

43 47. Licensed Professional Clinical Counselor (LPCC) means a licensed individual, pursuant to
44 the provisions of Chapter 13 and Chapter 16 of the California Business and Professions Code, who can
45 provide clinical service to individuals they serve. The license must be current and in force and not
46 suspended or revoked.

1 48. LPHA means any Physician, Nurse Practitioners, Physician Assistants, Registered
 2 Nurses, Registered Pharmacists, Licensed Clinical Psychologists, Licensed Clinical Social Worker,
 3 Licensed Professional Clinical Counselor, Licensed Marriage and Family Therapists, or Licensed
 4 Eligible Practitioners working under the supervision of Licensed Clinicians within their scope of
 practice.

5 49. Licensed Psychiatric Technician (LPT) means a licensed individual, pursuant to the
 6 provisions of Chapter 10 of the California Business and Professions Code, who can provide clinical
 7 services to individuals they serve. The license must be current and in force and not suspended or
 8 revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

9 50. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter
 10 6.6 of the California Business and Professions Code, who can provide clinical services to individuals
 they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is
 preferred that the individual has at least one (1) year of experience treating TAY.

11 51. Licensed Vocational Nurse (LVN) means a licensed individual, pursuant to the
 12 provisions of Chapter 6.5 of the California Business and Professions Code, who can provide clinical
 13 services to individuals they serve. The license must be current and in force, and has not been suspended
 or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

14 52. Linkage means when a Client has attended at least one appointment or made one visit to the
 15 identified program or service for which the Client has received a referral or to which they have self-
 16 referred.

17 53. Live Scan means an inkless, electronic fingerprint which is transmitted directly to the
 18 Department of Justice (DOJ) for the completion of a criminal record check, typically required of
 employees who have direct contact with the individuals served.

19 54. Medi-Cal means the State of California's implementation of the federal Medicaid health
 20 care program which pays for a variety of medical services for children and adults who meet eligibility
 criteria.

21 55. Medication for Addiction Treatment (MAT) Services means the use of Federal Drug
 22 Administration-approved medications in combination with behavioral therapies to provide a whole
 Client approach to treating substance use disorders.

23 56. MEDS means the Medi-Cal Eligibility Data System information systems maintained by
 24 DHCS for all Medi-Cal recipient eligibility information and in Title 9, California Code of Regulations,
 25 Division 4 - Department of Alcohol and Drug Programs for DMC-ODS reimbursement for Substance
 Use Disorder (SUD) services.

26 57. Medical Necessity means criteria set forth by Title 9, California Code of Regulations,
 27 Chapter 11, Medi-Cal Specialty Mental Health Services for MHP reimbursement of Specialty Mental
 28 Health Services.

29 58. Medication Services means face-to-face or telehealth/telephone services provided by a
 30 licensed physician, licensed psychiatric nurse practitioner, or other qualified medical staff. This service
 shall include documentation of the clinical justification for use of the medication, dosage, side effects,
 31 compliance, and response to medication.

32 59. Member means the primary Orange County Medi-Cal eligible user of Mental Health Plan
 or Drug Medi-Cal Organized Delivery System (DMC-ODS) Plan services.

33 60. MHP means COUNTY as the MHP Manager with COUNTY clinics as well as COUNTY
 34 contracted clinics, including CONTRACTOR, being providers in the Plan.

35 61. Mental Health Services means interventions designed to provide the maximum reduction
 36 of mental disability and restoration or maintenance of functioning consistent with the requirements for
 learning, development, and enhanced self-sufficiency. Services shall include:
 37

1 a. Assessment/Mental Health Evaluation means services designed to provide formal,
 2 documented evaluation or analysis of the cause or nature of a Client's mental, emotional, or behavioral
 3 disorders. The Parties understand that such services shall be primarily limited to initial telephone intake
 4 examinations to triage and refer the Client to a Network Provider who shall develop the
 5 treatment/service plan. Cultural issues should be addressed where appropriate. Additionally, this
 6 evaluation should include an appraisal of the individual's community functioning in several areas
 7 including living situation, daily activities, social support systems and health status.

8 b. Collateral Therapy means face-to-face or telephone contact(s) with significant others in
 9 the life of the Client necessary to meet the mental health needs of the Client.

10 c. Family Therapy means a clinical service that includes family members identified by the
 11 Client in the treatment process, providing education about factors important to the Client's treatment as
 12 well as holistic recovery of the family system.

13 d. Individual Therapy means a goal directed face-to-face therapeutic intervention with the
 14 Client which focuses on the mental health needs of the Client.

15 e. Group Therapy means a goal directed face-to-face therapeutic intervention with a group
 16 of no less than two (2), and for SUD no more than twelve (12), Clients receiving services at the same
 17 time. Such intervention shall be consistent with the Clients goals and focus primarily on symptom
 18 reduction as a means to improve functional impairments.

19 62. MMEF means Monthly MEDS Extract file. This file contains data of current month and
 20 previous fifteen (15) months which provides eligibility data for all Orange County residents.

21 63. National Provider Identifier (NPI) means the standard unique health identifier that was
 22 adopted by the Secretary of HHS Services under HIPAA for health care providers. All HIPAA covered
 23 healthcare providers, individuals, and organizations must obtain an NPI for use to identify themselves in
 24 HIPAA standard transactions. The NPI is assigned for life.

25 64. Network Provider means mental health service providers credentialed and under contract
 26 with CONTRACTOR. Such providers may be individual practitioners, provider groups, or clinics.

27 65. Notice of Privacy Practices (NPP) means a document that notifies individuals of uses and
 28 disclosures of PHI that may be made by or on behalf of the health plan or health care provided as set
 29 forth in HIPAA.

30 66. Notice of Adverse Benefit Determination (NOABD), as outlined in California Code of
 31 Regulations Title 9 Chapter 11 Section 1850.210 and Title 22, Section 50179 means to provide formal
 32 written notification via hand-delivery or mail to Medi-Cal Clients and faxed or mailed to the
 33 ADMINISTRATOR when services are denied, modified, reduced, delayed, suspended or terminated as
 34 specified by State standards.

35 67. Outreach means reaching out to potential Clients to help link them to appropriate Mental
 36 Health Services within the community. Outreach activities will include educating the community about
 37 the services offered and requirements for participation in the various mental health programs within the
 38 community. Such activities should result in CONTRACTOR developing its own Referral sources for
 39 programs being offered within the community.

40 68. Peer Recovery Specialist/Counselor means an individual in a paid position who has been
 41 through the same or similar Recovery process as those being assisted to attain their Recovery goals in
 42 the programs. A peer Recovery Specialist practice is informed by personal experience.

43 69. Program Director means an individual who is responsible for all aspects of administration
 44 and clinical operations of the behavioral health program, including development and adherence to the
 45 annual budget. This individual will also be responsible for the following hiring, development and
 46 performance management of professional and support staff, and ensuring mental health treatment
 47 services are provided in concert with COUNTY and state rules and regulations.

1 70. Protected Health Information (PHI) means individually identifiable health information
 2 usually transmitted through electronic media. PHI can be maintained in any medium as defined in the
 3 regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is
 4 created or received by a covered entity and is related to the past, present, or future physical or mental
 5 health or condition of an individual, provision of health care to an individual, or the past, present, or
 6 future payment for health care provided to an individual.

7 71. Psychiatrist means an individual who meets the minimum professional and licensure
 8 requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of
 9 experience treating children and TAY.

10 72. Out-of-County means any California county other than COUNTY or border community.

11 73. Patients' Rights Advocacy means group responsible for providing outreach and
 12 educational materials to inform Clients about their rights and remedies in receiving mental health
 13 treatment; representing Clients' interests in fair hearings, grievances and other legal proceedings related
 14 to the provision of services; and monitoring mental health programs for compliance with patients' rights
 15 legal standards as the designee of the Local Mental Health Director.

16 74. Perinatal means the condition of being pregnant or postpartum. This condition must be
 17 documented to apply billing descriptor for perinatal attached to services.

18 75. Perinatal Residential Treatment Services means AOD treatment services that are
 19 provided to a woman, eighteen (18) years and older, who is pregnant and/or has custody of dependent
 20 children up to twelve (12) years of age, in her care; who has a primary problem of substance use
 21 disorder; and who demonstrates a need for perinatal substance use disorder residential treatment
 22 services. Services are provided in a twenty-four (24) hour residential program. These services are
 23 provided in a non-medical, residential setting that has been licensed and certified by DHCS to provide
 24 perinatal services. These treatment services are provided to both perinatal and parenting women in
 25 accordance with the Perinatal Network Service Guidelines.

26 76. Postpartum means the twelve-month period beginning on the last day of pregnancy,
 27 regardless of whether other conditions of eligibility are met. Eligibility shall end on the last day of the
 28 calendar month in which the twelfth month occurs.

29 77. Primary Source Verification means procedures for the review and direct verification of
 30 credentialing information submitted by care providers, including, but not limited to, confirmation of
 31 references, appointments, and licensure.

32 78. Quality Improvement (QI) means the use of interdisciplinary teams to review
 33 performance measures to identify opportunities for improvement. The teams use participatory processes
 34 to analyze and confirm causes for poor performance, design interventions to address causes, implement
 35 interventions, and measure improvement. Successful improvements are then implemented wherever
 36 appropriate. Where interventions are unsuccessful, the team again addresses the causes and designs new
 37 interventions until improvements are achieved.

79. Recovery Services means a level of care designed to support recovery and prevent
relapse. It is not considered treatment. Services focus on restoring the Client to their best possible
functional level and emphasize the Client's role in managing their health by using effective self-
management support strategies.

80. Referral means the process of sending a Client from one service provider to another
service provider for health care, behavioral health services, and/or other support services, by electronic
transmission, in writing or verbally, regardless of linkage status.

81. Residential Treatment Authorization means the approval that is provided by the HCA
ART team for a Client to receive residential services to ensure that the Client meets the requirements for
the service.

1 82. Resource Recommendation means the process of providing a Client with one or more
2 suggested resources, without plans and/or an ability to follow up on Linkage status.

3 83. Retrospective Review means determination of the appropriateness or necessity of
4 services after they have been delivered, generally through the review of the medical or treatment record.

5 84. Token means the security device which allows an individual user to access IRIS.

6 85. RTS means alcohol and other drug treatment services that are provided to Clients at a
7 twenty-four (24) hour residential program. Services are provided in an alcohol and drug free
8 environment and support recovery from alcohol and/or other drug related problems. These services are
9 provided in a non-medical, residential setting that has been licensed and certified by DHCS.

10 86. Registered Nurse (RN) means a licensed individual, pursuant to the provisions of Chapter
11 6 of the California Business and Professions Code, who can provide clinical services to the Clients
12 served. The license must be current and in force, and has not been suspended or revoked.

13 87. Seriously Emotionally Disturbed (SED) means children or adolescent minors under the
14 age of eighteen (18) years who have a behavioral health disorder, as identified in the most recent edition
15 of the DSM and/or the ICD 10, other than a primary substance use disorder or developmental disorder,
16 which results in behavior inappropriate to the child's age according to expected developmental norms.
17 W&I 5 5600.3.

18 88. Self-Help Groups means a non-professional, peer participatory meeting formed by people
19 with a common problem or situation offering mutual support to each other towards a goal or healing or
20 recovery.

21 89. Self-Referral means when a Client or family member directly contacts a service provider
22 with the goal of receiving services for themselves or a family member, regardless of Linkage status.

23 90. Service Authorization means the determination of appropriateness of services prior to the
24 services being rendered, based upon medical or service necessity criteria. This includes the authorization
25 of outpatient services authorized by CONTRACTOR.

26 91. Share of Cost means a monthly amount that the Client is to pay to receive Medi-Cal
27 services.

28 92. SSA means COUNTY department responsible for child welfare services and Medi-Cal
29 eligibility determination.

30 93. Structured Therapeutic Activities means organized program activities that are designed to
31 meet treatment goals and objectives for increased social responsibility, self-motivation, and integration
32 into the larger community. Such activities would include participation in the social structure of the
33 residential program. It also includes the Client's progression, with increasing levels of responsibility and
34 independence through job and other assignments culminating in employment seeking and employment-
35 initiation activities in the community.

36 94. SUD means a condition in which the use of one or more substances leads to a clinically
37 significant impairment or distress per the DSM-5.

 95. Supervisory Review means ongoing clinical case reviews in accordance with procedures
developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to
monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards. Supervisory
review is conducted by the program/clinic director or designee.

 96. Token means the security device which allows an individual user to access IRIS.

 97. Uniform Method of Determining Ability to Pay (UMDAP) means the method used for
determining an individual's annual liability for Mental Health Services received from the COUNTY
mental health system and is set by the State of California. Every Client seen in any COUNTY or
COUNTY-contracted program needs an UMDAP regardless of contract payment structure, whether the
contract is actual cost based or fee for service.

98. Unit of Service (UOS) means the measurement used to quantify services provided to a client/member; these units can vary depending on type of service in the MHP or DMC ODS plans.

99. Wellness Action & Recovery Plan (WRAP) refers to a self-help technique for monitoring and responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of life.

100. Utilization Management Program means the infrastructure required to carry out the concurrent review services according to this Contract including, but not limited to, policies and procedures, request staffing and information systems.

101. Warm Hand-off means the process to allow for in-person (or Telehealth/telephonic, if clinically appropriate) for care coordination and behavioral health linkages. For transitions of care, the warm handoff is the first step in establishing a trusted relationship between the Client and the new care provider to ensure seamless service delivery and coordination.

B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Common Terms and Definitions Paragraph of this Exhibit A-1 to the Contract.

EXHA II. BUDGET

A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph of this Exhibit A-1 to the Contract and the following budget, which is set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

	PERIOD ONE	PERIOD TWO	PERIOD THREE	TOTAL
ADMINISTRATIVE COSTS	\$ 1,350,000	\$ 1,800,000	\$ 1,800,000	\$ 4,950,000
PROGRAM COSTS				
Salaries	\$ 1,279,495	\$ 1,705,993	\$ 1,857,714	\$ 4,843,202
Benefits	548,355	731,140	464,429	1,743,924
Services and Supplies	14,230,954	18,974,605	1,718,774	34,924,333
Sobering Center Services	0	0	1,100,000	1,100,000
DMC Residential 3.1, 3.5	0	0	3,300,000	3,300,000
Adult Withdrawal Management	0	0	1,500,000	1,500,000
Facility Reserves	0	0	1,457,868	1,457,868
SUBTOTAL PROGRAM COSTS	\$ 16,058,804	\$ 21,411,738	\$ 11,398,785	\$ 48,869,327
TOTAL AMOUNT NOT TO EXCEED	\$ 17,408,804	\$ 23,211,738	\$ 13,198,785	\$ 53,819,327

B. CONTRACTOR and ADMINISTRATOR mutually agree that the Amount Not to Exceed identified in Subparagraph II.A. of this Exhibit A-1 to the Contract includes Indirect Costs not to exceed ten percent (10%) of Direct Costs, and which may include operating income estimated at two percent (2%). Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may include operating income.

1 C. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds
 2 between programs, or between budgeted line items within a program, for the purpose of meeting specific
 3 program needs or for providing continuity of care to its Clients, by utilizing a Budget/Staffing
 4 Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly
 5 completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance,
 6 which will include a justification narrative specifying the purpose of the request, the amount of said
 7 funds to be shifted, and the sustaining annual impact of the shift as may be applicable to the current
 8 contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any
 9 Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by
 10 CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for
 11 any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.

12 D. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete
 13 financial records of its cost and operating expenses. Such records will reflect the actual cost of the type
 14 of service for which payment is claimed. Any apportionment of or distribution of costs, including
 15 indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will
 16 be made in accordance with GAAP, and Medicare regulations. The Client eligibility determination and
 17 fee charged to and collected from Clients, together with a record of all billings rendered and revenues
 18 received from any source, on behalf of Clients treated pursuant to the Contract, must be reflected in
 19 CONTRACTOR’s financial records.

20 E. For all funds allocated to the Facility Reserves budgeted line items in Paragraph II.A,
 21 CONTRACTOR must obtain prior review and written approval by the County Chief Executive (“CEO”)
 22 or Chief Financial Officer (“CFO”), or their designee, of any proposed use of such funds.
 23 CONTRACTOR’s failure to obtain such prior review and written approval for use of funds allocated to
 24 the Facility Reserves budgeted line items may result in disallowance of the costs for such use.

25 F. With the exception of the review and approval requirement stated in Paragraph II.E. of this
 26 Exhibit A-1, CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
 27 Budget Paragraph of this Exhibit A-1 to the Contract. Any modification to Paragraph II.E. must be
 28 approved by the CEO or CFO, or their designee.

29 EXHA III. PAYMENTS

30 A. BASIS FOR REIMBURSEMENT –

31 1.Master Service Agreement: COUNTY shall pay CONTRACTOR monthly, in arrears, the
 32 provisional amount of \$1,934,311 for Periods One and Two and \$1,099,898 for Period Three. All
 33 payments are interim payments only and are subject to Final Settlement in accordance with the Cost
 34 Report Paragraph of the Contract for which CONTRACTOR shall be reimbursed for the actual cost of
 35 providing the services, which may include Indirect Administrative Costs, as identified in Paragraph II.A.
 36 of this Exhibit A-1 to the Contract; provided, however, the total of such payments does not exceed
 37 COUNTY’s Amount Not to Exceed as specified in the Referenced Contract Provisions of the Contract
and, provided further, CONTRACTOR’s costs are reimbursable pursuant to COUNTY, State and/or
Federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices or make
advance payments for any month during the term.

a. Payments of claims to providers shall be at rates set by CONTRACTOR, with mutual
agreement by ADMINISTRATOR, for all services.

b. In support of the monthly invoices, CONTRACTOR shall submit an Expenditure and
Revenue Report as specified in the Reports Paragraph of this Exhibit A-1 to the Contract.
ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to
CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.

1 c. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the
 2 provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may
 3 reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the
 4 year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred
 by CONTRACTOR.

5 d. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the
 6 provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR
 7 may authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to
 8 exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the
 year-to-date actual cost incurred by CONTRACTOR.

9 B. CONTRACTOR's invoices shall be on a form approved or supplied by COUNTY and provide
 10 such information as is required by ADMINISTRATOR. Invoices are due the twentieth (20th) calendar
 11 day of each month. Invoices received after the due date may not be paid within the same month.
 Payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days
 after receipt of the correctly completed invoice form.

12 C. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source
 13 documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements,
 14 canceled checks, receipts, receiving records and records of services provided.

15 D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply
 with any provision of the Contract.

16 E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
 17 and/or termination of the Contract, except as may otherwise be provided under the Contract, or
 18 specifically agreed upon in a subsequent contract.

19 F. In conjunction with Paragraph II.A above, CONTRACTOR shall not enter Units of Service into
 20 COUNTY's IRIS system for services not rendered. If such information has been entered,
 21 CONTRACTOR shall make corrections within ten (10) calendar days from notification by
 22 ADMINISTRATOR. Additionally, to assist in the protection of data integrity, CONTRACTOR shall
 23 create a procedure to ensure separation of duties between the individual performing direct services
 (LPHA, clinicians, counselors, etc.), and the clerical staff who enter claims into the IRIS system.
 24 Clerical staff shall enter billing into IRIS using the chart information provided by the direct service
 staff.

25 G. CONTRACTOR shall ensure compliance with all Medi-Cal and DMC billing and documentation
 26 requirements when entering Units of Service into COUNTY's IRIS system. ADMINISTRATOR shall
 27 withhold payment for non-compliant Units of Service, and may reduce, withhold or delay any payment
 associated with non-compliant billing practices.

28 H. CONTRACTOR may be required to have an audit conducted in accordance with federal OMB
 29 Circular A-133. CONTRACTOR shall be responsible for complying with any federal audit
 requirements within the reporting period specified by OMB Circular A-133.

30 I. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
 31 Payments Paragraph of this Exhibit A-1 to the Contract.

32 EXHA IV. REPORTS

33 A. CONTRACTOR shall maintain records, create and analyze statistical reports as required by
 34 ADMINISTRATOR and DHCS in a format approved by ADMINISTRATOR. CONTRACTOR shall
 35 provide ADMINISTRATOR with the following:

36 1. FISCAL

37 a. In support of the monthly invoice, CONTRACTOR shall submit monthly Expenditure
 and Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or

1 provided by ADMINISTRATOR and shall report actual costs and revenues for each of
 2 CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of Exhibit A-1 to
 3 the Contract. CONTRACTOR shall submit these reports by no later than twenty (20) calendar days
 4 following the end of the month reported.

5 1). CONTRACTOR shall include third party payor information to be included in the
 6 Fiscal Expenditure and Revenue Report.

7 b. CONTRACTOR shall provide a check register and remittance summary by provider, as
 8 well as a turnaround summary, for services provided by Network Providers, to ADMINISTRATOR
 9 upon request.

10 c. CONTRACTOR shall track and provide Incurred but not Reported (IBNR) information
 11 on a monthly basis. Monthly IBNR shall be calculated and compared with the record of uncashed checks
 12 and stop-payment checks, as well as to the undeliverable check report and the donated checks report.
 13 CONTRACTOR shall prepare and submit to ADMINISTRATOR a monthly report showing total IBNR
 14 liability and revenue received based upon the provisional payments received from COUNTY.

15 d. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR.
 16 These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report
 17 anticipated year-end actual costs and revenues for CONTRACTOR's program(s) or cost center(s)
 18 described in the Services Paragraph of Exhibit A-1 to the Contract. Such reports shall include actual
 19 monthly costs and revenue to date and anticipated monthly costs and revenue to the end of the fiscal
 20 year. Year-End Projection Reports shall be submitted at the same time as the monthly Expenditure and
 21 Revenue Reports.

22 2. STAFFING REPORT – CONTRACTOR shall submit monthly Staffing Reports to
 23 ADMINISTRATOR. CONTRACTOR's reports shall contain required information, and be on a form
 24 acceptable to, or provided by ADMINISTRATOR. CONTRACTOR shall submit these reports no later
 25 than twenty (20) calendar days following the end of the month being reported.

26 3. PROGRAMMATIC REPORTS – CONTRACTOR shall submit monthly Programmatic
 27 reports for sub-contractors and CONTRACTOR's direct services to ADMINISTRATOR. These reports
 28 shall be in a format approved by ADMINISTRATOR and shall include but not limited to, descriptions
 29 of any performance objectives, outcomes, and or interim findings as directed by ADMINISTRATOR.
 30 CONTRACTOR shall be prepared to present and discuss the programmatic reports at the monthly and
 31 quarterly meetings with ADMINISTRATOR, to include an analysis of data and findings, and whether or
 32 not CONTRACTOR is progressing satisfactorily and if not, specify what steps are being taken to
 33 achieve satisfactory progress.

34 a. CONTRACTOR is required to comply with all applicable reporting requirements,
 35 including the requirements set forth in Division 5 of the California Welfare Institutions Code and
 36 Division 1, Title 9 of the California Code of Regulations, as well as any reports required of LPS
 37 designated facilities in the County of Orange.

b. CONTRACTOR shall enter demographic information of all Clients served, direct
 services information, and other appropriate data into the COUNTY's data information system (IRIS),
 including the utilization of the Behavioral Health Services (BHS) Access Logs and Notice of Adverse
 Beneficiary Decision (NOABD) reporting as required for all programs.

B. CONTRACTOR shall provide records and program reports, as listed below, which shall be
 received by ADMINISTRATOR no later than twenty (20) calendar days following the end of the month
 being reported or as requested by ADMINISTRATOR. CONTRACTOR shall make additional reports,
 as required by ADMINISTRATOR, concerning CONTRACTOR's activities as they affect the services
 hereunder. ADMINISTRATOR will be specific as to the nature of information requested and the time
 frame the information is needed.

1. Mental Health Plan (MHP) Programs

a. MONTHLY

- i. Provider Directories
- ii. Monthly Program Reporting spreadsheets
- iii. Transportation Log
- iv. Utilization Review

b. QUARTERLY

- i. Change of Provider
- ii. Second Opinion Log

c. ANNUALLY

- i. Medication Monitoring
- ii. Sanction Screening tracker

2. Substance Use Disorder (SUD) Programsa. MONTHLY

- i. Provider Directories
- ii. Monthly Data & Performance Outcome Report (MDPOR)
- iii. Units of Service (UOS) IRIS
- iv. Transportation Log
- v. Utilization Review

b. QUARTERLY

- i. Change of Provider Log
- ii. Second Opinion Log

c. ANNUALLY

- i. Medication Monitoring
- ii. Sanction Screening tracker

3. ACCESS LOG – CONTRACTOR shall develop and maintain an Access Log of all requests for services received via telephone, in writing, or in person. CONTRACTOR is responsible for this log that meets the DHCS regulations and requirements, as interpreted by COUNTY, and records all services requested twenty-four (24) hours-seven (7) days a week. The Access Log shall contain, at a minimum, whether or not the caller has Medi-Cal, the name of the individual, date of the request, nature of the request, call status (emergent, urgent, routine), if the request is an initial request for Specialty Mental Health Services or DMC-ODS, and the disposition of the request, which shall include interventions. CONTRACTOR must be able to produce a sortable log, for any time-period specified by COUNTY within twenty-four (24) hours of receiving the request from COUNTY. If the caller's name is not provided, then the log shall reflect that the caller did not provide a name. Access Logs shall be entered into IRIS within timelines stated above. CONTRACTOR shall make available to ADMINISTRATOR upon request, the most recent telephone log which shall include previous day's calls.

4. DATA COLLECTION AND REPORTING –

a. ADMINISTRATOR shall provide CONTRACTOR with the exact specifications required to enter data into IRIS or other COUNTY approved CONTRACTOR reporting system, as deemed appropriate. The Parties understand that such requirements may be modified periodically by the State and those modifications shall automatically become requirements of this Contract.

b. CONTRACTOR shall ensure the timely data entry of information into COUNTY approved CONTRACTOR reporting system.

c. CONTRACTOR shall use data collection and visualization systems identified by COUNTY including, but not limited to, the IRIS Electronic Health Record system and other electronic platforms for digitized program workflows

1 d. CONTRACTOR shall conduct up-front and retrospective auditing of data to ensure the
2 accuracy, completeness, and timeliness of the information input into CONTRACTOR's reporting
3 system. CONTRACTOR shall build in audit trails and reconciliation reports to ensure accuracy and
4 comprehensiveness of the input data. In addition, transaction audit trails shall be thoroughly monitored
5 for accuracy and conformance to operating procedures.

6 e. CONTRACTOR shall input all required data regarding services provided to Clients who
7 are deemed, by the appropriate state or federal authorities, to be COUNTY's responsibility.

8 f. CONTRACTOR shall correct all input data resulting in CSI and 837 Medi-Cal claim
9 denials and rejections. These errors will be communicated to CONTRACTOR immediately upon
10 discovery and must be corrected in a timely manner. CONTRACTOR remains responsible for ongoing
11 monitoring of billing queues to identify and correct billing errors within one week of posting.

12 g. CONTRACTOR shall ensure the confidentiality of all administrative and clinical data.
13 This shall include both the electronic system as well as printed public reports. No identifying
14 information or data on the system shall be exchanged with any external entity or other business, or
15 among providers without prior written approval of the Client or ADMINISTRATOR. Confidentiality
16 procedures shall meet all local, state, and federal requirements.

17 h. CONTRACTOR shall ensure that information is safeguarded in the event of a disaster
18 and that appropriate service authorization and data collection continues.

19 C. CONTRACTOR shall be responsible to inform ADMINISTRATOR of any problems in
20 collecting data, pertinent facts or interim findings, staff changes, status of license(s) and/or
21 certification(s), changes in population served, and reasons for any changes. Additionally, a statement
22 that CONTRACTOR is or is not progressing satisfactorily in achieving all the terms of the Contract
23 shall be included.

24 D. CONTRACTOR shall respond to any requests that are needed with an immediate response time
25 due to any requests from entities that could include but not be limited to DHCS, internal and/or external
26 audits.

27 E. CONTRACTOR shall provide ADMINISTRATOR with a report key, established by
28 CONTRACTOR, and as agreed upon by ADMINISTRATOR, that describes each report, its purpose
29 and usefulness. CONTRACTOR shall update the report key when reports are added or deleted and
30 provide updated report key to ADMINISTRATOR within thirty (30) calendar days.

31 F. CONTRACTOR shall upon ADMINISTRATOR's request revise and make changes to all
32 reports as needed.

33 G. ADMINISTRATOR and CONTRACTOR may mutually agree, in writing, to modify the
34 frequency of the reports. Each report shall include an unduplicated client count and a fiscal year-to-date
35 summary and, unless otherwise specified, shall be reported in aggregate.

36 H. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issue
37 that materially or adversely affect the quality or accessibility of services provided by CONTRACTOR.

I. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional
welfare of the Clients seen, including, but not limited to, serious physical harm to self or others, serious
destruction of property, developments, etc., and which may raise liability issues with COUNTY.
CONTRACTOR shall notify COUNTY within twenty-four (24) hours of any such serious adverse
incident in the form of a Special Incident Report (SIR).

J. ADDITIONAL REPORTS – Upon ADMINISTRATOR's request, CONTRACTOR shall make
such additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as
they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information
requested and allow thirty (30) calendar days for CONTRACTOR to respond.

1 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Reports
 2 Paragraph of this Exhibit A-1 to the Contract.

3 **EXHA V. SERVICES**

4 A. FACILITY OPERATIONS AND ASSET MANAGEMENT – Services shall be provided at the
 5 following locations, or at any other location approved in advance, in writing, by ADMINISTRATOR:

6 265 South Anita Drive
 7 Orange, CA 92868

8
 9 1. CONTRACTOR shall manage a diverse scope of facilities-related services, in four key
 10 areas:

- 11 a. Facilities Management
 12 b. Property Accounting
 13 c. Capital Project Management
 14 d. Lease Management

15 2. CONTRACTOR shall ensure high-value, efficient and accountable oversight of facilities
 16 operations and asset management.

17 3. CONTRACTOR shall provide ongoing facility operations and asset management
 18 activities which include, but are not limited to:

- 19 4. FACILITIES MANAGEMENT
 20 a. Manage and oversee the overall safety of the facility, including day-to-day maintenance
 21 and cleaning of the property, including all buildings, parking lots and landscaping;
 22 b. Contract management for all property utilities, property insurance policies, building
 23 related services and maintenance, and supply procurement;
 24 c. Ongoing property assessments to inform preventative maintenance needs, forecast capital
 25 repair and replacement schedules, and ensure adequate capital reserves are maintained; and
 26 d. Key point of contact for all building-related requests and concerns.

27 5. PROPERTY ACCOUNTING
 28 a. Financial management of all operating expenses and property taxes in a timely manner;
 29 b. Prepare and provide monthly property financial reports and annual financial statements
 30 inclusive of balance sheet, income statement cash flow statement, variance report, rent roll, and detailed
 31 property activity summary;

32 c. Prepare and manage an annual operating budget for the property inclusive of a capital
 33 budget, detailed leasing and expense projections, and cash flow projections;

34 6. CAPITAL PROJECT MANAGEMENT
 35 a. Solicit proposals from, engage, and manage architects, engineers and other design
 36 consultants as necessary for completion of the work;
 37 b. Manage the process of securing all permits and other governmental approvals; and
 38 c. Manage a competitive construction contractor bidding process and oversee construction
 39 and installation process to ensure all work is completed in a timely manner.

40 7. LEASE MANAGEMENT
 41 a. Manage and enforce all tenant leases and rental agreements, and lead negotiations of
 42 lease renewals and extensions as they arise; and
 43 b. Financial management of all rents and other receivables.

44 **B. PROVIDER CONTRACTING**

45 1. CONTRACTOR shall monitor and ensure operations at the Be Well Orange Campus
 46 meet the requirements of CMS, DHCS and BHS.

1 2. CONTRACTOR shall contract with providers for authorized substance use disorder
 2 treatment services as outlined in Exhibit A-1 Paragraphs VI. through IX. The contractor providers will
 3 meet state and federal requirements for Specialty Medi-Cal services inclusive of substance use disorder
 4 treatment.

5 a. The contractor providers must perform all activities and obligations, including services
 6 provided and related reporting responsibilities; and

7 b. The contractor providers must perform delegated activities and responsibilities in
 8 compliance with BHS' obligations to DHCS. The contractor providers must meet established
 9 requirements with reimbursement negotiated on state rates and costs only. CONTRACTOR must
 10 monitor and ensure that claims are entered accurately and in a timely manner.

11 2. PROVIDER CONTRACTING AND OVERSIGHT

12 a. As a partially delegated entity, CONTRACTOR will act on behalf of BHS in ensuring the
 13 following activities and responsibilities for authorized substance use disorder treatment services as
 14 outlined in Exhibit A-1 Paragraphs VI. through IX.:

15 1) Quality Management, including but not limited to;

16 a) Provide Training on Documentation Requirements

17 b) Documentation Review Tool for State Submission

18 c) Quality Improvement comments related to documentation

19 d) Corrective Action Plans

20 e) Ensuring Fraud, Waste and Abuse is reported timely to HCA Compliance
 21 Department

22 f) Ensure Compliance Investigation Follow-up within timeframes

23 g) Inform Providers of new practice guidelines

24 h) Ensure there is an appropriately qualified, licensed staff member to conduct documentation reviews
 25 at each program.

26 2) Program Integrity, including but not limited to;

27 a) Site Reviews and completion of Monitoring Tool for SUD programs

28 b) Maintain LPS designation of Staff and Site

29 c) Ensure proper credentialing of staff with HCA

30 d) Ensure Policies and Procedures are developed to address regulatory
 31 requirements

32 e) Ensure provider job descriptions meet the minimum requirements for staff
 33 scope of practice

34 f) Ensure PAVE enrollment of Providers

35 g) Ensure Proper Clinical Supervision of Staff

36 h) Attend Monthly Quality Improvement meetings for both DMC and MH
 37 programs

3) Cultural Competency, including but not limited to;

a) Mandatory Training is completed as assigned by ADMINISTRATOR

4) Training, including but not limited to;

a) ASAM Training

b) Motivational Interviewing Training

c) Other required Evidence Based Practices

d) Annual Compliance Training

e) Annual Provider Training

f) Documentation Training, as applicable (SUD/MHP)

g) CEU/CME in addiction, as needed

5) Claiming, including but not limited to;

- 1 a) Ensure Billing Training is completed
- 2 b) Services entered correctly into the County IRIS system
- 3 c) Ensure Client information entered correctly into the County IRIS system
- 4 6) Reports, including but not limited to:
- 5 a) Participation in the OC Navigator
- 6 b) NACT submissions
- 7 c) Report of Billable Services
- 8 d) Cost Reporting
- 9 e) Access Log Reports
- 10 f) NOABD Reports
- 11 g) Grievance and Appeals Investigations
- 12 h) Response to External Quality Review Organization Report; and
- 13 7) Data collection, including but not limited to:
- 14 a) CalOMS
- 15 b) DATAR
- 16 c) Medication Monitoring Reports

17 b. All references to CONTRACTOR in Paragraph VI. Through IX. Of this Exhibit A-1 shall
 18 be references to contractor providers. CONTRACTOR must include the services and requirements set
 19 forth in Paragraph VI. Through IX. In the contracts with the provider.

20 3. REGULATORY COMPLIANCE, INSURANCE, AND INDEMNIFICATION

21 a. Compliance Program – CONTRACTOR will ensure providers have required policies and
 22 procedures and will reinforce federal and state requirements established in the Contract, such as cultural
 23 competency trainings.

24 b. Sanction Screening – CONTRACTOR will ensure all applicable Covered Individuals are
 25 initially and routinely screened in accordance with requirements for MHPs and SUD contracts per
 26 DHCS and Contract requirements.

27 c. Insurance – CONTRACTOR will maintain insurance in compliance with the contractual
 28 requirements and will ensure that subcontractors' insurance is also in compliance. CONTRACTOR
 29 anticipates being able to support subcontractors in negotiating competitive rates for appropriate
 30 coverage.

31 d. Medi-Cal billing, Coding and Documentation Compliance Standards – CONTRACTOR
 32 will ensure that CONTRACTOR and subcontractor coding of health care claims, billings and/or
 33 invoices for same are prepared and submitted, are timely and accurate, and in compliance with the
 34 Contract requirements.

35 e. Indemnification – CONTRACTOR will provide indemnification pursuant to contractual
 36 requirements.

37 C. ACCESS AND PROGRAM MANAGEMENT

1. CONTRACTOR will ensure that an optimized mix of Clients with public and
 2. commercial coverage can access and enroll in services at the Orange Campus. Moreover,
 3. CONTRACTOR will ensure that CONTRACTOR and subcontractors receive referrals and that such
 4. referrals are accepted in accordance with the Contract(s), with appropriate contract monitoring based on
 5. the BHS provided monitoring tools(s).

2. PAYOR MIX OPTIMIZATION AND MANAGEMENT – CONTRACTOR will procure
 3. and support subcontractors in securing contracts with an array of commercial insurance plans, as well as
 4. manage and optimize the diverse public/commercial payer mix to achieve the original goals of Be Well
 5. and ensure whole community access while maintaining a commitment to serving the most vulnerable.
 6. Based on current projections, the initial target is a 26% commercial, 74% public ratio, which will be
 7. adjusted, as needed.

1 3. CARE COORDINATION AND TRANSITIONS MANGEMENT – CONTRACTOR
 2 will provide high level operational oversight to ensure contractual compliance and good business flow in
 3 a standardized, organized manner via reporting, meetings, and audits.

4 4. CLINICAL AND PROGRAM OPERATIONS – CONTRACTOR will attend required
 5 trainings and ensure that Be Well Campus and provider policies and practices meet contractual
 6 requirements for QI, authorization, clinical, billing, and administrative requirements. CONTRACTOR
 7 will ensure that subcontractors participate in required provider trainings offered by COUNTY and
 8 ensure subcontractors maintain client records in compliance with contractual requirements.

9 D. ESTIMATED COUNTY COST OFFSETS

10 1. CONTRACTOR will work closely with the providers to ensure third party revenues are
 11 maximized for both CONTRACTOR and sub-contractors. CONTRACTOR shall secure a Third-Party
 12 Administrator (TPA) license that will allow them to work to support commercial billing and collections.

13 2. CONTRACTOR will recover the value of the service when the service is rendered to a
 14 Client whenever the Client is covered for the same services, either fully or partially, under any other
 15 state or federal medical program or under other contractual or legal entitlement including but not limited
 16 to, a private group or indemnification program, but excluding instances of tort liability of a third party or
 17 casualty liability. The monies recovered are retained by CONTRACTOR. CONTRACTOR and
 18 COUNTY will establish a settlement process to ensure that COUNTY payments to CONTRACTOR are
 19 adjusted in a timely manner to reflect other monies recovered, pursuant to the above standards from
 20 other sources.

21 3. CONTRACTOR’S estimated offsets of per period Gross Costs are nine percent (9%) for Period
 22 One, fourteen percent (14%) for Period Two, and twenty two percent (22%) for Period Three.

23 E. PERFORMANCE OBJECTIVES AND OUTCOMES – CONTRACTOR will provide a
 24 comprehensive approach for performance and for monitoring and achieving outcome measures required
 25 by COUNTY, sought after by community stakeholders, and needed by the people being served. These
 26 requirements will be specified in subcontracts, with regular monitoring and oversight per contractual
 27 requirements, with outcome measures documented and communicated monthly in dashboards and other
 28 required reports.

29 1. CONTRACTOR staff will comply with COUNTY criteria for Federal law under HIPAA
 30 and 42CFR Part 2 and undergo COUNTY required training. CONTRACTOR will maintain an ongoing
 31 performance outcomes monitoring program using provider information, COUNTY required client
 32 satisfaction surveys, and documentation completed by providers, including utilization patterns,
 33 COUNTY required assessment and screening tools, peer review, and medical record audits.
 34 CONTRACTOR will identify specific outcomes for reporting and will make COUNTY data available
 35 upon request, pursuant to contract terms.

36 2. CONTRACTOR will periodically review provider performance using standard treatment
 37 and/or site review audits, along with claims and/or treatment-related data. CONTRACTOR will work
 38 with COUNTY to ensure compliance with updated state requirements and standards for performance
 39 outcome measures.

40 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
 41 Services Paragraph of this Exhibit A-1 to the Contract.

42 **EXHA VI. SOBERING CENTER SERVICES**

43 A. FACILITY –CONTRACTOR shall ensure facility remains clean, safe and in good repair. The
 44 Sobering Center consists of 12 cots, an intake station, showers, food storage, and a laundry facility.
 45 CONTRACTOR shall store client personal belongings while receiving services.

1 B. PERSONS TO BE SERVED – Sobering Center services shall be provided to adults 18 years of
 2 age and older, who present with intoxication and can safely be served at the facility. These persons
 3 might otherwise be detained by law enforcement or utilize hospital emergency departments for issues
 4 related to intoxication. Persons must arrive at the center by vehicle. Arriving on foot is not permitted.
 5 Referrals will include HCA identified referral sources and others. This service will be provided to all
 6 eligible clients regardless of payor status.

7 C. SERVICES

8 1. Screening - CONTRACTOR shall perform phone screening with referral source to
 9 determine if the individual can be safely served in the facility.

10 2. Admissions - CONTRACTOR shall ensure admissions are conducted 24 hours a day.

11 3. Intake – CONTRACTOR shall record demographics and past medical history.

12 4. Insurance Verification – CONTRACTOR will verify insurance coverage and/or Medi-
 13 Cal for each individual serviced to ensure that only non-insured or non-Medi-Cal clients paid for under
 14 this contract.

15 4. Engagement – CONTRACTOR shall utilize evidence based practices such as
 16 Motivational Interviewing and/ or Negotiated interviewing to engage Clients who may not wish to
 17 participate to assist with preventing Clients from leaving prior to it being safe for them to do so.

18 5. Monitoring – CONTRACTOR shall monitor of signs and symptoms of intoxication per
 19 protocols established by medical staff. CONTRACTOR shall incorporate blood pressure checks and the
 20 Clinical Opiate Withdrawal Scale (COWS) and/or Clinical Institute Withdrawal Assessment of Alcohol
 21 (CIWA) scale Clients who are sleeping will be monitored visually every 30 minutes.

22 6. Anticipated length of stay to last between 6 and 8 hours. Length of stay shall be less than
 23 24 hours.

24 7. Ancillary Services – CONTRACTOR shall provide light snacks and hydration,
 25 temporary clean clothing, toiletries, clean linen and laundry service.

26 8. Discharge Planning – CONTRACTOR must begin Discharge Planning as soon as the
 27 Client enters Sobering Services. CONTRACTOR shall develop an exit/transition plan with the
 28 Client. The exit/transition plan shall include:

29 a. A strategy or strategies to assist the Client in maintaining an alcohol and drug free
 30 lifestyle.

31 b. A plan for linkage and transition of the Client to appropriate services, including treatment
 32 services. When Residential Treatment services are appropriate, CONTRACTOR shall link Client to the
 33 residential access center by phone to complete an assessment and obtain residential authorization.

34 c. Linkage – CONTRACTOR shall provide a warm link transfer to ongoing physical health,
 35 and/or behavioral health treatment as appropriate utilizing ASAM criteria to determine appropriate level
 36 of care. Withdrawal management linkages are made directly to provider. Residential linkages are
 37 coordinated with the ART team unless the Client meets criteria for any of the higher acuity populations
 38 permitting a direct intake to residential treatment. CONTRACTOR shall provide referral and linkage to
 39 support group meetings, and Social Service benefits.

40 9. Transportation – CONTRACTOR shall arrange for or provide transportation to next care
 41 setting upon discharge.

42 10. Support Services – CONTRACTOR shall provide housekeeping, maintenance and
 43 arrangements for emergency and non-emergency medical services.

44 11. Follow-up – CONTRACTOR shall obtain consent to follow-up while Client is in services
 45 and shall follow up with Client at seven (7) and thirty (30) calendar days post-services.

46 D. PERFORMANCE OUTCOMES

47 1. Capture linkage rate to continuing MHRS (or BHS services)

2. Capture linkage rate to other medical, dental, social services or recovery supports.

2. Capture number of unduplicated clients served.
3. Capture number of admissions
4. Capture percentage of clients who accepted a referral appointment upon discharge
5. Capture percentage of clients who complete a relapse prevention plan prior to discharge
6. Future developing measures that attempt to improve the overall system of care may be added.

E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Sobering Center Services paragraph of this Exhibit A-1 to the Contract.

EXHA VII. ADULT RESIDENTIAL SUD TREATMENT SERVICES

A. LENGTH OF STAY– Length of stay is based on medical necessity as determined by a Licensed Practitioner of the Healing Arts. COUNTY is adhering to the State goal of a thirty (30) calendar day average in the residential level of care. The facility shall have a capacity of thirty (30) beds and include adequate physical space to support the services identified within the Contract.

1. Adults, ages eighteen (18) and older, may receive residential level SUD services based on medical necessity with no predetermined maximum days.

2. If determined to be medically necessary, perinatal clients may receive additional services and faster placement, in accordance with State perinatal guidelines.

B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services despite the ability to pay. In order to receive services through the DMC-ODS, the Client must be enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.

C. RESIDENTIAL TREATMENT AUTHORIZATION - Clients will be authorized and referred to CONTRACTOR by the Assessment/Authorization for Residential Treatment (ART) Team. Clients who contact CONTRACTOR directly to request services shall be referred by CONTRACTOR to the ART Team. If Client is pregnant, and/or has a history of intravenous drug use, a person who has a recent history of fentanyl use disorder or a person linking to residential from any withdrawal management within the Orange County DMC-ODS system, and meets medical necessity for Residential Treatment, CONTRACTOR may directly admit the Client to treatment due to high acuity if provider has available bed slot. In this instance, CONTRACTOR must complete a SUD assessment and establish medical necessity for residential level of care. Assessment and authorization request must be submitted to the ART team for authorization within seventy-two (72) hours of Client admission. CONTRACTOR shall enter data regarding request for service into the IRIS access log established by ADMINISTRATOR for these Clients who access provider directly and bypass the ART team.

D. SERVICES – CONTRACTOR shall provide a non-institutional, twenty-four (24) hour non-medical, short-term residential program that provides rehabilitation services to Clients in accordance with an individualized plan. These services are intended to be individualized to treat the functional deficits identified in the ASAM Criteria. CONTRACTOR and Client work collaboratively to define barriers, set priorities, establish goals, create treatment plans/problem lists, and solve problems. Goals include sustaining abstinence, preparing for relapse triggers, improving personal health and social functioning, and engaging in continuing care. CONTRACTOR shall provide services in accordance with DHCS-Designated Level of Care 3.1. Services shall include.

1. Intake: The process of determining that a Client meets the medical necessity criteria and a Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of treatment needs to provide medically necessary services. Intake may include a physical examination and laboratory testing necessary for substance use disorder treatment.

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

1 3. Group Counseling: Face-to-face contacts in which one or more therapists or counselors
2 treat two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the
3 needs of the individuals served. Groups that count towards the structured service requirements shall not
4 have a maximum limit for participants.

5 4. Family Therapy: As clinically appropriate, family members can provide social support to
6 the Client, help motivate their loved one to remain in treatment, and receive help and support for their
7 own family recovery as well.

8 5. Client Education: Provide research-based education on addiction, treatment, recovery and
9 associated health risks.

10 6. Medication Storage: Facilities will store all Client medication and facility staff members
11 will oversee resident's self-administration of medication.

12 7. Collateral Services: Sessions with therapists or counselors and significant persons in the
13 life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of
14 the Client's treatment goals. Significant persons are individuals that have a personal, not official or
15 professional, relationship with the Client.

16 8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in
17 crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an
18 unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis
19 intervention services shall be limited to the stabilization of the Client's emergency situation.

20 9. Treatment Planning: CONTRACTOR shall prepare an individualized written treatment
21 plan or problem list, whichever applies, based upon information obtained in the intake and assessment
22 process and in adherence to documentation standards set forth in QMSSUD documentation manual. The
23 treatment plan/problem list will be consistent with the qualifying diagnosis and will be signed by the
24 Client and the LPHA.

25 10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a
26 minimum of twenty (20) hours of structured activity per week.

27 11. EBPs: CONTRACTORS will implement at least two of the following EBPs, one of
28 which must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality.
29 The required EBP include:

30 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
31 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach
32 frequently includes other problem-solving or solution-focused strategies that build on Clients' past
33 successes.

34 b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral
35 reactions are learned and that new ways of reacting and behaving can be learned.

36 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
37 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
used as a stand-alone substance use treatment program or as an aftercare program to sustain gains
achieved during initial substance use treatment.

d. Trauma-Informed Treatment: Services must take into account an understanding of
trauma, and place priority on trauma survivors' safety, choice and control.

e. Psycho-Education: Psycho-educational groups are designed to educate Clients about
substance abuse, and related behaviors and consequences. Psycho-educational groups provide
information designed to have a direct application to Clients' lives; to instill self-awareness, suggest
options for growth and change, identify community resources that can assist Clients in recovery,
develop an understanding of the process of recovery, and prompt people using substances to take action
on their own behalf.

1 12. Care Coordination: Care coordination services may be provided by a LPHA or
2 registered/certified counselor or other eligible provider type and must be provided based on medical
3 necessity. Care Coordination shall provide advocacy and care coordination to physical health, mental
4 health, and transportation, housing, vocational, educational, and transition services for reintegration into
5 the community. CONTRACTOR shall provide Care Coordination services for the Client during
6 treatment, transition to other levels of care and follow ups, to encourage the Client to engage and
7 participate in an appropriate level of care or Recovery Services after discharge. Care Coordination
8 becomes the responsibility of the next treating provider after successful transition to a different level of
9 care. CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care,
10 integration around primary care especially for Clients with a chronic SUD, and interaction with the
11 criminal justice system, if needed. Care Coordination services may be provided face-to-face, by
12 telephone, or by telehealth with the Client and may be provided anywhere in the community.

13 13. MAT: Services may be provided onsite with approval for Incidental Medical Services
14 from DHCS. Medically necessary MAT services must be provided in accordance with an individualized
15 treatment plan determined by a licensed physician or LPHA working within their scope of practice.

16 a. MAT services must be provided in compliance with Policy and Procedures submitted to
17 DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
18 through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
19 ordering, prescribing, administering, and monitoring of all medications for SUDs.

20 b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and
21 injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of
22 SUDs may also be prescribed and administered, as medically necessary.

23 c. CONTRACTOR must provide care coordination with treatment and ancillary service
24 providers and facilitate transitions between levels of care. Clients may simultaneously participate in
25 MAT services and other ASAM LOCs.

26 14. Care Coordination for Mental and Physical Health: Programs must screen for mental
27 health issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical
28 home provider of Client's admission to treatment within seven (7) calendar days of admission and
29 request medical records/ physical exam. If Client does not have a medical home, identifying one shall
30 be on the treatment plan/problem list.

31 15. Physician/Clinician Consultation: Physician/Clinician Consultation Services include
32 DMC physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical
33 pharmacists, or clinicians consulting with other clinicians on difficult cases. Physician/Clinician
34 consultation services are designed to assist DMC physicians and clinicians by allowing them to seek
35 expert advice with regards to designing treatment plans/problem lists for specific DMC-ODS members.
36 Physician consultation services may address medication selection, dosing, side effect management,
37 adherence, drug interactions, or level of care considerations. ADMINISTRATOR will provide one or
more physicians or pharmacists to provide consultation services.

16. Discharge Services: The process to prepare the Client for referral into another level of
care, post treatment return or reentry into the community, and/or the linkage of the individual to
essential community treatment, housing and human services. CONTRACTOR shall provide or arrange
for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and
Client. The exit plan shall be documented in the Client's chart.

17. Recovery Services: A level of care designed to support recovery and prevent relapse. It is
not considered treatment. The focus is on restoring the Client to their best possible functional level and
emphasizes the Client's role in managing their health by using effective self-management support
strategies. The components of Recovery Services are:

1 a. Outpatient counseling services in the form of individual or group counseling to stabilize
the Client and then reassess if the Client needs further care;

2 b. Recovery Monitoring: Recovery coaching, monitoring via telephone and internet;

3 c. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;

4 d. Education and Job Skills: Linkages to life skills, employment services, job training, and
education services;

5 e. Family Support: Linkages to childcare, parent education, child development support
services, family/marriage education;

7 f. Support Groups: Linkages to self-help and support, spiritual and faith-based support;

8 g. Ancillary Services: Linkages to housing assistance, transportation, case management,
individual services coordination.

9 18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment,
10 toiletries, clean linen, and food service.

11 19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by
Clients and laundry access.

12 20. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure
13 that all persons admitted for Residential Treatment services have a health questionnaire completed using
14 form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the
15 information requested in the DHCS 5103 form.

16 a. The health questionnaire is a Client's self-assessment of his/her current health status and
shall be completed by Client.

17 1) CONTRACTOR shall review and approve the health questionnaire form prior to
18 Client's admission to the program. The completed health questionnaire shall be signed and dated by
CONTRACTOR and Client, prior to admission.

19 2) A copy of the questionnaire shall be filed in the Client's record.

20 b. CONTRACTOR shall, based on information provided by Client on the health
21 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
examinations as appropriate.

22 1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior
23 to Client's admission to the program when applicable.

24 2) A copy of the referral and clearance shall be filed in the Client's file.

25 3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary,
HIV antibody testing and risk assessment and disclosure counseling.

26 4) The programs shall have written procedures for obtaining medical or psychiatric
27 evaluation and emergency and non-emergency services.

28 5) The programs shall post the name, address, and telephone number for the fire
29 department, a crisis program, local law enforcement, and ambulance service.

30 6) CONTRACTOR shall provide TB services to the Clients by referral to the
COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar
31 days of admission. These TB services shall consist of the following:

32 a) Counseling with respect to TB;

33 b) Testing to determine whether the individual has been infected and to
determine the appropriate form of treatment;

34 c) Provision for, or referral of, infected Clients for medical evaluation,
35 treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared
prior to commencing treatment.

36 21. Transportation Services

37

1 a. COUNTY shall only pay for medical ambulance or medical van transportation to and
2 from designated residential substance use disorder treatment programs or health facilities through the
3 COUNTY's Medical Transportation Contract under the following conditions:

4 1) Ambulance transportation shall be used for services requiring immediate attention
5 for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where
6 delay in providing such services may aggravate the medical condition or cause the loss of life.

7 2) When any Client needs non-emergency transportation as identified in
8 Subparagraph 21.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances
9 including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely
10 manner or Client's physical condition and/or limitations.

11 3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call
12 Log to request transportation services from Ambulance Providers designated for transportation within
13 the city of the CONTRACTOR's facility for each said month as identified on the log.

14 4) CONTRACTOR shall use its best efforts to contact Ambulance Providers
15 identified on the Monthly Rotation Call Log as those providers who offer van transportation services if
16 and when an ambulance is not required.

17 5) CONTRACTOR shall be held liable and may be billed by the Ambulance
18 Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a
19 covered service under this section by the COUNTY.

20 b. Non-Emergency Transportation – CONTRACTOR shall transport Client to locations that
21 are considered necessary and/or important to the Client's recovery plan including, but not limited to,
22 Social Security Administration offices for Supplemental Security Income benefits and for non-
23 emergency medical or mental health services not identified in Subparagraph 21.a. above, that require
24 treatment at a physician office, urgent care, or emergency room when an ambulance provider is not
25 necessary or required for transportation based on the level of severity and/or services required by the
26 Client.

27 **E. PERFORMANCE OUTCOMES**

28 1. CONTRACTOR shall achieve performance objectives, tracking and reporting
29 Performance Outcome Objective statistics in monthly programmatic reports, as appropriate.
30 ADMINISTRATOR recognizes that alterations may be necessary to the following services to meet the
31 objectives, and, therefore, revisions to objectives and services may be implemented by mutual
32 agreement between CONTRACTOR and ADMINISTRATOR.

33 2. Performance Outcome Objectives

34 a. Objective 1: Provide effective residential substance abuse assessment, treatment, and
35 counseling to Clients with identified alcohol and/or drug problems as measured by Completion Rate.

36 b. Objective 2: Completion Rates shall be calculated by using the number of Clients who
37 leave with satisfactory progress divided by the total number of Clients discharged during the evaluation
period. Seventy percent (70%) of Clients will complete residential treatment program.

c. Objective 3: Provide linkage to the next level of care for Medi-Cal Clients upon
discharge. thirty percent (30%) of Clients who have discharged will be linked with a lower level of care
within thirty (30) calendar days, as measured by charge data entered into the IRIS. Linkage rates for
Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS
administrative discharge dispositions will be excluded.

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult
Residential SUD Treatment Services Paragraph of this Exhibit A-1 to the Contract.

EXHA VIII. ADULT CO-OCCURRING RESIDENTIAL TREATMENT SERVICES

1 A. LENGTH OF STAY – Length of stay is based on medical necessity as determined by a Licensed
 2 Practitioner of the Healing Arts. COUNTY is adhering to the state goal of a thirty (30) calendar day
 3 average in the residential level of care. The facility shall have a capacity of thirty (30) beds and include
 4 adequate physical space to support the services identified within the Contract.

5 B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services
 6 despite the ability to pay. In order to receive services through the DMC-ODS, the Client must be
 7 enrolled in Medi-Cal, reside in Orange County, and meet medical necessity criteria.

8 C. RESIDENTIAL TREATMENT AUTHORIZATION - Clients will be authorized and referred to
 9 CONTRACTOR by the ART Team. If Client is pregnant, and/or has a history of intravenous drug use,
 10 a person who has a recent history of fentanyl use disorder, or a person linking to residential from any
 11 withdrawal management within the Orange County DMC-ODS system, and meets medical necessity for
 12 Residential Treatment, CONTRACTOR may directly admit the Client to treatment due to high acuity if
 13 provider has available bed slot. Clients who contact CONTRACTOR directly to request services shall
 14 be referred by CONTRACTOR to the ART Team. If Client is pregnant or an intravenous drug user who
 15 meets medical necessity for Residential Treatment, CONTRACTOR may admit to treatment bypassing
 16 the ART Team due to acuity, if provider has available bed slot and if program is licensed/certified for
 17 perinatal services. In this instance, CONTRACTOR must complete a SUD assessment and establish
 18 medical necessity for residential level of care. Assessment and authorization request must be submitted
 19 to the ART team for authorization within seventy-two (72) hours of client admission. CONTRACTOR
 20 shall enter data regarding request for service into IRIS access log established by ADMINISTRATOR for
 21 these Clients who access provider directly and bypass the ART team.

22 D. SERVICES – CONTRACTOR shall provide a non-institutional, twenty-four (24) hour non-
 23 medical, short-term residential program that provides rehabilitation services to Client based on Client
 24 goals and objectives during treatment. These services are intended to be individualized to treat the
 25 functional deficits identified in the ASAM Criteria. CONTRACTOR and Client work collaboratively to
 26 define barriers, set priorities, establish goals, create goals and objectives, and solve problems. Goals
 27 include sustaining abstinence, preparing for relapse triggers, improving personal health and social
 28 functioning, and engaging in continuing care. CONTRACTOR shall provide services in accordance
 29 with DHCS-Designated Levels of Care 3.3 or 3.5. Residential Treatment program shall consist of the
 30 following:

31 1. Intake: The process of determining that a Client meets the medical necessity criteria and a
 32 Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or
 33 analysis of substance use disorders; the diagnosis of substance use disorders; the review and signing of
 34 legal and admission paperwork; and the assessment of treatment needs to provide medically necessary
 35 services. Intake may include a physical examination and laboratory testing necessary for substance use
 36 disorder treatment.

37 2. Individual Counseling: Contacts between a Client and a therapist or counselor.

3. Group Counseling: Face-to-face contacts in which one or more therapists or counselors
 38 treat two (2) or more Clients at the same time with a maximum of twelve (12) in the group, focusing on
 39 the needs of the individuals served. Groups that count towards the structured service requirements shall
 40 not have a maximum limit for participants. 4. Family Therapy: Family members can
 41 provide social support to the Client, help motivate their loved one to remain in treatment, and receive
 42 help and support for their own family recovery as well.

5. Client Education: Provide research-based education on addiction, treatment, recovery and
 43 associated health risks.

6. Medication Storage: Facilities will store all Client medication and facility staff members
 44 will oversee resident's self-administration of medication.

1 7. Collateral Services: Sessions with therapists or counselors and significant persons in the
2 life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of
3 the Client's treatment goals. Significant persons are individuals that have a personal, not official or
4 professional, relationship with the Client.

5 8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in
6 crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an
7 unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis
8 intervention services shall be limited to the stabilization of the Client's emergency situation.

9 9. Treatment Planning: CONTRACTOR shall collaborate with the Client on their progress
10 in treatment in the current episode of care. Treatment planning activities include, but are not limited to,
11 collaborating with the Client on problems for the development of the problem list, reviewing and/or
12 updating the problem list; planning for the course of treatment using the information gathered about the
13 Client's specific needs to determine what interventions may be needed to address those needs and
14 promote progress towards improving level of functioning. Treatment planning activities will be
15 consistent with the qualifying diagnosis.

16 10. Structured Therapeutic Activities: Residential Treatment Services shall consist of a
17 minimum of twenty (20) hours of structured activity per week.

18 11.EBPs: CONTRACTORs will implement at least two of the following EBPs, one of which
19 must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality. The
20 required EBP include:

21 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
22 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach
23 frequently includes other problem-solving or solution-focused strategies that build on Clients' past
24 successes.

25 b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral
26 reactions are learned and that new ways of reacting and behaving can be learned.

27 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
28 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
29 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains
30 achieved during initial substance use treatment.

31 d. Trauma-Informed Treatment: Services must take into account an understanding of
32 trauma, and place priority on trauma survivors' safety, choice and control.

33 e. Psycho-Education: Psycho-educational groups are designed to educate Clients about
34 substance abuse, and related behaviors and consequences. Psycho-educational groups provide
35 information designed to have a direct application to Clients' lives; to instill self-awareness, suggest
36 options for growth and change, identify community resources that can assist Clients in recovery,
37 develop an understanding of the process of recovery, and prompt people using substances to take action
on their own behalf.

12. Care Coordination: Care coordination services must be provided based on the needs of
the Client. Services shall provide advocacy and care coordination to physical health, mental health, and
transportation, housing, vocational, educational, and transition services for reintegration into the
community. CONTRACTOR shall provide Care Coordination services for the Client during treatment,
transition to other levels of care and follow ups, and to encourage the Client to engage and participate in
an appropriate level of care or Recovery Services after discharge. Care Coordination becomes the
responsibility of the next treating provider after successful transition to a different level of care.
CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care,
integration around primary care especially for Clients with a chronic SUD, and interaction with the

1 criminal justice system, if needed. Care Coordination services may be provided face-to-face, by
2 telephone, or by telehealth with the Client and may be provided anywhere in the community.

3 13. MAT: Services may be provided onsite with approval for Incidental Medical Services
4 from DHCS. Medically necessary MAT services must be provided in accordance with the Client's
5 individualized needs as determined by a licensed physician or LPHA working within their scope of
6 practice.

7 a. MAT services must be provided in compliance with Policy and Procedures submitted to
8 DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
9 through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
10 ordering, prescribing, administering, and monitoring of all medications for SUDs.

11 b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and
12 injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of
13 SUDs may also be prescribed and administered, as medically necessary.

14 c. CONTRACTOR must provide care coordination with treatment and ancillary service
15 providers and facilitate transitions between levels of care. Clients may simultaneously participate in
16 MAT services and other ASAM LOCs.

17 14. Care Coordination for Mental and Physical Health: Programs must screen for mental
18 health issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical
19 home provider of Client's admission to treatment within seven (7) calendar days of admission and
20 request medical records/ physical exam. If Client does not have a medical home, identifying one shall
21 be listed on the treatment plan or Problem List, whichever applies. Clients who are co-occurring with
22 severe and persistent mental illness shall receive mental health services and support through Orange
23 County Health Care Agency PACT program, if applicable, or other County or contracted programs
24 designed to treat SPMI.

25 15. Physician/clinician Consultation: Physician Consultation Services include DMC
26 physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical
27 pharmacists, or expert clinicians consulting with other clinicians on difficult cases. Physician
28 consultation services are designed to assist DMC physicians by allowing them to seek expert advice
29 with regards to designing treatment plans/problem lists for specific DMC-ODS members. Physician
30 consultation services may address medication selection, dosing, side effect management, adherence,
31 drug interactions, or level of care considerations. ADMINISTRATOR will provide one or more
32 physicians or pharmacists to provide consultation services.

33 16. Discharge Services: The process to prepare the Client for referral into another level of
34 care, post treatment return or reentry into the community, and/or the linkage of the individual to
35 essential community treatment, housing and human services. CONTRACTOR shall provide or arrange
36 for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
37 immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and
Client. The exit plan shall be documented in the Client's chart.

17. Recovery Services: A level of care designed to support recovery and prevent relapse. It is
not considered treatment. Recovery Services focus on restoring the Client to their best possible
functional level and emphasizes the Client's role in managing their health by using effective self-
management support strategies. Recovery services may be provided face-to-face, by telephone, or by
telehealth with the Client and may be provided anywhere in the community. Recovery services shall be
made available to DMC-ODS members when a Medical Director or LPHA has determined that recovery
services are medically necessary in accordance with the Client's needs. Clients may enroll
simultaneously in Recovery Services while receiving treatment services at another level of care if found
to be clinically appropriate. The components of Recovery Services are:

a. Assessment;

1 b. Outpatient counseling services in the form of individual, family or group counseling to
 2 stabilize the Client and then reassess if the Client needs further care;

3 c. Recovery Monitoring: Recovery coaching, monitoring which includes recovery coaching
 4 and monitoring designed for the maximum reduction of the Client's SUD.

5 d. Substance Abuse Assistance: Peer-to-peer services and relapse prevention;

6 e. Education and Job Skills: Linkages to life skills, employment services, job training, and
 7 education services;

8 f. Family Support: Linkages to childcare, parent education, child development support
 9 services, family/marriage education;

10 g. Support Groups: Linkages to self-help and support, spiritual and faith-based support;

11 h. Ancillary Services: Linkages to housing assistance, transportation, case management,
 12 individual services coordination; and

13 i. Relapse Prevention, which includes interventions designed to teach Clients with SUD
 14 how to anticipate and cope with the potential for relapse for the maximum reduction of the Client's
 15 SUD.

16 18. Food and Other Services: CONTRACTOR shall provide a clean, safe environment,
 17 toiletries, clean linen, and food service.

18 19. Support Services: CONTRACTOR shall provide housekeeping, which may be done by
 19 Clients and laundry access.

20 20. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure
 21 that all persons admitted for Residential Treatment services have a health questionnaire completed using
 22 form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the
 23 information requested in the DHCS 5103 form.

24 a. The health questionnaire is a Client's self-assessment of his/her current health status and
 25 shall be completed by Client.

26 1) CONTRACTOR shall review and approve the health questionnaire form prior to
 27 Client's admission to the program. The completed health questionnaire shall be signed and dated by
 28 CONTRACTOR and Client, prior to admission.

29 2) A copy of the questionnaire shall be filed in the Client's record.

30 b. CONTRACTOR shall, based on information provided by Client on the health
 31 questionnaire form, refer Client to licensed medical professionals for physical and laboratory
 32 examinations as appropriate.

33 1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior
 34 to Client's admission to the program when applicable.

35 2) A copy of the referral and clearance shall be filed in the Client's file.

36 3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary,
 37 HIV antibody testing and risk assessment and disclosure counseling.

4) The programs shall have written procedures for obtaining medical or psychiatric
evaluation and emergency and non-emergency services.

5) The programs shall post the name, address, and telephone number for the fire
department, a crisis program, local law enforcement, and ambulance service.

6) CONTRACTOR shall provide TB services to the Clients by referral to the
COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar
days of admission. These TB services shall consist of the following:

a) Counseling with respect to TB;

b) Testing to determine whether the individual has been infected and to
determine the appropriate form of treatment;

1 c) Provision for, or referral of, infected Clients for medical evaluation,
 2 treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared
 3 prior to commencing treatment.

4 **21. Transportation Services**

5 a. COUNTY shall only pay for medical ambulance or medical van transportation to and
 6 from designated residential substance use disorder treatment programs or health facilities through the
 7 COUNTY's Medical Transportation Contract under the following conditions:

8 1) Ambulance transportation shall be used for services requiring immediate attention
 9 for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where
 10 delay in providing such services may aggravate the medical condition or cause the loss of life.

11 5) CONTRACTOR shall be held liable and may be billed by the Ambulance
 12 Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a
 13 covered service under this section by the COUNTY.

14 **E. PERFORMANCE OUTCOMES**

15 1. CONTRACTOR shall achieve performance objectives, tracking and reporting
 16 Performance Outcome Objective statistics in monthly programmatic reports, as appropriate.
 17 ADMINISTRATOR recognizes that alterations may be necessary to the following services to meet the
 18 objectives, and, therefore, revisions to objectives and services may be implemented by mutual
 19 agreement in writing between CONTRACTOR and ADMINISTRATOR.

20 **2. Performance Outcome Objectives**

21 a. Objective 1: CONTRACTOR shall provide effective residential substance abuse
 22 assessment, treatment, and counseling to Clients with identified alcohol and/or drug problems as
 23 measured by Retention and Completion Rates:

24 1) Retention Rates shall be calculated by using the number of Clients currently
 25 enrolled in or successfully completing the treatment program divided by the total number of Clients
 26 served during the evaluation period.

27 2) Completion Rates shall be calculated by using the number of Clients successfully
 28 completing the treatment program divided by the total number of Clients discharged during the
 29 evaluation period. Fifty percent (50%) of Clients will complete residential treatment program based on
 30 meeting established treatment goals.

31 b. CONTRACTOR shall provide linkage to the next level of care for Medi-Cal Clients upon
 32 discharge. Twenty percent (20%) of Clients who have discharged will be linked with a lower level of
 33 care within seven (7) calendar days, as measured by charge data entered into the IRIS. Linkage rates for
 34 Clients who discharge will include all CalOMS standard discharge dispositions. All CalOMS
 35 administrative discharge dispositions will be excluded.

36 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult
 37 Co-Occurring Residential Treatment Services Paragraph of this Exhibit A-1 to the Contract.

EXHA IX. ADULT CLINICALLY MANAGED WITHDRAWAL MANAGEMENT SERVICES

A. LENGTH OF STAY

1. Length of stay is based on medical necessity for withdrawal management in adherence
 with observation protocols established by Medical Director. The facility shall have a capacity of twelve
 (12) beds and include adequate physical space to support the services identified within the Contract.

B. PERSONS TO BE SERVED – All residents of Orange County are eligible to receive services
 despite ability to pay. For clients to receive services through the DMC-ODS, the Client must be enrolled
 in Medi-Cal, reside in Orange County, and meet medical necessity criteria.

1 C. SERVICES - Clinically managed withdrawal management services shall consist of the
2 following:

3 1. Intake: The process of determining that a Client meets the medical necessity criteria and a
4 Client is admitted into a substance use disorder treatment program. Intake includes the evaluation or
5 analysis of substance use disorders; the diagnosis of substance use disorders; and the assessment of
6 treatment needs to provide medically necessary services. Intake may include a physical examination and
7 laboratory testing necessary for substance use disorder treatment.

8 2. Observation:

9 a. CONTRACTOR shall ensure at least one staff member shall be assigned to the observation
10 of Withdrawal Management Clients at all times and be certified in cardiopulmonary resuscitation, first
11 aid, and Naloxone administration. In facilities with sixteen (16) or more Clients, two (2) staff or
12 properly credentialed volunteers shall be present at all times.

13 b. Staff or volunteer shall physically check each Client for breathing by a face-to-face
14 physical observation at least every thirty (30) minutes and vital signs every six (6) hours at a minimum
15 during the first seventy-two (72) hours following admission. The close observation and physical checks
16 shall continue beyond the initial seventy-two (72) hour period for as long as the withdrawal signs and
17 symptoms warrant. After twenty-four (24) hours, close observations and physical checks may be
18 discontinued or reduced based upon a determination by a staff member trained in providing Withdrawal
19 Management Services. Documentation of the information that supports a decrease in close observation
20 and physical checks shall be recorded in the Client's file.

21 c. Documentation of observations and physical checks shall be recorded in a systematic
22 manner in the Client file including information supporting a decrease in observation and physical checks
23 and signature of staff.

24 d. Only program staff that have been trained in the provisions of Withdrawal Management
25 Services may conduct observations and physical checks of Clients receiving Withdrawal Management
26 Services. Training shall include information on detoxification medications, and signs and symptoms that
27 require referral to a higher level of care. Training shall also include first aid cardiopulmonary
28 resuscitation, and Naloxone administration. Copies of detoxification training records shall be kept in
29 personnel files.

30 e. CONTRACTOR shall track training and keep certificate of completions on file. Tracker
31 and certificates must be made available to ADMINISTRATOR within two (2) business days, upon
32 request.

33 3. Individual Counseling: Contacts between a Client and a therapist or counselor.

34 4. Group Counseling: Face-to-face contacts in which one or more therapists or counselors
35 treat two or more Clients at the same time with a maximum of twelve (12) in the group, focusing on the
36 needs of the individuals served.

37 5. Client Education: Provide research-based education on addiction, treatment, recovery and
associated health risks.

6. Medication Storage: Facilities will store all Client medication and facility staff members
will oversee resident's self-administration of medication.

7. Collateral Services: Sessions with therapists or counselors and significant persons in the
life of the Client, focused on the treatment needs of the Client in terms of supporting the achievement of
the Client's treatment goals. Significant persons are individuals that have a personal, not official or
professional, relationship with the Client.

8. Crisis Intervention Services: Contact between a therapist or counselor and a Client in
crisis. Services shall focus on alleviating crisis problems. "Crisis" means an actual relapse or an
unforeseen event or circumstance which presents to the Client an imminent threat of relapse. Crisis
intervention services shall be limited to the stabilization of the Client's emergency situation.

1 9. Treatment Planning: CONTRACTOR shall engage in treatment planning activities, based
2 upon information obtained in the intake and assessment process and in adherence to documentation
3 standards set forth in QMS SUD documentation manual. The goals and objectives will be consistent
4 with the qualifying diagnosis and will be signed by the Client and the LPHA.

5 10. EBPs: CONTRACTORs will implement at least two of the following EBPs, one of
6 which must be Motivational Interviewing. The two EBPs are per CONTRACTOR per service modality.
7 The required EBP include:

8 a. Motivational Interviewing: A Client-centered, empathetic, but directive counseling
9 strategy designed to explore and reduce a person's ambivalence toward treatment. This approach
10 frequently includes other problem-solving or solution-focused strategies that build on Clients' past
11 successes.

12 b. Cognitive-Behavioral Therapy: Based on the theory that most emotional and behavioral
13 reactions are learned and that new ways of reacting and behaving can be learned.

14 c. Relapse Prevention: A behavioral self-control program that teaches individuals with
15 substance addiction how to anticipate and cope with the potential for relapse. Relapse prevention can be
16 used as a stand-alone substance use treatment program or as an aftercare program to sustain gains
17 achieved during initial substance use treatment.

18 d. Trauma-Informed Treatment: Services must take into account an understanding of
19 trauma, and place priority on trauma survivors' safety, choice and control.

20 e. Psycho-Education: Psycho-educational groups are designed to educate Clients about
21 substance abuse, and related behaviors and consequences. Psycho-educational groups provide
22 information designed to have a direct application to Clients' lives; to instill self-awareness, suggest
23 options for growth and change, identify community resources that can assist Clients in recovery,
24 develop an understanding of the process of recovery, and prompt people using substances to take action
25 on their own behalf.

26 11. Care Coordination: Care coordination services must be provided based on client need.
27 Care coordination shall provide advocacy and care coordination to physical health, mental health, and
28 transportation, housing, vocational, educational, and transition services for reintegration into the
29 community. CONTRACTOR shall provide Care Coordination services for the Client during treatment,
30 transition to other levels of care and follow ups, to encourage the Client to engage and participate in an
31 appropriate level of care or Recovery Services after discharge. Care Coordination becomes the
32 responsibility of the next treating provider after successful transition to a different level of care.
33 CONTRACTOR shall ensure that Care Coordination services focus on coordination of SUD care,
34 integration around primary care especially for Clients with a chronic SUD, and interaction with the
35 criminal justice system, if needed. Care Coordination services may be provided face-to-face, by
36 telephone, or by telehealth with the Client and may be provided anywhere in the community.

37 12. MAT: Services may be provided onsite with approval for Incidental Medical Services
from DHCS. Medically necessary MAT services must be provided in accordance with an individualized
treatment plan determined by a licensed physician or LPHA working within their scope of practice.

a. MAT services must be provided in compliance with Policy and Procedures submitted to
DHCS for IMS designation. CONTRACTOR must ensure ability to continue MAT after discharge
through linkage to appropriate prescriber. MAT shall include the assessment, treatment planning,
ordering, prescribing, administering, and monitoring of all medications for SUDs.

b. CONTRACTOR must provide administration of buprenorphine, naltrexone (oral and
injectable), acamprosate, disulfiram, and naloxone. Other approved medications in the treatment of
SUDs may also be prescribed and administered, as medically necessary.

1 c. CONTRACTOR must provide care coordination with treatment and ancillary service
2 providers and facilitate transitions between levels of care. Clients may simultaneously participate in
3 MAT services and other ASAM LOCs.

4 13. Care Coordination for Mental and Physical Health: Programs must screen for mental
5 health issues and provide or refer for needed services. CONTRACTOR shall notify Client's medical
6 home provider of Client's admission to treatment within seven (7) calendar days of admission and
7 request medical records/ physical exam. If Client does not have a medical home, this issue shall be
8 identified on the Treatment Plan or Problem List, whichever applies.

9 14. Physician/Clinician Consultation: Physician/Clinician Consultation Services include
10 DMC physicians' consulting with addiction medicine physicians, addiction psychiatrists or clinical
11 pharmacists, or expert clinicians consulting with other clinicians on difficult cases. Physician/Clinician
12 consultation services are designed to assist DMC physicians and clinicians by allowing them to seek
13 expert advice with regards to designing treatment plans/problem lists for specific DMC-ODS members.
14 Physician/Clinician consultation services may address medication selection, dosing, side effect
15 management, adherence, drug interactions, or level of care considerations. ADMINISTRATOR will
16 provide one or more physicians or pharmacists to provide consultation services.

17 15. Discharge Services: The process to prepare the Client for referral into another level of
18 care, post treatment return or reentry into the community, and/or the linkage of the individual to
19 essential community treatment, housing and human services. CONTRACTOR shall provide or arrange
20 for transportation of Clients to aftercare destination. CONTRACTOR shall begin discharge planning
21 immediately after enrollment. The exit plan shall be completed and signed by CONTRACTOR staff and
22 Client. The exit plan shall be documented in the Client's chart.

23 16. Food and Other Services: CONTRACTOR shall provide a clean, safe environment,
24 toiletries, clean linen, and food service.

25 17. Support Services: CONTRACTOR shall provide housekeeping, which may be done by
26 Clients and laundry access.

27 18. Health, Medical, Psychiatric and Emergency Services – CONTRACTOR shall ensure
28 that all persons admitted for Residential Treatment services have a health questionnaire completed using
29 form DHCS 5103 form, or may develop their own form provided it contains, at a minimum, the
30 information requested in the DHCS 5103 form.

31 a. The health questionnaire is a Client's self-assessment of his/her current health status and
32 shall be completed by Client.

33 1) CONTRACTOR shall review and approve the health questionnaire form prior to
34 Client's admission to the program. The completed health questionnaire shall be signed and dated by
35 CONTRACTOR and Client, prior to admission.

36 2) A copy of the questionnaire shall be filed in the Client's record.

37 b. CONTRACTOR shall, based on information provided by Client on the health
questionnaire form, refer Client to licensed medical professionals for physical and laboratory
examinations as appropriate.

1) CONTRACTOR shall obtain a copy of Client's medical clearance or release prior
to Client's admission to the program when applicable.

2) A copy of the referral and clearance shall be filed in the Client's file.

3) CONTRACTOR shall provide directly or by referral: HIV education, voluntary,
HIV antibody testing and risk assessment and disclosure counseling.

4) The programs shall have written procedures for obtaining medical or psychiatric
evaluation and emergency and non-emergency services.

5) The programs shall post the name, address, and telephone number for the fire
department, a crisis program, local law enforcement, and ambulance service.

6) CONTRACTOR shall provide TB services to the Clients by referral to the COUNTY or another appropriate provider. TB services shall be provided within seven (7) calendar days of admission. These TB services shall consist of the following:

- a) Counseling with respect to TB;
- b) Testing to determine whether the individual has been infected and to determine the appropriate form of treatment;
- c) Provision for, or referral of, infected Clients for medical evaluation, treatment and clearance. CONTRACTOR shall ensure that a TB-infected Client is medically cleared prior to commencing treatment.

19. Transportation Services

a. COUNTY shall only pay for medical ambulance or medical van transportation to and from designated residential substance use disorder treatment programs or health facilities through the COUNTY's Medical Transportation Contract under the following conditions:

1) Ambulance transportation shall be used for services requiring immediate attention for a Client due to any sudden or serious illness or injury requiring immediate medical attention, where delay in providing such services may aggravate the medical condition or cause the loss of life.

2) When any Client needs non-emergency transportation as identified in Subparagraph 20.b below, and CONTRACTOR cannot transport Client due to unforeseen circumstances including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a timely manner or Client's physical condition and/or limitations.

3) CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call Log to request transportation services from Ambulance Providers designated for transportation within the city of the CONTRACTOR's facility for each said month as identified on the log.

4) CONTRACTOR shall use its best efforts to contact Ambulance Providers identified on the Monthly Rotation Call Log as those providers who offer van transportation services if and when an ambulance is not required.

5) CONTRACTOR shall be held liable and may be billed by the Ambulance Provider for services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service under this section by the COUNTY.

b. Non-Emergency Transportation – CONTRACTOR shall transport Client to locations that are considered necessary and/or important to the Client's recovery plan including, but not limited to, Social Security Administration offices for Supplemental Security Income benefits and for non-emergency medical or mental health services not identified in Subparagraph 19.a. above, that require treatment at a physician office, urgent care, or emergency room when an ambulance provider is not necessary or required for transportation based on the level of severity and/or services required by the Client.

D. PERFORMANCE OUTCOMES

1. Objective 1: Demonstrate provision of effective withdrawal management services with a client completion rates of at least seventy percent (70%).

2. Objective 2: Completion Rates shall be calculated by using the number of clients who leave with satisfactory progress divided by the total number of clients discharged during the evaluation period.

3. Objective 3: Linkage to the next level of care for Medi-Cal Clients upon discharge; thirty percent (30%) of Clients who have discharged will be linked with a lower level of care within thirty (30) calendar days, as measured by charge data entered into IRIS. Linkage rates for Clients who discharge will include all California Outcome Measurement System (CalOMS) standard discharged dispositions. All CalOMS administrative discharge dispositions will be excluded.

1 E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Adult
 2 Clinically Managed Withdrawal Management Services Paragraph of this Exhibit A-1 to the Contract.

3 **EXHA X. STAFFING**

4 A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-
 5 Time Equivalents (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal
 6 to an average of forty (40) hours work per week.

<u>PROGRAM</u>	<u>FTE</u>
<u>Accountant</u>	<u>1.00</u>
<u>Administrative Assistant</u>	<u>1.00</u>
<u>Admissions & Navigation Supervisor</u>	<u>1.00</u>
<u>Admissions & Navigation Team</u>	<u>1.00</u>
<u>Alumni & Volunteer Coordinator</u>	<u>1.00</u>
<u>Billing & Claims Specialist</u>	<u>1.00</u>
<u>Chief Operations Officer</u>	<u>0.50</u>
<u>Community & Health Equity Liaison</u>	<u>0.50</u>
<u>Clinical Program Monitor</u>	<u>1.00</u>
<u>Director of Quality Improvement</u>	<u>1.00</u>
<u>Executive Director of Operations</u>	<u>1.00</u>
<u>Facilities Coordinator</u>	<u>1.00</u>
<u>Front Desk Staff</u>	<u>3.00</u>
<u>Medical Director</u>	<u>0.25</u>
<u>Payer Relations & Contracting Specialist</u>	<u>0.50</u>
<u>Quality Assurance Specialist</u>	<u>1.00</u>
<u>Strategy & Quality Improvement</u>	<u>0.25</u>
<u>TOTAL FTE</u>	<u>16.00</u>

25 B. CONTRACTOR shall provide sufficient administrative and program staffing to ensure its
 26 delivery of all services specified in this Exhibit A-1 to the Contract.

27 C. CONTRACTOR shall, at its own expense, provide and maintain licensed practitioners of the
 28 healing arts and supportive personnel to provide all necessary and appropriate management services.

29 D. CONTRACTOR shall attempt in good faith to recruit and retain bilingual, culturally competent
 30 staff to meet the diverse needs of the community threshold languages as determined by COUNTY.
 31 CONTRACTOR shall also ensure recruitment and retention of staff that have experience in working
 32 with diverse populations with specialty needs, including but not limited to, children/adolescents and
 33 older adults. When staffing vacancies occur, CONTRACTOR shall attempt to fill with bilingual and
 34 bicultural staff. If CONTRACTOR's available candidates require filling those positions with non-
 35 bilingual and bicultural staff, CONTRACTOR shall notify ADMINISTRATOR in writing, at least seven
 36 (7) calendar days in advance of hiring.

37 E. CONTRACTOR shall use an interpreter service when a caller speaks a language not spoken by
staff, as well as the California Relay Service for hearing impaired Clients.

F. CONTRACTOR shall maintain personnel files for each staff member, both administrative and
programmatic, both direct and indirect, which shall include, but not be limited to, an application for
employment, qualifications for the position, documentation of bicultural/bilingual capabilities (if

1 applicable), valid licensure verification, if applicable, and pay rate and evaluations justifying pay
2 increases.

3 G. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72) hours of
4 any non-pooled staffing vacancies that occur during the term of the Contract. CONTRACTOR's
5 notification shall include at a minimum the following information: employee name(s), position title(s),
6 date(s) of resignation, date(s) of hire, and a description of recruitment activity.

7 H. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) calendar days in
8 advance, of any new non-pooled staffing changes; including promotions, temporary FTE changes and
9 internal or external temporary staffing assignment requests that occur during the term of the Contract.

10 I. CONTRACTOR shall ensure that all staff are trained based on COUNTY requirements and have
11 a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P
12 training for each staff member and place it in their personnel files, on forms approved by COUNTY.

13 J. CONTRACTOR shall ensure that all staff, albeit paid or unpaid, complete necessary training
14 prior to performing duties associated with their titles and any other training necessary to assist
15 CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as
16 State and Federal regulatory requirements. Training information should be tracked on forms mutually
17 agreed upon and approved by COUNTY.

18 K. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, albeit paid
19 or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness.
20 Supervision methods should include debriefings and consultation as needed, individual supervision or
21 one-on-one support, and team meetings. Supervision should be provided by a supervisor who has
22 extensive knowledge regarding mental health issues.

23 L. CONTRACTOR shall ensure that designated staff completes COUNTY's Annual Provider
24 Training and Annual Compliance and Cultural Competency Training.

25 M. TOKENS – ADMINISTRATOR shall provide CONTRACTOR the necessary number of Tokens
26 for appropriate individual staff to access ADMINISTRATOR designated reporting system at no cost to
27 CONTRACTOR.

28 1. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member
29 with a unique password. Tokens and passwords shall not be shared with anyone.

30 2. CONTRACTOR shall ensure information obtained by the use of a Token is used for the
31 sole purpose of this Contract and shall not be shared with any other lines of business without the
32 expressed or written consent of the Client.

33 3. CONTRACTOR shall request and return tokens pursuant to COUNTY Standard
34 Operating Procedure (SOP) for Processing Token Requests.

35 4. CONTRACTOR shall maintain an inventory of Tokens activated/deactivated for each
36 staff member.

37 5. CONTRACTOR shall request ADMINISTRATOR deactivate all Tokens under the
following conditions:

a. Token of any staff member who no longer supports the Contract;

b. Token of any staff member who no longer requires access to ADMINISTRATOR
designated reporting system;

c. Token of any staff member who leaves employment of CONTRACTOR;

d. Token is malfunctioning; or

e. Termination of Contract.

N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing
Paragraph of this Exhibit A-1 to the Contract.

EXHIBIT B
TO MASTER SERVICES AGREEMENT
FOR PROVISION OF
MENTAL HEALTH AND RECOVERY SERVICES
BETWEEN
COUNTY OF ORANGE
AND
MIND OC
OCTOBER 1, 2022 THROUGH JUNE 30, 2025
MENTAL HEALTH CRISIS SERVICES

EXHB I. COMMON TERMS AND DEFINITIONS

A. The Parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in the Contract.

1. Admission means documentation, by CONTRACTOR, for completion of entry and evaluation services, provided to Clients seen in COUNTY and COUNTY-contracted services, into IRIS.

2. Care Coordination means services that assist a Client to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. This definition applies to programs under the DMC-ODS and MHP.

3. CAT means Crisis Assessment Team which provides twenty-four (24) hour mobile response services to anyone who has a psychiatric emergency. This program assists law enforcement, social service agencies, and families in providing crisis intervention services for the mentally ill. CAT is a multi-disciplinary program that conducts risk assessments, initiates involuntary hospitalizations, and provides linkage, follow ups for Clients evaluated. There are separate adult and youth CATs.

4. Client or Individual means a person who is referred or enrolled, for services under the Contract who is living with mental, emotional, or behavioral disorders.

5. Closed-loop referral means the people, processes and technologies that are deployed to coordinate and refer Clients to available community resources (i.e., health care, behavioral health services, and/or other support services) and follow-up to verify if services were rendered.

6. Crisis Stabilization Unit (CSU) means a behavioral health crisis stabilization program that operates 24 hours a day that serves Orange County residents, aged 13 and older, who are experiencing behavioral health crises that cannot wait until regularly scheduled appointments. Crisis Stabilization services include psychiatric evaluations provided by Doctors of Medicine (MD), Nurse Practitioners (NP), Doctors of Osteopathic Medicine (DO, counseling/therapy provided by Licensed Clinical Social Workers or Marriage Family Therapists or registered/waivered clinicians, nursing assessments, collateral services that include consultations with family, significant others and outpatient providers, client and family education, crisis intervention services, basic medical services, medication services, and referrals and linkages to the appropriate level of continuing care and community services, including Peer Specialist and Peer Mentoring services. As a designated outpatient facility, the CSU may evaluate and treat Clients for no longer than 23 hours and 59 minutes. The primary goal of the CSU is to help stabilize the crises and begin treating Clients in order to refer them to the most appropriate, least restrictive, non-hospital setting when indicated or to facilitate admission to psychiatric inpatient units when the need for this level of care is present. The CSU must meet state and local regulatory requirements.

7. Diagnosis means identifying the nature of a disorder. When formulating a Diagnosis(es), CONTRACTOR shall use the diagnostic codes as specified in the most current edition of the Diagnostic

1 3 and Statistical Manual of Mental Disorders (DSM) published by the American Psychiatric Association
2 and/or ICD 10. ICD10 diagnoses will be recorded on all IRIS documents, as appropriate.

3 8. DSH means Direct Service Hours and refers to a measure in minutes that a clinician spends
4 providing Client services. DSH credit is obtained for providing mental health, case management,
5 medication support and a crisis intervention service to any Client open in IRIS, which includes both
6 billable and non-billable services.

7 9. Engagement means the process where a trusting relationship is developed over a short
8 period of time with the goal to link the Client(s) to appropriate services within the community.
9 Engagement is the objective of a successful outreach.

10 10. Face-to-Face means an encounter between the client/parent/guardian and provider where
11 they are both physically present. This does not include contact by phone, email, etc., except for
12 Telepsychiatry provided in a manner that meets COUNTY protocols.

13 11. Head of Service means an individual ultimately responsible for overseeing the program
14 and is required to be licensed as a mental health professional.

15 12. Integrated Records Information System (IRIS) means COUNTY's database system and
16 refers to a collection of applications and databases that serve the needs of programs within COUNTY
17 and includes functionality such as registration and scheduling, laboratory information system, billing
18 and reporting capabilities, compliance with regulatory requirements, electronic medical records, and
19 other relevant applications.

20 13. Lanterman-Petris-Short (LPS) Act (Cal. Welf & Inst. Code, sec. 5000 et seq.) provides
21 guidelines for handling involuntary civil commitment to a mental health institution in the State of
22 California.

23 14. Licensed Clinical Social Worker (LCSW) means a licensed individual, pursuant to the
24 provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical
25 services to individuals they serve. The license must be current and in force, and has not been suspended
26 or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

27 15. Licensed Marriage Family Therapist (MFT) means a licensed individual, pursuant to the
28 provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions of
29 Chapter 14 of the California Business and Professions Code, who can provide clinical services to
30 individuals they serve. The license must be current and in force, and has not been suspended or
31 revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

32 16. Licensed Professional Clinical Counselor (LPCC) means a licensed individual, pursuant to
33 the provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions
34 of Chapter 16 of the California Business and Professions Code, who can provide clinical service to
35 individuals they serve. The license must be current and in force, and has not been suspended or
36 revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

37 17. Licensed Psychiatric Technician (LPT) means a licensed individual, pursuant to the
provisions of Chapter 10 of the California Business and Professions Code, who can provide clinical
services to individuals they serve. The license must be current and in force, and has not been suspended
or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating
TAY.

18. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter
6.6 of the California Business and Professions Code, who can provide clinical services to individuals
they serve. The license must be current and in force, and has not been suspended or revoked. Also, it is
preferred that the individual has at least one (1) year of experience treating TAY.

19. Licensed Vocational Nurse (LVN) means a licensed individual, pursuant to the provisions of
Chapter 6.5 of the California Business and Professions Code, who can provide clinical services to

1 individuals they serve. The license must be current and in force, and has not been suspended or
 2 revoked. Also, it is preferred that the individual has at least one (1) year of experience treating TAY.

3 20. Linkage means when a Client has attended at least one appointment or made one visit to
 4 the identified program or service for which the Client has received a referral or to which they have self-
 5 referred.

6 21. Live Scan means an inkless, electronic fingerprint which is transmitted directly to the
 7 Department of Justice (DOJ) for the completion of a criminal record check, typically required of
 8 employees who have direct contact with the individuals served.

9 22. Medi-Cal means the State of California's implementation of the federal Medicaid health
 10 care program which pays for a variety of medical services for children and adults who meet eligibility
 11 criteria.

12 23. Medical Necessity means that a service is medically necessary if it is needed in order to
 13 address a particular mental health condition. Four parts must be present to meet the criteria for medical
 14 necessity: 1) a covered diagnosis per COUNTY's MHP, 2) an impairment as a result of the disorder that
 15 affects your ability to function individually or in the community, 3) the intervention needed must be
 16 focused on addressing the impairment, and 4) the intervention must meet specialty mental health service
 17 criteria (i.e., the condition being treated would be responsive to mental health treatment, but would not
 18 be responsive to physical health care based treatment).

19 24. The Mental Health Services Act (MHSA) means a voter-approved initiative to develop a
 20 comprehensive approach to providing community-based mental health services and supports for
 21 California residents. It is also known as "Proposition 63."

22 25. National Provider Identifier (NPI) means the standard unique health identifier that was
 23 adopted by the Secretary of HHS Services under HIPAA for health care providers. All HIPAA covered
 24 healthcare providers, individuals, and organizations must obtain an NPI for use to identify themselves in
 25 HIPAA standard transactions. The NPI is assigned for life.

26 26. Milestones of Recovery Scale (MORS) refers to a Recovery scale that COUNTY uses in
 27 Adult and Older Adult Behavioral Health programs. The scale assigns Clients to their appropriate level
 28 of care and replaces diagnostic and acuity of illness-based tools.

29 27. Notice of Adverse Benefit Determination (NOABD), as outlined in California Code of
 30 Regulations Title 9 Chapter 11 Section 1850.210 and Title 22, Section 50179 means to provide formal
 31 written notification via hand-delivery or mail to Medi-Cal Beneficiaries and faxed or mailed to
 32 ADMINISTRATOR when services are denied, modified, reduced, delayed, suspended or terminated as
 33 specified by State standards.

34 28. Notice of Privacy Practices (NPP) means a document that notifies Clients of uses and
 35 disclosures of their PHI. The NPP may be made by, or on behalf of, the health plan or health care
 36 provider as set forth in HIPAA.

37 29. Outreach means linking Clients to appropriate Mental Health Services within the
 community. Outreach activities will include educating the community about the services offered and
 requirements for participation in the various mental health programs within the community. Such
 activities will result in CONTRACTOR developing its own Referral sources for programs being offered
 within the community.

30 30. Medi-Cal Peer Recovery Specialist/Counselor means an individual in a paid position who
 31 has been through the same or similar Recovery process as those being assisted to attain their Recovery
 32 goals in the CSU. A peer Recovery Specialist practice is informed by personal experience.

33 31. Program Director means an individual who is responsible for all aspects of administration
 34 and clinical operations of the behavioral health program, including development and adherence to the
 35 annual budget. This individual will also be responsible for the following: hiring, development and
 36

1 performance management of professional and support staff, and ensuring mental health treatment
2 services are provided in concert with COUNTY and state rules and regulations.

3 32. Protected Health Information (PHI) means individually identifiable health information
4 usually transmitted through electronic media. PHI can be maintained in any medium as defined in the
5 regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is
6 created or received by a covered entity and is related to the past, present, or future physical or mental
7 health or condition of an individual, provision of health care to an individual, or the past, present, or
8 future payment for health care provided to an individual.

9 33. Psychiatrist means an individual who meets the minimum professional and licensure
10 requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of
11 experience treating children and TAY.

12 34. Quality Improvement Committee (QIC) means a committee that meets quarterly to review
13 one percent (1%) of all "high-risk" Medi-Cal recipients in order to monitor and evaluate the quality and
14 appropriateness of services provided. At a minimum, the committee is comprised of one (1)
15 ADMINISTRATOR, one (1) clinician, and one (1) physician who are not involved in the clinical care of
16 the cases.

17 35. Referral means effectively linking Clients to other services within the community and
18 documenting follow-up provided within five (5) business days to assure that Clients have made contact
19 with the referred service(s).

20 36. Registered Nurse (RN) means a licensed individual, pursuant to the provisions of Chapter 6
21 of the California Business and Professions Code, who can provide clinical services to the Clients served.
22 The license must be current and in force, and has not been suspended or revoked.

23 37. Residential Counselor means an individual in a paid position who has holds a High School
24 Diploma or General Educational Development Certificate (GED) and two (2) years' experience working
25 in a paid position in the mental health field.

26 38. Resource Recommendation means the process of providing a Client with one or more
27 suggested resources, without plans and/or an ability to follow up on Linkage status.

28 39. Self-Referral means when a Client or family member directly contacts a service provider
29 with the goal of receiving services for themselves or a family member, regardless of Linkage status.

30 40. Seriously Emotionally Disturbed (SED) means children or adolescent minors under the age
31 of eighteen (18) years who have a behavioral health disorder, as identified in the most recent edition of
32 the DSM and/or the ICD 10, other than a primary substance use disorder or developmental disorder,
33 which results in behavior inappropriate to the child's age according to expected developmental norms.
34 W&I 5600.3.

35 41. Serious Persistent Mental Impairment (SPMI) means an adult with a behavioral health
36 disorder that is severe in degree and persistent in duration, which may cause behavioral functioning
37 which interferes substantially with the primary activities of daily living, and which may result in an
inability to maintain stable adjustment and independent functioning without treatment, support, and
rehabilitation for a long or indefinite period of time. W&I 5600.3.

42. Supervisory Review means ongoing clinical case reviews in accordance with procedures
developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to
monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards. Supervisory
review is conducted by the program/clinic director or designee.

43. Soft Token means the security device which allows an individual user to access the
COUNTY's computer based IRIS.

44. Uniform Method of Determining Ability to Pay (UMDAP) means the method used for
determining an individual's annual liability for Mental Health Services received from the COUNTY
mental health system and is set by the State of California. Every Client seen in any COUNTY or

COUNTY-contracted program needs an UMDAP regardless of contract payment structure, whether the contract is actual cost based or fee for service.

45. Unit of Service (UOS) means the measurement used to quantify services provided to a client/member; these units can vary depending on type of service in the MHP or DMC ODS plans. Each one (1) hour block that the Client receives crisis stabilization services shall be claimed. Partial blocks of time shall be rounded up or down to the nearest one (1) hour increment except that services provided during the first hour shall always be rounded up.

46. Wellness Action & Recovery Plan (WRAP) means a self-help technique for monitoring and responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of life.

B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Common Terms and Definitions Paragraph of this Exhibit B to the Contract.

EXHB II. BUDGET

A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph of this Exhibit B to the Contract and the following budget, which is set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

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<u>Crisis Stabilization Unit</u>	<u>PERIOD THREE</u>	<u>TOTAL</u>
<u>ADMINISTRATIVE COSTS</u>		
<u>Indirect Costs</u>	<u>\$ 921,740</u>	<u>\$ 921,740</u>
<u>TOTAL ADMINISTRATIVE COSTS</u>	<u>\$ 921,740</u>	<u>\$ 921,740</u>
<u>PROGRAM COSTS</u>		
<u>Salaries</u>	<u>\$ 4,442,553</u>	<u>\$ 4,442,553</u>
<u>Benefits</u>	<u>\$ 1,337,419</u>	<u>\$ 1,337,419</u>
<u>Services and Supplies</u>	<u>\$ 687,328</u>	<u>\$ 687,328</u>
<u>Subcontractor</u>	<u>\$ 2,750,096</u>	<u>\$ 2,750,096</u>
<u>TOTAL PROGRAM COSTS</u>	<u>\$ 9,217,396</u>	<u>\$ 9,217,396</u>
<u>TOTAL AMOUNT NOT TO EXCEED</u>	<u>\$ 10,139,136</u>	<u>\$ 10,139,136</u>

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<u>Crisis Residential Program</u>	<u>PERIOD THREE</u>	<u>TOTAL</u>
<u>ADMINISTRATIVE COSTS</u>		
<u>Indirect Costs</u>	<u>\$ 261,000</u>	<u>\$ 261,000</u>

1	<u>TOTAL ADMINISTRATIVE COSTS</u>	<u>\$ 261,000</u>	<u>\$ 261,000</u>
2			
3	<u>PROGRAM COSTS</u>		
4	<u>Salaries</u>	<u>\$ 1,407,745</u>	<u>\$ 1,407,745</u>
5	<u>Benefits</u>	<u>\$ 422,323</u>	<u>\$ 422,323</u>
6	<u>Services and Supplies</u>	<u>\$ 606,764</u>	<u>\$ 606,764</u>
7	<u>Subcontractor</u>	<u>\$ 150,318</u>	<u>\$ 150,318</u>
8	<u>TOTAL PROGRAM COSTS</u>	<u>\$ 2,587,150</u>	<u>\$ 2,587,150</u>
9	<u>TOTAL AMOUNT NOT TO EXCEED</u>	<u>\$ 2,848,150</u>	<u>\$ 2,848,150</u>

11 B. CONTRACTOR and ADMINISTRATOR mutually agree that the Amount Not to Exceed identified in Paragraph II.A. of this Exhibit B to the Contract includes Indirect Costs not to exceed ten percent (10%) of Direct Costs, and which may include operating income estimated at two percent (2%). Final settlement paid to CONTRACTOR shall include Indirect Costs and such Indirect Costs may include operating income.

15 C. BUDGET/STAFFING MODIFICATIONS – CONTRACTOR may request to shift funds between programs, or between budgeted line items within a program, for the purpose of meeting specific program needs or for providing continuity of care to its members, by utilizing a Budget/Staffing Modification Request form provided by ADMINISTRATOR. CONTRACTOR shall submit a properly completed Budget/Staffing Modification Request to ADMINISTRATOR for consideration, in advance, which will include a justification narrative specifying the purpose of the request, the amount of said funds to be shifted, and the sustaining annual impact of the shift as may be applicable to the current contract period and/or future contract periods. CONTRACTOR shall obtain written approval of any Budget/Staffing Modification Request(s) from ADMINISTRATOR prior to implementation by CONTRACTOR. Failure of CONTRACTOR to obtain written approval from ADMINISTRATOR for any proposed Budget/Staffing Modification Request(s) may result in disallowance of those costs.

23 D. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete financial records of its cost and operating expenses. Such records will reflect the actual cost of the type of service for which payment is claimed. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of CONTRACTOR shall be documented, and will be made in accordance with GAAP, and Medicare regulations. The Client eligibility determination and fee charged to and collected from Clients, together with a record of all billings rendered and revenues received from any source, on behalf of Clients treated pursuant to the Contract, must be reflected in CONTRACTOR’s financial records.

29 E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget Paragraph of this Exhibit B to the Contract.

32 EXHB III. PAYMENTS

33 A. BASIS FOR PAYMENT: COUNTY shall pay CONTRACTOR monthly, in arrears, the provisional amount of \$1,082,273 for Period Three. All payments are interim payments only and are subject to Final Settlement in accordance with the Cost Report Paragraph of the Contract for which CONTRACTOR shall be reimbursed for the actual cost of providing the services in this Exhibit B, which may include Indirect Administrative Costs, as identified in Paragraph II.A. of this Exhibit B to the Contract; provided, however, the total of such payments does not exceed COUNTY’s Amount Not to Exceed as specified in the Referenced Contract Provisions of the Contract and, provided further,

1 CONTRACTOR's costs are reimbursable pursuant to COUNTY, State and/or Federal regulations.
 2 ADMINISTRATOR may, at its discretion, pay supplemental invoices or make advance payments for
 3 any month during the term.

4 1. In support of the monthly invoices, CONTRACTOR shall submit an Expenditure and
 5 Revenue Report as specified in the Reports Paragraph of this Exhibit B to the Contract.
 6 ADMINISTRATOR shall use the Expenditure and Revenue Report to determine payment to
 7 CONTRACTOR as specified in Subparagraphs A.2. and A.3., below.

8 2. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the
 9 provisional amount payments exceed the actual cost of providing services, ADMINISTRATOR may
 10 reduce COUNTY payments to CONTRACTOR by an amount not to exceed the difference between the
 11 year-to-date provisional amount payments to CONTRACTOR and the year-to-date actual cost incurred
 12 by CONTRACTOR.

13 3. If, at any time, CONTRACTOR's Expenditure and Revenue Reports indicate that the
 14 provisional amount payments are less than the actual cost of providing services, ADMINISTRATOR
 15 may authorize an increase in the provisional amount payment to CONTRACTOR by an amount not to
 16 exceed the difference between the year-to-date provisional amount payments to CONTRACTOR and the
 17 year-to-date actual cost incurred by CONTRACTOR.

18 B. CONTRACTOR's invoices shall be on a form approved or supplied by COUNTY and provide
 19 such information as is required by ADMINISTRATOR. Invoices are due the twentieth (20th) calendar
 20 day of each month. Invoices received after the due date may not be paid within the same month.
 21 Payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days
 22 after receipt of the correctly completed invoice form.

23 C. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source
 24 documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements,
 25 canceled checks, receipts, receiving records and records of services provided.

26 D. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply
 27 with any provision of the Contract.

28 E. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration
 29 and/or termination of the Contract, except as may otherwise be provided under the Contract, or
 30 specifically agreed upon in a subsequent contract.

31 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
 32 Payments Paragraph of this Exhibit B to the Contract.

33 **EXHB IV. REPORTS**

34 A. CONTRACTOR is required to comply with all applicable reporting requirements, including the
 35 requirements set forth in Division 5 of the California Welfare Institutions Code and Division 1, Title 9
 36 of the California Code of Regulations, as well as any reports required of LPS designated facilities in the
 37 County of Orange.

B. CONTRACTOR shall enter demographic information of all Clients served, direct services
 information, and other appropriate data into COUNTY's data information system (IRIS), including the
 utilization of the BHS Access Logs and NOABD reporting as required for all programs.

C. PROGRAMMATIC – CONTRACTOR shall submit monthly programmatic reports to
 ADMINISTRATOR. These reports shall be in a format approved by ADMINISTRATOR and shall
 include, but not limited to, descriptions of any performance objectives, outcomes, and or interim
 findings as directed by ADMINISTRATOR. CONTRACTOR shall be prepared to present and discuss
 the programmatic reports at the monthly meetings with ADMINISTRATOR, to include whether or not
 CONTRACTOR is progressing satisfactorily and if not, specify what steps are being taken to achieve

1 satisfactory progress. Such reports shall be received by ADMINISTRATOR no later than the twentieth
 2 (20th) calendar day following the end of the month being reported.

3 D. On a monthly basis, CONTRACTOR shall report the following information to
 4 ADMINISTRATOR:

- 5 1. Number of admissions, both involuntary vs voluntary;
- 6 2. Referral source;
- 7 3. Number of admissions by funding (Medi-Cal, Health Plan, unfunded, etc.);
- 8 4. Average daily census;
- 9 5. Average length of stay (LOS);
- 10 6. Number of discharges and inpatient transfers;
- 11 7. Type of residence upon discharge;
- 12 8. Instances of Restraint and Seclusions/ Initiated and Instances of Seclusions;
- 13 9. Percentages of Clients seen for medication by MD/NP within an hour;
- 14 10. Percentages Discharged to a lower level of care and higher level of care;
- 15 11. Number of stays over twenty-four (24) hours and respective LOS for each;
- 16 12. A mutually agreed upon measure of seclusion and restraint utilization;
- 17 13. Recidivism, defined as readmissions occurring up to 14 and 60 calendar days post-
 18 discharge; and
- 19 14. Data regarding recidivating Clients with unmet needs, defined as Clients with four or more
 20 admissions in a month.

21 E. ACCESS LOG – CONTRACTOR shall enter all appropriate services into County BHS Access
 22 Log in IRIS.

23 F. CONTRACTOR shall advise ADMINISTRATOR of any special incidents, conditions, or issue
 24 that materially or adversely affect the quality or accessibility of services provided by, or under contract
 25 with, COUNTY.

26 G. CONTRACTOR shall document all adverse incidents affecting the physical and/or emotional
 27 welfare of the Clients seen, including, but not limited to, serious physical harm to self or others, serious
 28 destruction of property, developments, etc., and which may raise liability issues with COUNTY.
 29 CONTRACTOR shall notify COUNTY within twenty-four (24) hours of any such serious adverse
 30 incident in the form of a Special Incident Report (SIR).

31 H. ADDITIONAL REPORTS – Upon ADMINISTRATOR’s request, CONTRACTOR shall make
 32 such additional reports as required by ADMINISTRATOR concerning CONTRACTOR’s activities as
 33 they affect the services hereunder. ADMINISTRATOR shall be specific as to the nature of information
 34 requested and allow thirty (30) calendar days for CONTRACTOR to respond.

35 I. CONTRACTOR shall be responsible to inform ADMINISTRATOR of any problems in collecting
 36 data, pertinent facts or interim findings, staff changes, status of license(s) and/or certification(s), changes
 37 in population served, and reasons for any changes. Additionally, a statement that CONTRACTOR is or
 38 is not progressing satisfactorily in achieving all the terms of the Contract shall be included.

39 J. CONTRACTOR shall, upon ADMINISTRATOR’s request, revise and make changes to all
 40 reports as needed.

41 K. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify this
 42 Reports paragraph in Exhibit B.

43 **EXHB V. CRISIS STABILIZATION SERVICES**

44 **A. FACILITIES**

45 1. CONTRACTOR shall maintain the capability to provide Crisis Stabilization Services to
 46 Clients aged thirteen (13) and above at the following facility, which meets the minimum requirements
 47 for Medi-Cal eligibility and Designation:

265 South Anita Drive
Orange, CA 92868

2. CONTRACTOR shall provide Crisis Stabilization Services twenty-four (24) hours per day seven (7) days per week, 365 days per year.

3. CONTRACTOR shall commence service delivery thirty (30) calendar days to sixty (60) calendar days from contract start date. A written request for an extension must be submitted in advance to ADMINISTRATOR for approval if CONTRACTOR is not ready to provide services by the target date.

4. The facility shall have access for persons presenting on a drive-up basis, walk-in, via police drop off and ambulance delivery.

5. The facility shall have a minimum of seventy-three hundred (7,300) square feet with the majority of the space dedicated to Clients served and their care. Treatment areas shall be in visible line of sight from the nursing area. Space shall be allocated for: rest; socialization/living room; dining; seclusion and restraint/quiet rooms for agitated persons; private intake/exam space; medication room; and sufficient workspace for staff and conference/meeting rooms. Space shall be designed for the Clients treated and treatment staff to coningle for the majority of the time and shall enable them to work together in an easily accessible fashion. There shall be space dedicated for their families and significant others/support network to receive collateral treatment and areas for family/significant others to participate in program, visit, and stay with the Client being treated as clinically indicated. Nursing stations will be open and easily accessible for staff and Clients to communicate.

6. The facility shall meet the standards of the applicable sections of:

a. Sections 1840.338 and 1840.348 of California Code of Regulations (CCR) Title 9, for Crisis Stabilization Services;

b. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq., as implemented in 45 CFR 84.1 et seq.);

c. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the prohibition of discrimination against qualified persons with disabilities in all programs or activities, as they exist now or may be hereafter amended together with succeeding legislation;

d. All SD/MC requirements as delineated in California Code of Regulations, Title 9, Chapter 11, Medi-Cal Specialty Mental Health Services; and

e. All applicable requirements delineated in Division 5 of the California Welfare & Institutions Code and required by ADMINISTRATOR for LPS designated facilities.

7. CONTRACTOR shall be SD/MC certified prior to the effective date for commencing contracted services. To obtain COUNTY's certification of CONTRACTOR's site, CONTRACTOR shall be responsible for making any necessary changes to meet or maintain Medi-Cal site standards.

8. CONTRACTOR shall be LPS designated prior to the effective date for commencing contracted services for Clients involuntarily detained on Welfare and Institutions Code 5150 or 5585 holds.

9. The facility shall have a capacity to serve twenty-two (22) Clients at one time and twenty-four (24) Clients per day and will include adequate physical space to support the services identified within this Contract.

10. CONTRACTOR's administrative staff holiday schedule shall be consistent with COUNTY's holiday schedule unless otherwise approved in writing by ADMINISTRATOR.

B. CLIENTS TO BE SERVED:

1. Orange County Residents;

1 2. Experiencing a behavioral health emergency, may have a co-occurring disorder, at risk of
 2 hospitalization and cannot wait for a regularly scheduled appointment; and

3 3. Individuals thirteen (13) years of age or more.

4 **C. SERVICES TO BE PROVIDED**

5 1. CONTRACTOR shall provide psychiatric crisis stabilization services to individuals in
 6 behavioral health crisis on a twenty-four (24) hours a day basis to provide a viable option to the default
 7 presentation to emergency departments. Crisis Stabilization Services shall be rendered to any individual
 8 presenting for services who is in a behavioral health crisis and cannot wait for their regularly scheduled
 9 appointment if it is medically safe to do so. Crisis Stabilization services shall include, but are not
 10 limited to: psychiatric assessment, physical screening, collateral history, therapy, crisis intervention,
 11 medication services, education, nursing assessment, peer specialist services, coordination of referrals to
 12 continuing care and emergency housing, post discharge planning and facilitation of transfer of Clients to
 13 inpatient treatment facilities when clinically appropriate and indicated. Services described herein are
 14 primarily designed to provide timely and effective crisis intervention and stabilization for persons
 15 experiencing behavioral health emergencies. The goals also include: minimize distress for the
 16 Client/family resulting from lengthy waits in emergency departments, reduce the wait time for law
 17 enforcement presenting Clients for emergency behavioral health treatment; and treating the Client in the
 18 least restrictive, most dignified setting as appropriate in lieu of inpatient settings, utilizing alternative,
 19 less restrictive treatment options whenever possible and appropriate. Services shall be provided in
 20 compliance with Welfare & Institutions Code and consistent with all patients' rights regulations,
 21 upholding the dignity and respect of all Clients served and meeting the goals for such services. The
 22 services shall also be provided utilizing Trauma Informed and Recovery Model principles that are
 23 person-centered, strengths-based, individualized, focused on imparting hope and identifying strengths
 24 and resiliency in all persons served. Services shall be tailored to the unique strengths of each Client and
 25 will use shared decision-making to encourage the Client to manage their behavioral health treatment, set
 26 their own path toward recovery and fulfillment of their hopes and dreams. CONTRACTOR shall have
 27 an affiliation with an identified hospital that will be providing the facility with access to medical,
 28 laboratory and pharmaceutical support prior to initiating services.

29 2. CONTRACTOR shall perform clinical and psycho-diagnostic assessment using the most
 30 recent DSM and/or ICD10 to include clinical consideration of each fundamental need: physical,
 31 psychological, familial, educational, social, environmental and recreational. Additional examinations,
 32 tests and evaluations may be conducted as clinically indicated. Findings of the examinations and
 33 evaluations shall be documented in the client record and signed by CONTRACTOR's appropriate and
 34 responsible staff.

35 3. CONTRACTOR shall provide psychiatric evaluations by licensed psychiatrist or
 36 psychiatric nurse practitioner(s) who shall issue prescriptions and order medications as clinically
 37 indicated. Medication support services shall include a system of medication quality review provided by
well-trained, experienced psychiatrists knowledgeable in the use of medication to improve functioning.

4. CONTRACTOR shall complete physical health assessments which shall be performed by
a physician, doctor of osteopathy, a nurse practitioner or registered nurse. CONTRACTOR shall
provide or arrange for laboratory tests as are necessary to adequately complete the assessment and to
support continued psychiatric stabilization of the Client. Non-emergency medical intervention will be
provided on-site by qualified and trained and appropriately licensed individuals.

5. CONTRACTOR shall engage both the Client and the Clients' family or other significant
support persons whenever possible. Such collateral services may include providing therapy to
parents/guardians, adult caregivers or significant others to help the Client in maintaining living
arrangements in the community. CONTRACTOR shall refer such caregiver(s) to appropriate

1 community supports, and/or educational services. CONTRACTOR shall document contact with
2 family/support persons or document why such contact is not possible or not advisable.

3 6. CONTRACTOR shall obtain valid consents from the Clients, parents or courts for
4 treatment as required.

5 7. CONTRACTOR shall provide a sufficient amount of treatment services at all times to
6 accommodate the Clients served and their supports not able to participate during regular daytime hours.

7 8. CONTRACTOR shall provide individual sessions for intake, recovery planning, and
8 discharge. Additional individual counseling sessions shall take place as clinically necessary.

9 9. CONTRACTOR shall use individual therapy, brief intensive services, motivational
10 interviewing, and short-term group therapy modalities including psycho-educational, cognitive
11 behavioral and self-soothing therapy techniques.

12 10. CONTRACTOR shall promote recovery via individual and/or group sessions. Topics
13 may include, but not be limited to: building a wellness toolbox or resource list, trauma informed
14 principles of self-care, healthy habits, symptom monitoring, triggers and early warning signs of
15 symptoms/relapse, identifying a crisis plan, and WRAP, etc.

16 11. CONTRACTOR shall provide all medically necessary substance use disorder treatment
17 services for Clients who are living with a co-occurring substance use disorder problem in addition to
18 their behavioral health issues as appropriate and shall make appropriate referrals to the SUD system of
19 care for needs that extend beyond those that co-occur during the course of the mental health crisis
20 stabilization episode.

21 12. CONTRACTOR shall develop strategies to advance trauma-informed care and to
22 accommodate the vulnerabilities of trauma survivors.

23 13. Services are to be provided in an environment which is compatible with and supportive
24 of a recovery model. Services shall be delivered in the spirit of recovery and resiliency, tailored to the
25 unique strengths of each Client. The focus will be on personal responsibility for symptom management
26 and independence, which fosters empowerment, hope, and an expectation of recovery from behavioral
27 health illness. Recovery oriented and trauma informed language and principles shall be evident and
28 incorporated in CONTRACTOR's policies, program design and space, and practice.

29 14. CONTRACTOR shall sustain a culture that supports and employs Peer Recovery
30 Specialist/Counselors in providing supportive socialization for Clients that will assist in their recovery,
31 self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be encouraged to
32 share their stories of recovery as much as possible to stimulate the milieu with the notion that recovery
33 is possible and to destigmatize behavioral health issues, inspire, and provide guidance.

34 15. CONTRACTOR shall ensure that Clients leave the facility with a medication supply
35 (seven (7) to fourteen (14) day supply) sufficient to bridge them to their aftercare appointment with a
36 prescribing provider by establishing a contractual agreement with a licensed pharmacy to deliver and
37 supply discharge medications as necessary.

16. CONTRACTOR shall ensure prescribers consider respective formularies as part of their
prescribing practices and in accordance with the HCA Behavioral Health Services (BHS) practice
guidelines.

17. CONTRACTOR shall have light meals and snacks available as needed. Food will be
nutritious and balanced and consist of an array of different foods that consider the special dietary and
ethnic and cultural needs/values of the Clients served.

18. CONTRACTOR shall provide linkage and consultation with both more restrictive levels
of care and community-based services designed to avoid hospitalization.

19. CONTRACTOR shall develop a written discharge and aftercare plan, including written
discharge instructions for each Client that shall be based on the assessment and diagnosis of that Client.

1 The discharge/aftercare plan and discharge instructions shall include all required elements for designated
 2 facilities.

3 20. CONTRACTOR shall adhere to any/all LPS designated facility requirements including
 4 providing assessments for involuntary hospitalization when necessary. This service must be available
 5 twenty-four (24) hours per day, seven (7) days per week, 365 days per year.

6 21. CONTRACTOR will make follow up calls to assist Clients in making successful linkage
 7 to on-going behavioral health services. Such calls shall be initiated within twenty-four (24) hours
 8 during business days and seventy-two (72) hours of discharge during weekend periods and shall be
 9 documented in the medical record as a Care Coordination Services as appropriate.

10 22. As a designated outpatient facility, the facility may evaluate and treat Clients for no
 11 longer than twenty-three (23) hours and fifty-nine (59) minutes. CONTRACTOR shall have a process
 12 in place for describing actions taken when a person seen at the CSU has an episode that exceeds the
 13 twenty-three (23) hours and fifty-nine (59) minute limitation for a CSU stay. At a minimum,
 14 CONTRACTOR will notify COUNTY's Patient Rights Advocate of these instances. CONTRACTOR
 15 shall follow designated outpatient requirements as modified by the state for Crisis Stabilization.

16 23. CONTRACTOR is responsible to provide or arrange for the transport of Clients requiring
 17 an inpatient level of care. This may include establishing a system both emergency and non emergency
 18 transportation.

19 D. QUALITY IMPROVEMENT

20 1. CONTRACTOR shall participate in any clinical case review and implement any
 21 recommendations made by COUNTY to improve the care provided to the individuals seen.

22 2. CONTRACTOR shall conduct Supervisory Review in accordance with procedures
 23 developed by ADMINISTRATOR. CONTRACTOR shall ensure that all chart documentation complies
 24 with all federal, state, and local guidelines and standards.

25 3. CONTRACTOR shall ensure that all clinical documentation is completed promptly and
 26 is reflected in the individual's chart within seventy-two (72) hours after the completion of services.

27 4. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR
 28 Documentation Manual or its equivalent, and any State requirements, as provided by
 29 ADMINISTRATOR, which describes, but is not limited to, the requirements for Medi-Cal and
 30 ADMINISTRATOR charting standards. CONTRACTOR shall have a utilization management process
 31 in place to internally monitor documentation and billing standards on a routine basis.

32 5. CONTRACTOR shall demonstrate the capability to maintain a medical records system,
 33 including the capability to utilize COUNTY's IRIS system, to enter appropriate data. CONTRACTOR
 34 shall regularly review one hundred percent (100%) of their charting for accuracy and clinical
 35 appropriateness, IRIS data input and billing systems to ensure compliance with COUNTY and state
 36 P&Ps and establish mechanisms to prevent inaccurate claim submissions and follow up on corrections in
 37 a timely manner.

6. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality
improvement meetings and processes. Such records and minutes also are subject to regular review by
ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and
ADMINISTRATOR's P&P.

7. CONTRACTOR shall allow ADMINISTRATOR to attend QIC and medication
monitoring meetings and complete all Medication Monitoring reports per COUNTY.

8. CONTRACTOR shall allow COUNTY to periodically review the quantity and quality of
services provided pursuant to this Contract. This review will be conducted at CONTRACTOR's
facility(ties) and will consist of a review of medical and other records of Clients provided services
pursuant to the Contract.

1 9. At all times during the term of this Contact, CONTRACTOR shall maintain a compliance
 2 program in accordance with COUNTY.

3 10. CONTRACTOR shall attend meetings as requested by COUNTY including, but not
 4 limited to:

5 a. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical
 6 care and implement any recommendations made by COUNTY to improve individual care;

7 b. Monthly COUNTY management meetings with ADMINISTRATOR to discuss
 8 contractual and other issues related to, but not limited to, whether it is or is not progressing satisfactorily
 9 in achieving all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory
 10 progress, compliance with P&Ps, review of statistics and clinical services; and

11 c. Clinical staff and IRIS staff training for individuals conducted by CONTRACTOR and/or
 12 ADMINISTRATOR.

13 11. CONTRACTOR will follow the following guidelines for COUNTY tokens:

14 a. CONTRACTOR recognizes access Soft Tokens are granted to specific
 15 staff members with a unique password. Passwords are not to be shared with anyone.

16 b. CONTRACTOR shall maintain an inventory of staff members granted access to Soft
 17 Tokens.

18 c. CONTRACTOR shall indicate in the monthly staffing report, the serial number of the
 19 Token for each staff member assigned a Token.

20 d. CONTRACTOR shall notify ADMINISTRATOR when changes have occurred under
 21 the following conditions:

22 1) Each staff member who no longer supports this Contract;

23 2) Each staff member who no longer requires access to the HCA IRIS;

24 3) Each staff member who leaves employment of CONTRACTOR;

25 4) If Soft Token is malfunctioning; or

26 5) Termination of Contract.

27 e. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice.
 28 All statistical data used to monitor CONTRACTOR shall be compiled using only IRIS reports, if
 29 available, and if applicable.

30 12. CONTRACTOR shall obtain a NPI – The standard unique health identifier adopted by
 31 the Secretary of HHS under HIPAA of 1996 for health care providers.

32 a. All HIPAA covered healthcare providers, individuals and organizations must obtain a
 33 NPI for use to identify themselves in HIPAA standard transactions.

34 b. CONTRACTOR, including each employee that provides services under the Contract, will
 35 obtain a NPI upon commencement of the Contract or prior to providing services under the Contract.
 36 CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by
 37 ADMINISTRATOR, all NPI as soon as they are available.

13. CONTRACTOR shall provide the NPP for COUNTY, as the MHP, at the time of the first
service provided under the Contract to individuals who are covered by Medi-Cal and have not
previously received services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon
request, the NPP for COUNTY, as the MHP, to any individual who received services under the
Contract.

14. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to
conduct research activity on individuals seen in COUNTY services without obtaining prior written
authorization from ADMINISTRATOR.

15. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding
sources, with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY
under the terms of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will

1 not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or
 2 sectarian institution, or religious belief.

3 16. CONTRACTOR shall maintain all requested and required written policies, and provide
 4 ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps
 5 and program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include,
 6 but not limited to, the following:

7 a. Admission Criteria and Admission Procedure;

8 b. Assessments;

9 c. Individual and Group Counseling Sessions;

10 d. Crisis Intervention/Evaluation for Involuntary Holds;

11 e. Treatment of Non-Compliant Individuals/Unplanned Discharges;

12 f. Medication Management and Medication Monitoring;

13 g. Recovery Program Policies and Practices;

14 h. Community Integration/Case Management/Discharge Planning;

15 i. Documentation Standards;

16 j. Quality Management/Performance Outcomes;

17 k. Individual Rights;

18 l. Personnel/In service Training;

19 m. Ensuring Proper Staffing;

20 n. Unusual Occurrence Reporting;

21 o. Code of Conduct/Compliance;

22 p. Mandated Reporting;

23 q. Seclusion and Restraints;

24 r. De-escalation Techniques, including use of voluntary and/or emergency medications;

25 s. Nutritious Snack Services; (if Clients remain in CSU over 24 hours the availability of
 26 light meals are addressed above);

27 t. Transportation Services;

28 u. Peer Support Services;

29 v. Chart Review Protocol; and

30 w. Any/all required LPS Designation Protocols.

31 17. CONTRACTOR shall provide initial and on-going training and staff development that
 32 includes, but is not limited to, the following:

33 a. Orientation to the programs' goals and P&Ps;

34 b. Training on subjects as required by state regulations;

35 c. Orientation to the services in this Paragraph V. of this Exhibit B to the Contract;

36 d. Recovery philosophy, Trauma Informed Care and individual empowerment;

37 e. Crisis intervention and de-escalation;

f. Substance use disorder and dependence;

g. Motivational interviewing;

h. Seclusion and Restraints;

i. Crisis Prevention and Crisis Intervention Training;

j. Documentation Training;

k. Assessment and Diagnosis;

l. LPS Involuntary Detention Policies; and

m. Community and Ancillary Resources.

E. PROGRAM DIRECTOR – The Program Director will have ultimate responsibility for
 the program (s) and will ensure the following:

1 1. CONTRACTOR shall maintain adequate records on each individual seen in services, which
 2 shall include all required forms and evaluations, on-going progress notes, and records of service
 3 provided by various personnel in sufficient detail to permit an evaluation of services;

4 2. CONTRACTOR shall designate a qualified reviewer of records. This reviewer shall complete
 5 one hundred percent (100%) review of individual charts regarding clinical documentation, ensuring all
 6 charts are in compliance with medical necessity and Medi-Cal/Medicare chart compliance.
 7 CONTRACTOR shall ensure that all chart documentation complies with all federal, state and local
 8 guidelines and standards. CONTRACTOR shall ensure that all chart documentation is completed within
 9 the appropriate timelines.

10 3. Provide clinical direction and training to staff on all clinical documentation;

11 4. Oversee all aspects of the clinical services of the Crisis Stabilization program (s);

12 5. Coordinate with clinicians, psychiatrists and/or nurses regarding individual treatment issues,
 13 professional consultations, or medication evaluations; and

14 6. Facilitate on-going program development and provide or ensure appropriate and timely
 15 supervision and guidance to staff regarding difficult cases and mental health emergencies

16 **F. PERFORMANCE OUTCOMES**

17 1. CONTRACTOR shall be required to achieve, track and report Performance Outcome
 18 Objectives, on a quarterly basis as outlined below:

19 a. Sustain an average daily census of twenty four (24) unduplicated individuals per day;

20 b. At least sixty percent (60%) of Clients admitted shall be successfully stabilized and
 21 returned to the community;

22 c. At least seventy-five percent (75%) of Clients returned to the community shall
 23 successfully link (keep appointment) to on-going behavioral health services within fourteen (14)
 24 calendar days of discharge;

25 d. Provide timely evaluations as measured by completing ninety-five percent (95%) of CSU
 26 admissions within one (1) hour of Clients arrival on a monthly basis; and

27 e. CONTRACTOR shall work towards the ability to track the rate of readmission to any
 28 CSU within two days of CONTRACTOR discharge and will remain below two percent (2%) of all
 29 admissions.

30 f. CONTRACTOR and COUNTY shall work towards the ability to track the rate of mobile
 31 Crisis Assessment Team (CAT) response within two days of discharge will remain below five percent
 32 (5%) of all admissions

33 **G. DATA:** On a monthly basis, CONTRACTOR shall report the following information to
 34 ADMINISTRATOR:

35 1. Number of admissions, both involuntary vs voluntary;

36 2. Referral source;

37 3. Number of admissions by funding (Medi-Cal, Health Plan, unfunded, etc.);

4. Average daily census;

5. Average length of stay (LOS);

6. Number of discharges and inpatient transfers;

7. Type of residence upon discharge;

8. Summary of Satisfaction Survey Results;

9. Instances of Restraint and Seclusions/ Initiated and Instances of Seclusions;

10. Percentages of Clients seen for medication by MD/NP within an hour;

11. Percentages Discharged to a lower level of care and higher level of care;

12. Number of stays over twenty-four (24) hours and respective LOS for each; and

13. Data regarding recidivating Clients with unmet needs, defined as Clients with four or more
admissions in a month.

1 H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis
 2 Stabilization Services Paragraph of this Exhibit B to the Contract.

3 **EXHB VI. CRISIS RESIDENTIAL SERVICES**

4 **A. FACILITIES**

5 1. CONTRACTOR shall maintain a facility(ies) for the provision of Adult Crisis
 6 Residential Services. The facility(ies) shall include space to support the services identified within the
 7 Contract.

8 2. CONTRACTOR shall meet the standards of the applicable sections of:

9 a. HSC Code 1520 et.seq;

10 b. CCR, Title 22. Division 6, Chapter 2, Social Rehabilitation Facilities; Subchapter 1,
 11 Article 7;

12 c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social
 13 Rehabilitation Programs;

14 d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670.5;

15 e. Section 504 of the Rehabilitation Act of 1973 -- (29 U.S.C. 794 et seq., as implemented
 16 in 45 CFR 84.1 et seq.);

17 f. Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) pertaining to the
 18 prohibition of discrimination against qualified persons with disabilities in all programs or activities, as
 19 they exist now or may be hereafter amended together with succeeding legislation.

20 3. The facility shall have a capacity of fifteen (15) beds and include adequate physical space
 21 to support the services identified within the Contract.

22 4. The facility shall be open for regular admissions between the hours of 8:00 a.m. and 8:00
 23 p.m. Monday through Sunday and will also maintain the ability to accept an admission outside of these
 24 hours as requested. Services to Clients in this program will be provided on a twenty-four (24) hour,
 25 seven (7) day per week, three hundred sixty-five (365) day per year basis.

26 5. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday
 27 schedule unless otherwise approved, in advance and in writing, by ADMINISTRATOR.

28 **B. INDIVIDUALS TO BE SERVED – CONTRACTOR shall provide short-term crisis residential**
 29 **services to individuals evaluated by and referred by COUNTY, COUNTY contractors, and other**
 30 **referring providers as appropriate. CONTRACTOR will serve as the principal source to authorize**
 31 **admissions of individuals who meet the following criteria:**

32 1. Adults between ages eighteen and fifty-nine (18 and 59) and individuals over sixty (60)
 33 years of age whose needs are compatible with those of other Clients if they require the same level of
 34 care and supervision and all Community Care Licensing requirements can be met;

35 2. COUNTY Client;

36 3. Diagnosed with a behavioral health disorder and who may have a co-occurring disorder;

37 4. In crisis and at the risk of hospitalization and could safely benefit from this level of care;
and

5. Willing to participate fully and voluntarily in services.

C. ADULT CRISIS RESIDENTIAL PROGRAM – This program operates twenty-four (24) hours a
day, seven (7) days a week, emulates a home-like environment and supports a social rehabilitation
model, which is designed to enhance individuals' social connections with family or community so that
they can move back into the community and prevent inpatient stays. Short-term crisis residential
services will be provided to adults who are in behavioral health crises and may be at risk of psychiatric
hospitalization and will involve families and significant others throughout the treatment episodes so that
the dynamics of the Clients' circumstances are improved prior to discharge. For individuals who are
referred from Adult and Older Adult Behavioral Health Services County or County-contracted

behavioral health providers CONTRACTOR shall collaborate with these existing providers to arrange for discharge planning, appropriate housing placements, as needed, in addition to securing linkages to ongoing treatment providers prior to discharge. Crisis residential services provide positive, temporary alternatives for people experiencing acute psychiatric episodes or intense emotional distress who might otherwise face voluntary or involuntary inpatient treatment. CONTRACTOR shall provide crisis intervention, therapy, medication monitoring and evaluation to determine the need for the type and intensity of additional services within a framework of evidence based and trauma-informed approaches to recovery planning, including a rich peer support component. Services shall include treatment for co-occurring disorders based on either harm-reduction or abstinence-based approaches, if clinically appropriate, to wellness and recovery, including providing a safe, smoke free, drug free, accepting environment that nurtures Clients' processes of personal growth and overall wellness. CONTRACTOR must emphasize mastery of daily living skills and social development using strength-based approaches that support recovery and wellness. The residential settings will create solid links to the continuum of care with heavy emphasis on housing supports and linkages that will ease the transitions into independent living and prevent recidivism. Intensive psychosocial services are provided on an individual and group basis by licensed and licensed-waivered mental health professionals, including therapy, crisis intervention, group education, assistance with self-administration of medications and case management. The focus is on recovery and intensive behavioral health treatment, management and discharge planning, linkage and reintegration into the community. The average length of stay per Client is twenty one (21) calendar days. The program will offer an environment where Clients are supported as they look at their own life experiences, set their own paths toward recovery, and work towards the fulfillment of their hopes and dreams. The Clients are expected to participate fully in all program activities, including all individual sessions, groups, and recovery oriented outings.

1. CONTRACTOR shall operate the program in such a manner that meets or exceeds the following regulations:

a. HSC 1520 et.seq;

b. CCR, Title 22, Division 6, Chapter 2 Social Rehabilitation Facilities;

c. CCR, Title 9, Division 1, Chapter 3, Article 3.5 Standards for the Certification of Social Rehabilitation Programs, Section 531-535; and

d. WIC Division 5, Part 2, Chapter 2.5, Article 1, section 5670, 5670.5 and 5671.

2. CONTRACTOR shall provide short term crisis residential program services as follows:

a. Admission Services:

1) CONTRACTOR shall admit individuals who have been determined to meet admission criteria and will have the Client sign an admission agreement describing the services to be provided, Client rights, and the expectations of the Client regarding house rules and involvement in all aspects of the program, including individual and group therapy sessions.

2) CONTRACTOR shall complete a thorough behavioral health assessment and psychiatric evaluation within twelve (12) hours of admission.

3) During the initial seventy-two (72) hours subsequent to admission, Clients will be expected to remain on site at all times to ensure integration into the program. After this initial period, Client may be eligible for a day pass to an approved activity, usually an MD appointment or an appointment for housing, etc. Prior to the approved activity pass, the Client must be clinically evaluated an hour prior to departure and immediately upon returning to the facility. These clinical evaluations will be clearly documented in the Client's chart.

4) CONTRACTOR shall obtain or complete a medical history within twenty-four (24) hours of admission.

5) CONTRACTOR shall be responsible for Client's TB testing upon admission if Client has not completed the test prior to admission to the program.

6) CONTRACTOR shall not deny referrals for Clients that meet medical necessity if CONTRACTOR has available space and appropriate staffing.

7) CONTRACTOR and Client will together develop a written plan of care specifying goals and objectives, involving Client's family and support persons as appropriate, and as aligned with a recovery focused, person-centered and directed approach within seventy-two (72) hours of admission. CONTRACTOR shall involve the Client's family and support persons, or document attempts to obtain agreement until agreement is obtained or the Client is discharged.

8) Within seventy-two (72) hours of admission, CONTRACTOR shall establish a discharge date in collaboration with the Client and their family/support system. The targeted discharge date will be within twenty-one (21) calendar days after admission.

b. Therapeutic Services:

1) CONTRACTOR shall provide structured day and evening services seven (7) calendar days a week which will include individual, group therapy, and community meetings amongst the Clients and crisis residential staff.

2) CONTRACTOR shall provide group counseling sessions at least four (4) times daily to assist Clients in developing skills that enable them to progress towards self-sufficiency and to reside in less intensive levels of care. Topics may include, but not be limited to: self-advocacy, personal identity, goal setting, developing hope, coping alternatives, processing feelings, conflict resolution, relationship management, proper nutrition, personal hygiene and grooming, household management, personal safety, symptom monitoring, etc. These groups will be clearly documented in the individual's chart. All therapeutic process groups will be facilitated by a licensed clinician or clinically supervised registered/waivered clinicians.

3) CONTRACTOR shall provide individual therapeutic sessions provided by an MD/DO/NP, licensed clinician, or clinically supervised registered/waivered staff at least one time a day to each Client and these sessions will be clearly documented in the chart.

4) CONTRACTOR shall support a culture of "recovery" which focuses on personal responsibility for a Client's behavioral health management and independence, and fosters Client empowerment, hope, and an expectation of recovery from mental illness. Activities and chores shall be encouraged and assigned to each Client on a daily basis to foster responsibility and learning of independent living skills. These chores will be followed up on by residential staff, in the spirit of learning, who will also assist the Client in learning the new skills and completing the chores as needed.

5) CONTRACTOR's program will be designed to enhance Client motivation to actively participate in the program, provide Clients with intensive assistance in accessing community resources, and assist Clients developing strategies to maintain independent living in the community and improve their overall quality of life. Therapeutic outings (to local museums, art galleries, nature centers, parks, coffee shops) will be provided for all Clients in support of these goals.

6) CONTRACTOR shall assist the Client in developing and working on a WRAP throughout their stay at the program and will promote Client recovery on a daily basis via individual and/or group sessions. This will assist Clients in monitoring and responding to their symptoms in order to achieve the highest possible level of wellness, stability and quality of life. Topics may include but not be limited to: building a wellness toolbox or resource list, symptom monitoring, triggers and early warning signs of symptoms, identifying a crisis plan, etc.

7) CONTRACTOR shall engage both the Client and family/support persons in the program whenever possible. CONTRACTOR shall document contact with family/support persons or document why such contact is not possible or not advisable.

8) CONTRACTOR shall support a Dual Disorders Integrated Treatment Model that is non-confrontational, follows behavioral principles, considers interactions between behavioral health disorders and substance abuse and has gradual expectations of abstinence. CONTRACTOR shall

1 provide, on a regularly scheduled basis, education via individual and/or group sessions to Clients on the
 2 effects of alcohol and other drug abuse, triggers, relapse prevention, and community recovery resources.
 3 Twelve (12) step groups and Smart Recovery groups will be encouraged at the facility on a regular
 4 basis.

5 9) CONTRACTOR shall support a culture that supports a smoke free environment in
 6 the facility and on the campus. CONTRACTOR shall provide educational groups regarding tobacco
 7 cessation and provide viable alternatives such as tobacco patches and other approved methods that
 8 support tobacco use reduction and cessation.

9 10) CONTRACTOR shall assist Clients in developing prevocational and vocational
 10 plans to achieve gainful employment and/or perform volunteer work if identified as a goal in the service
 11 plan.

12 11) CONTRACTOR shall provide crisis intervention and crisis management services
 13 designed to enable the Client to cope with the crisis at hand while maintaining his/her functioning status
 14 within the community and to prevent further decompensation or hospitalization.

15 12) CONTRACTOR shall provide assessments for involuntary hospitalization when
 16 necessary. This service must be available twenty-four (24) hours per day, seven (7) days per week.

17 13) CONTRACTOR will provide information, support, advocacy education, and
 18 assistance with including the Client's natural support system in treatment and services.

19 14) CONTRACTOR shall sustain a culture that supports Peer Recovery
 20 Specialist/Counselors in providing supportive socialization for Clients that will assist Clients in their
 21 recovery, self-sufficiency and in seeking meaningful life activities and relationships. Peers shall be
 22 encouraged to share their stories of recovery as much as possible to infuse the milieu with the notion
 23 that recovery is possible.

24 15) CONTRACTOR shall provide close supervision and be aware of Clients'
 25 whereabouts at all times to ensure the safety of all Clients. Every clinician and Residential Counselor
 26 will have an assigned caseload and be responsible for the monitoring of the assigned Clients.
 27 CONTRACTOR shall provide routine room checks in the evening and document observations. Rounds
 28 are completed by staff on regular intervals.

29 16) CONTRACTOR will actively explore, research and present ideas for additional
 30 evidence-based practices in order to continually improve and refine aspects of the program.

31 c. Case Management/Discharge Services:

32 1) CONTRACTOR shall actively engage in discharge planning from the day of
 33 admission, instructing and assisting Clients with successful linkage to community resources such as
 34 outpatient mental health clinics, substance abuse treatment programs, housing, including providing
 35 supportive assistance to the Client in identifying and securing adequate and appropriate follow up living
 36 arrangements, physical health care, and government entitlement programs.

37 2) CONTRACTOR shall collaborate proactively with Client's Mental Health Plan
 Provider when such is required to link Clients to COUNTY or contracted housing services which may
 include continued temporary housing, permanent supported housing, interim placement, or other
 community housing options.

3) CONTRACTOR shall assist Clients in scheduling timely follow-up
 appointment(s) between Client and their mental health service provider while still a Client or within
 twenty-four (24) hours following discharge to ensure that appropriate linkage has been successful and if
 not, relinkage services will be provided. Provide telephone follow up within five (5) days to ensure
 linkage was successful. Services shall be documented in the Client record. Peer Recovery Specialists
 and Residential Counselors will be expected to accompany Clients to their follow up linkage
 appointments as part of their case management duties.

1 4) CONTRACTOR shall coordinate treatment with physical health providers as
2 appropriate and assist Clients with accessing medical and dental services and providing transportation
3 and accompaniment to those services as needed.

4 5) CONTRACTOR shall develop a plan to provide a van/car for each admission as
5 needed accompanied by a Residential Counselor so that a warm hand-off can occur when a Client is in
6 need of transport to the facility. This will also ensure that the engagement and welcoming process
7 commences immediately when a referral is received. Transportation out of the program will also be
8 required to be provided by CONTRACTOR.

9 6) CONTRACTOR shall obtain concurrent review from ADMINISTRATOR for
10 Clients who are deemed necessary to stay in the program for more than twenty-one (21) calendar days.
11 CONTRACTOR will abide by County Policies from ADMINISTRATOR for Clients who are deemed
12 necessary to stay in the program for more than twenty-one (21) calendar days.

13 7) Unplanned discharges will be avoided at all costs and only after all other
14 interventions have failed. If, at any time, a Client presents as a serious danger to themselves or others,
15 CONTRACTOR shall assess the safety needs of all concerned and may have the Client assessed for
16 voluntary or involuntary hospitalization utilizing ADMINISTRATOR protocols. If a Client is seriously
17 or repetitively non-compliant with the program, CONTRACTOR may discharge the Client if deemed
18 necessary and only following a multi-disciplinary case conference which will include
19 ADMINISTRATOR. CONTRACTOR shall be in compliance with eviction procedures following the
20 CCR, Title 22, Section 81068.5, and Title 9, Section 532.3, and will provide an unusual occurrence
21 report to ADMINISTRATOR no later than the following business day.

22 8) In the event a Client leaves the program against clinical advice, CONTRACTOR
23 shall hold Client's bed open for twenty-four (24) hours unless otherwise mutually agreed upon by
24 ADMINISTRATOR and CONTRACTOR.

25 9) In the event a Client is transferred for crisis stabilization to the COUNTY CSU or
26 to the Emergency Department (ED), CONTRACTOR shall provide a warm hand-off to the CSU or ED
27 receiving staff member and hold a Client's bed open for twenty-four (24) hours unless otherwise
28 mutually agreed upon by ADMINISTRATOR and CONTRACTOR.

29 d. Medication Support Services:

30 1) CONTRACTOR shall provide medications, as clinically appropriate, to all
31 Clients regardless of funding.

32 2) CONTRACTOR shall educate Clients on the role of medication in their recovery
33 plan, and how the Client can take an active role in their own recovery process. CONTRACTOR shall
34 provide education to Clients on medication choices, risks, benefits, alternatives, side effects and how
35 these can be managed. Client education will be provided on a regularly scheduled basis via individual
36 and group sessions.

37 3) CONTRACTOR shall obtain signed medication consent forms for each
psychotropic medication prescribed.

 4) Medications will be dispensed by a physician's order by licensed and qualified
staff in accordance with CCR, Title 9, Div. 1, Chapter 3, Article 3.5, Section 532.1, as well as CCL
Requirements.

 5) Licensed staff authorized to dispense medication will document the Client's
response to their medication, as well as any side effects to that medication, in the Client's record.

 6) CONTRACTOR shall insure all medications are securely locked in a designated
storage area with access limited to only those personnel authorized to prescribe, dispense, or administer
medication.

 7) CONTRACTOR shall establish written policies and procedures that govern the
receipt, storage and dispensing of medication in accordance with state regulations.

1 8) CONTRACTOR shall not utilize sample medications in the program without first
2 establishing policies and procedures for the use of sample medications consistent with State regulatory
3 requirements.

4 9) CONTRACTOR shall provide a medication follow-up visit by a psychiatrist at a
5 frequency necessary to manage the acute symptoms to allow the Client to safely stay at the Crisis
6 Residential Program and to prepare the Client to transition to outpatient level of care upon discharge. At
7 a minimum, CONTRACTOR shall provide an initial psychiatric evaluation by a psychiatric prescribing
8 provider within twelve (12) hours after admission and will have a psychiatric prescribing provider
9 available as needed for medication follow-up as needed or at a minimum twice per week thereafter.

10 10) Upon discharge, CONTRACTOR shall make available a sufficient supply of
11 current psychiatric medications to which the Client has responded, to meet the Client's needs until they
12 can be seen in an outpatient clinic. This may be a combination of new prescriptions, the Client's
13 specific medications remaining at the Crisis Residential Program, and/or additional sample medications
14 with patient labels.

15 11) CONTRACTOR shall utilize the COUNTY PBM to supply medications for
16 unfunded Clients.

17 e. Transportation Services:

18 1) CONTRACTOR shall provide transportation services for program related
19 activities which may include, but not be limited to, transportation to appointments deemed necessary for
20 medical or dental care or activities related to and in support of preparation for discharge and/or
21 community integration. All other non-crucial appointments will be delayed until after the Client is
22 discharged. CONTRACTOR staff will accompany Clients on these necessary appointments.

23 f. Food Services:

24 1) CONTRACTOR shall meet meal service and food supply requirements per
25 Community Care Licensing regulations which shall include, but not be limited to:

26 a) Meals shall be served in the dining room and tray service provided on
27 emergency need only so as to encourage community food preparation, eating and clean-up activities.

28 b) CONTRACTOR shall create opportunities for Clients to participate in the
29 planning, preparation and clean-up of food preparation activities.

30 c) Food Services will meet meal and food supply requirements, including an
31 abundant supply of healthy and fresh food options, including fruits, vegetables and other items that
32 promote healthy choices and wellness.

33 D. PROGRAM DIRECTOR/QI RESPONSIBILITIES – The Program Director will have ultimate
34 responsibility for the program and will ensure the following:

35 1. Maintenance of adequate records on each Client which shall include all required forms
36 and evaluations, a written treatment/rehabilitation plan specifying goals, objectives, and responsibilities,
37 on-going progress notes, and records of service provided by various personnel in sufficient detail to
38 permit an evaluation of services.

39 2. There is a supervisory and administrative structure in place that will ensure high quality,
40 consistent staff are providing high quality and consistent trauma informed services at all hours of
41 operation, including the evenings and nocturnal shifts.

42 3. The Clinical Supervisor, the Program Administrator/Manager or designated Qualified
43 Staff will complete one hundred percent (100%) review of Client charts regarding clinical
44 documentation, ensuring all charts are in compliance with medical necessity and Medi-Cal and Medicare
45 requirements. Charts will be reviewed within one day of admission to ensure that all initial charting
46 requirements are met and at the time of discharge. CONTRACTOR shall ensure that all chart
47 documentation complies with all federal, state and local guidelines and standards. CONTRACTOR shall
48 ensure that all chart documentation is completed within the appropriate timelines.

1 4. Provide clinical direction and training to staff on all clinical documentation and treatment
 2 plans/problem lists;

3 5. Retain on staff, at all times, a qualified individual trained by the ADMINISTRATOR's
 4 QMS division; ADMINISTRATOR is requesting that Clinical Supervisor and Program
 5 Administrator/Manager positions carry out these duties;

6 6. Oversee all aspects of the clinical services of the recovery program, know each Client by
 7 name and be familiar with details of each of the Clients' cases/situations that brought them to the
 8 program;

9 7. Coordinate with in-house clinicians, psychiatrist and/or nurse regarding Client treatment
 10 issues, professional consultations, or medication evaluations;

11 8. Review and approve all monthly/quarterly/annual logs submitted to ADMINISTRATOR,
 12 (e.g. medication monitoring and utilization review); and

13 9. Facilitate on-going program development and provide or ensure appropriate and timely
 14 supervision and guidance to staff regarding difficult cases and behavioral health emergencies.

15 E. QUALITY IMPROVEMENT

16 1. CONTRACTOR shall agree to adopt and comply with the written Quality Improvement
 17 Implementation Plan and procedures provided by ADMINISTRATOR which describe the requirements
 18 for quality improvement, supervisory review and medication monitoring.

19 2. CONTRACTOR shall agree to adopt and comply with the written ADMINISTRATOR
 20 Documentation Manual or its equivalent, and any State requirements, as provided by
 21 ADMINISTRATOR, which describes, but is not limited to, the requirements for Medi-Cal, Medicare
 22 and ADMINISTRATOR charting standards.

23 3. CONTRACTOR shall demonstrate the capability to maintain a medical records system,
 24 including the capability to utilize COUNTY's IRIS system to enter appropriate data. CONTRACTOR
 25 shall regularly review its charting, IRIS data input and billing systems to ensure compliance with
 26 COUNTY and State P&Ps and establish mechanisms to prevent inaccurate claim submissions.

27 4. CONTRACTOR shall maintain on file, at the facility, minutes and records of all quality
 28 improvement meetings and processes. Such records and minutes will also be subject to regular review
 29 by ADMINISTRATOR in the manner specified in the Quality Improvement Implementation Plan and
 30 ADMINISTRATOR's P&P.

31 5. CONTRACTOR shall allow ADMINISTRATOR to attend QIC and medication
 32 monitoring meetings.

33 6. CONTRACTOR shall allow COUNTY to review the quantity and quality of services
 34 provided pursuant to this Contract quarterly or as needed. This review will be conducted at
 35 CONTRACTOR's facility and will consist of a review of medical and other records of Clients provided
 36 services pursuant to the Contract.

37 F. CONTRACTOR shall attend meetings, trainings and presentations as requested by COUNTY
 including but not limited to:

1. Case conferences, as requested by ADMINISTRATOR to address any aspect of clinical
 care and implement any recommendations made by COUNTY to improve Client care.

2. Monthly COUNTY management meetings with ADMINISTRATOR to discuss
 contractual and other issues related to, but not limited to whether it is or is not progressing satisfactorily
 in achieving all the terms of the Contract, and if not, what steps will be taken to achieve satisfactory
 progress, compliance with P&Ps, review of statistics and clinical services;

3. Any trainings that COUNTY recommends or deems necessary.

4. Any presentations/in-services as requested by COUNTY involving new
 providers/systems of care so that CONTRACTOR is educated, apprised, up to date, knowledgeable and
 part of the larger COUNTY system of care.

1 5. Clinical staff and IRIS staff training for individuals conducted by CONTRACTOR and/or
 2 ADMINISTRATOR.

3 6. CONTRACTOR will follow the following guidelines for COUNTY tokens:

4 a. CONTRACTOR recognizes Tokens are assigned to a specific individual staff member
 5 with a unique password. Tokens and passwords will not be shared with anyone.

6 b. CONTRACTOR shall maintain an inventory of the Tokens, by serial number and the
 7 staff member to whom each is assigned.

8 c. CONTRACTOR shall request that ADMINISTRATOR deactivate all Tokens under the
 9 following conditions:

10 1) Token of each staff member who no longer supports this Contract;

11 2) Token of each staff member who no longer requires access to COUNTY IRIS;

12 3) Token of each staff member who leaves employment of CONTRACTOR;

13 4) Token is malfunctioning; or

14 5) Termination of Contract.

15 d. CONTRACTOR shall input all IRIS data following COUNTY procedure and practice.
 16 All statistical data used to monitor CONTRACTOR shall be compiled using IRIS reports, if available,
 17 and if applicable.

18 G. CONTRACTOR shall obtain a NPI – The standard unique health identifier adopted by the
 19 Secretary of HHS under HIPAA of 1996 for health care providers.

20 1. All HIPAA covered healthcare providers, individuals and organizations must obtain a
 21 NPI for use to identify themselves in HIPAA standard transactions.

22 2. CONTRACTOR, including each employee that provides services under the Contract, will
 23 obtain a NPI upon commencement of the Contract or prior to providing services under the Contract.
 24 CONTRACTOR shall report to ADMINISTRATOR, on a form approved or supplied by
 25 ADMINISTRATOR, all NPI as soon as they are available.

26 H. CONTRACTOR shall provide the NPP for COUNTY, as the MHP, at the time of the first
 27 service provided under the Contract to individuals who are covered by Medi-Cal and have not
 28 previously received services at a COUNTY operated clinic. CONTRACTOR shall also provide, upon
 29 request, the NPP for COUNTY, as the MHP, to any individual who received services under the
 30 Contract.

31 I. CONTRACTOR shall not engage in, or permit any of its employees or subcontractors, to
 32 conduct research activity on Clients without obtaining prior written authorization from
 33 ADMINISTRATOR.

34 J. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,
 35 with respect to any individual(s) who have been referred to CONTRACTOR by COUNTY under the
 36 terms of the Contract. Further, CONTRACTOR agrees that the funds provided hereunder will not be
 37 used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian
institution, or religious belief.

K. CONTRACTOR shall maintain all requested and required written policies, and provide to
ADMINISTRATOR for review, input, and approval prior to staff training on said policies. All P&Ps
and program guidelines will be reviewed bi-annually at a minimum for updates. Policies will include
but not limited to the following:

1. Admission Criteria and Admission Procedure;

2. Assessments and Individual Service Plans;

3. Crisis Intervention/Evaluation for Involuntary Holds;

4. Handling Non-Compliant Clients/Unplanned Discharges;

5. Medication Management and Medication Monitoring;

6. Recovery Program/Rehabilitation Program;

7. Community Integration/Case Management/Discharge Planning;
8. Documentation Standards;
9. Quality Management/Performance Outcomes;
10. Client Rights;
11. Personnel/In service Training;
12. Unusual Occurrence Reporting;
13. Code of Conduct/Compliance;
14. Mandated Reporting; and
15. Good Neighbor Policy.

L. CONTRACTOR shall provide initial and on-going training and staff development that includes but is not limited to the following:

1. Orientation to the program's goals and P&Ps;
2. Training on subjects as required by state regulations;
3. Orientation to the services sections outlined in this Section VI. of this Exhibit B to the Contract;
4. Recovery philosophy and individual empowerment;
5. Crisis intervention and de-escalation;
6. Substance abuse and dependence; and
7. Motivational interviewing.

M. PERFORMANCE OUTCOMES

1. CONTRACTOR shall be required to achieve, track and report Performance Outcome Objectives, on a quarterly basis as outlined below:

- a. A minimum of seventy-five percent (75%) of Clients shall be discharged to a lower level of care.
- b. A minimum of seventy percent (70%) of Clients shall be linked to a continuing care provider.
- c. A minimum of ninety-five percent (95%) of Clients shall not be hospitalized within 48 hours of discharge.
- d. A minimum of seventy-five percent (75%) of Clients shall not be readmitted within fourteen (14) calendar days of discharge.
- e. Average Length of Stay for all Clients shall be tracked and reported.

N. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Crisis Residential Services Paragraph of this Exhibit B to the Contract.

EXHB VII. STAFFING

A. CONTRACTOR shall provide adequate staffing to assure that the services outlined above are performed in an efficient manner.

B. Crisis Stabilization Services:

1. CONTRACTOR shall provide staffing in conformance with Title 9 regulations for Crisis Stabilization services; shall have as Head of Service a licensed mental health professional in conformance to one of the following staff categories: Psychiatrist, Licensed Psychologist, LCSW, LPCC, Licensed MFT or RN; and shall have one RN on-site at all times.

C. Crisis Residential Services:

1. CONTRACTOR shall ensure that all staff are trained and have a clear understanding of all Personnel Requirements as stated in CCR Title 22, standards for a Social Rehabilitation Facility as for a Short Term Crisis Residential Division 6, 81065 and that continuing education is provided.

2. Staffing levels and qualifications will meet the requirements as stated in CCR Title 22, Division 6, Chapters 1 and 2; Title 9, Division 1, Chapter 3, Article 3.5; as well as the WIC Division 5,

1 Part 2, Chapter 2.5, Article 1; and the HSC Division 2, Chapter 3, Article 2, and/or other certification
 2 standards for a Social Rehabilitation Facility as well as for a Short Term Crisis Residential, as
 3 appropriate to the services being provided. A sufficient number of clinical staff will be licensed in order
 4 to meet all State requirements. COUNTY shall not reimburse CONTRACTOR for services provided by
 5 clinical staff who do not meet these requirements.

6 3. A limited number of clinical staff will be qualified and designated by COUNTY to
 7 perform evaluations pursuant to Section 5150, WIC.

8 4. WORKLOAD STANDARDS

9 a. One (1) DSH will be equal to sixty (60) minutes of direct Client service.

10 b. CONTRACTOR shall provide nine hundred fifty (950) DSHs per year of direct physician
 11 time which will include medication support services which are inclusive of both billable and non-
 12 billable services.

13 c. CONTRACTOR shall ensure prescriber services are available a minimum of three (3)
 14 hours per day, seven (7) days a week and that each Client is seen at least twice per week or more often
 15 as needed.

16 d. CONTRACTOR shall provide four thousand eight hundred (4,800) Client bed days per
 17 year, which are inclusive of both billable and non-billable services.

18 e. CONTRACTOR shall, during the term of the Contract, provide Client related services,
 19 tracking the number of individual counseling sessions and number of therapeutic and educational
 20 didactic groups provided with a minimum of four (4) groups, including two therapeutic groups
 21 facilitated by licensed clinicians or clinically supervised registered/waivered clinicians and two didactic
 22 groups facilitated by non-licensed staff, and one (1) individual session provided by a licensed clinician
 23 or clinically supervised registered/waivered clinicians per day .

24 D. Both Programs:

25 1. CONTRACTOR shall notify ADMINISTRATOR, in writing, within seventy-two (72)
 26 hours, of any staffing vacancies that occur during the term of the Contract. CONTRACTOR's
 27 notification shall include at a minimum the following information: employee name(s), position title(s),
 28 date(s) of resignation, date(s) of hire, and a description of recruitment activity.

29 2. CONTRACTOR shall notify ADMINISTRATOR, in writing, at least seven (7) calendar days
 30 in advance, of any new staffing changes; including promotions, temporary FTE changes and internal or
 31 external temporary staffing assignment requests that occur during the term of the Contract.

32 3. CONTRACTOR shall include bilingual/bicultural services to meet the needs of threshold
 33 languages as determined by ADMINISTRATOR. Whenever possible, bilingual/bicultural staff should
 34 be retained. Any clinical vacancies occurring at a time when bilingual and bicultural composition of the
 35 clinical staffing does not meet the above requirement, the vacancies must be filled with bilingual and
 36 bicultural staff unless ADMINISTRATOR consents, in advance and in writing, to the filling of those
 37 positions with non-bilingual staff. Salary savings resulting from such vacant positions may not be used
 to cover costs other than salaries and employees benefits unless otherwise authorized, in advance and in
 writing, by ADMINISTRATOR.

4. CONTRACTOR shall maintain personnel files for each staff person, including
 management and other administrative positions, both direct and indirect to the Contract, which shall
 include, but not be limited to, an application for employment, qualifications for the position, applicable
 licenses, waivers, registrations, documentation of bicultural/bilingual capabilities (if applicable), pay
 rate and evaluations justifying pay increases.

5. CONTRACTOR shall make its best effort to provide services pursuant to the Contract in
 a manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR
 shall maintain documents of such efforts which may include; but not be limited to: records of
 participation in COUNTY-sponsored or other applicable training; recruitment and hiring P&Ps; copies

of literature in multiple languages and formats, as appropriate; and descriptions of measures taken to enhance accessibility for, and sensitivity to, Clients who are physically challenged.

6. CONTRACTOR shall recruit, hire, train, and maintain staff that are persons in recovery, and/or family members of persons in recovery. These individuals shall not be currently receiving services directly from CONTRACTOR. Documentation may include, but not be limited to, the following: records attesting to efforts made in recruitment, hiring practices and identification of measures taken to enhance accessibility for potential staff in these categories.

7. CONTRACTOR shall ensure that all staff, paid or unpaid, complete necessary training prior to discharging duties associated with their titles and any other training necessary to assist CONTRACTOR and COUNTY to be in compliance with prevailing standards of practice as well as State and Federal regulatory requirements.

8. CONTRACTOR shall provide ongoing supervision throughout all shifts to all staff, paid or unpaid, direct line staff or supervisors/directors, to enhance service quality and program effectiveness. Supervision methods should include debriefings and consultations as needed, individual supervision or one-on-one support, and team meetings. Supervision should be provided by a supervisor who has extensive knowledge regarding behavioral health issues.

9. CONTRACTOR may augment the above paid staff with volunteers or interns upon written approval of ADMINISTRATOR. CONTRACTOR shall provide supervision to volunteers or intern as specified in their respective job descriptions or work contracts.

10. CONTRACTOR shall ensure that all staff, including interns and volunteers, are trained and have a clear understanding of all P&Ps. CONTRACTOR shall provide signature confirmation of the P&P training for each staff member and place in their personnel files.

11. CONTRACTOR shall provide detailed job descriptions, including education and experience requirements, all applicable responsibilities, assigned duties, and workflow for each delineated position.

E. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-Time Equivalents (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal to an average of forty (40) hours work per week.

Crisis Stabilization Unit Staffing

<u>Program</u>	<u>FTE</u>
<u>Program Director</u>	<u>1.00</u>
<u>Program Support Assistant</u>	<u>1.00</u>
<u>Biller</u>	<u>2.00</u>
<u>RN/LVNe</u>	<u>20.69</u>
<u>Mental Health Worker</u>	<u>19.65</u>
<u>Peer Advocate</u>	<u>2.00</u>
<u>Intake Coordinator</u>	<u>1.40</u>
<u>Social Services Coordinator</u>	<u>4.25</u>
<u>Financial Counselor</u>	<u>1.00</u>
<u>Total FTEs</u>	<u>52.99</u>

Crisis Residential Services Staffing

<u>Program</u>	<u>FTE</u>
<u>Program Director</u>	<u>1.00</u>
<u>Program Support Assistant</u>	<u>1.40</u>

1	<u>Data Specialist</u>	<u>0.50</u>
2	<u>RN/LVN</u>	<u>4.94</u>
3	<u>Mental Health Worker</u>	<u>8.56</u>
4	<u>Care Coordinator</u>	<u>1.00</u>
5	<u>Intake Coordinator</u>	<u>1.00</u>
6	<u>Social Services Coordinator II</u>	<u>1.00</u>
7	<u>Peer Mentor Navigator</u>	<u>1.40</u>
8	<u>Total FTEs</u>	<u>20.80</u>

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Staffing Paragraph of this Exhibit B to the Contract.

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1 EXHIBIT ~~B~~-C
2 TO MASTER SERVICES AGREEMENT
3 FOR PROVISION OF
4 MENTAL HEALTH AND RECOVERY SERVICES
5 BETWEEN
6 COUNTY OF ORANGE
7 AND
8 MIND OC
9 OCTOBER 1, 2022 THROUGH JUNE 30, 2025

10
11 **I. BUSINESS ASSOCIATE CONTRACT**

12 A. GENERAL PROVISIONS AND RECITALS

13 1. The parties agree that the terms used, but not otherwise defined in the Common Terms and
14 Definitions Paragraph of Exhibit A to the Contract or in Subparagraph B below, shall have the same
15 meaning given to such terms under HIPAA, the HITECH Act, and their implementing regulations at
16 45 CFR Parts 160 and 164 (“the HIPAA regulations”) as they may exist now or be hereafter amended.

17 2. The parties agree that a business associate relationship under HIPAA, the HITECH Act,
18 and the HIPAA regulations between the CONTRACTOR and COUNTY arises to the extent that
19 CONTRACTOR performs, or delegates to subcontractors to perform, functions or activities on behalf of
20 COUNTY pursuant to, and as set forth in, the Contract that are described in the definition of “Business
21 Associate” in 45 CFR § 160.103.

22 3. The COUNTY wishes to disclose to CONTRACTOR certain information pursuant to the
23 terms of the Contract, some of which may constitute PHI, as defined below in Subparagraph B.10, to be
24 used or disclosed in the course of providing services and activities pursuant to, and as set forth, in the
25 Contract.

26 4. The parties intend to protect the privacy and provide for the security of PHI that may be
27 created, received, maintained, transmitted, used, or disclosed pursuant to the Contract in compliance
28 with the applicable standards, implementation specifications, and requirements of HIPAA, the HITECH
29 Act, and the HIPAA regulations as they may exist now or be hereafter amended.

30 5. The parties understand and acknowledge that HIPAA, the HITECH Act, and the HIPAA
31 regulations do not pre-empt any state statutes, rules, or regulations that are not otherwise pre-empted by
32 other Federal law(s) and impose more stringent requirements with respect to privacy of PHI.

33 6. The parties understand that the HIPAA Privacy and Security rules, as defined below in
34 Subparagraphs B.9 and B.14, apply to the CONTRACTOR in the same manner as they apply to the
35 covered entity (COUNTY). CONTRACTOR agrees therefore to be in compliance at all times with the
36 terms of this Business Associate Contract, as it exists now or be hereafter updated with notice to
37 CONTRACTOR, and the applicable standards, implementation specifications, and requirements of the

1 Privacy and the Security rules, as they may exist now or be hereafter amended, with respect to PHI and
2 electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Contract.

3 B. DEFINITIONS

4 1. "Administrative Safeguards" are administrative actions, and P&Ps, to manage the selection,
5 development, implementation, and maintenance of security measures to protect ePHI and to manage the
6 conduct of CONTRACTOR's workforce in relation to the protection of that information.

7 2. "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted
8 under the HIPAA Privacy Rule which compromises the security or privacy of the PHI.

9 a. Breach excludes:

10 1) Any unintentional acquisition, access, or use of PHI by a workforce member or
11 person acting under the authority of CONTRACTOR or COUNTY, if such acquisition, access, or use
12 was made in good faith and within the scope of authority and does not result in further use or disclosure
13 in a manner not permitted under the Privacy Rule.

14 2) Any inadvertent disclosure by a person who is authorized to access PHI at
15 CONTRACTOR to another person authorized to access PHI at the CONTRACTOR, or organized health
16 care arrangement in which COUNTY participates, and the information received as a result of such
17 disclosure is not further used or disclosed in a manner not permitted under the HIPAA Privacy Rule.

18 3) A disclosure of PHI where CONTRACTOR or COUNTY has a good faith belief
19 that an unauthorized person to whom the disclosure was made would not reasonably have been able to
20 retain such information.

21 b. Except as provided in Subparagraph a. of this definition, an acquisition, access, use, or
22 disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule is presumed to be a breach
23 unless CONTRACTOR demonstrates that there is a low probability that the PHI has been compromised
24 based on a risk assessment of at least the following factors:

25 1) The nature and extent of the PHI involved, including the types of identifiers and the
26 likelihood of re-identification;

27 2) The unauthorized person who used the PHI or to whom the disclosure was made;

28 3) Whether the PHI was actually acquired or viewed; and

29 4) The extent to which the risk to the PHI has been mitigated.

30 3. "Data Aggregation" shall have the meaning given to such term under the HIPAA Privacy
31 Rule in 45 CFR § 164.501.

32 4. "DRS" shall have the meaning given to such term under the HIPAA Privacy Rule in
33 45 CFR § 164.501.

34 5. "Disclosure" shall have the meaning given to such term under the HIPAA regulations in
35 45 CFR § 160.103.

36 6. "Health Care Operations" shall have the meaning given to such term under the HIPAA
37 Privacy Rule in 45 CFR § 164.501.

1 7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in
2 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance
3 with 45 CFR § 164.502(g).

4 8. "Physical Safeguards" are physical measures, policies, and procedures to protect
5 CONTRACTOR's electronic information systems and related buildings and equipment, from natural
6 and environmental hazards, and unauthorized intrusion.

7 9. "The HIPAA Privacy Rule" shall mean the Standards for Privacy of Individually
8 Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

9 10. "PHI" shall have the meaning given to such term under the HIPAA regulations in
10 45 CFR § 160.103.

11 11. "Required by Law" shall have the meaning given to such term under the HIPAA Privacy
12 Rule in 45 CFR § 164.103.

13 12. "Secretary" shall mean the Secretary of the Department of HHS or his or her designee.

14 13. "Security Incident" means attempted or successful unauthorized access, use, disclosure,
15 modification, or destruction of information or interference with system operations in an information
16 system. "Security incident" does not include trivial incidents that occur on a daily basis, such as scans,
17 "pings", or unsuccessful attempts to penetrate computer networks or servers maintained by
18 CONTRACTOR.

19 14. "The HIPAA Security Rule" shall mean the Security Standards for the Protection of ePHI at
20 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

21 15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in
22 45 CFR § 160.103.

23 16. "Technical safeguards" means the technology and the P&Ps for its use that protect
24 electronic PHI and control access to it.

25 17. "Unsecured PHI" or "PHI that is unsecured" means PHI that is not rendered unusable,
26 unreadable, or indecipherable to unauthorized individuals through the use of a technology or
27 methodology specified by the Secretary of HHS in the guidance issued on the HHS Web site.

28 18. "Use" shall have the meaning given to such term under the HIPAA regulations in
29 45 CFR § 160.103.

30 C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE

31 1. CONTRACTOR agrees not to use or further disclose PHI COUNTY discloses to
32 CONTRACTOR other than as permitted or required by this Business Associate Contract or as required
33 by law.

34 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business
35 Associate Contract and the Contract, to prevent use or disclosure of PHI COUNTY discloses to
36 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
37 other than as provided for by this Business Associate Contract.

1 3. CONTRACTOR agrees to comply with the HIPAA Security Rule at Subpart C of 45 CFR
2 Part 164 with respect to ePHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates,
3 receives, maintains, or transmits on behalf of COUNTY.

4 4. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is
5 known to CONTRACTOR of a Use or Disclosure of PHI by CONTRACTOR in violation of the
6 requirements of this Business Associate Contract.

7 5. CONTRACTOR agrees to report to COUNTY immediately any Use or Disclosure of PHI
8 not provided for by this Business Associate Contract of which CONTRACTOR becomes aware.
9 CONTRACTOR must report Breaches of Unsecured PHI in accordance with Subparagraph E below and
10 as required by 45 CFR § 164.410.

11 6. CONTRACTOR agrees to ensure that any Subcontractors that create, receive, maintain, or
12 transmit PHI on behalf of CONTRACTOR agree to the same restrictions and conditions that apply
13 through this Business Associate Contract to CONTRACTOR with respect to such information.

14 7. CONTRACTOR agrees to provide access, within fifteen (15) calendar days of receipt of a
15 written request by COUNTY, to PHI in a DRS, to COUNTY or, as directed by COUNTY, to an
16 Individual in order to meet the requirements under 45 CFR § 164.524. If CONTRACTOR maintains an
17 EHR with PHI, and an individual requests a copy of such information in an electronic format,
18 CONTRACTOR shall provide such information in an electronic format.

19 8. CONTRACTOR agrees to make any amendment(s) to PHI in a DRS that COUNTY directs
20 or agrees to pursuant to 45 CFR § 164.526 at the request of COUNTY or an Individual, within thirty
21 (30) calendar days of receipt of said request by COUNTY. CONTRACTOR agrees to notify COUNTY
22 in writing no later than ten (10) calendar days after said amendment is completed.

23 9. CONTRACTOR agrees to make internal practices, books, and records, including P&Ps,
24 relating to the use and disclosure of PHI received from, or created or received by CONTRACTOR on
25 behalf of, COUNTY available to COUNTY and the Secretary in a time and manner as determined by
26 COUNTY or as designated by the Secretary for purposes of the Secretary determining COUNTY's
27 compliance with the HIPAA Privacy Rule.

28 10. CONTRACTOR agrees to document any Disclosures of PHI COUNTY discloses to
29 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,
30 and to make information related to such Disclosures available as would be required for COUNTY to
31 respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with
32 45 CFR § 164.528.

33 11. CONTRACTOR agrees to provide COUNTY or an Individual, as directed by COUNTY, in
34 a time and manner to be determined by COUNTY, that information collected in accordance with the
35 Contract, in order to permit COUNTY to respond to a request by an Individual for an accounting of
36 Disclosures of PHI in accordance with 45 CFR § 164.528.

37 //

1 12. CONTRACTOR agrees that to the extent CONTRACTOR carries out COUNTY's
2 obligation under the HIPAA Privacy and/or Security rules CONTRACTOR will comply with the
3 requirements of 45 CFR Part 164 that apply to COUNTY in the performance of such obligation.

4 13. If CONTRACTOR receives Social Security data from COUNTY provided to COUNTY by
5 a state agency, upon request by COUNTY, CONTRACTOR shall provide COUNTY with a list of all
6 employees, subcontractors, and agents who have access to the Social Security data, including
7 employees, agents, subcontractors, and agents of its subcontractors.

8 14. CONTRACTOR will notify COUNTY if CONTRACTOR is named as a defendant in a
9 criminal proceeding for a violation of HIPAA. COUNTY may terminate the Contract, if
10 CONTRACTOR is found guilty of a criminal violation in connection with HIPAA. COUNTY may
11 terminate the Contract, if a finding or stipulation that CONTRACTOR has violated any standard or
12 requirement of the privacy or security provisions of HIPAA, or other security or privacy laws are made
13 in any administrative or civil proceeding in which CONTRACTOR is a party or has been joined.
14 COUNTY will consider the nature and seriousness of the violation in deciding whether or not to
15 terminate the Contract.

16 15. CONTRACTOR shall make itself and any subcontractors, employees or agents assisting
17 CONTRACTOR in the performance of its obligations under the Contract, available to COUNTY at no
18 cost to COUNTY to testify as witnesses, or otherwise, in the event of litigation or administrative
19 proceedings being commenced against COUNTY, its directors, officers or employees based upon
20 claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy,
21 which involves inactions or actions by CONTRACTOR, except where CONTRACTOR or its
22 subcontractor, employee, or agent is a named adverse party.

23 16. The Parties acknowledge that federal and state laws relating to electronic data security and
24 privacy are rapidly evolving and that amendment of this Business Associate Contract may be required to
25 provide for procedures to ensure compliance with such developments. The Parties specifically agree to
26 take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH
27 Act, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon
28 COUNTY's request, CONTRACTOR agrees to promptly enter into negotiations with COUNTY
29 concerning an amendment to this Business Associate Contract embodying written assurances consistent
30 with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other
31 applicable laws. COUNTY may terminate the Contract upon thirty (30) days written notice in the event:

32 a. CONTRACTOR does not promptly enter into negotiations to amend this Business
33 Associate Contract when requested by COUNTY pursuant to this Subparagraph C; or

34 b. CONTRACTOR does not enter into an amendment providing assurances regarding the
35 safeguarding of PHI that COUNTY deems are necessary to satisfy the standards and requirements of
36 HIPAA, the HITECH Act, and the HIPAA regulations.

37 //

1 17. CONTRACTOR shall work with COUNTY upon notification by CONTRACTOR to
 2 COUNTY of a Breach to properly determine if any Breach exclusions exist as defined in Subparagraph
 3 B.2.a above.

4 D. SECURITY RULE

5 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish
 6 and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with
 7 45 CFR § 164.308, § 164.310, and § 164.312, with respect to electronic PHI COUNTY discloses to
 8 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.
 9 CONTRACTOR shall develop and maintain a written information privacy and security program that
 10 includes Administrative, Physical, and Technical Safeguards appropriate to the size and complexity of
 11 CONTRACTOR's operations and the nature and scope of its activities.

12 2. CONTRACTOR shall implement reasonable and appropriate P&Ps to comply with the
 13 standards, implementation specifications and other requirements of 45 CFR Part 164, Subpart C, in
 14 compliance with 45 CFR § 164.316. CONTRACTOR will provide COUNTY with its current and
 15 updated policies upon request.

16 3. CONTRACTOR shall ensure the continuous security of all computerized data systems
 17 containing ePHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives,
 18 maintains, or transmits on behalf of COUNTY. CONTRACTOR shall protect paper documents
 19 containing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives,
 20 maintains, or transmits on behalf of COUNTY. These steps shall include, at a minimum:

21 a. Complying with all of the data system security precautions listed under Subparagraph
 22 E., below;

23 b. Achieving and maintaining compliance with the HIPAA Security Rule, as necessary in
 24 conducting operations on behalf of COUNTY;

25 c. Providing a level and scope of security that is at least comparable to the level and scope
 26 of security established by the OMB in OMB Circular No. A-130, Appendix III - Security of Federal
 27 Automated Information Systems, which sets forth guidelines for automated information systems in
 28 Federal agencies;

29 4. CONTRACTOR shall ensure that any subcontractors that create, receive, maintain, or
 30 transmit ePHI on behalf of CONTRACTOR agree through a contract with CONTRACTOR to the same
 31 restrictions and requirements contained in this Subparagraph D of this Business Associate Contract.

32 5. CONTRACTOR shall report to COUNTY immediately any Security Incident of which it
 33 becomes aware. CONTRACTOR shall report Breaches of Unsecured PHI in accordance with
 34 Subparagraph E below and as required by 45 CFR § 164.410.

35 6. CONTRACTOR shall designate a Security Officer to oversee its data security program who
 36 shall be responsible for carrying out the requirements of this paragraph and for communicating on
 37 security matters with COUNTY.

1 E. DATA SECURITY REQUIREMENTS

2 1. Personal Controls

3 a. Employee Training. All workforce members who assist in the performance of
4 functions or activities on behalf of COUNTY in connection with Contract, or access or disclose PHI
5 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
6 behalf of COUNTY, must complete information privacy and security training, at least annually, at
7 CONTRACTOR's expense. Each workforce member who receives information privacy and security
8 training must sign a certification, indicating the member's name and the date on which the training was
9 completed. These certifications must be retained for a period of six (6) years following the termination
10 of Contract.

11 b. Employee Discipline. Appropriate sanctions must be applied against workforce
12 members who fail to comply with any provisions of CONTRACTOR's privacy P&Ps, including
13 termination of employment where appropriate.

14 c. Confidentiality Statement. All persons that will be working with PHI COUNTY
15 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
16 COUNTY must sign a confidentiality statement that includes, at a minimum, General Use, Security and
17 Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the
18 workforce member prior to access to such PHI. The statement must be renewed annually. The
19 CONTRACTOR shall retain each person's written confidentiality statement for COUNTY inspection
20 for a period of six (6) years following the termination of the Contract.

21 d. Background Check. Before a member of the workforce may access PHI COUNTY
22 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
23 COUNTY, a background screening of that worker must be conducted. The screening should be
24 commensurate with the risk and magnitude of harm the employee could cause, with more thorough
25 screening being done for those employees who are authorized to bypass significant technical and
26 operational security controls. CONTRACTOR shall retain each workforce member's background check
27 documentation for a period of three (3) years.

28 2. Technical Security Controls

29 a. Workstation/Laptop encryption. All workstations and laptops that store PHI COUNTY
30 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
31 COUNTY either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which
32 is 128bit or higher, such as AES. The encryption solution must be full disk unless approved by the
33 COUNTY.

34 b. Server Security. Servers containing unencrypted PHI COUNTY discloses to
35 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
36 must have sufficient administrative, physical, and technical controls in place to protect that data, based
37 upon a risk assessment/system security review.

1 c. Minimum Necessary. Only the minimum necessary amount of PHI COUNTY discloses
2 to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
3 required to perform necessary business functions may be copied, downloaded, or exported.

4 d. Removable media devices. All electronic files that contain PHI COUNTY discloses to
5 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
6 must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives,
7 floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140-2 certified
8 algorithm which is 128bit or higher, such as AES. Such PHI shall not be considered “removed from the
9 premises” if it is only being transported from one of CONTRACTOR’s locations to another of
10 CONTRACTOR’s locations.

11 e. Antivirus software. All workstations, laptops and other systems that process and/or
12 store PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or
13 transmits on behalf of COUNTY must have installed and actively use comprehensive anti-virus software
14 solution with automatic updates scheduled at least daily.

15 f. Patch Management. All workstations, laptops and other systems that process and/or
16 store PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or
17 transmits on behalf of COUNTY must have critical security patches applied, with system reboot if
18 necessary. There must be a documented patch management process which determines installation
19 timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable
20 patches must be installed within thirty (30) days of vendor release. Applications and systems that
21 cannot be patched due to operational reasons must have compensatory controls implemented to
22 minimize risk, where possible.

23 g. User IDs and Password Controls. All users must be issued a unique user name for
24 accessing PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
25 or transmits on behalf of COUNTY. Username must be promptly disabled, deleted, or the password
26 changed upon the transfer or termination of an employee with knowledge of the password, at maximum
27 within twenty-four (24) hours. Passwords are not to be shared. Passwords must be at least eight
28 characters and must be a non-dictionary word. Passwords must not be stored in readable format on the
29 computer. Passwords must be changed every ninety (90) days, preferably every sixty (60) days.
30 Passwords must be changed if revealed or compromised. Passwords must be composed of characters
31 from at least three (3) of the following four (4) groups from the standard keyboard:

- 32 1) Upper case letters (A-Z)
- 33 2) Lower case letters (a-z)
- 34 3) Arabic numerals (0-9)
- 35 4) Non-alphanumeric characters (punctuation symbols)

36 h. Data Destruction. When no longer needed, all PHI COUNTY discloses to
37 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY

1 must be wiped using the Gutmann or US DoD 5220.22-M (7 Pass) standard, or by degaussing. Media
2 may also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods
3 require prior written permission by COUNTY.

4 i. System Timeout. The system providing access to PHI COUNTY discloses to
5 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
6 must provide an automatic timeout, requiring re-authentication of the user session after no more than
7 twenty (20) minutes of inactivity.

8 j. Warning Banners. All systems providing access to PHI COUNTY discloses to
9 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
10 must display a warning banner stating that data is confidential, systems are logged, and system use is for
11 business purposes only by authorized users. User must be directed to log off the system if they do not
12 agree with these requirements.

13 k. System Logging. The system must maintain an automated audit trail which can
14 identify the user or system process which initiates a request for PHI COUNTY discloses to
15 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,
16 or which alters such PHI. The audit trail must be date and time stamped, must log both successful and
17 failed accesses, must be read only, and must be restricted to authorized users. If such PHI is stored in a
18 database, database logging functionality must be enabled. Audit trail data must be archived for at least
19 three (3) years after occurrence.

20 l. Access Controls. The system providing access to PHI COUNTY discloses to
21 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
22 must use role based access controls for all user authentications, enforcing the principle of least privilege.

23 m. Transmission encryption. All data transmissions of PHI COUNTY discloses to
24 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
25 outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is
26 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files
27 containing PHI can be encrypted. This requirement pertains to any type of PHI in motion such as
28 website access, file transfer, and E-Mail.

29 n. Intrusion Detection. All systems involved in accessing, holding, transporting, and
30 protecting PHI COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains,
31 or transmits on behalf of COUNTY that are accessible via the Internet must be protected by a
32 comprehensive intrusion detection and prevention solution.

33 3. Audit Controls

34 a. System Security Review. CONTRACTOR must ensure audit control mechanisms that
35 record and examine system activity are in place. All systems processing and/or storing PHI COUNTY
36 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
37 COUNTY must have at least an annual system risk assessment/security review which provides

1 assurance that administrative, physical, and technical controls are functioning effectively and providing
2 adequate levels of protection. Reviews should include vulnerability scanning tools.

3 b. Log Reviews. All systems processing and/or storing PHI COUNTY discloses to
4 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
5 must have a routine procedure in place to review system logs for unauthorized access.

6 c. Change Control. All systems processing and/or storing PHI COUNTY discloses to
7 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
8 must have a documented change control procedure that ensures separation of duties and protects the
9 confidentiality, integrity and availability of data.

10 4. Business Continuity/Disaster Recovery Control

11 a. Emergency Mode Operation Plan. CONTRACTOR must establish a documented plan
12 to enable continuation of critical business processes and protection of the security of PHI COUNTY
13 discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of
14 COUNTY kept in an electronic format in the event of an emergency. Emergency means any
15 circumstance or situation that causes normal computer operations to become unavailable for use in
16 performing the work required under this Contract for more than twenty-four (24) hours.

17 b. Data Backup Plan. CONTRACTOR must have established documented procedures to
18 backup such PHI to maintain retrievable exact copies of the PHI. The plan must include a regular
19 schedule for making backups, storing backup offsite, an inventory of backup media, and an estimate of
20 the amount of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule
21 must be a weekly full backup and monthly offsite storage of DHCS data. BCP for CONTRACTOR and
22 COUNTY (e.g. the application owner) must merge with the DRP.

23 5. Paper Document Controls

24 a. Supervision of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
25 creates, receives, maintains, or transmits on behalf of COUNTY in paper form shall not be left
26 unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means
27 that information is not being observed by an employee authorized to access the information. Such PHI
28 in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in
29 baggage on commercial airplanes.

30 b. Escorting Visitors. Visitors to areas where PHI COUNTY discloses to
31 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY is
32 contained shall be escorted and such PHI shall be kept out of sight while visitors are in the area.

33 c. Confidential Destruction. PHI COUNTY discloses to CONTRACTOR or
34 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY must be disposed of
35 through confidential means, such as cross cut shredding and pulverizing.

36 //

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1 d. Removal of Data. PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
2 creates, receives, maintains, or transmits on behalf of COUNTY must not be removed from the premises
3 of the CONTRACTOR except with express written permission of COUNTY.

4 e. Faxing. Faxes containing PHI COUNTY discloses to CONTRACTOR or
5 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall not be left
6 unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement
7 notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the
8 intended recipient before sending the fax.

9 f. Mailing. Mailings containing PHI COUNTY discloses to CONTRACTOR or
10 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY shall be sealed and
11 secured from damage or inappropriate viewing of PHI to the extent possible. Mailings which include
12 five hundred (500) or more individually identifiable records containing PHI COUNTY discloses to
13 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY in
14 a single package shall be sent using a tracked mailing method which includes verification of delivery
15 and receipt, unless the prior written permission of COUNTY to use another method is obtained.

16 F. BREACH DISCOVERY AND NOTIFICATION

17 1. Following the discovery of a Breach of Unsecured PHI, CONTRACTOR shall notify
18 COUNTY of such Breach, however both parties agree to a delay in the notification if so advised by a
19 law enforcement official pursuant to 45 CFR § 164.412.

20 a. A Breach shall be treated as discovered by CONTRACTOR as of the first day on which
21 such Breach is known to CONTRACTOR or, by exercising reasonable diligence, would have been
22 known to CONTRACTOR.

23 b. CONTRACTOR shall be deemed to have knowledge of a Breach, if the Breach is
24 known, or by exercising reasonable diligence would have known, to any person who is an employee,
25 officer, or other agent of CONTRACTOR, as determined by federal common law of agency.

26 2. CONTRACTOR shall provide the notification of the Breach immediately to the COUNTY
27 Privacy Officer. CONTRACTOR's notification may be oral, but shall be followed by written
28 notification within twenty-four (24) hours of the oral notification.

29 3. CONTRACTOR's notification shall include, to the extent possible:

30 a. The identification of each Individual whose Unsecured PHI has been, or is reasonably
31 believed by CONTRACTOR to have been, accessed, acquired, used, or disclosed during the Breach;

32 b. Any other information that COUNTY is required to include in the notification to
33 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or
34 promptly thereafter as this information becomes available, even after the regulatory sixty (60) day
35 period set forth in 45 CFR § 164.410 (b) has elapsed, including:

36 1) A brief description of what happened, including the date of the Breach and the date
37 of the discovery of the Breach, if known;

1 2) A description of the types of Unsecured PHI that were involved in the Breach (such
2 as whether full name, social security number, date of birth, home address, account number, diagnosis,
3 disability code, or other types of information were involved);

4 3) Any steps Individuals should take to protect themselves from potential harm
5 resulting from the Breach;

6 4) A brief description of what CONTRACTOR is doing to investigate the Breach, to
7 mitigate harm to Individuals, and to protect against any future Breaches; and

8 5) Contact procedures for Individuals to ask questions or learn additional information,
9 which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

10 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in
11 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the
12 COUNTY.

13 5. In the event that CONTRACTOR is responsible for a Breach of Unsecured PHI in violation
14 of the HIPAA Privacy Rule, CONTRACTOR shall have the burden of demonstrating that
15 CONTRACTOR made all notifications to COUNTY consistent with this Subparagraph F and as
16 required by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or
17 disclosure of PHI did not constitute a Breach.

18 6. CONTRACTOR shall maintain documentation of all required notifications of a Breach or
19 its risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur.

20 7. CONTRACTOR shall provide to COUNTY all specific and pertinent information about the
21 Breach, including the information listed in Section E.3.b.(1)-(5) above, if not yet provided, to permit
22 COUNTY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as
23 practicable, but in no event later than fifteen (15) calendar days after CONTRACTOR's initial report of
24 the Breach to COUNTY pursuant to Subparagraph F.2. above.

25 8. CONTRACTOR shall continue to provide all additional pertinent information about the
26 Breach to COUNTY as it may become available, in reporting increments of five (5) business days after
27 the last report to COUNTY. CONTRACTOR shall also respond in good faith to any reasonable
28 requests for further information, or follow-up information after report to COUNTY, when such request
29 is made by COUNTY.

30 9. If the Breach is the fault of CONTRACTOR, CONTRACTOR shall bear all expense or
31 other costs associated with the Breach and shall reimburse COUNTY for all expenses COUNTY incurs
32 in addressing the Breach and consequences thereof, including costs of investigation, notification,
33 remediation, documentation or other costs associated with addressing the Breach.

34 **G. PERMITTED USES AND DISCLOSURES BY CONTRACTOR**

35 1. CONTRACTOR may use or further disclose PHI COUNTY discloses to CONTRACTOR
36 as necessary to perform functions, activities, or services for, or on behalf of, COUNTY as specified in
37 //

1 the Contract, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done by
2 COUNTY except for the specific Uses and Disclosures set forth below.

3 a. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary,
4 for the proper management and administration of CONTRACTOR.

5 b. CONTRACTOR may disclose PHI COUNTY discloses to CONTRACTOR for the
6 proper management and administration of CONTRACTOR or to carry out the legal responsibilities of
7 CONTRACTOR, if:

8 1) The Disclosure is required by law; or

9 2) CONTRACTOR obtains reasonable assurances from the person to whom the PHI
10 is disclosed that it will be held confidentially and used or further disclosed only as required by law or for
11 the purposes for which it was disclosed to the person and the person immediately notifies
12 CONTRACTOR of any instance of which it is aware in which the confidentiality of the information has
13 been breached.

14 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to
15 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of
16 CONTRACTOR.

17 2. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary, to
18 carry out legal responsibilities of CONTRACTOR.

19 3. CONTRACTOR may use and disclose PHI COUNTY discloses to CONTRACTOR
20 consistent with the minimum necessary P&Ps of COUNTY.

21 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
22 required by law.

23 H. PROHIBITED USES AND DISCLOSURES

24 1. CONTRACTOR shall not disclose PHI COUNTY discloses to CONTRACTOR or
25 CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY about an individual to
26 a health plan for payment or health care operations purposes if the PHI pertains solely to a health care
27 item or service for which the health care provider involved has been paid out of pocket in full and the
28 individual requests such restriction, in accordance with 42 USC § 17935(a) and 45 CFR § 164.522(a).

29 2. CONTRACTOR shall not directly or indirectly receive remuneration in exchange for PHI
30 COUNTY discloses to CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on
31 behalf of COUNTY, except with the prior written consent of COUNTY and as permitted by
32 42 USC § 17935(d)(2).

33 I. OBLIGATIONS OF COUNTY

34 1. COUNTY shall notify CONTRACTOR of any limitation(s) in COUNTY's notice of
35 privacy practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect
36 CONTRACTOR's Use or Disclosure of PHI.

37 //

1 2. COUNTY shall notify CONTRACTOR of any changes in, or revocation of, the permission
2 by an Individual to use or disclose his or her PHI, to the extent that such changes may affect
3 CONTRACTOR's Use or Disclosure of PHI.

4 3. COUNTY shall notify CONTRACTOR of any restriction to the Use or Disclosure of PHI
5 that COUNTY has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction
6 may affect CONTRACTOR's Use or Disclosure of PHI.

7 4. COUNTY shall not request CONTRACTOR to use or disclose PHI in any manner that
8 would not be permissible under the HIPAA Privacy Rule if done by COUNTY.

9 J. BUSINESS ASSOCIATE TERMINATION

10 1. Upon COUNTY's knowledge of a material Breach or violation by CONTRACTOR of the
11 requirements of this Business Associate Contract, COUNTY shall:

12 a. Provide an opportunity for CONTRACTOR to cure the material Breach or end the
13 violation within thirty (30) business days; or

14 b. Immediately terminate the Contract, if CONTRACTOR is unwilling or unable to cure
15 the material Breach or end the violation within thirty (30) days, provided termination of the Contract is
16 feasible.

17 2. Upon termination of the Contract, CONTRACTOR shall either destroy or return to
18 COUNTY all PHI CONTRACTOR received from COUNTY or CONTRACTOR created, maintained,
19 or received on behalf of COUNTY in conformity with the HIPAA Privacy Rule.

20 a. This provision shall apply to all PHI that is in the possession of Subcontractors or
21 agents of CONTRACTOR.

22 b. CONTRACTOR shall retain no copies of the PHI.

23 c. In the event that CONTRACTOR determines that returning or destroying the PHI is not
24 feasible, CONTRACTOR shall provide to COUNTY notification of the conditions that make return or
25 destruction infeasible. Upon determination by COUNTY that return or destruction of PHI is infeasible,
26 CONTRACTOR shall extend the protections of this Business Associate Contract to such PHI and limit
27 further Uses and Disclosures of such PHI to those purposes that make the return or destruction
28 infeasible, for as long as CONTRACTOR maintains such PHI.

29 3. The obligations of this Business Associate Contract shall survive the termination of the
30 Contract.

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EXHIBIT **e** **D**
 TO MASTER SERVICES AGREEMENT
 FOR PROVISION OF
 MENTAL HEALTH AND RECOVERY SERVICES
 BETWEEN
 COUNTY OF ORANGE
 AND
 MIND OC
 OCTOBER 1, 2022 THROUGH JUNE 30, 2025

I. PERSONAL INFORMATION PRIVACY AND SECURITY CONTRACT

Any reference to statutory, regulatory, or contractual language herein shall be to such language as in effect or as amended.

A. DEFINITIONS

1. "Breach" shall have the meaning given to such term under the IEA and CMPPA. It shall include a "PII loss" as that term is defined in the CMPPA.

2. "Breach of the security of the system" shall have the meaning given to such term under the CIPA, CCC § 1798.29(d).

3. "CMPPA Contract" means the CMPPA Contract between the SSA and CHHS.

4. "DHCS PI" shall mean PI, as defined below, accessed in a database maintained by the COUNTY or DHCS, received by CONTRACTOR from the COUNTY or DHCS or acquired or created by CONTRACTOR in connection with performing the functions, activities and services specified in the Contract on behalf of the COUNTY.

5. "IEA" shall mean the IEA currently in effect between the SSA and DHCS.

6. "Notice-triggering PI" shall mean the PI identified in CCC § 1798.29(e) whose unauthorized access may trigger notification requirements under CCC § 1709.29. For purposes of this provision, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print, a photograph or a biometric identifier. Notice-triggering PI includes PI in electronic, paper or any other medium.

7. "PII" shall have the meaning given to such term in the IEA and CMPPA.

8. "PI" shall have the meaning given to such term in CCC § 1798.3(a).

9. "Required by law" means a mandate contained in law that compels an entity to make a use or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or

1 regulations that require the production of information, including statutes or regulations that require such
2 information if payment is sought under a government program providing public benefits.

3 10. "Security Incident" means the attempted or successful unauthorized access, use, disclosure,
4 modification, or destruction of PI, or confidential data utilized in complying with this Contract; or
5 interference with system operations in an information system that processes, maintains or stores PI.

6 B. TERMS OF CONTRACT

7 1. Permitted Uses and Disclosures of DHCS PI and PII by CONTRACTOR. Except as
8 otherwise indicated in this Exhibit, CONTRACTOR may use or disclose DHCS PI only to perform
9 functions, activities, or services for or on behalf of the COUNTY pursuant to the terms of the Contract
10 provided that such use or disclosure would not violate the CIPA if done by the COUNTY.

11 2. Responsibilities of CONTRACTOR

12 CONTRACTOR agrees:

13 a. Nondisclosure. Not to use or disclose DHCS PI or PII other than as permitted or
14 required by this Personal Information Privacy and Security Contract or as required by applicable state
15 and federal law.

16 b. Safeguards. To implement appropriate and reasonable administrative, technical, and
17 physical safeguards to protect the security, confidentiality and integrity of DHCS PI and PII, to protect
18 against anticipated threats or hazards to the security or integrity of DHCS PI and PII, and to prevent use
19 or disclosure of DHCS PI or PII other than as provided for by this Personal Information Privacy and
20 Security Contract. CONTRACTOR shall develop and maintain a written information privacy and
21 security program that include administrative, technical and physical safeguards appropriate to the size
22 and complexity of CONTRACTOR's operations and the nature and scope of its activities, which
23 incorporate the requirements of Subparagraph c. below. CONTRACTOR will provide COUNTY with
24 its current policies upon request.

25 c. Security. CONTRACTOR shall ensure the continuous security of all computerized data
26 systems containing DHCS PI and PII. CONTRACTOR shall protect paper documents containing
27 DHCS PI and PII. These steps shall include, at a minimum:

28 1) Complying with all of the data system security precautions listed in Subparagraph
29 E. of the Business Associate Contract, Exhibit B to the Contract; and

30 2) Providing a level and scope of security that is at least comparable to the level and
31 scope of security established by the OMB in OMB Circular No. A-130, Appendix III-Security of
32 Federal Automated Information Systems, which sets forth guidelines for automated information systems
33 in Federal agencies.

34 3) If the data obtained by CONTRACTOR from COUNTY includes PII,
35 CONTRACTOR shall also comply with the substantive privacy and security requirements in the
36 CMPPA Contract between the SSA and the CHHS and in the Contract between the SSA and DHCS,
37 known as the IEA. The specific sections of the IEA with substantive privacy and security requirements

1 to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information
2 Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies
3 Exchanging Electronic Information with the SSA. CONTRACTOR also agrees to ensure that any of
4 CONTRACTOR's agents or subcontractors, to whom CONTRACTOR provides DHCS PII agree to the
5 same requirements for privacy and security safeguards for confidential data that apply to
6 CONTRACTOR with respect to such information.

7 d. Mitigation of Harmful Effects. To mitigate, to the extent practicable, any harmful effect
8 that is known to CONTRACTOR of a use or disclosure of DHCS PI or PII by CONTRACTOR or its
9 subcontractors in violation of this Personal Information Privacy and Security Contract.

10 e. CONTRACTOR's Agents and Subcontractors. To impose the same restrictions and
11 conditions set forth in this Personal Information and Security Contract on any subcontractors or other
12 agents with whom CONTRACTOR subcontracts any activities under the Contract that involve the
13 disclosure of DHCS PI or PII to such subcontractors or other agents.

14 f. Availability of Information. To make DHCS PI and PII available to the DHCS and/or
15 COUNTY for purposes of oversight, inspection, amendment, and response to requests for records,
16 injunctions, judgments, and orders for production of DHCS PI and PII. If CONTRACTOR receives
17 DHCS PII, upon request by COUNTY and/or DHCS, CONTRACTOR shall provide COUNTY and/or
18 DHCS with a list of all employees, contractors and agents who have access to DHCS PII, including
19 employees, contractors and agents of its subcontractors and agents.

20 g. Cooperation with COUNTY. With respect to DHCS PI, to cooperate with and assist the
21 COUNTY to the extent necessary to ensure the DHCS's compliance with the applicable terms of the
22 CIPA including, but not limited to, accounting of disclosures of DHCS PI, correction of errors in DHCS
23 PI, production of DHCS PI, disclosure of a security Breach involving DHCS PI and notice of such
24 Breach to the affected individual(s).

25 h. Breaches and Security Incidents. During the term of the Contract, CONTRACTOR
26 agrees to implement reasonable systems for the discovery of any Breach of unsecured DHCS PI and PII
27 or security incident. CONTRACTOR agrees to give notification of any Breach of unsecured DHCS PI
28 and PII or security incident in accordance with Subparagraph F, of the Business Associate Contract,
29 Exhibit B to the Contract.

30 i. Designation of Individual Responsible for Security. CONTRACTOR shall designate an
31 individual, (e.g., Security Officer), to oversee its data security program who shall be responsible for
32 carrying out the requirements of this Personal Information Privacy and Security Contract and for
33 communicating on security matters with the COUNTY.

34 //
35 //
36 //
37 //



BOARD OF SUPERVISORS
MEMORANDUM

TO: Robin Stieler, Clerk of the Board
FROM: Vicente Sarmiento, Supervisor Second District
DATE: May 3, 2023

RECEIVED
MAY 10 2023
COUNTY OF ORANGE
BOARD OF SUPERVISORS

Subject: **Revised:** Add Supplemental Item to May 7, 2024 Board Meeting Agenda -
Appoint Judson Brown, Orange, to the Campaign, Finance, and Ethics Commission.

S34D

Supervisor Sarmiento requests a supplemental item be placed on May 7th, 2024, Board of Supervisors agenda to appoint Judson Brown to the Campaign, Finance, and Ethics Commission for a term beginning 05/07/2024 and ending ~~05/08/2027~~ 05/06/2027. Judson Brown will be filling a vacant position.

cc: Yasie Goebel, Chief of Staff, BOS-2
Valeria Sanchez, Chief Deputy Clerk, COB



BOARD OF SUPERVISORS
MEMORANDUM

TO: Robin Stieler, Clerk of the Board
FROM: Vicente Sarmiento, Supervisor Second District
DATE: May 3, 2023

Jim Agall for DW

Vicente Sarmiento

Subject: Add Supplemental Item to May 7, 2024 Board Meeting Agenda - Appoint Judson Brown, Orange, to the Campaign, Finance, and Ethics Commission.

S34D

Supervisor Sarmiento requests a supplemental item be placed on May 7th, 2024, Board of Supervisors agenda to appoint Judson Brown to the Campaign, Finance, and Ethics Commission for a term beginning 05/07/2024 and ending 05/08/2027. Judson Brown will be filling a vacant position.

cc: Yasia Goebel, Chief of Staff, BOS-2
Valeria Sanchez, Chief Deputy Clerk, COB

CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS

2023 MAY -3 12:10:47

RECEIVED



APPLICATION FOR COUNTY OF ORANGE BOARD, COMMISSION OR COMMITTEE

(FOR COUNTY USE ONLY)

Return to: Clerk of the Board of Supervisors 400 W. Civic Center Dr., 6th Floor Santa Ana, California 92701 Email: response@ocgov.com Website: https://cob.ocgov.com/

Instructions: Please complete each section below. Be sure to enter the title of the Board, Commission or Committee for which you desire consideration and attach a resume. For information or assistance, please contact the Clerk of the Board of Supervisor's Office at (714) 834-2206. Please print in ink or type.

NAME OF BOARD, COMMISSION, OR COMMITTEE TO WHICH YOU ARE APPLYING FOR MEMBERSHIP. SEE LIST AT https://cob.ocgov.com/boards-commissions-committees/bcc-name-list-and-contact-information

Campaign, Finance, and Ethics Commission

SUPERVISORIAL DISTRICT IN WHICH YOU RESIDE: [X] First [] Second [] Third [] Fourth [] Fifth

APPLICANT NAME AND RESIDENCE ADDRESS:

Judson Joseph Brown
First Name Middle Name Last Name

Street Address City State Zip Code

Home Phone Number Cell Phone Number

Email Address

CURRENT EMPLOYER:

OCCUPATION/JOB TITLE:

BUSINESS ADDRESS:

BUSINESS PHONE NUMBER:

[X] EMPLOYMENT HISTORY: Please attach a resume to this application and provide any information that would be helpful in evaluating your application. A RESUME MUST BE ATTACHED TO YOUR APPLICATION.

ARE YOU A CITIZEN OF THE UNITED STATES: [X] YES [] NO

IF NO, NAME OF COUNTRY OF CITIZENSHIP:

ARE YOU A REGISTERED VOTER? [X] YES [] NO

IF YES, NAME COUNTY YOU ARE REGISTERED IN: Orange County

LIST ALL CURRENT PROFESSIONAL OR COMMUNITY ORGANIZATIONS AND SOCIETIES OF WHICH YOU ARE A MEMBER.

<u>ORGANIZATION/SOCIETY</u>	<u>FROM (MO./YR.)</u>	<u>TO (MO./YR.)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

WITHIN THE LAST FIVE YEARS, HAVE YOU BEEN AFFILIATED WITH ANY BUSINESS OR NONPROFIT AGENCY(IES)? YES NO

DO YOU OWN REAL OR PERSONAL PROPERTY OR HAVE FINANCIAL HOLDING WHICH MIGHT PRESENT A POTENTIAL CONFLICT OF INTEREST? YES NO

HAVE YOU BEEN CONVICTED OF A FELONY OR MISDEMEANOR CRIME SINCE YOUR 18TH BIRTHDAY? YOU ARE NOT REQUIRED TO DISCLOSE ANY OF THE FOLLOWING: ARRESTS OR DETENTIONS THAT DID NOT RESULT IN A CONVICTION; CONVICTIONS THAT HAVE BEEN JUDICIALLY DISMISSED, EXPUNGED OR ORDERED SEALED; INFORMATION CONCERNING REFERRAL TO AND PARTICIPATION IN ANY PRETRIAL OR POSTRIAL DIVERSION PROGRAM; AND CERTAIN DRUG RELATED CONVICTIONS THAT ARE OLDER THAN TWO YEARS, AS LISTED IN CALIFORNIA LABOR CODE § 432.8 (INCLUDING VIOLATIONS OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 11357(B) AND (C), 11360(C) 11364, 11365 AND 11550 – AS THEY RELATE TO MARIJUANA)?

YES NO

IF YES, PLEASE EXPLAIN AND ATTACH ADDITIONAL SHEETS, IF NECESSARY.

PLEASE BRIEFLY EXPLAIN WHY YOU WISH TO SERVE ON THIS BOARD, COMMITTEE, OR COMMISSION. ATTACH ADDITIONAL SHEETS, IF NECESSARY.

I would like to serve on this Commission in order to serve
the residents of Orange County.

DATE: March 11, 2024

APPLICANTS SIGNATURE: Judson Brown
Digitally signed by Judson Brown
DN: cn=Judson Brown, o=City of Santa Ana,
ou, email=jbrown@santa-ana.org, c=US
Date: 2024.03.11 14:40:54 -0700

CLERK OF THE BOARD OF SUPERVISORS USE ONLY – DO NOT WRITE BELOW THIS LINE

Date Received: _____	Received by: _____ Deputy Clerk of the Board of Supervisors
Date referred: _____	
To: <input type="checkbox"/> BOS District 1	<input type="checkbox"/> BOS District 2
<input type="checkbox"/> All BOS	<input type="checkbox"/> BOS District 3
<input type="checkbox"/> BCC Contact Person Name _____	<input type="checkbox"/> BOS District 4
	<input type="checkbox"/> BOS District 5

Judson Brown

EDUCATION

Cal Poly Pomona (In Progress)
Master of Urban and Regional Planning
Expected June 2024

Texas A&M University
Master in Public Administration
Certificate in Non-Profit Management

University of California, Davis
Bachelor's Degree in International Relations
Minor in Community Development

PROFESSIONAL EXPERIENCE

Housing Division Manager, City of Santa Ana: November 2015 – PRESENT

Manage the operations of the City of Santa Ana Housing Division including the Santa Ana Housing Authority (3,408 vouchers), Community Development Block Grant Program, HOME Investment Partnerships Program, Emergency Solutions Grant Program, Housing Successor Agency, and Inclusionary Housing Program with an annual budget of over \$60 million; provide direction, coaching and supervision of twenty-five (25) employees; team-based performance management and quality control; monitor and approve expenditures; serve as staff on Boards and Committees including the Orange County Continuum of Care Board (former Chair), United to End Homelessness (Executive Committee); report to the Community Development Commission and the Executive Director of Community Development. *(Served as Housing Authority Operations Supervisor from June 2015 – November 2015)* www.santa-ana.org/cd

Director of Client Services II, Dallas Housing Authority: March 2014 – June 2015

Co-manage the operations of the Housing Choice Voucher (HCV) Program, Family Self-Sufficiency Program, Project-Based Voucher Program, and Special Purpose Voucher Program (18,000 vouchers; 650 family self-sufficiency participants; 1,550 project-based vouchers; 690 VASH vouchers, 110 Family-Unification Program Vouchers, 20 Shelter + Care Vouchers); co-manage all services and activities of the HCV Program, including applicant, participant, and landlord services; provide direction, coaching and supervision of forty-four (44) employees; team-based performance management and quality control; monitor and approve expenditures; provide monthly reports on department activities to the Vice-President of Operations. dhantx.com

Program Manager, Brazos Valley Council of Governments: January 2010 – March 2014

Manage the operations of the Housing Choice Voucher Program, Family Self-Sufficiency Program, and GED Program (1,900 vouchers; 300 family self-sufficiency participants; 80 GED students); provide direction, coaching and supervision of fifteen (15) employees including selection, training and evaluation; conduct team-based performance management and quality control; management responsibility for all services and activities of the program, including applicant, participant, and landlord services; supervise the development of the annual budget (over \$10 million per year); serve as staff on Boards and Committees including the Brazos Valley Homeless Coalition (Chair); Family Solutions Committee; Community Partnership Board; and Decent Affordable and Safe Housing Committee. www.bvcog.org

Program Manager, Save the Children - Bolivia: September 2006 – September 2007

Created a Child Sponsorship Program for 500+ child workers; managed the operations of one existing rural Child Sponsorship Programs for 200+ indigenous children; supervision and coordination of donor benefits for sponsored children; management of two community development projects (\$20,000 per project); coordination of five (5) sponsorship site directors; support for two new child sponsorship program sites for partner organizations; program planning, budgeting, and coordination. www.savethechildren.org.bo

VOLUNTEER AND BOARD EXPERIENCE

Executive Committee Member, United to End Homelessness Leadership Council: Feb 2018 – Current
United to End Homelessness is working to end homelessness in Orange County by March 2024 by implementing the recommendations listed in the groundbreaking 2017 study by UC Irvine “Homelessness in Orange County: The Costs to Our Community”. www.unitedtoendhomelessness.org

Orange County Continuum of Care Board: Board Chair, February 2018 – August 2019; Board Member
Oversee, manage and coordinate provision of services to homeless individuals in Orange County; coordinate services between homeless service providers, public agencies and nonprofit organizations; annual review of Continuum of Care applications; serve as the Chair of the Housing Opportunities Committee.
<https://ceo.ocgov.com/care-coordination/homeless-services/2023-continuum-care>

Governor’s Advisory Council on Homelessness Permanent Housing Working Group: July 2019
Appointed by Office of Governor Newsom to assist regional leaders and statewide experts to advise the Governor on solutions to combat homelessness.

Brazos Valley Homeless Coalition: Chair: May 2012 – March 2014; Vice-Chair: Jan 2010 – May 2012
Oversee, manage and coordinate services to homeless individuals in the Brazos Valley. www.brazos-uu.org/post/brazos-valley-coalition-for-the-homeless-bvch

Member, Bryan Rotary Club, January 2011 to December 2011
Weekly membership meetings to discuss community service activities. www.bryan-rotary.org

Board Member, Habitat for Humanity of Yolo County: June 2008 – October 2009
Oversee the policies, programs and activities of Habitat for Humanity of Yolo County.

Volunteer, Save the Children - Bolivia: Sept 2005 - June 2006
Grant project writing, design, and implementation; assistance with project administration; emergency humanitarian aid response. www.savethechildren.org.bo

AWARDS AND DISTINCTIONS

- o Texas A&M Master in Public Administration Distinguished Alumni, May 2014
- o Very Impressive Vocational Achievement Award, College Station Rotary Club, May 2013
- o Chancellor’s Individual Community Service Award, UC Davis, June 2008
- o Outstanding Individual Community Service Award, Int’l Relations Program, UC Davis, June 2008
- o Outstanding Community Service Award from the Human Corps of UC Davis, May 2008

RESOURCE DEVELOPMENT AND GRANT-WRITING

City of Santa Ana: **\$3.4 million / year for homeless veterans (280 new VASH Vouchers)**
 \$4.8 million / year for homeless families and foster youth (390 new vouchers)
 \$150,000 / year for Family Self-Sufficiency Program

BVCOG: **\$2.1 million in total funds for Family Self-Sufficiency Program**

Save the Children - Bolivia: \$630,000 / year for two child sponsorship programs



BOARD OF SUPERVISORS
MEMORANDUM

TO: Robin Stieler, Clerk of the Board
FROM: Vicente Sarmiento, Supervisor Second District
DATE: May 3, 2023

Jim Agall for DW
Vicente Sarmiento

Subject: Add Supplemental Item to May 7, 2024 Board Meeting Agenda - Appoint Richard Hernandez, Tustin, to Orange County Older Adults Advisory Commission – Seat 2.

S34E

Supervisor Sarmiento requests a supplemental item be placed on May 7th, 2024, Board of Supervisors agenda to appoint Richard Hernandez to Orange County Older Adults Advisory Commission – Seat 2 for a term concurrent with Supervisor Sarmiento’s term of office. Richard Hernandez will be filling a vacant position.

cc: Yasie Goebel, Chief of Staff, BOS-2
Valeria Sanchez, Chief Deputy Clerk, COB

CLERK OF SUPERVISORS
COUNTY OF ORANGE
BOARD OF SUPERVISORS

MAY 3 2023

RECEIVED



APPLICATION FOR COUNTY OF ORANGE BOARD, COMMISSION OR COMMITTEE

(FOR COUNTY USE ONLY)

Return to: Clerk of the Board of Supervisors 400 W. Civic Center Dr., 6th Floor Santa Ana, California 92701 Email: response@ocgov.com Website: https://cob.ocgov.com/

Instructions: Please complete each section below. Be sure to enter the title of the Board, Commission or Committee for which you desire consideration. For information or assistance, please contact the Clerk of the Board of Supervisor's Office at (714) 834-2206. Please print in ink or type.

NAME OF BOARD, COMMISSION, OR COMMITTEE TO WHICH YOU ARE APPLYING FOR MEMBERSHIP. SEE LIST AT https://cob.ocgov.com/boards-commissions-committees/bcc-name-list-and-contact-information

Senior Citizen Advisory Council

SUPERVISORIAL DISTRICT IN WHICH YOU RESIDE: [] First [x] Second [] Third [] Fourth [] Fifth

APPLICANT NAME AND RESIDENCE ADDRESS:

Richard Christopher Hernandez
First Name Middle Name Last Name

Street Address City State Zip Code

Home Phone Number Cell Phone Number

Email Address

CURRENT EMPLOYER:

OCCUPATION/JOB TITLE:

BUSINESS ADDRESS:

BUSINESS PHONE NUMBER:

EMPLOYMENT HISTORY: Please attach a resume to this application and provide any information that would be helpful in evaluating your application.

ARE YOU A CITIZEN OF THE UNITED STATES: [x] YES [] NO

IF NO, NAME OF COUNTRY OF CITIZENSHIP:

ARE YOU A REGISTERED VOTER? [x] YES [] NO

IF YES, NAME COUNTY YOU ARE REGISTERED IN: orange

LIST ALL CURRENT PROFESSIONAL OR COMMUNITY ORGANIZATIONS AND SOCIETIES OF WHICH YOU ARE A MEMBER.

ORGANIZATION/SOCIETY	FROM (MO./YR.)	TO (MO./YR.)
see resume		

WITHIN THE LAST FIVE YEARS, HAVE YOU BEEN AFFILIATED WITH ANY BUSINESS OR NONPROFIT AGENCY(IES)? YES NO

DO YOU OWN REAL OR PERSONAL PROPERTY OR HAVE FINANCIAL HOLDING WHICH MIGHT PRESENT A POTENTIAL CONFLICT OF INTEREST? YES NO

HAVE YOU BEEN CONVICTED OF A FELONY OR MISDEMEANOR CRIME SINCE YOUR 18TH BIRTHDAY? YOU ARE NOT REQUIRED TO DISCLOSE ANY OF THE FOLLOWING: ARRESTS OR DETENTIONS THAT DID NOT RESULT IN A CONVICTION; CONVICTIONS THAT HAVE BEEN JUDICIALLY DISMISSED, EXPUNGED OR ORDERED SEALED; INFORMATION CONCERNING REFERRAL TO AND PARTICIPATION IN ANY PRETRIAL OR POSTTRIAL DIVERSION PROGRAM; AND CERTAIN DRUG RELATED CONVICTIONS THAT ARE OLDER THAN TWO YEARS, AS LISTED IN CALIFORNIA LABOR CODE § 432.8 (INCLUDING VIOLATIONS OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 11357(B) AND (C), 11360(C) 11364, 11365 AND 11550 – AS THEY RELATE TO MARIJUANA)?

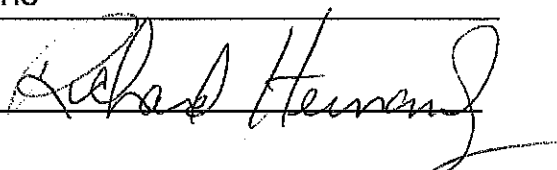
YES NO

IF YES, PLEASE EXPLAIN AND ATTACH ADDITIONAL SHEETS, IF NECESSARY.

PLEASE BRIEFLY EXPLAIN WHY YOU WISH TO SERVE ON THIS BOARD, COMMITTEE, OR COMMISSION. ATTACH ADDITIONAL SHEETS, IF NECESSARY.

Think that my life experiences can contribute to effective representation of senior citizen needs and concerns

DATE: 9/13/2023

APPLICANTS SIGNATURE: 

CLERK OF THE BOARD OF SUPERVISORS USE ONLY – DO NOT WRITE BELOW THIS LINE

Date Received: _____	Received by: _____ Deputy Clerk of the Board of Supervisors
Date referred: _____	
To: <input type="checkbox"/> BOS District 1	<input type="checkbox"/> BOS District 2
<input type="checkbox"/> All BOS	<input type="checkbox"/> BCC Contact Person Name _____
<input type="checkbox"/> BOS District 3	<input type="checkbox"/> BOS District 4
<input type="checkbox"/> BOS District 5	

Resume (chronological) Richard C. Hernandez 9/13/2023

Early Years

Born (3/6/1936) and raised in Artesia barrio of Santa Ana, California

Attended Fremont Elementary (segregated school), placed in St. Joseph Catholic School 5th to 8th grade. 1950 Enrolled in Mater Dei High School

Like many Mexican families, spent summers in central California picking crops; grapes, cotton, olives etc. Also picked oranges in Orange County as a young boy.

Family

In 1957 married Elizabeth Betancourt (Puerto Rican), had 4 children-Benjamin, Jose Angel, Patricia, Sarah. Wife passed away 2019, currently have 9 grandchildren, 14 great grandchildren

Early Employment

After high school graduation from Mater Dei worked 5 years at Sierra Frozen Foods in Santa Ana where I eventually was in charge of running the night shift operation.

Worked 7 years at Kimberly Clark in Fullerton (paper products-kleenex, toilet paper, etc.).

Because Kimberly Clark was a union shop, I eventually got involved in union business and was shop steward, union paper editor, vice-president and president of that local union.

After Kimberly Clark I sold life insurance for John Hancock for one year, then worked in construction from Laborers union local 652.

Community Activism

While working at John Hancock, I began involvement in the community starting as a volunteer teachers aide teaching English to Spanish speaking adults. This led to other community organizations including the Urban Resource Center sponsored by UC Irvine. This led to the creation of Coordinated Leadership Development Series which eventually produced leaders in city and county government, education, business etc.

Higher Education

While participating in the Urban Resource Center I was referred by Fred Garcia (who later became President of Golden West College) to Dr. Robert Moore, President of Orange Coast College, for an interview for an upcoming position. I was subsequently hired to begin a program of attracting minority students to OCC. This was part of the statewide EOPS program.

Even though at that time I had no higher education degrees, Dr. Moore made it possible for me to obtain that position while pursuing the degrees.

I did so taking classes at Orange Coast and Santa Ana Colleges, and some administration classes at UC Irvine. I eventually earned a Bachelors in Political Science and a Masters of Public Administration both at California State University, Long Beach.

Political Involvement

While working in the community as part of my recruitment efforts for Orange Coast, I was encouraged to run for a vacated position on the Rancho Santiago Community College District. I did and was subsequently elected for two terms as a Trustee on that Board. (1972 to 1979)

In later years, 1989, I ran for the Board of Education of Santa Ana Unified School District and was elected, served 1 term as Board Member and Board President for one year.

Other significant experiences

Taught Political Science part time at Orange Coast for 4 years before retiring

Owner-solar energy company for one year

President of two Television broadcasting companies-United Minorities Broadcasting , Inc. and Hispanic Broadcasters, Inc. ...were successful in obtaining a television broadcasting license from the FCC, subsequently sold the license to other companies.

Served on the 1969 Orange County Grand Jury

Produced a Summer Jazz concert series- early 80's

Currently serving on the leadership team of Calvary Central O C Ministerio Hispano



**OFFICE OF THE COUNTY COUNSEL
COUNTY OF ORANGE**

400 West Civic Center Drive, Suite 202
Santa Ana, California 92701
Direct No.: (714) 834-3303

E-Mail: james.harman@coco.ocgov.com

**LEON J. PAGE
COUNTY COUNSEL**

**Agenda Item No. SCS- 1
May 7, 2024**

MEMORANDUM

April 29, 2024

TO: Robin Stieler, Clerk of the Board of Supervisors
FROM: James C. Harman, Chief Assistant County Counsel
SUBJECT: Request for Supplemental Closed Session

I am requesting a supplemental closed session on Tuesday, May 7, 2024, to discuss with the Board the status of existing litigation, pursuant to Government Code section 54956.9(d)(1).

Accordingly, please prepare the Agenda Item to read:

**“CONFERENCE WITH LEGAL COUNSEL –
EXISTING LITIGATION Pursuant to Government Code Section
54956.9(d)(1).**

**Name of Case: *Christopher Beuler v. County of Orange,*
WCAB Case: ADJ11898147.**

RECOMMENDED ACTION: Conduct Closed Session.”

Thank you.

A handwritten signature in black ink, appearing to read "J. Harman", positioned above a horizontal line.

JCH:vl

**cc: Members of the Board of Supervisors
Frank Kim, CEO**



LEON J. PAGE
COUNTY COUNSEL

RECEIVED
MAY 29 10 30 AM
CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS

OFFICE OF THE COUNTY COUNSEL
COUNTY OF ORANGE

400 West Civic Center Drive, Suite 202
Santa Ana, California 92701
Direct No.: (714) 834-5257
E-Mail: james.harman@coco.ocgov.com

Agenda Item No. SCS- 2
May 7, 2024

MEMORANDUM

April 29, 2024

TO: Robin Stieler, Clerk of the Board of Supervisors
FROM: James C. Harman, Chief Assistant County Counsel
SUBJECT: Request for Supplemental Closed Session

I am requesting a supplemental closed session on Tuesday, May 7, 2024, to discuss with the Board the status of existing litigation, pursuant to Government Code section 54956.9(d)(1).

Accordingly, please prepare the Agenda Item to read:

“CONFERENCE WITH LEGAL COUNSEL --
EXISTING LITIGATION Pursuant to Government Code Section
54956.9(d)(1).

Name of Case: *Giang Nguyen v. County of Orange, et al.*,
United States District Court Case No. 8:22-cv-01433.

RECOMMENDED ACTION: Conduct Closed Session.”

Thank you.

JCH:vl

cc: Members of the Board of Supervisors
Frank Kim, CEO