

**CONTRACT FOR BEHAVIORAL HEALTH SERVICES  
COUNTY OF SAN LUIS OBISPO BEHAVIORAL HEALTH SERVICES**

**THIS CONTRACT**, entered into by and between the County of San Luis Obispo, a public entity in the State of California, (hereafter "County") and Family Care Network, a California Corporation (hereafter "Contractor"):

**WITNESSETH**

**WHEREAS**, County has a need for mental health services to San Luis Obispo County, Health Agency, Behavioral Health Services, Mental Health clients, as more particularly described on Exhibit A, attached hereto; and

**WHEREAS**, County has a need for expanding services to reach underserved populations associated with the components of the Mental Health Services Act (MHSA), as more particularly described on Exhibit A; and

**WHEREAS**, Contractor is specially trained, experienced, expert and competent to perform such special services; and

**WHEREAS**, Pursuant to Government Code, section 31000, the County may contract for special services on behalf of public entities including County Behavioral Health; and

**WHEREAS**, Contractor is able to furnish such services under the terms and conditions of this Contract and in accordance with applicable law, including all federal and state rules and regulations pertaining to the provision of Medi-Cal services.

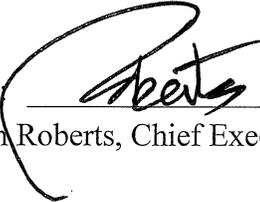
**NOW, THEREFORE**, in consideration of the covenants, conditions, agreements, and stipulations set forth herein, the parties agree as follows:

- 1. Scope of Services.** County hereby engages Contractor to perform, and Contractor hereby agrees to perform for County, the services set forth on Exhibit A, attached hereto and incorporated herein by reference, all pursuant to the terms and conditions hereinafter set forth.
- 2. Compensation.** Contractor shall be compensated by County for performing said services in accordance with Exhibit B, attached hereto and incorporated herein by reference.
- 3. Effective Date and Duration.** The effective date and duration of this Contract shall be as specified on Exhibit C, attached hereto and incorporated herein by reference.
- 4. General Conditions.** Contractor and County shall comply with all provisions of County's General Conditions, a copy of which is attached hereto as Exhibit D and incorporated herein by reference.
- 5. Special Conditions.** Contractor and County shall comply with the special conditions attached hereto as Exhibit E and incorporated herein by reference. In the event of conflicts between the provisions of the General Provisions and the Special Conditions, the provisions of the Special Conditions shall be controlling.
- 6. Business Associate Agreement.** Contractor and County shall comply with the County's Business Associate Agreement in accordance with Exhibit F, a copy of which is attached hereto and incorporated herein by reference.

**IN WITNESS WHEREOF** County and Contractor have executed this Contract on the day and year set forth below.

CONTRACTOR  
Family Care Network

CONTRACTOR  
Family Care Network

By:  \_\_\_\_\_  
Jim Roberts, Chief Executive Officer

By:  \_\_\_\_\_  
Bobbie Cherry Boyer, Chief Financial Officer

Tax ID#      Held in Confidential File

COUNTY COUNSEL

Approved as to form and legal effect.

RITA L. NEAL  
COUNTY COUNSEL

By: Shannon Matmure  
Deputy County Counsel

Date: 6/30/2015

COUNTY OF SAN LUIS OBISPO,  
A Public Entity in the State of California

By: \_\_\_\_\_  
Chairman, Board of Supervisors

Date: \_\_\_\_\_

ATTEST

By: \_\_\_\_\_  
County Clerk and Ex-Officio Clerk  
of the Board of Supervisors

**EXHIBIT A**  
**CONTRACT FOR BEHAVIORAL HEALTH SERVICES**  
**SCOPE OF SERVICES**

**1. Therapeutic Behavioral Services (TBS): \$1,660,000**

a. Scope of Services:

Therapeutic Behavioral Services (TBS) are a one-to-one behavioral mental health services available to children/youth with serious emotional disturbances that are under age 21 and who are eligible for a full array of Medi-Cal benefits without restrictions or limitations (full scope Medi-Cal). Contractor is specially trained, experienced, expert and competent to perform such special services. TBS is designed to provide behavioral modeling, structure and support, and immediate, frequent one-to-one behavioral interventions which assist the child/youth in engaging in appropriate activities, minimizing impulsivity, and increase social and community competencies by building or reinstating those daily living skills that will assist the child to live successfully in the community. The Contractor's Therapeutic Behavioral Services (TBS) Rehabilitation Specialist Counselors will serve as a positive role model and assist in developing the child/youth's ability to sustain self-directed appropriate behavior, internalize a sense of social responsibility, and/or enable participation proactively in community activities. TBS shall be provided in a manner prescribed by the laws of California and in accord with applicable laws, titles, rules, and regulations, including quality improvement requirements of the Short-Doyle/Medi-Cal Program. Contractor shall perform TBS in such a manner that maintains the County's Mental Health Plan (MHP) as a Level II MHP that has demonstrated high performance in TBS delivery. The County is exempt from Level II requirements and only has to meet Level I requirements as described in the Nine-Point Plan as order by the US Central District of California Court in November 2008 derived from the federal court case Emily Q v. Bonta.

- 1) Individualized behavioral interventions that shall be provided include but are not limited to:
  - i. Immediate behavioral reinforcements;
  - ii. Time-structuring activities;
  - iii. Inappropriate response prevention;
  - iv. Positive reinforcement;
  - v. Appropriate time-out strategies;
  - vi. Behavioral approaches, such as use of hierarchies, and graduated exposure.
  - vii. Development of positive replacement behaviors for maladaptive behaviors
  - viii. Transfer of behavior management skills to parents/caregivers.
- 2) The interventions also include support for the family, foster family, or group home support system's efforts to provide a positive environment for the child/youth and collaboration with other members of the mental health treatment team.
- 3) Activities/interventions shall include but are not limited to:
  - i. Assisting the child/youth to engage in, or remain engaged in, appropriate activities;
  - ii. Helping to minimize the child/youth's impulsive behavior;

- iii. Helping to increase the child/youth's social and community competencies by building or reinforcing those daily living skills that will assist the child/youth in living successfully at home and in the community;
- iv. Providing immediate behavioral reinforcements providing time-structuring activities;
- v. Preventing inappropriate responses;
- vi. Providing appropriate time-out strategies;
- vii. Providing cognitive behavioral approaches, such as cognitive restructuring, use of hierarchies, and graduated exposure;
- viii. Collaboration with and support for the family caregivers' efforts to provide a positive environment for the child;
- ix. Show a schedule of service reduction to facilitate transition of care to caregivers, beginning with the initial TBS Treatment Plan.
- x. Provide training and assistance for parents/caregivers with skills and strategies to provide continuity and transition of care when TBS services are discontinued.

b. Service Specifications:

Contractor will serve as the Single Accountable Individual (SAI) only for open cases where they are currently assigned the SAI, such as in the SB163 Wraparound program or the Therapeutic Foster Care program. The SAI roles and responsibilities include but not limited to:

- 1) Creating, revising, and reviewing clients' treatment plan in collaboration with the client and County staff (if any are providing services)
- 2) Secure all required signatures from clients and parents of clients who are under the age of 18 or have minor consent
- 3) Route the completed Treatment Plan (TP) to the Contractor's Mental Health (MH) Program Supervisor at the clinic nearest to the client's residence. (Except when the client receives services at Martha's Place or Child Development Resource Center, then the TP is routed to the MH Program Supervisor overseeing the Martha's Place program.)
- 4) Responsibilities as outlined in the County's most current Treatment Plans and Documentation Guidelines as provided separately on an annual basis and which may be updated throughout the contract period
- 5) Provide adequate number of Rehabilitation Specialists to serve 36 clients at any given time
- 6) Provide sufficient FTEs of LMFT/LCSW therapist TBS supervisor to maintain a ratio of one (1) FTE supervisor to ten (10) TBS Rehabilitation Specialists
- 7) Provide Therapeutic Behavioral Services (TBS) as approved by County's Site Authorization Team (SAT)
- 8) TBS services shall be offered in a manner that is compliant with requirements for Medical reimbursement

- 9) Provide the County with all required documentation necessary to meet State's Medi-Cal TBS Audit Protocol guidelines and to adequately support Medi-Cal billing, as directed by County
  - 10) All TBS documentation referenced in subsection b(9) above will be submitted quarterly to the County via the CBO Quarterly Client Progress Report, as detailed in the County's Treatment Plan and Document Guidelines
  - 11) Any services billed in error or without supporting documentation that meets requirements for billing will be subject to payment disallowance.
  - 12) Administer validated assessment instruments as required by the County. Instruments may include but are not limited to:
    - i. Child and Adolescent Needs and Strengths (CANS)
  - 13) Administer other measurement tools and/or participate in any additional evaluation activities as required by the County. All other instruments used by the Contractor for the purpose of measuring services provided in this contract must be provided to and approved by the County
- c. Referral Process:
- 1) Client referrals will be made to the Contractor following County's Mental Health Policy and Procedure 6.06, TBS Authorization. County will provide the electronic version of the County's Mental Health Policies and Procedures annually and as updates occur.
  - 2) The Contractor will document the risk behaviors and the placement or hospital risk factors to ensure that the client meets the requirements for inclusion in the class of clients targeted to receive TBS services.
  - 3) In cases where the Contractor is the SAI, the Contractor must determine if the client meets criteria for TBS services based on established TBS Guidelines.
  - 4) No TBS services will be rendered prior to the authorization of a signed, TBS Treatment Plan. Contractor is responsible for ensuring that a signed TBS Treatment Plan is in place prior to rendering such services.
- d. Treatment Direction:
- 1) Once a referral is made, Contractor shall assign a TBS Rehabilitation Specialist to the child/youth under clearly defined directions from the treatment team, which includes members from the Contractor and County. The Rehabilitation Specialist will work under the case specific direction of a Contractor's supervisor and under the general supervision of the Contractor's Supervising Therapist (a licensed MFT, LCSW or Ph.D.). TBS Rehabilitation Specialist will be responsible to complete case documentation as required for Medi-Cal billing purposes and as directed by the treatment team.
  - 2) The intent of the program is to target clients in acute need, with the goal to stabilize that child/youth in his/her current living arrangement, thus avoiding the necessity to move them to a higher level of care. These stabilizing interventions will be delivered

to children/youth for periods which may range from several weeks to several months, with decreasing intervention as the child/youth's behavior improves.

- 3) When the Contractor is the SAI, the Contractor, with the approval of the County's Site Authorization Team, will make the determination to change the level of intervention based on close case monitoring and input from the Contractor's assigned therapist and TBS Rehabilitation Specialist. Any decision to terminate TBS services will require approval from County's MH Program Supervisor or Division Manager.

e. Staff Educational Qualifications:

Contractor shall meet the following criteria under Title 9, California Code of Regulation §622 and §630:

- 1) Supervisory Staff overseeing the Mental Health Rehabilitation Specialists shall meet the following qualifications as described under §630:
  - i. A Bachelor's Degree and four years of experience in a mental health setting as a specialist in the fields of physical restoration, social adjustment, or vocational adjustment.
  - ii. Up to two years of graduate professional education may be substituted for the experience requirement on a year-for-year basis;
  - iii. Up to two years of post-associate arts clinical experience may be substituted for the required educational experience in addition to the requirement for four years' experience in a mental health setting.
- 2) Mental Health Rehabilitation Specialists shall meet the following qualifications; however, Contractor reserves the option to deviate if a strong candidate has other persuasive qualifying characteristics:
  - i. A Bachelor's Degree from an accredited college or university in human services or a related field of study, and one year of experience in a social work, mental health, or human services oriented public or private organization; or
  - ii. An Associate Degree from an accredited college or university in human services or a related field of study, and two years of experience in a social work, mental health, or human services oriented public or private organization; or
  - iii. A high school diploma and four year of experience in a social work, mental health, or human services oriented public or private organization.

f. Staff Background Clearance:

Contractor's TBS Rehabilitation Specialist are required to have:

- 1) A valid driver's license and proof of insurance;
- 2) A DMV history check;
- 3) A fingerprint and criminal record check and clearance;
- 4) A local child abuse record check;
- 5) A TB test and Health Screening certification;
- 6) A screening to determine that the provider is not on the Medi-Cal excluded providers' listing, at time of hire and on a monthly basis.

g. Staff Training:

Contractor's TBS Rehabilitation Specialist and clinical supervisors will complete a training program including an intensive evidence-based practice Behavioral Health training before working with the clients. The curriculum and/or training program will be approved by County. Documentation of completion of this course will be submitted to County as requested.

h. Units of Service:

1) Units Defined:

- i. Unique Client = Unique client receiving County approved TBS services during the contract period.
- ii. Client Slots = Number of clients that staffing is set to serve at one time.
- iii. Service Unit = One Minute of approved mental health services entered into the County's Anasazi billing system

2) Minimum Annual Units:

- i. 110 Unique Clients
- ii. 36 Client Slots
- iii. 625,000 Service Units

i. Measurable Outcomes:

- 1) 85% of TBS clients served will be diverted from RCL 12-14 group home facility
- 2) 85% of TBS clients served will be diverted from acute psychiatric hospitalization

**2. Specialty Mental Health Services to SB163 Wraparound Clients' Program: \$1,550,000**

a. Scope of Services:

The Contractor will serve as the Single Accountable Individual (SAI) for all SB 163 Wraparound cases and will provide Specialty Mental Health Services to SB 163 Wraparound clients as follows:

- 1) Contractor will provide Specialty Mental Health Services as defined in the SB 163 Wraparound Plan, including:
  - i. Assessments that may result in Contractor acting as the Single Accountable Individual (SAI) for SB 163 Wraparound cases
  - ii. Development of Mental Health Treatment Plans within the Child and Family Team facilitated by an appropriately licensed therapist or registered intern
  - iii. Individual Rehabilitation services to provide In-home Support Counseling by an individual appropriately trained and qualified to provide such services
  - iv. Therapy, Case Management and collateral services as defined in Title 9 to assist program clients in meeting their treatment plan goals.
  - v. Provide Intensive Home-Based Services (IHBS) and Intensive Care Coordination (ICC) to children/youth who meet the Katie A. subclass criteria, as per the settlement agreement in the lawsuit Katie A. v. Bonta. IHBS and ICC services shall be in accordance with the Core Practice Model's values, principles, and practices.

- 2) Contractor agrees to fully participate in ongoing evaluation of the Specialty Mental Health Services to Wraparound clients including:
  - i. Maintaining case records and files on all children/families served
  - ii. Administering validated assessment instruments as required by the County. Instruments may include but are not limited to:
    - (1) Child and Adolescent Needs and Strengths (CANS)
  - iii. Administer other measurement tools and/or participate in any additional evaluation activities as required by the County. All other instruments used by the Contractor for the purpose of measuring services provided in this contract must be provided to and approved by the County.
  - iv. Providing periodic written case evaluations as required by the placing agencies
  - v. Providing statistical information necessary to evaluate outcomes
  - vi. Participate in all program evaluation discussion as outlined in the Wraparound Plan
- b. Service Specifications: Contractor agrees to:
  - 1) Provide Facilitator services at a ratio of 1 FTE to six (6) children/families, with some variance depending on specific case needs and activities
  - 2) Provide In-home Support Counseling at an average ratio of 1.5 FTE per child/family. This ratio will vary depending on each specific case plan requirements
  - 3) Provide clinical supervision at a rate of .25 FTE of LMFT/LCSW per 1 FTE Facilitator
  - 4) Provide .5 FTE Community Development Specialists per six (6) to 10 children/families
  - 5) Provide crisis plan for all enrolled children/youth
  - 6) Providers and clinical supervisors will participate in training programs, including behavior therapy principles and techniques, as provided by Contractor
  - 7) Providing quarterly treatment summary via the County's Anasazi program in the informational notes section as required by the County
- c. Referral Process:
  - 1) Contractor will provide intake assessment on clients approved by the Interagency Placement Committee for Wraparound services that do not have an opened Mental Health case. Assessment will be presented to the County's Mental Health Site Authorization Team (SAT). SAT will determine medical necessity for Specialty Mental Health Services
  - 2) No Individual Rehabilitation or Individual Therapy to SB 163 Wraparound clients will be rendered prior to the authorization of a signed Treatment Plan for those services requested. Contractor is responsible for ensuring that a signed Treatment Plan is in place prior to rendering such services.
  - 3) For cases currently open to County Mental Health, the SAI and MH Program Supervisor or Division Manager will make the determination to transfer the SAI to the contractor.
- d. Units of Service:

- 1) Units Defined:
  - i. Client Served = Unique client receiving Wraparound services during contract period.
  - ii. Client Slots = Number of clients that staffing is set to serve at one time.
  - iii. Service Unit = One Minute of approved mental health services entered into the County's Anasazi billing system
- 2) Minimum Annual Units:
  - i. 110 Clients Served
  - ii. 55 Client Slots
  - iii. 975,000 Service Units
- 3) Measurable Outcomes:
  - i. 85% of clients enrolled in Wraparound will be successfully diverted from placement in RCL 12-14 group home facility and acute psychiatric hospitalization
  - ii. 85% of clients enrolled in Wraparound will be diverted from incarceration

**3. Mental Health Services for Therapeutic Foster Care Program (TFC): \$840,000**

a. Scope of Service:

As a Single Accountable Individual (SAI), the Contractor will provide Specialty Mental Health Services by an appropriately licensed clinician for children/youth placed in foster care and youth placed in the TFC program. The TFC program includes the following services: Transitional Housing Placement, Transitional Housing Placement Plus, and the Intensive Treatment Foster Care program. Contractor will provide Specialty Mental Health Services to TFC clients as follows:

- 1) Mental Health intake assessments to determine diagnosis and insure the client meets medical necessity
- 2) Development of Mental Health Treatment Plan within the Child and Family Team facilitated by an appropriately licensed therapist or registered intern
- 3) Maintaining case records and files on all children/families served
- 4) Providing quarterly treatment summary via the County's Anasazi program in the informational notes section as required by the County
- 5) Providing statistical information necessary to evaluate outcomes to the County
- 6) Provide Intensive Home-Based Services (IHBS) and Intensive Care Coordination (ICC) to children/youth who meet the Katie A. subclass criteria, as per the settlement agreement in the lawsuit Katie A. v. Bonta. IHBS and ICC services shall be in accordance with the Core Practice Model's values, principles, and practices.
- 7) Administer validated assessment instruments as required by the County. Instruments may include but are not limited to:
  - i. Child and Adolescent Needs and Strengths (CANS)
- 8) Administer other measurement tools and/or participate in any additional evaluation activities as required by the County. All other instruments used by the Contractor for

- the purpose of measuring services provided in this contract must be provided to and approved by the County. Providing periodic written case evaluations as required by the placing agencies
- b. Service Specifications: Contractor agrees to:
    - 1) Provide Facilitator/Therapist services at a ratio of 1 FTE to six (6) children/youth, with some variance depending on specific case needs and activities
    - 2) Provide in-home Support Counseling at an average ratio of 1.5 FTE per child/youth. This ratio will vary depending on each specific case plan requirements.
    - 3) Provide clinical supervision at a rate of .25 FTE of LMFT/LCSW per 1 FTE Facilitator/Therapist
    - 4) Provide crisis plan for all enrolled children/youth
  - c. Referral Process:
    - 1) The County's placing agency will request approval from the Interagency Placement Committee before referring the client to the Contractor.
    - 2) Once approval is received, the Contractor must submit a service request to Mental Health Managed Care for the client.
    - 3) After County approval is obtained, the Contractor will be assigned as the SAI and will provide intake assessment, determine medical necessity and create a treatment plan for the clients who do not have an opened Mental Health case.
    - 4) For clients who have an open Mental Health case, the County may transfer the case to the Contractor for services.
  - d. Units of Service:
    - 1) Units Defined:
      - i. Client Served = Unique child/youth client receiving mental health services as approved during the contract period.
      - ii. Client Slots = Number of clients that staffing is set to serve at one time.
      - iii. Service Unit = One Minute of approved mental health services entered into the County's Anasazi billing system
    - 2) Minimum Annual Units:
      - i. 50 Clients Served
      - ii. 16 Client Slots
      - iii. 430,000 Service Units
  - e. Measurable Outcomes:
    - 1) 80% of clients served will avoid acute psychiatric hospitalization
    - 2) 85% of clients demonstrate regular school attendance
    - 3) 85% of clients will be diverted from incarceration

- 4) 85% will be diverted from placement in a RCL 10 or above group home facility and/or acute psychiatric hospitalization

#### **4. Therapeutic Learning Classrooms (TLC) \$682,580**

##### **a. Scope of Services:**

Contractor will provide Rehabilitation Specialists to twelve (12) County Therapeutic Learning classrooms. The Rehabilitation Specialists will implement each child's Mental Health Treatment Plan and provide individual and group rehabilitation and case management services as authorized by County's Mental Health Site Authorization Team. Rehabilitation Specialists will coordinate their services with the school based team and work closely with the SAI to assure clinical integrity of the MH Treatment Plan. TLC will be offered during the same traditional school year schedule for public schools as dictated by the California Department of Education. Summer hours will follow the County Office of Education and assigned School District's summer school schedules. TLC may or may not be offered during the Extended School Year which is an additional four (4) weeks after the traditional school year is complete.

##### **b. Service Specifications:**

- 1) Contractor will provide 12.00 FTEs Rehabilitation Specialists:
  - i. Four (4) at San Luis Coastal Unified School District (USD)
  - ii. Four (4) at Paso Robles USD
  - iii. Two (2) at Lucia Mar USD
  - iv. Two (2) at Atascadero USD
- 2) The Rehabilitation Specialists shall perform therapeutic activities which may include, but are not limited to:
  - i. Skill Building activities designed to assist the student to engage in, or become engaged in, appropriate school activities and to minimize impulsive behavior
  - ii. Interventions that provide immediate behavioral support and prevent inappropriate behavioral responses
  - iii. Interventions designed to improve student's school, social, and community competencies through building or reinforcing daily living skills that will enhance the student's ability to successfully live at home and in his/her community

##### **c. Staff Educational Qualifications:**

Contractor shall meet the following criteria under Title 9, California Code of Regulation §622 and §630:

- 1) Supervisory Staff overseeing the Mental Health Rehabilitation Specialists shall meet the following qualifications as described under §630:
  - i. A Bachelor's Degree and four years of experience in a mental health setting as a specialist in the fields of physical restoration, social adjustment, or vocational adjustment.
  - ii. Up to two years of graduate professional education may be substituted for the experience requirement on a year-for-year basis;

- iii. Up to two years of post-associate arts clinical experience may be substituted for the required educational experience in addition to the requirement for four years' experience in a mental health setting.
- 2) Mental Health Rehabilitation Specialists shall meet the following qualifications; however, Contractor reserves the option to deviate if a strong candidate has other persuasive qualifying characteristics:
  - i. A Bachelor's Degree from an accredited college or university in human services or a related field of study, and one year of experience in a social work, mental health, or human services oriented public or private organization; or
  - ii. An Associate Degree from an accredited college or university in human services or a related field of study, and two years of experience in a social work, mental health, or human services oriented public or private organization; or
  - iii. A high school diploma and four year of experience in a social work, mental health, or human services oriented public or private organization.
- d. Staff Background Qualifications:
  - 1) A valid driver's license and proof of insurance;
  - 2) A DMV history check;
  - 3) A fingerprint and criminal record check and clearance;
  - 4) A local child abuse record check;
  - 5) A TB test and Health Screening certification;
  - 6) A screening to determine that the provider is not on the Medi-Cal excluded providers' listing, at time of hire and on a monthly basis.
- e. Staff Training:

Contractor's Behavioral Counselors in the ED classrooms and clinical supervisors will complete a training program including eight (8) hours Cognitive Behavioral Therapeutic Interventions principles and techniques before working with the clients. The curriculum and/or training program will be approved by County. Documentation of completion of this course will be submitted to County as requested.
- f. Units of Service:
  - 1) Units Defined:
    - i. Client Served = Unique client/student receiving behavioral and rehabilitative services during contract period.
    - ii. Client Slots = Number of clients that staffing is set to serve at one time.
    - iii. Service Unit = One minute of approved mental health services entered into the County's Anasazi billing system
  - 2) Minimum Annual Units:
    - i. 110 Clients served
    - ii. 110 Client Slots
    - iii. 500,000 Service Units

g. Measurable Outcomes:

- 1) 80% of children/youth served will show an improvement in Behavioral and Emotional subscale as measured by the Child and Adolescent Needs and Strengths (CANS) standardized instrument.
- 2) For those children/youth served, 80% will show improvement in their IEP goals as measured by a validated curriculum based assessment.

h. Measurement Method:

- 1) Contractor will use validated assessment instruments as required by the County. Instruments may include but are not limited to:
  - i. Child and Adolescent Needs and Strengths (CANS)
- 2) Contractor may also be required to utilize other measurement tools and/or participate in any additional evaluation activities as required by the County. All other instruments used by the Contractor for the purpose of measuring services provided in this contract must be provided to and approved by the County annually.

**MHSA PROGRAMS – Community Services and Support Component (CSS)**

**MHSA Component Level Goal:** To Outreach and provide a full range of services and supports to children and their families, transition age youth, adults, and older adults with serious mental illness or serious emotional disturbance, that leads to resiliency and recovery.

**5. Children’s Full Service Partnership: \$120,000**

a. MHSA Program Level Goal:

Contractor will employ 2.0 FTE Rehabilitation Specialists to provide resource support within an integrated Full Service Partnership (FSP) team for 15-25 Youth 0-17 years, depending on severity, with one or more of the following characteristics: chronic history of 5150, hospitalizations, emergency room (ER) visits, law enforcement involvement; foster youth with multiple placements; risk of out-of-home placement; in juvenile justice system. Services may be delivered across a Sunday through Saturday workweek, hours and schedule to be determined in FSP team planning. Personal Services Specialists will be located with the FSP team and supervised by the FSP program supervisor.

b. MHSA Program Level Objectives:

Rehabilitation Specialist will be involved in day to day client skill-building and resource support to include, but not limited to:

- 1) Dress/grooming/hygiene
- 2) Travel (e.g. use of public transportation)
- 3) Budgeting (e.g., money management)
- 4) Family/social interactions
- 5) Coping with symptoms
- 6) Managing stress (e.g., behavior control and impulse control, frustration tolerance/stress management)
- 7) Managing their symptoms

- 8) Take to appointments
  - 9) Shopping
  - 10) Household management
  - 11) Referrals
  - 12) Individual rehabilitation activities
  - 13) Crisis care
  - 14) Interface with other treatment providers
- c. Units of Service:
- 1) Units Defined:
    - i. Client Served = Unique client receiving County youth FSP services during contract period.
    - ii. Client Slots = Number of clients that staffing is set to serve at one time
    - iii. Service Unit = One Minute of approved mental health services entered into the County's Anasazi billing system
  - 2) Minimum Annual Units:
    - i. 25 Clients Served
    - ii. 25 Client Slots
    - iii. 35,000 Service Units
- d. Key Outcomes:
- 1) 75% of clients will obtain housing stability (eg: living with family/ and or living independently/ and reduction in homelessness)
  - 2) 75% of clients will demonstrate an increase in protective factors. Factors may include:
    - i. Family bonding.
    - ii. Wellness.
    - iii. Community engagement.
    - iv. Peer and sibling relationships.
  - 3) 75% of clients will demonstrate a reduction risk behaviors and engage in self-controlled, positive, and non-violent behavior. As tracked by FSP data tool to match CANS.
  - 4) 75% of clients in school will maintain or improve academic performance as demonstrated by:
    - i. Grades or units completed
    - ii. School attendance
    - iii. Classroom behavior
- e. Measurement Method:

- 1) Contractor will use data collection instruments as required by the County. Data collection tools will be submitted every 90 days for each FSP partner (client) after intake. Instruments may include but are not limited to:
  - i. FSP Rehab Specialist Data Collection Tool
  - ii. FCNI Staff collaboration with County FSP staff to complete required FSP Paperwork (i.e. PAF, KET, 3M); and Child and Adolescent Needs and Strengths (CANS) assessment.
- 2) Contractor may also be required to utilize other measurement tools and/or participate in any additional evaluation activities as required by the County. All other instruments used by the Contractor for the purpose of measuring services provided in this contract must be provided to and approved by the County annually.

**6. Transitional Age Youth (TAY) Full Service Partnership: \$145,000**

a. MHSa Program Level Goal:

Contractor will employ 2.0 FTE Rehabilitation Specialists to provide resource support within an integrated Full Service Partnership (FSP) team for 15-25 transitional age youth (16-21 years), depending on severity, with one or more of the following characteristics: chronic history of 5150, hospitalizations, emergency room (ER) visits, law enforcement involvement; dual diagnosed; foster youth with multiple placements, or aging out/have aged out; recently diagnosed (could be identified via juvenile justice system). Services may be delivered across a Sunday through Saturday workweek, hours and schedule to be determined in FSP team planning. Rehabilitation Specialists will be located with the FSP team and supervised by the FSP program supervisor.

b. MHSa Program Level Objectives:

Involved in day to day client skills-building and resource support to include, but not limited to:

- 1) Dress/grooming/hygiene
- 2) Travel (e.g. use of public transportation)
- 3) Budgeting (e.g., money management)
- 4) Family/social interactions
- 5) Coping with symptoms
- 6) Managing stress (e.g., behavior control and impulse control, frustration tolerance/stress management)
- 7) Managing their symptoms
- 8) Take to appointments
- 9) Shopping
- 10) Household management
- 11) Referrals
- 12) Individual rehabilitation activities

- 13) Crisis care
- 14) Interface with other treatment providers
- c. Units of Service:
  - 1) Units Defined:
    - i. Client Served = Unique client receiving County TAY FSP services during fiscal year.
    - ii. Client Slots = Number of clients that staffing is set to serve at one time
    - iii. Service Unit = One Minute of approved mental health services entered into the County's Anasazi billing system
  - 2) Minimum Annual Units:
    - i. 25 Clients Served
    - ii. 25 Client Slots
    - iii. 50,000 Service Units
- d. Key Outcomes:
  - 1) 75% of clients will obtain housing stability (eg: living with family/ and or living independently/ and reduction in homelessness)
  - 2) 75% of clients will demonstrate an increase in protective factors. Factors may include:
    - i. Family bonding
    - ii. Wellness
    - iii. Community engagement
    - iv. Peer and sibling relationships
  - 3) 75% of clients will demonstrate a reduction risk behaviors and engage in self-controlled, positive, and non-violent behavior. As tracked by FSP data tool to match CANS
  - 4) 75% of clients in school will maintain or improve academic performance as demonstrated by:
    - i. Grades or units completed
    - ii. School attendance
    - iii. Classroom behavior
- e. Measurement Method:
  - 1) Contractor will use data collection instruments as required by the County. Data collection tools will be submitted every 90 days for each FSP partner (client) after intake. Instruments may include but are not limited to:
    - i. FSP Rehab Specialist Data Collection Tool
    - ii. FCNI Staff collaboration with County FSP staff to complete required FSP Paperwork (i.e. PAF, KET, 3M); and Child and Adolescent Needs and Strengths (CANS) assessment.

- 2) Contractor may also be required to utilize other measurement tools and/or participate in any additional evaluation activities as required by the County. All other instruments used by the Contractor for the purpose of measuring services provided in this contract must be provided to and approved by the County annually.

**EXHIBIT B**  
**CONTRACT FOR BEHAVIORAL HEALTH SERVICES**  
**COMPENSATION**

**1. Compensation:**

Prior to commencement of services, Contractor shall provide a valid, current taxpayer ID number to the San Luis Obispo County Auditor/Controller at: 1055 Monterey Street Room D220, San Luis Obispo, CA. 93408. County shall pay to Contractor as compensation in full for all services performed by Contractor pursuant to this Contract, the following sums in the following manner:

- a. The maximum amount if this contract shall not exceed four million nine hundred ninety seven thousand five hundred eighty dollars (\$4,997,580). All payments under this contract must directly support services specified in this contract.
- b. If applicable, should both parties exercise the right to renew this Contract as described in Exhibits C and D, the maximum fund amount for this Contract/these Contracts in total per renewal term is identical to the maximum fund amount in FY 2015-16 unless the Parties agree otherwise pursuant to Paragraph 30 of Exhibit D.
- c. The component of services covered in this Contract and the related compensation rates are anticipated types and rates for services. However, the Board of Supervisors delegates to the Behavioral Health Administrator the authority to exchange types of services for another type described in this Contract at the rates listed for each service respectively. The Board of Supervisors expressly grants to the Behavioral Health Administrator the authority to approve budget adjustments provided the change does not increase the maximum compensation of this Contract. Contractor shall submit for approval to the Behavioral Health Administrator, all proposed budget adjustments to reallocate funds among line items Requests for such budget adjustments must be in writing with a showing of good cause that advances the overall purpose of the contract
- d. The Contractor shall submit a three month advance payment request in the amount of 1/4th of the total contract amount. During the last quarter of the contract period, the Contractor and County shall reconcile the advance payment received for each program compared to actual expenditures. Any overpayment or underpayment shall be reconciled by July 7, 2016.
- e. The Contractor shall submit monthly actual expense reports by the 15th day of the following month with actual expense for the current month and contract year to date by budget line item and type of service. County may withhold payments within first 11 months if program costs are expected to exceed previous disbursements. All monthly reports shall be submitted to Behavioral Health Chief Fiscal Officer or designee at 2180 Johnson Avenue, San Luis Obispo, CA 93401.
- f. County shall pay Contractor within thirty days from the date invoice was received by County, except for any disputed items. If there are any disputed changes on an invoice, County shall include an explanation of the nature of the dispute with the payment for the undisputed charge. The parties will exchange any information needed to resolve the dispute.

- g. In addition to withholding payment due to disputed charges on an invoice, County shall have the right to withhold payment to Contractor under the following conditions:
  - 1) In the County's sole, discretionary opinion, as issued in writing by the Behavioral Health Administrator, Contractor's performance, in whole or in part, has not been carried out.
  - 2) Contractor has not documented or has not sufficiently documented Contractor's services according to client records standards of the industry and any special requirements needed by third party payors or State or Federal funding agencies.
  - 3) Contractor has failed or refused to furnish information or cooperate with any inspection, review or audit of Contractor's program or County's use of Contractor's program. This includes interviews or reviews of records in any form of information storage.
- h. Contractor shall submit a line item budget for each type of service. Said budget shall be subject to approval by the Behavioral Health Administrator.
- i. Contractor shall prepare an annual cost report as required State. County will make available the necessary forms to complete. The annual cost report should be sent to the Behavioral Health Chief Fiscal Officer or designee at 2180 Johnson Avenue, San Luis Obispo, CA 93401.
- j. Contractor agrees to accept risk for Medi-Cal exceptions related to deficiencies in documentation or any other areas of responsibility to County to the extent allowed by law. Contractor further agrees to be responsible for reimbursing County for any and all revenues to be paid to the State or Federal government, including but not limited to exceptions resulting from Medi-Cal audit, or as identified through utilization review and medical review by insurance carriers or other auditors. Said reimbursements shall be limited to any amounts paid to Contractor on a per unit basis for disallowed units demonstrated specifically attributable to Contractor. If the disallowance is significant that would cause County to incur additional costs or be impacted by additional revenue loss, Contractor agrees that the County may seek to recover all lost revenues, damages of any kind, costs and attorney fees incurred by the County, and other charges assessed against the County to the full extent allowed by law.
- k. County shall provide Contractor a process for appealing or disputing Medi-Cal exceptions or deficiencies demonstrated specifically attributable to Contractor by the County. Reimbursement to the County by Contractor shall not be required until the completion of the appeal or dispute resolution process.

**2. Billing:**

- a. Contractor shall not bill clients for professional services performed pursuant to this Contract. All billings and collections for professional services shall be the responsibility of the County. This Contract shall constitute an assignment by Contractor to County of all funds owing or collected for the professional services rendered by Contractor pursuant to this Contract or Contractor shall take all additional steps reasonably requested by County to assist in the billing and collection of funds due for professional services rendered. All funds collected with respect to professional services provided within the purview of this

Contract shall be the exclusive property of County and the sole compensation of Contractor shall be as hereinabove provided.

- b. Contractor will separately identify for County those services which are reimbursable under the Medi-Cal, Medi-Cal Administrative Activities (MAA), and Medicare programs so that County may bill and recover said reimbursement. Contractor will provide the necessary documentation to meet the billing requirements and standards under Medi-Cal and Medicare programs as determined. Contractor agrees that any such reimbursement received by County shall be and remain the property of County.

### **3. Withholding Payment:**

In addition to withholding payment due to disputed charges on an invoice, County shall have the right to withhold payment to Contractor under the following conditions:

- a. Contractor has not documented or has not sufficiently documented Contractor's services according to client records standards of the industry and any special requirements needed by third party payors or federal or state funding agencies.
- b. Contractor has failed or refused to furnish information or cooperate with any inspection, review or audit of Contractor's program or County's use of Contractor's program. This includes interviews or reviews of records in any form of information storage.
- c. Contractor has failed to sufficiently itemize or document the itemized invoice.
- d. Contractor's performance, in whole or in part, has not been sufficiently documented, County has the right to withhold payment to the Contractor, when, in the opinion of the County, and expressed in writing to the Contractor.

## **EXHIBIT C**

### **CONTRACT FOR BEHAVIORAL HEALTH SERVICES**

#### **DURATION AND EFFECTIVE DATE**

**1. Effective Date.**

This Contract shall be effective as of the date this Contract is signed by the Board of Supervisors for the County of San Luis Obispo, and that signature shall be the last to sign.

**2. Service Date.**

- a. Services shall commence on or after July 1, 2015 and shall end upon the end of the duration date
- b. The County Board of Supervisors specifically acknowledges that in anticipation of execution of this contract, services within the scope of this contract may have been provided in reliance on assurances that this contract would be executed by the parties on the effective date. The services may have been rendered from July 1, 2015 to the date the Board of Supervisors is executing this contract and which were intended in the best interest of the public health and welfare. The Board of Supervisors expressly authorizes the retroactive effective date under this contract to July 1, 2015. The Board of Supervisors also expressly authorizes payment for those services accepted by the County at the same rates and under the same terms and conditions as stated in this contract, even though this contract is being signed after July 1, 2015.
- c. If any services from July 1, 2015 until the effective date have been paid by a purchase order via the County Purchasing Agent, that amount shall be deducted from this contract.

**3. Duration Date.**

This contract shall remain in effect from the effective date stated above until June 30, 2016, unless terminated sooner pursuant to Sections 6 or 7 of Exhibit D or renewed pursuant to Section 4 of this Exhibit.

**4. Option to Renew for One Year**

By mutual agreement of the County and Contractor, this Contract may be renewed for up to, but no more than, two (2) successive one-year renewal terms beginning immediately upon the expiration of the Contract's initial one-year term. Each such one-year renewal shall be made in writing. The Health Agency Director is hereby delegated the authority to determine whether to renew this Contract without additional approval by the Board of Supervisors, so long as the renewal is in writing, approved by County Counsel, and consistent with the limits described in Section 30 of Exhibit D.

**EXHIBIT D**  
**CONTRACT FOR BEHAVIORAL HEALTH SERVICES**

**GENERAL CONDITIONS**

**1. Independent Contractor.**

Contractor shall be deemed to be an independent contractor of County. Nothing in this contract shall be construed as creating an employer-employee relationship, partnership or a joint venture relationship. Nothing in this contract authorizes or permits the County to exercise discretion or control over the professional manner in which Contractor provides services. Contractor's services shall be provided in a manner consistent with all applicable standards and regulations governing such services.

**2. No Eligibility for Fringe Benefits.**

Contractor understands and agrees that Contractor and its personnel are not, and will not be, eligible for membership in or any benefits from any County group plan for hospital, surgical, or medical insurance, or for membership in any County retirement program, or for paid vacation, paid sick leave, or other leave, with or without pay, or for any other benefit which accrues to a County employee.

**3. Warranty of Contractor for Provision of Services.**

Contractor shall obtain and shall keep in full force and effect during the term of this Contract all permits, registrations and licenses necessary to accomplish the work specified in the Contract. Contractor shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the Business and Professions Code, and all other applicable laws for the type of services rendered under this Contract. Contractor warrants that it, and each of the personnel employed or otherwise retained by Contractor, will at all times, to the extent required by law, be properly certified and licensed throughout the entire duration of this Contract under the local, state and federal laws and regulations applicable to the provision of services herein.

**4. Warranty of Contractor re Compliance with all Laws.**

Contractor shall keep informed of, observe, comply with, and cause all of its agents and personnel to observe and comply with all laws, rules, regulations, and administrative requirements adopted by federal, state, and local governments which in any way affect the conduct of work under this Contract. If any conflict arises between provisions of the scope of work or specifications in this Contract and any law, then the Contractor shall immediately notify the County in writing.

**5. Power and Authority of Contractor.**

If the Contractor is a corporation, Contractor represents and warrants that it is and will remain, throughout the term of this Contract, either a duly organized, validly existing California corporation in good standing under the laws of the State of California or a duly organized, validly existing foreign corporation in good standing in the state of incorporation and authorized to transact business in the State of California.

## **6. Termination for Cause.**

If the County determines that there has been a material breach of this Contract by Independent Contractor that poses a threat to health and safety, the County may immediately terminate the Contract. In addition, if any of the following occur, County shall have the right to terminate this Contract effective immediately upon giving written notice to the Independent Contractor:

- a. Contractor fails to perform his duties to the satisfaction of the County; or
- b. Contractor fails to fulfill in a timely and professional manner his obligations under this Contract; or
- c. Contractor fails to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the County; or
- d. Any requisite licenses or certifications held by Contractor are terminated, suspended, reduced, or restricted; or
- e. Contractor has not, to the satisfaction of the County, documented or has not sufficiently documented services provided by Contractor, which includes without limitation, failure to meet industry standards or failure to satisfy any special requirements needed by third party payors or federal or state funding agencies; or
- f. Contractor has failed or refused to furnish information or cooperate with any inspection, review or audit of Contractor's program or County's use of Contractor's program. This includes interviews or reviews of records in any form of information storage; or
- g. Contractor fails to comply with any provision of the Mental Health Compliance Plan, Cultural Competency Plan, and Code of Ethics.

All obligations to provide services shall automatically terminate on the effective date of termination.

For all other material breaches of this Contract, County must give Contractor written notice setting forth the nature of the breach. If Contractor fails to remedy said breach within ten (10) days from the date of the written notice, County may terminate the Contract. Contractor shall thereafter have no further rights, powers, or privileges against County under or arising out of this Contract.

In the event a breach does not result in termination, but does result in costs being incurred by County, said costs shall be charged to and paid by Independent Contractor, which costs may include, but are not limited to, costs incurred by County in investigating and communicating with Contractor regarding said breach, including staff time.

## **7. Termination for Convenience.**

Either party may terminate this Contract at any time by giving the other party at least 30 calendar days' written notice of termination for convenience ("Notice of Termination for Convenience"). Termination for convenience shall be effective at 11:59 p.m., Pacific Standard Time, on the intended date for termination (the "Termination Date"). The terminating party shall deliver to the other party a notice specifying the date upon which such termination will become effective, which shall be at least 30 calendar days after the date of the notice.

Termination for convenience shall have no effect upon the rights and obligations of the parties arising out of any services, which were provided prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of termination. After receiving a Notice of Termination for Convenience, Contractor shall, unless directed by County, place no further subcontracts for services or materials, terminate all subcontracts to the extent they relate to the work terminated, and settle all outstanding liabilities arising from the termination of subcontracts.

Neither this section nor Section 6 of this Exhibit apply to a decision by either party not to exercise an option to renew this contract.

#### **8. Power to Terminate.**

Termination of this Contract may be effectuated by the Health Agency Director without the need for action, approval, or ratification by the Board of Supervisors.

#### **9. Non-Assignment of Contract.**

Inasmuch as this Contract is intended to secure the specialized services of the Contractor, Contractor shall not delegate, assign, or otherwise transfer in whole or in part its rights or obligations under this contract without the prior written consent of County. Any such assignment, transfer, or delegation without the County's prior written consent shall be null and void.

#### **10. Entire Agreement and Modifications.**

This Contract supersedes all previous contracts between the parties hereto on the same subject matter and constitutes the entire understanding of the parties hereto on the subject matter of this Contract. Contractor shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this contract, Contractor relies solely upon the provisions contained in this Contract and no others.

#### **11. Governing Law and Venue.**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California, without regard to its conflict of laws provisions. All of the parties' rights and obligations created hereunder shall be performed in the County of San Luis Obispo, State of California and such County shall be the venue for any action or proceeding that may be brought, or arise out of, this contract.

#### **12. Waiver.**

No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Contract shall impair any such right power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right power or privilege or the exercise of any other right, power or privilege. No waiver shall be valid unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

#### **13. Severability.**

The Contractor agrees that if any provision of this Contract is found to be invalid, illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Upon determination that any term or provision is invalid,

illegal or unenforceable, the parties shall negotiate in good faith to modify this contract so as to affect the original intent of the parties as closely as possible.

**14. Nondiscrimination.**

Contractor agrees that it will abide by all Federal and State labor and employment laws and regulations pertaining to unlawful discrimination prohibiting discrimination against any employee or applicant for employment because of race, color, religion, sexual orientation, disability or national origin, and those conditions contained in Presidential Executive Order number 11246.

**15. Notices.**

All notices given or made pursuant hereto shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by registered or certified mail (postage paid, return receipt requested) or sent by a nationally recognized overnight courier (providing proof of delivery) to the parties at the following addresses or sent by electronic transmission to the following facsimile numbers (or at such other address or facsimile number for a party as shall be specified by like notice):

Anne Robin, LMFT  
Behavioral Health Services Administrator  
2180 Johnson Avenue  
San Luis Obispo, CA 93401-4535

And to Contractor at:

Family Care Network, Inc  
1255 Kendall Road  
San Luis Obispo, CA 93401

Any such notice shall be deemed to have been received if: (a) in the case of personal delivery or facsimile transmission with confirmation retained, on the date of such delivery or transmission; (b) in the case of nationally recognized overnight courier, on the next business day after the date sent; (3) in the case of mailing, on the third business day following posting.

**16. Inspection Rights.**

The Contractor shall allow the County to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract and to inspect evaluate and audit any and all books, records, and facilities maintained by Contractor and subcontractors, pertaining to such service at any time during normal business hours. Books and records include, without limitation, all physical records originated or prepared pursuant to the performance under this Contract including work papers, reports, financial records and books of account. Upon request, at any time during the period of this Contract, and for a period of five years thereafter, the Contractor shall furnish any such record, or copy thereof, to County.

**17. Headings.**

The headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

## 18. Signatory Authority.

Contractor warrants that it has full power and authority to enter into and perform this Contract, and the person signing this Contract warrants that he/she has been properly authorized and empowered to enter into this Contract.

## 19. Indemnification.

To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless the County and its officers, agents, employees, and volunteers from and against all claims, demands, damages, liabilities, loss, costs, and expense (including attorney's fees and costs of litigation) of every nature arising out of or in connection with Contractor's performance or attempted performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by sole negligence or willful misconduct of the County.

## 20. Insurance.

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

### MINIMUM SCOPE AND LIMIT OF INSURANCE.

Coverage should be at least as broad as:

- a. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- b. **Automobile Liability:** ISO Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
- c. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall also include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.  
*(Not required if Contractor provides written verification it has no employees)*
- d. **Sexual Misconduct Liability, if applicable:** Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim

and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

- e. **Professional Liability/Errors and Omissions:** Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.
- f. **Additional Insured Status:** The County, its officers, officials, employees, and volunteers are to be covered as insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).
- g. **Primary Coverage:** For any claims related to this contract, the Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- h. **Notice of Cancellation:** Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (10 days for non-payment) has been given to the County.
- i. **Failure to Maintain Insurance:** Contractor's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of the Contract, upon which the County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. The County, at its sole discretion, may obtain damages from Contractor resulting from said breach.
- j. **Waiver of Subrogation:** Contractor hereby grants to County a waiver of any right to subrogation which any insurer of said Contractor may acquire against the County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.
- k. **Deductibles and Self-Insured Retentions:** Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
- l. **Acceptability of Insurers:** Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the County.
- m. **Claims Made Policies:** If any of the required policies provide coverage on a claims-made basis:

- 1) The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
  - 2) Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work
  - 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.
- n. **Separation of Insureds:** All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.
- o. **Verification of Coverage:** Contractor shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- p. **Certificates and copies of any required endorsements shall be sent to:**  
 San Luis Obispo County  
 Contracting Department Name, Division/Section  
 Contracting Department Address  
 Attention: Name and Title of Department Contact.

**21. Nonappropriation of Funds.**

During the term of this Contract, if the State or any federal government terminates or reduces it's funding to County for services that are to be provided under this Contract, then County may elect to terminate this Contract by giving written notice of termination to Contractor effectively immediately or on such other date as County specifies in the notice. In the event that the term of this Contract extends into fiscal year subsequent to that in which it was approved by the County, continuation of the Contract is contingent on the appropriation of funds by the San Luis Obispo County Board of Supervisors or, if applicable, provision of State or Federal funding source. If County notifies Contractor in writing that the funds for this Contract have not been appropriated or provided, this Contract will terminate. In such an event, the County shall have no further liability to pay any funds to the Contractor or to furnish any other consideration under this Contract, and the Contractor shall not be obligated to perform any provisions of this Contract or to provide services intended to be funded pursuant to this Contract. If partial funds are appropriated or provided, the County shall have the option to either terminate this Contract with no liability to the County or offer a Contract amendment to the Contractor to reflect the reduced amount.

**22. Force Majeure.**

Neither the County nor the Contractor shall be deemed in default in the performance of the terms of this contract if either party is prevented from performing the terms of this Contract by

causes beyond its control, including without limitation: acts of God; rulings or decisions by municipal, Federal, States or other governmental bodies; any laws or regulations of such municipal, Federal, States or other governmental bodies; or any catastrophe resulting from flood, fire, explosion, or other causes beyond the control of the defaulting party. Any party delayed by force majeure shall as soon as reasonably possible give the other party written notice of the delay. The party delayed shall use reasonable diligence to correct the cause of the delay, if correctable, and if the condition that caused the delay is corrected, the party delayed shall immediately give the other parties written notice thereof and shall resume performance under this Contract.

### **23. Fiscal Controls.**

Contractor shall adhere to the accounting requirements, financial reporting, and internal control standards as described in the Auditor-Controller Contract Accounting and Administration Handbook, (Handbook) which contains the minimum required procedures and controls that must be employed by Contractor's accounting and financial reporting system, and which is incorporated herein by reference. The handbook may be modified from time to time and contractor shall comply with modifications from and after the date modified. Contractor shall require subcontractors to adhere to the Handbook for any services funded through this contract, unless otherwise agreed upon in writing by County.

- a. The Handbook is available at <http://www.slocounty.ca.gov/AC/>, under Policies and Procedures or at the Auditor-Controller's Office, 1055 Monterey Street Room D220, County Government Center, San Luis Obispo CA, 93408,
- b. The Office of Management and Budget (OMB) circulars are available at <http://www.whitehouse.gov/omb/circulars>.

### **24. State Audit.**

Pursuant to California Government Code section 8546.7, every county contract involving the expenditure of funds in excess of ten thousand dollars (\$10,000) is subject to examination and audit of the State Auditor for a period of three years after final payment under the contract.

### **25. Nondisclosure.**

All reports, information, documents, or any other materials prepared by Contractor under this Contract are the property of the County unless otherwise provided herein. Such reports, information, documents and other materials shall not be disclosed by Contractor without County's prior written consent. Any requests for information shall be forwarded to County along with all copies of the information requested. County shall make sole decision whether and how to release information according to law.

### **26. Conflict of Interest.**

Contractor acknowledges that Contractor is aware of and understands the provisions of Sections 1090 et seq. and 87100 et seq. of the Government Code, which relate to conflict of interest of public officers and employees. Contractor certifies that Contractor is unaware of any financial or economic interest of any public officer or employee of the County relating to this Contract. Contractor agrees to comply with applicable requirements of Government Code Section 87100 et seq. during the term of this Contract.

**27. Immigration Reform and Control Act.**

Contractor acknowledges that Contractor, and all subcontractors hired by Contractor to perform services under this Contract are aware of and understand the Immigration Reform and Control Act (“IRCA”) of 1986, Public Law 99-603. Contractor certifies that Contractor is and shall remain in compliance with ICRA and shall ensure that any subcontractors hired by Contractor to perform services under this Contract are in compliance with IRCA.

**28. Third Party Beneficiaries.**

It is expressly understood that the enforcement of the terms and conditions and all rights of action related to enforcement, shall be strictly reserved to County and Contractor. Nothing contained in this contract shall give or allow and claim or right of action whatsoever by any other third person.

**29. Tax Information Reporting.**

Upon request, Contractor shall submit its tax identification number or social security number, whichever is applicable, in the form of a signed W-9 form, to facilitate appropriate fiscal management and reporting.

**30. Delegation of Authority.**

The component of services covered in this Contract and the related compensation rates are anticipated types and rates for services. Accordingly, the Board of Supervisors delegates to the Behavioral Health Administrator the authority to amend this Contract to exchange, delete, or add to the types of services and/or to increase compensation to Contractor up to the change order limits specified in the County’s Contracting for Services Policy.

Any amendment made pursuant to a delegation of authority will only be effective if, prior to the commencement of services or extension of said Contract, the amendment is memorialized in writing, is approved by County Counsel, and is signed by the Behavioral Health Administrator and does not exceed the change order limits. This delegation of authority is expressly limited as stated herein.

The Board of Supervisors expressly delegates to the Health Agency Director or his designee the authority to decide whether to exercise the option to renew this agreement for two (2) one-year periods pursuant to Exhibit C. The Health Agency Director is permitted to agree to any rate change associated with a renewal of this contract so long as that rate change from the allowed expenditure under the initial term of this Contract falls within the change order limits of the County’s Contracting for Services Policy.

**EXHIBIT E**  
**CONTRACT FOR BEHAVIORAL HEALTH SERVICES**

**SPECIAL CONDITIONS**

**1. Compliance with Health Care Laws.**

Contractor agrees to abide by all applicable local, State and Federal laws, rules, regulations, guidelines, and directives for the provision of services hereunder, including without limitation, the applicable provisions of the Civil Code, Welfare and Institutions Code, the Health and Safety Code, the Family Code, the California Code of Regulations, the Code of Federal Regulations, and the Health Insurance Portability and Accountability Act. This obligation includes, without limitation, meeting delivery of service requirements, guaranteeing all client's rights provisions are satisfied, and maintaining the confidentiality of patient records.

**2. No Discrimination In Level Of Services.**

As a condition for reimbursement, Contractor shall provide to and ensure that clients served under this Contract receive the same level of services as provided to all other clients served regardless of status or source of funding.

**3. Nondiscrimination.**

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

Contractor shall comply with the provisions of the Americans with Disabilities Act of 1990, the Fair Employment and Housing Act (Government Code section 12900 et seq.) and the applicable regulation promulgated thereunder (Title 2 Section 7285 et seq.) The Contractor shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Contractor shall not engage in any unlawful discriminatory practices in the admission of beneficiaries, assignments of accommodations, access to programs or activities, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, sexual preference or mental or physical handicap.

**4. Quality Assurance.**

Contractor agrees to conduct a program of quality assurance and program review that meets all requirements of the State Department of Health Care Services. Contractor agrees to cooperate fully with program monitoring or other programs that may be established by County to promote high standards of mental health care to clients at economical costs.

## **5. Compliance Plan.**

Contractor and its employees, contractors and agents shall read, acknowledge receipt, and comply with all provisions of the latest edition of the County Mental Health Compliance Plan and Code of Ethics (“Compliance Plan”). The Compliance Plan includes policies and procedures that are designed to prevent and detect fraud, waste and abuse in federal health care programs, as required by Section 6032 of the Deficit Reduction Act (“DRA”). Failure to comply with any Compliance Plan provision, including without limitation, DRA compliance provisions is a material breach of this Contract and grounds for termination for cause. The ethics plan ensures that the conduct of employees reflects the principles of the Mental Health Department to treat consumers, the general public, and other employees with integrity, honesty, courtesy, fairness and to adhere to the requirements set by various federal and statute regulatory agencies. Contractor agrees that all staff employed by Contractor will follow these ethical standards, including compliance with state and federal regulations for safeguarding client information.

Contractor will certify, on an annual basis, that it and all of its employees, contractors and agents have read and received a copy of the Compliance Plan and agree to abide by its provisions, and will orientate staff to enforce established standards to ensure organizational and individual compliance. In addition, at the time Contractor hires a new employee, contractor or agent, Contractor will certify that the individual has read and received a copy of the Compliance Plan and agrees to abide by its provisions.

## **6. Compliance with County Cultural Competence Plan.**

Contractor will meet cultural, ethnic and linguistic backgrounds of the clients served, in accordance with the County Cultural Competence Plan, including access to services in the appropriate language and/or reflecting the appropriate culture or ethnic group. Contractor will certify, on an annual basis, that it and all of its employees, contractors and agents have read and received a copy of the County Cultural Competence Plan and agree to abide by its provisions. Contractor will use professional skills, behaviors, and attitudes in its system that ensures that the system, or those being seen in the system, will work effectively in a cross cultural environment.

## **7. Training Program.**

Contractor will participate in training programs as provided in Title 22 of the California Code of Regulations, Health Information Portability and Accountability Act, and other appropriate regulations, and as required by County.

## **8. Record keeping and reporting of services.**

Contractor shall:

- a. Keep complete and accurate records for each client treated pursuant to this Contract, which shall include, but not be limited to, diagnostic and evaluation studies, treatment plans, medication log, progress notes, program compliance, outcome measurement and records of services provided in sufficient detail to permit an evaluation of services without prior notice. Such records shall comply with all applicable Federal, State, and County record maintenance requirements
- b. Submit informational reports as required by County on forms provided by or acceptable to County with respect to Contractor's program, major incidents, and fiscal activities of the program.

- c. Collect and provide County with all data and information County deems necessary for County to satisfy State reporting requirements, which shall include, without limitation, Medi-Cal Cost reports in accordance with Welfare and Institutions Code 5651(a)(4), 5664(a) and (b), 5705(b)(3), 5718(c) and guidelines established by DHCS. Said information shall be due no later than 90 days after close of fiscal year of each year, unless a written extension is approved by the County. Contractor shall provide such information in accordance with the requirements of the Short-Doyle/Medi-Cal Cost Reporting System Manual, applicable state manuals and/or training materials, and other written guidelines that may be provided by County to Contractor.

## **9. State Audits.**

Pursuant to California Code of Regulations section 1810.380, Contractor shall be subject to State oversight, including site visits and monitoring of data reports and claims processing; and reviews of program and fiscal operations to verify that medically necessary services are provided in compliance with said code and the contract between the State and County. If the Contractor is determined to be out of compliance with State or Federal laws and regulations, the State may require actions of the County to rectify any out of compliance issue, which may include financial implications. Contractor agrees to be held responsible for their portion of any action the State may impose on the County.

## **10. Equipment.**

Contractor shall furnish all personnel, supplies, equipment, telephone, furniture, utilities, and quarters necessary for the performance of services pursuant to this Contract with the exception of:

- a. All required Behavioral Health forms;
- b. County may at its option and at County's sole discretion, elect to provide certain equipment which shall remain County property and be returned to the County upon earlier demand by or in no event later than the termination of the Contract. Contractor may at its option use County provided equipment for non-County clients as long as the equipment in any given instance is not for the sole use of non-County clients.

## **11. Other Employment.**

Contractor shall retain the right to provide services at another facility or to operate a separate private practice; subject, however, to the conditions that:

- a. No such private practice shall be conducted or solicited on County premises.
- b. Such other employment shall not conflict with the duties, nor the time periods within which to perform those duties, described in this Contract.
- c. The insurance coverage provided by the County or by the Contractor for the benefit of the County herein is in no way applicable to or diminished by any other employment or services not expressly set forth in this Contract.

## **12. Screening for Inspector Generals' Excluded Provider List and Medi-Cal List of Excluded Providers.**

At the time of securing a new employee or service provider, Contractor shall conduct or cause to be conducted a screening and provide documentation to County certifying that its new employee or service provider is not listed on the Excluded Provider List of the Office of the Inspector General or the Medi-Cal List of Excluded Providers. On a monthly basis, Contractor shall conduct or cause to be conducted a screening of all employees, contractors or agents and shall sign a certification documenting that neither Contractor nor any of its employees, contractors or agents are listed on the Excluded Provider List of the Office of the Inspector General or the Medi-Cal List of Excluded Providers. Documentation shall be forwarded to the Mental Health Contracts Coordinator for inclusion in the contract file.

## **13. State Department of Health Care Services Contract.**

Contractor agrees that this Contract shall be governed by and construed in accordance with the laws, regulations and contractual obligations of County under its agreement with the State Department of Health Care Services to provide specialty mental health services to Medi-Cal beneficiaries of San Luis Obispo County. (Medi-Cal Specialty Mental Health Services, Welfare and Institutions Code section 5775).

## **14. Placement Authority.**

County will have sole and exclusive right to screen and approve or disapprove clients prior to placement in Contractor's facility. Approval must be obtained in writing by client's case manager or designee prior to placement under this Contract.

## **15. Inspection of Records by Local, State or Federal Agency.**

The Contractor shall allow the County, State Department of Health Care Services (DHCS), United States Department of Health and Human Services (HHS), the Comptroller General of the United States (Government Accountability Office, GAO), and other authorized federal and state agencies, or their duly authorized representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract and to inspect, evaluate and audit any and all books, records, and facilities maintained by Contractor, pertaining to such service at any time during normal business hours. Books and records include, without limitation, all physical records originated or prepared pursuant to the performance under this Contract including work papers, reports, financial records, books of account, beneficiary records, prescription files, and any other documentation pertaining to covered services and other related services for beneficiaries. Upon request, at any time during the period of this Contract, and for a period of five years thereafter, the Contractor shall furnish any such record, or copy thereof, to County, State DHCS, HHS, or GAO as requested.

## **16. Confidentiality.**

Contractor shall abide by all applicable local, State and federal laws, rules, regulations, guidelines, and directives regarding the confidentiality and security of patient information, including without limitation, Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code Sections 14100 and 5328 et seq., Section 431.300 et seq. of Title 42 of the Code of Federal Regulations, the Health Insurance Portability and Accountability Act (HIPAA) and its implementing regulations, including but not limited to Title 45 CFR Parts 142, 160, 162 and 164, and the provisions of Exhibit F, and the Business Associate Agreement attached to this Contract and incorporated by this reference. Any conflict between the terms and conditions of this Contract

and the Business Associate Agreement are to be read so that the more legally stringent terms and obligations of the Contractor shall control and be given effect. Contractor shall not disclose, except as otherwise specifically permitted by the Contract or authorized by the client/patient or the law, any such identifying information without prior written authorization in accordance with State and Federal laws.

#### **17. License Information.**

Contractor agrees that all facilities and staff including, but not limited to, all professional and paraprofessional staff used to provide services will maintain throughout the term of this Contract, such qualifications, licenses and/or permits as are required by state or local law. Contractor shall provide County a list of all licensed persons who may be providing services under this Contract. The list shall include the name, title, professional degree, license number, and NPI number.

#### **18. Gifts.**

Gifts may not be charged to this Contract, whether to Contractor staff or anyone else. However, incentive items for youth clients used in a clinical behavioral modification program are allowed with clinical documentation and compliance with established County procedures.

#### **19. Reports of Death, Injury, Damage or Abuse.**

If the County discovers any practice, procedure, or policy of the Contractor which deviates from the requirements of this Contract, violates federal or state law, threatens the success of the program conducted pursuant to this Contract, jeopardizes the fiscal integrity of such program, or compromises the health or safety of recipients of service, County may require corrective action, withhold payment in whole or in part, or terminate this Contract immediately. If County notifies Contractor that corrective action is required, Contractor shall promptly initiate and correct any and all discrepancies, violations or deficiencies to the satisfaction of the County within thirty (30) days, unless County notifies Contractor that it is necessary to make corrections at an earlier date in order to protect the health and safety of recipients of service.

Contractor agrees to notify the County immediately should Contractor be investigated, charged, or convicted of a health care related offense. During the pendency of any such proceedings, Contractor shall keep the County fully informed about the status of such proceedings and to consult with the County prior to taking any action which will directly impact the County. This Contract may be terminated immediately by County upon the actual exclusion, debarment, loss of licensure, or conviction of Contractor of a health care offense. Contractor will indemnify, defend, and hold harmless the County for any loss or damage resulting from the conviction, debarment, or exclusion of Contractor or subcontractors.

If Contractor is an in-patient facility, Contractor shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

#### **REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE**

- a. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Contract and involving County's clients, Contractor shall immediately notify the County's Behavioral Health Administrator by telephone. In addition, Contractor shall promptly submit to County a written report including: (1) the name and address of the injured /deceased person; (2) the time and location of the incident; (3) the names and addresses of Contractor s employees

or agents who were involved with the incident; (4) the names of County employees, if any, involved with the incident; and (5) a detailed description of the incident.

- b. Child Abuse Reporting. Contractor shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, Penal Code § 11164, et seq. Contractor shall require that all of its employees, consultants, and agents performing services under this Contract who are mandated reporters under the Act sign statements indicating that they know of and will comply with the Act's reporting requirements
- c. Elder Abuse Reporting. Contractor shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (Welfare and Institutions Code § 15600 Code, et seq.). Contractor shall require that all of its employees, consultants, and agents performing services under this Contract who are mandated reporters under the Act sign statements indicating that they know of and will comply with the Act's reporting requirements

## **20. Disclosure of Unusual Incidents.**

Contractor shall notify the County's Behavioral Health Administrator, by telephone, of the violation of any provision of this Contract within 24 hours of obtaining reasonable cause to believe such a violation occurred. Notice of such violation shall be confirmed by deliver to the County's Behavioral Health Administrator, within 72 hours of obtaining a reasonable cause to believe that such violation occurred, of a written notice which shall describe the violation in detail. Contractor shall comply with state law and the County's policies and requirements concerning the reporting of unusual occurrences and incidents.

## **21. Standard for Security Configurations, if applicable.**

For those Contractors accessing County's Anasazi system, County shall not provide the Contractor with computer support in connection with the performance of this Contract. The County and Contractor shall be aware of and exclusively responsible for all legal implications of the County providing the Contractor with Computer support in connection with the performance of this contract.

- a. The Contractor shall configure its computers with the applicable United States Government Configuration Baseline (USGCB) and ensure that its computers have and maintain the latest operating system patch level and anti-virus software level.
- b. The Contractor shall apply approved security configurations to information technology (IT) that is used to process information on behalf of County. The following security configuration requirements apply: USGCB
- c. The Contractor shall ensure IT applications operated on behalf of the County are fully functional and operate correctly on systems configured in accordance with the above configuration requirements. The Contractor shall test applicable product versions with all relevant and current updates and patches installed. The Contractor shall ensure currently supported versions of information technology products met the latest USGCB major version and subsequent major versions.
- d. The Contractor shall ensure IT applications designed for end users run in the standard user context without requiring elevated administrative privileges.

- e. The Contractor shall ensure hardware and software installation, operation, maintenance, update, and patching will not alter the configuration settings or requirements specified above.
- f. The Contractor shall ensure that its subcontractors (at all tiers) which perform work under this contract comply with the requirements contained in this clause.
- g. The Contractor shall ensure that computers which store PHI and/or PII locally have hard drive encryption installed and enabled

**EXHIBIT F**  
**CONTRACT FOR BEHAVIORAL HEALTH SERVICES**  
**BUSINESS ASSOCIATE AGREEMENT**

**1. General Provisions and Recitals.**

- a. All terms used, but not otherwise defined below herein, have the same meaning as in the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act (“HITECH”), and their implementing regulations at 45 CFR Parts 160 through 165 (“HIPAA regulations”) (collectively along with state law privacy rules as “HIPAA Laws”) as they may exist now or be hereafter amended.
- b. A business associate relationship under the HIPAA laws between Contractor and County arises to the extent that Contractor performs, or delegates to subcontractors to perform, functions or activities on behalf of County under the Agreement.
- c. County wishes to disclose to Contractor certain information pursuant to the terms of the Agreement, some of which may constitute Protected Health Information (“PHI”), as defined by the HIPAA laws, to be used or disclosed in the course of providing services and activities pursuant to, and as set forth, in the Agreement.
- d. The parties intend to protect the privacy and provide for the security of PHI that may be created, received, maintained, transmitted, used, or disclosed pursuant to the Agreement in compliance with the applicable standards, implementation specifications, and requirements of the HIPAA laws.
- e. The HIPAA Privacy and Security rules apply to Contractor in the same manner as they apply to County. Contractor agrees therefore to be in compliance at all times with the terms of this Business Associate Agreement and the applicable standards, implementation specifications, and requirements of the Privacy and the Security rules with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Agreement.

**2. Definitions.**

- a. “Administrative Safeguards” are administrative actions, and policies and procedures, to manage the selection, development, implementation, and maintenance of security measures to protect electronic PHI and to manage the conduct of Contractor’s workforce in relation to the protection of that information.
- b. “Breach” means the acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA laws which compromise the security or privacy of the PHI.
  - 1) Breach excludes:
    - i. Any unintentional acquisition, access, or use of PHI by a workforce member or person acting under the authority of Contractor or County, if such acquisition, access, or use was made in good faith and within the scope of authority and does

not result in further use or disclosure in a manner not permitted under the Privacy Rule

- ii. Any inadvertent disclosure by a person who is authorized to access PHI at Contractor to another person authorized to access PHI at the Contractor's, or organized health care arrangement in which County participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the HIPAA Privacy Rule.
  - iii. A disclosure of PHI where Contractor or County has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.
- 2) Except as provided in paragraph (a) of this definition, an acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule is presumed to be a breach unless Contractor demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following factors:
- i. The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
  - ii. The unauthorized person who used the PHI or to whom the disclosure was made
  - iii. Whether the PHI was actually acquired or viewed; and
  - iv. The extent to which the risk to the PHI has been mitigated.
- c. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
  - d. "Physical Safeguards" are physical measures, policies, and procedures to protect Contractor's electronic information systems and related buildings and equipment, from natural and environmental hazards, and unauthorized intrusion required by the HIPAA laws.
  - e. "County PHI" means either: (1) PHI disclosed by County to Contractor; or (2) PHI created, received, maintained, or transmitted by Contractor pursuant to executing its obligations under the Contract.

### **3. Obligations and Activities of Contractor as a Business Associate.**

- a. Contractor agrees not to use or further disclose County PHI other than as permitted or required by this Business Associate Agreement or as required by law.
- b. Contractor agrees to use appropriate safeguards and other legally-required safeguards to prevent use or disclosure of County PHI other than as provided for by this Business Associate Agreement.
- c. Contractor agrees to comply with the HIPAA Security Rule at Subpart C of 45 CFR Part 164 with respect to electronic County PHI.
- d. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a Use or Disclosure of County PHI by Contractor in violation of the requirements of this Business Associate Agreement or HIPAA laws.

- e. Contractor agrees to report to County immediately any Use or Disclosure of PHI not provided for by this Business Associate Agreement of which Contractor becomes aware. Contractor must report Breaches of Unsecured PHI in accordance with the HIPAA laws.
- f. Contractor agrees to ensure that any Subcontractors that create, receive, maintain, or transmit PHI on behalf of Contractor agree to the same restrictions and conditions that apply through this Business Associate Agreement to Contractor with respect to such information.
- g. Contractor agrees to provide access, within ten (10) calendar days of receipt of a written request by County, to PHI in a Designated Record Set, to County or, as directed by County, to an Individual in order to meet the requirements under 45 CFR § 164.524 or any other provision of the HIPAA laws.
- h. Contractor agrees to make any amendment(s) to PHI in a Designated Record Set that County directs or agrees to pursuant to 45 CFR § 164.526 at the request of County or an Individual, within fifteen (15) calendar days of receipt of said request by County. Contractor agrees to notify County in writing no later than ten (10) calendar days after said amendment is completed.
- i. Contractor agrees to make internal practices, books, and records, including policies and procedures, relating to the use and disclosure of PHI received from, or created or received by Contractor on behalf of, County available to County and the Secretary in a time and manner as determined by County or as designated by the Secretary for purposes of the Secretary determining County's compliance with the HIPAA Privacy Rule.
- j. Contractor agrees to document any Disclosures of County PHI or Contractor creates, receives, maintains, or transmits on behalf of County, and to make information related to such Disclosures available as would be required for County to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR § 164.528.
- k. Contractor agrees to provide County or an Individual, as directed by County, in a time and manner to be determined by County, any information collected in accordance with the Agreement, in order to permit County to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with the HIPAA laws.
- l. Contractor agrees that to the extent Contractor carries out County's obligation under the HIPAA Privacy and/or Security rules Contractor will comply with the requirements of 45 CFR Part 164 that apply to County in the performance of such obligation.
- m. Contractor shall work with County upon notification by Contractor to County of a Breach to properly determine if any Breach exclusions exist.

#### **4. Security Rule.**

- a. Contractor shall comply with the requirements of 45 CFR § 164.306 and establish and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR § 164.308, § 164.310, § 164.312, and § 164.316 with respect to electronic County PHI or Contractor creates, receives, maintains, or transmits on behalf of County. Contractor shall follow generally accepted system security principles and the requirements of the HIPAA Security Rule pertaining to the security of electronic PHI.

- b. Contractor shall ensure that any Subcontractors that create, receive, maintain, or transmit electronic PHI on behalf of Contractor agree through a contract with Contractor to the same restrictions and requirements contained this Business Associate Agreement.
- c. Contractor shall report to County immediately any Security Incident of which it becomes aware. Contractor shall report Breaches of Unsecured PHI in accordance with Paragraph E below and as required by 45 CFR § 164.410.

**5. Breach Discovery and Notification.**

- a. Following the discovery of a Breach of Unsecured PHI , Contractor shall notify County of such Breach, however both parties agree to a delay in the notification if so advised by a law enforcement official pursuant to 45 CFR § 164.412.
  - 1) A Breach shall be treated as discovered by Contractor as of the first day on which such Breach is known to Contractor or, by exercising reasonable diligence, would have been known to Contractor.
  - 2) Contractor shall be deemed to have knowledge of a Breach, if the Breach is known, or by exercising reasonable diligence would have known, to any person who is an employee, officer, or other agent of Contractor, as determined by federal or state common law of agency.
  - 3) Contractor’s notification may be oral, but shall be followed by written notification within 24 hours of the oral notification.
- b. Notices shall be sent to the following address:

Anne Robin, LMFT  
Behavioral Health Administrator  
2180 Johnson Avenue  
San Luis Obispo, CA 93401-4535

- c. Contractor’s notification shall include, to the extent possible:
  - 1) The identification of each Individual whose Unsecured PHI has been, or is reasonably believed by Contractor to have been, accessed, acquired, used, or disclosed during the Breach;
  - 2) Any other information that County is required to include in the notification to Individual under 45 CFR §164.404 (c) at the time Contractor is required to notify County or promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period set forth in 45 CFR § 164.410 (b) has elapsed, including:
    - i. A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
    - ii. A description of the types of Unsecured PHI that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

- iii. Any steps Individuals should take to protect themselves from potential harm resulting from the Breach;
  - iv. A brief description of what Contractor is doing to investigate the Breach, to mitigate harm to Individuals, and to protect against any future Breaches; and
  - v. Contact procedures for Individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.
- d. County may require Contractor to provide notice to the Individual as required in 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the County.
  - e. In the event that Contractor is responsible for a Breach of Unsecured PHI in violation of the HIPAA Privacy Rule, Contractor shall have the burden of demonstrating that Contractor made all notifications to County consistent with this Paragraph E and as required by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or disclosure of PHI did not constitute a Breach.
  - f. Contractor shall maintain documentation of all required notifications of a Breach or its risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur..
  - g. Contractor shall provide County all specific and pertinent information about the Breach, including the information listed above, if not yet provided, to permit County to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as practicable, but in no event later than ten (10) calendar days after Contractor's initial report of the Breach to County.
  - h. Contractor shall continue to provide all additional pertinent information about the Breach to County as it may become available, in reporting increments of five (5) business days after the last report to County. Contractor shall also respond in good faith to any reasonable requests for further information, or follow-up information after report to County, when such request is made by County.
  - i. Contractor shall bear all expense or other costs associated with the Breach and shall reimburse County for all expenses County incurs in addressing the Breach and consequences thereof, including costs of investigation, notification, remediation, documentation or other costs associated with addressing the Breach.
  - j. Contractor shall train and use reasonable measures to ensure compliance with the requirements of this Exhibit by employees who assist in the performance of functions or activities on behalf of County under this Contract and use or disclose protected information; and discipline employees who intentionally violate any provisions.

**6. Permitted Use and Disclosure by Contractor.**

- a. Contractor may use or further disclose County PHI as necessary to perform functions, activities, or services for, or on behalf of, County as specified in the Agreement, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done by County except for the specific Uses and Disclosures set forth below.
  - 1) Contractor may use County PHI, if necessary, for the proper management and administration of Contractor.

- 2) Contractor may disclose PHI County discloses to Contractor for the proper management and administration of Contractor or to carry out the legal responsibilities of Contractor, if:
  - i. The Disclosure is required by law; or
  - ii. Contractor obtains reasonable assurances from the person to whom the PHI is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person and the person immediately notifies Contractor of any instance of which it is aware in which the confidentiality of the information has been breached.
- 3) Contractor may use or further disclose County PHI to provide Data Aggregation services relating to the Health Care Operations of Contractor.
- b. Contractor may use County PHI, if necessary, to carry out legal responsibilities of Contractor.
- c. Contractor may use and disclose County PHI consistent with the minimum necessary policies and procedures of County.
- d. Contractor may use or disclose County PHI as required by law.

**7. Obligations of County.**

- a. County shall notify Contractor of any limitation(s) in County's notice of privacy practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Contractor's Use or Disclosure of PHI.
- b. County shall notify Contractor of any changes in, or revocation of, the permission by an Individual to use or disclose his or her PHI, to the extent that such changes may affect Contractor's Use or Disclosure of PHI.
- c. County shall notify Contractor of any restriction to the Use or Disclosure of PHI that County has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Contractor's Use or Disclosure of PHI.
- d. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the HIPAA Privacy Rule if done by County.

**8. Business Associate Termination.**

- a. Upon County's knowledge of a material breach or violation by Contractor of the requirements of this Business Associate Agreement, County shall:
  - 1) Provide an opportunity for Contractor to cure the material breach or end the violation within thirty (30) business days; o
  - 2) Immediately terminate the Agreement, if Contractor is unwilling or unable to cure the material breach or end the violation within (30) calendar days, provided termination of the Agreement is feasible.
- b. Upon termination of the Agreement, Contractor shall either destroy or return to County all PHI Contractor received from County or Contractor created, maintained, or received on behalf of County in conformity with the HIPAA Privacy Rule.

- 1) This provision shall apply to all PHI that is in the possession of Subcontractors or agents of Contractor.
- 2) Contractor shall retain no copies of the PHI
- 3) In the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide to County notification of the conditions that make return or destruction infeasible. Upon determination by County that return or destruction of PHI is infeasible, Contractor shall extend the protections of this Business Associate Agreement to such PHI and limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction infeasible, for as long as Contractor maintains such PHI.
- 4) The obligations of this Business Associate Agreement shall survive the termination of the Contract.