

**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 United Way of San Luis Obispo County, a California 501(c)(3) organization, (hereafter "Contractor"):

**WITNESSETH**

**WHEREAS**, County has a need to contract for Innovation components of the Mental Health Services Act (MHSA), as more particularly described on Exhibit A, attached hereto;

**WHEREAS**, County has a need for increasing the quality of services, including better outcomes; **WHEREAS**, Contractor provides prevention and early intervention services through an innovative process to reduce mental illness and emotional challenges among transitional aged youth (TAY, ages 16-24), their families and care-givers;

**WHEREAS**, Contractor is a specially trained, experienced, expert and competent to perform such special services in connection with implementation of the Innovation Plan

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

**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.** Contract Employee 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  
United Way of San Luis Obispo County

By: Wade O'Hagan  
Wade O'Hagan, President UWSLOC

CONTRACTOR  
United Way of San Luis Obispo County

By: Rick London  
Rick London, Executive Director UWSLOC

Tax ID#      Held in Confidential File

COUNTY COUNSEL

Approved as to form and legal effect.

WARREN R. JENSEN  
COUNTY COUNSEL

By: Shamuel Matiguen  
Deputy County Counsel

Date: 3/7/2012

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

## CONTRACT FOR BEHAVIORAL HEALTH SERVICES

### SCOPE OF SERVICES

#### 1. Nonviolent Communication™ (NVC) Education Trial

- a. Scope of Services: Contractor will test a new model of services targeting Transitional Aged Youth (TAY), as part of the Innovation (INN) component of Mental Health Services Act. The Nonviolent Communication™ (NVC) Education Trial will engage a group of TAY experiencing mental and/or emotional difficulties and exhibiting anger, aggression, or conflict with parents or caregivers. Trial participants will receive NVC training as an early intervention strategy to reduce the escalation of problems, improve pathways to treatment, and ultimately improve communication between the client and family. The proposed NVC Education Trial is a unique approach to mental health services with the learning goal of determining the efficacy of this adopted strategy as an early intervention tool for reducing stress and anger while improving partnerships amongst transitional age youth and their parents or caregivers. Contractor shall be familiar with the principles set out in the Mental Health Services Act – INN component for TAY such as the accountability and evaluation section of these guidelines. Contractor will participate in data collection, report measurable outcomes quarterly, and submit a final report annually. As part of the INN component of the MHSA, contractor may be required to participate in additional surveys and evaluation activities as required by the County.

All services described in the scope of the work are expected to be fully funded by Innovation funding.

#### b. Service Specifications:

- 1) Contractor will recruit TAY and their parents or guardians to participate in NVC Education Trial workshops that will educate and support participants as they learn how to:
  - (a) Make observations rather than judgments;
  - (b) Honestly express what they are feeling and needing in any situation;
  - (c) Recognize empathetic connection with what another person is feeling and needing;
  - (d) Make clear, doable, present moment requests of what they would like;
  - (e) Be aware of when they have lost self-connection and how to regain it;
  - (f) Be aware of losing connection with another and how to shift back.
- 2.) Components of the NVC Education Trial will consist of outreach sessions, training workshops, and practice workshops.
  - i. Contractor will conduct outreach sessions prior to the start of the workshops; these informational sessions will be used to generate interest in the workshops and appropriately screen potential TAY participants.

- (a) TAY and participating family members may be recruited by or through the following persons or organizations:
    - (i) School counselors
    - (ii) Community mental health professionals
    - (iii) Youth advocates
    - (iv) Nonprofit agencies
    - (v) County Mental Health
    - (vi) Probation departments
  - (b) TAY identified as appropriate participants will exhibit early onset of mental illness, emotional distress, aggression, or anger issues.
  - (c) Participants will represent a diverse cross-section of the population, with individuals of varying age, gender, sexual orientation, ethnicity and income level, representing cities and communities throughout San Luis Obispo County.
  - (d) Contractor will reduce transportation barriers by holding outreach sessions in locations throughout the county; training and practice workshop locations will be selected based on room availability and convenience for participants.
- ii. Following outreach and screening, Contractor will enroll participants in training workshops. Training workshops will:
    - (a) Have an average of eight unique individuals;
    - (b) Last a minimum of six weeks, with an option to extend the workshop if participants are willing;
    - (c) Meet once a week for two hours;
    - (d) Have two workshops run concurrently.
  - iii. Following training workshops, participants will be encouraged by Contractor to enroll in practice workshops for additional coaching. Practice workshops will:
    - (a) Have an average of eight unique individuals;
    - (b) Last a minimum of six weeks, with an option to extend the workshop if participants are willing;
    - (c) Meet once a week for two hours;
    - (d) Have two workshops run concurrently.
- 3.) Evaluation will be made by an independent consultant throughout the two year timeline.
- i. The consultant will be responsible for helping to design the survey tools and evaluation methodology.
  - ii. The project coordinator will assist with the survey collection and data entry.
  - iii. Contractor will work in cooperation with the Innovation planning and evaluation team as required by MHS Innovation guidelines.
  - iv. Data will be collected throughout the process, and will be analyzed and presented to the Innovation planning and evaluation team.
  - v. Written reports will be provided to the County on no less than a quarterly basis, detailing the progression of the project, data (as it is collected), and how funds are expended.
  - vi. The Innovation planning and evaluation team will make a recommendation based on analysis by Contractor to the County Behavioral Health Administration and the Mental Health Board.

- 4.) Data collection methods may include, but are not limited to:
- (a) Pre- and post-surveys (with normed psychological scales when possible);
  - (b) Additional observational information collected (via survey and interview) from participants, school counselors, community mental health professionals, family members, or caregivers;
  - (c) Focus groups.
- c. Staffing:
- 1) .75 FTE CEO UWSLOC
  - 2) .75 FTE Community Impact Coordinator UWSLOC
- d. Units of Service:
- 1) Units Defined:
    - i. Referred = number of TAY referred to appropriate services by Contractor.
    - ii. Enrolled = number receiving services.
    - iii. Participants screened = number receiving mental illness and emotional difficulty (i.e. anxiety, aggression, and anger) screening.
    - iv. Contacts = unique individuals, family members, and caregivers designated for outreach and workshop participation.
    - v. Outreach Events = informational sessions used to generate interest in the workshops, and appropriately screen potential participants.
  - 2) Estimated Annual Units:
    - i. During the two-year project, the minimum number of classes/sessions and attendees/participants will be:
      - (a) 24 outreach sessions attended by 360 individuals (an average of 15 individuals per session).
      - (b) 72 training classes (12 six-week workshops).
      - (c) 72 practice classes (12 six-week workshops).
      - (d) 96 individuals will attend NVC workshops; (the same participants will continue in the practice workshops).
      - (e) In addition, ongoing practice sessions are available through the NVC community.
- e. Measureable Outcomes:
- 1) 85% of participants surveyed by Contractor or County in the training and practice workshops will experience reduced mental and/or emotional difficulties. Specific outcomes for participants will include the following:
    - i. Reduced feelings of anxiety, hostility, violence (towards themselves and others) and hopelessness;
    - ii. An increased ability to honestly express what they are feeling and needing;
    - iii. An increase in empathetic connections with what others are feeling and needing;
    - iv. A reduction in negative behaviors (such as violence and running away);
    - v. More successful follow-through when referred to treatment and increased family involvement in treatment;
    - vi. Improved quality of life.

## CONTRACT FOR BEHAVIORAL HEALTH SERVICES

### COMPENSATION

#### 1. Compensation:

- a. 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:
- b. The maximum amount of this contract shall not exceed one hundred forty thousand dollars (\$140,000).
- 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 and amounts of services for another type described in this Contract up to the maximum contract amount.
- d. The Contractor shall submit monthly expense reports by the 15th day of the following month with actual expenses to date by line item expenditure. The report shall show actual expenses for the current month and contract year to date by budget line item and by type of service.
- e. County shall pay Contractor within thirty days from the date invoice was received by County, except for any disputed items.

#### 2. Units of Service, Service Rates and Payments: See Exhibit A for estimated units of service, detailed rates and estimated payments.

#### 3. 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.

## CONTRACT FOR BEHAVIORAL HEALTH SERVICES

### DURATION AND EFFECTIVE DATE

1. **Effective Date.** Agreement 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 signator shall be the last to sign.
2. **Service Date.** Services shall commence on or after March 1, 2012 and shall end upon the end of the duration date.
3. **Duration Date.** This agreement shall remain in effect from the effective date stated above until March 1, 2014.

## **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.**

The 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 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 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.**

The Contractor shall keep informed of, observe, comply with, and cause all of its agents and personnel to observe and comply with all Federal, State, and local laws and rules and regulations made pursuant to such laws, 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.

**8. 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.

**9. 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.

**10. 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.

**11. 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.

**12. 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.

**13. 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.

**14. 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):

Karen Baylor, Ph.D., LMFT  
Behavioral Health Services Administrator  
2180 Johnson Avenue  
San Luis Obispo, CA 93401-4535

And to Contractor at:

Rick London – Chief Executive Officer  
United Way of San Luis Obispo County  
1288 Morro Street, Suite 10  
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.

**15. 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.

**16. 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.

**17. 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.

## **18. Indemnification.**

Contractor shall defend, indemnify and hold harmless the County, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities or other losses that may be asserted by any person or entity, including Contractor, and that arise out of or are made in connection with the acts or omissions, relating to the performance of any duty, obligation, or work hereunder. The obligation to indemnify shall be effective and shall extend to all such claims and losses, in their entirety, even when such claims or losses arise from the comparative negligence of the County, its officers and employees. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.

The preceding paragraph applies to any theory of recovery relating to said act or omission by the Contractor, or its agents, employees, or other independent contractors directly responsible to Contractor, including, but not limited to the following:

- a. Violation of statute, ordinance, or regulation.
- b. Professional malpractice.
- c. Willful, intentional or other wrongful acts, or failures to act.
- d. Negligence or recklessness.
- e. Furnishing of defective or dangerous products.
- f. Premises liability.
- g. Strict Liability.
- h. Inverse condemnation.
- i. Violation of civil rights.
- j. Violation of any federal or state statute, regulation, or ruling resulting in a determination by the Internal Revenue Service, California Franchise Tax Board or any other California public entity responsible for collecting payroll taxes, when the Contractor is not an independent contractor.

It is the intent of the parties to provide the County the fullest indemnification, defense, and "hold harmless" rights allowed under the law. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this contract and the remaining language shall be given full force and effect.

## **19. Insurance.**

Contractor, at its sole cost, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. All of the insurance companies providing insurance for Contractor/Consultant shall have, and provide evidence of, an A.M. Best & Co. rating of A:VII or above, unless exception is granted by Risk Manager, and be authorized to do business in the State of California. Further, all policies shall be maintained for the full term of this Agreement and related warranty period if applicable.

- a. Scope and Limits of Required Insurance Policies.
  - 1) Commercial General Liability. Policy shall include coverage at least as broad as set forth in Insurance Services Office Commercial General Liability Coverage (CG 00

- 01) with policy limits of not less than two million dollars (\$2,000,000.00) combined single limit per occurrence. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
    - i. The County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.
    - ii. The insurance provided herein shall be considered primary coverage to the County of San Luis Obispo with respect to any insurance or self insured retention maintained by the County. Further, the County's insurance shall be considered excess insurance only and shall not be called upon to contribute to this insurance.
    - iii. The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo.
  - 2) Business Automobile Policy.
    - i. Policy shall include coverage at least as broad as set forth in the liability section of Insurance Services Office Business Auto Coverage (CA 00 01) with policy limits of no less than \$1 million dollars combined single limit for each occurrence. Said insurance shall include coverage for owned, non-owned, and hired vehicles. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
    - ii. The County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.
    - iii. The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo.
  - 3) Workers' Compensation / Employer's Liability Insurance.
    - i. Workers' compensation policy shall provide statutory limits as required by State of California. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
    - ii. Contractor and its insurer shall waive all rights of subrogation against the County, its officers and employees for workers' compensation losses arising out of this contract.
    - iii. The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo.
  - 4) Employer's liability policy shall provide one million dollars (\$1,000,000.00) per accident for bodily injury or disease.
- b. Deductibles and Self-Insurance Retentions.
- All deductibles and/or self-insured retentions which apply to the insurance policies required herein will be declared in writing and approved by the County prior to commencement of this contract.
- c. Documentation.
- Prior to commencement of work and annually thereafter for the term of this contract, Contractor will provide to the County of San Luis Obispo properly executed certificates of insurance clearly evidencing the coverage, limits, and endorsements

specified in this contract. Further, at the County's request, the Contractor shall provide copies of endorsements and certified copies of the insurance policies within thirty days of request.

d. **Absence of Insurance Coverage.**

County may direct Contractor to immediately cease all activities with respect to this contract if it determines that Contractor fails to carry, in full force and effect, all insurance policies with coverage levels at or above the limits specified in this contract. Any delays or expense caused due to stopping of work and change of insurance shall be considered Contractor's delay and expense

**20. Nonappropriation of Funds.**

In the event that the term of this Contract extends into fiscal year subsequent to that in which it was approved, 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, in whole or in part, this Contract and all obligations of the County arising from this Agreement 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 cancel this Contract with no liability to the County or offer a Contract amendment to the Contractor to reflect the reduced amount.

**21. 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.

**22. 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>.

**23. 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.

**24. 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.

**25. 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.

**26. 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.

**27. 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.

**28. 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.

## **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, 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 Mental Health. 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.

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. 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.

**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, 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 DMH.

**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 Mental 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 an annual 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 Mental Health 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 Mental Health 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. 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.

#### **15. 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.

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

The Contractor shall allow the County, the State Department of Mental Health (DMH), 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 DMH,, DHCS, HHS, or GAO as requested,.

**17. 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, 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.

**18. License Information.**

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.

**19. 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.

**20. Professional Liability Insurance Policy ("PL")**

Contractor shall maintain a Professional Liability Insurance policy during the entire term of this contract. This policy shall cover damages, liabilities, and costs incurred as a result of Contractor's professional errors and omissions or malpractice. This policy shall include a coverage limit of at least One Million Dollars (\$1,000,000) per claim, including the annual aggregate for all claims (such coverage shall apply during the performance of the services under this Agreement and for two (2) years thereafter with respect to incidents which occur during the performance of the Agreement). Contractor shall notify the County if any annual aggregate is eroded by more than seventy-five percent (75%) in any given year.

## EXHIBIT F

### CONTRACT FOR BEHAVIORAL HEALTH SERVICES

#### BUSINESS ASSOCIATE AGREEMENT

##### **1. Use and Disclosure of Protected Health Information (PHI).**

Except as otherwise provided in this Exhibit, Contractor may use PHI to perform functions, activities or services for or on behalf of the County, as specified in the underlying Agreement, provided that such use does not violate HIPAA or other law. The uses and disclosures of PHI may not exceed the limitations applicable to the County under the regulations except as authorized for management, administrative or legal responsibilities of the Contractor.

##### **2. Safeguarding Protected Health Information.**

Contractor agrees to use appropriate safeguards to prevent the unauthorized use or disclosure of PHI. Contractor shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of PHI that Contractor creates, receives, maintains or transmits on behalf of the County; and to prevent use or disclosure of protected information other than as provided in this Contract.

The actions taken by Contractor to protect Electronic PHI shall include, without limitation: (1) Encrypting Electronic PHI that it stores and transmits; (2) Implementing strong access controls, including physical locks, firewalls and strong passwords; (3) Using antivirus software that is upgraded regularly; (4) Adopting contingency planning policies and procedures, including data backup and disaster recovery plans; and (4) Conducting periodic security training.

##### **3. Unauthorized Use or Disclosure of Protected Health Information.**

Contractor agrees to report to County any use or disclosure of the PHI not permitted under this Agreement or otherwise in violation of HIPAA. Contractor shall report any such incidents to County within 5 working days of becoming aware of such an incident by submitting an Incident Report to the County's Behavioral Health Performance and Quality Improvement Committee, and fulfill the mandated reporting requirements as stipulated by applicable State and Federal regulations governing PHI. Contractor shall take prompt corrective action to cure any deficiencies and any action pertaining to the unauthorized disclosure.

##### **4. Agents or Subcontractors of Contractor.**

The Contractor shall ensure that any agent, including a subcontractor, to which the Contractor provides PHI received from, or created by or received by the Contractor on behalf of the County, shall comply with the same restrictions and conditions that apply through the underlying Agreement to the Contractor with respect to such information. The Contractor shall ensure that any agent to whom it provides PHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such PHI. Contractor shall not use subcontractors or agents, unless it receives prior written consent from County.

**5. County Access to Protected Health Information.**

At the request of the County, and in the time and manner designated by the County, Contractor shall provide access to PHI to an Individual or the County in order to meet the requirements of 45 C.F.R. section 164.524, which provides patients with the right to access and copy their own PHI. Requests for PHI will be honored within a reasonable amount of time to accumulate the data requested.

**6. Employee Training and Discipline.**

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.

**7. Amendments to Records.**

Contractor agrees to make any amendments to the PHI as directed or agreed to by County pursuant to 45 C.F.R. section 164.526 within a reasonable time of receiving such a request.

**8. Access to Records.**

Contractor agrees to make available its internal practices, books, and reports, including policies and procedures, relating to the use, disclosure, security and privacy protection of PHI received from County, or created or received by Contractor on behalf of County, to County or to the Secretary of the Department of Health and Human Services for purposes of determining compliance with HIPAA, in the time and manner designated by the County or Secretary.

**9. Documentation of Uses and Disclosures.**

Contractor agrees to document disclosures of PHI, and information related to such disclosures, as would be required for the County to respond to a request by an Individual for an accounting of disclosures in accordance with 45 C.F.R. section 164.528. Requests for PHI will be honored within a reasonable amount of time to accumulate the data requested. Contractor agrees to implement a process that allows for an accounting to be collected and maintained by Contractor for at least six years prior to the request, but not before the compliance date of the Privacy Rule.

**10. Accounting of Disclosures.**

The Contractor shall provide to the County or an Individual, in the time and manner designated by the County, information collected in accordance with 45 C.F.R. section 164.528, to permit the County to respond to a request by the Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. section 164.528.

**11. Destruction of Protected Health Information.**

Upon termination of the underlying Agreement for any reason, Contractor shall return or destroy all PHI received from County, or created or received by Contractor on behalf of County. This provision shall apply to PHI that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI. However, Contractor shall retain all PHI throughout the term of the underlying Agreement and shall continue to maintain the

information required under Section 8 of this Agreement for a period of six years after termination of the underlying Agreement.

In the event that Contractor determines that returning or destroying the PHI is infeasible, Contractor shall notify County of the conditions that make return or destruction infeasible. If the County agrees that return or destruction of the PHI is infeasible, Contractor shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of the information to those purposes that make the return or destruction infeasible, as long as Contractor maintains the information.

**12. Mitigation of Disallowed Uses and Disclosures.**

Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by the Contractor in violation of the requirements of the underlying Agreement or HIPAA.

**13. Definitions.**

Terms, used but not otherwise defined in this Exhibit shall have the same meaning as those in the Privacy Rule.

**14. Interpretation.**

Any ambiguity in this Exhibit shall be resolved to permit County to comply with HIPAA.

**15. Termination.**

The underlying Agreement is subject to termination by the County upon knowledge of a material breach of the terms of this Exhibit by the Contractor of which Contractor fails to cure to the satisfaction of the County.

**16. Amendment.**

The Parties acknowledge that Federal and State laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Exhibit may be required to provide for new procedures to ensure compliance with these developments. Contractor specifically agrees to take such action as is necessary to implement the standards and requirements of HIPAA, the HIPAA regulations and other applicable laws relating to security or privacy of protected information. Upon County's request, Contractor agrees to promptly enter into negotiations with County concerning an amendment to this Exhibit, which will embody the new standards and requirements. County may terminate the Contract upon thirty (30) days notice in the event that Contractor does not promptly enter into negotiations to amend this Exhibit or Contractor does not enter into an amendment, which the County, in its sole discretion, deems sufficient to satisfy the new standards and requirements