

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Behavioral Health And Recovery Services

BOARD AGENDA # \*B-1

Urgent  Routine

AGENDA DATE January 13, 2015

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval to Enter a Provider Agreement with ASPIRAnet, a California Non-Profit Corporation, for the Provision of Pathways to Well-Being (Katie A.) Program Services Which Includes Intensive Case Coordination (ICC), Intensive Home Based Services (IHBS), Child and Family Team Meetings (CFT) and Therapeutic Foster Care Services (TFC)

STAFF RECOMMENDATIONS:

1. Approve an agreement for the provision of Pathways to Well-Being (Katie A.) program services which includes Intensive Case Coordination (ICC), Intensive Home Based Services (IHBS), Child and Family Team Meetings (CFT) and Therapeutic Foster Care (TFC) services with ASPIRAnet, a California Non-Profit Corporation, as a result of a Request for Proposals process for such services.
2. Authorize the Behavioral Health Director, or her designee, to sign the agreement, and any amendments thereto, with ASPIRAnet to provide Pathways to Well-Being (Katie A.) program services which includes Intensive Case Coordination (ICC), Intensive Home Based Services (IHBS), Child and Family Team Meetings (CFT) and Therapeutic Foster Care (TFC) services

FISCAL IMPACT:

The term of the proposed agreement with ASPIRAnet is February 1, 2015 through June 30, 2016. The amount of the contract will not exceed \$2,120,070 for the term of the contract. Behavioral Health and Recovery Services included funding in the amount of \$623,550 in the 2014-2015 Adopted Final Operating Budget. The budget for the remainder of the contract award through June 30, 2016 will be included in the Department's subsequent year budget submission.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2015-19

On motion of Supervisor Chiesa, Seconded by Supervisor Monteith  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, De Martini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

- 1) X Approved as recommended
- 2) \_\_\_\_\_ Denied
- 3) \_\_\_\_\_ Approved as amended
- 4) \_\_\_\_\_ Other:

MOTION:

ATTEST: Christine Ferraro  
CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Enter a Provider Agreement with ASPIRAnet, a California Non-Profit Corporation, for the Provision of Pathways to Well-Being (Katie A.) Which Includes Intensive Case Coordination (ICC), Intensive Home Based Services (IHBS), Child and Family Team Meetings (CFT) and Therapeutic Foster Care Services (TFC)

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**FISCAL IMPACT:**

<b>Fiscal Year</b>	<b>Budgeted Amount</b>
02/01/15 to 06/30/15	\$ 623,550
07/01/15 to 06/30/16	\$1,496,520
<b>Total</b>	<b>\$2,120,070</b>

Approval of the recommended agreement has no impact to the County General Fund.

**DISCUSSION:**

In July 2002, a federal class action lawsuit (Katie A. v. Bonta) was filed on behalf of California foster youth and children at risk of out-of-home placement. The suit was brought against the California Department of Healthcare Services (DHCS), the California Department of Social Services (CDSS) and Los Angeles County Department of Children and Family Services. The lawsuit sought to improve the provision of specialty mental health services and supportive services for children and youth enrolled in the Child Welfare system, or at imminent risk of placement in foster care in California. Los Angeles County reached a settlement with the plaintiffs in March 2008. Litigation against DHCS and CDSS continued for several years.

In December 2011, the District Court gave final approval of the ground-breaking settlement agreement recognizing an entitlement to individualized, intensive home and community-based health services through Medi-Cal.

The settlement agreement seeks to accomplish systemic change for mental health services to children and youth within the identified class (Katie A. identified Subclass members) by promoting, adopting, and endorsing three new service array approaches for existing Medicaid covered services. These three new service array approaches are Intensive Home-Based Services (IHBS), Intensive Care Coordination (ICC) Services and Therapeutic Foster Care (TFC) Services. These services include intensive mental health treatments such as wraparound, mobile crisis care, intensive case management, in-home mental health aides, and more.

In addition, the settlement agreement mandates the establishment of a Child and Family Team (CFT) and Child and Family Team Meetings for sub-class members open in both Mental Health and Child Welfare (Family Reunification (FR), Permanent Placement (PP) and Family Maintenance (FM) programs). The CFT must be formally organized to serve as the primary vehicle delivering services in serving the Katie A. sub-class members that need intensive approach and service delivery.

Approval to Enter a Provider Agreement with ASPIRAnet, a California Non-Profit Corporation, for the Provision of Pathways to Well-Being (Katie A.) Which Includes Intensive Case Coordination (ICC), Intensive Home Based Services (IHBS), Child and Family Team Meetings (CFT) and Therapeutic Foster Care Services (TFC)

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In September 2012, Stanislaus County Behavioral Health and Recovery Services (BHRS) and Community Services Agency (CSA) began preparing for its implementation of Katie A. program services.

BHRS received Board of Supervisor approval on September 9, 2014 to issue a Request for Proposal (RFP) to select a contractor to provide Specialty Mental Health Services which includes intensive Home Based Services (IHBS), Intensive Care Coordination (ICC) Services and Therapeutic Foster Care (TFC) Services.

The General Services Agency – Purchasing Division (GSA), in collaboration with BHRS developed Request for Proposal #14-57-SS (“RFP”). The RFP was issued on September 23, 2014 and sent electronically to 437 vendors, 23 of which downloaded the RFP. A mandatory pre-proposal conference was held on October 7, 2014 and 3 vendors were in attendance. The RFP closed on October 27, 2014 and GSA Purchasing received completed responses from the 3 vendors listed below:

- ASPIRAnet of Modesto, California;
- Central Star Behavioral Health Inc./Stars Behavioral Health Group of Long Beach, CA; and
- Sierra Vista Child and Family Services of Modesto, CA

All of the proposers met the minimum qualifications set forth in Phase I of the Evaluation Phase, which included a financial review. A committee of five (5) evaluators was selected to further evaluate the proposals. The Evaluation Committee was comprised of representatives from the County’s Behavioral Health & Recovery Services and Community Services Agency Departments.

The Evaluation Committee completed Phase II, which consisted of a review and evaluation of each proposer’s qualification proposal and proposed budget. The RFP proposals were evaluated using the following criteria with the corresponding total number of available points in each:

<b>Evaluation Criteria</b>	<b>Maximum Points</b>
Capacity and Experience	20
Program Operations	20
Budget Justification	25
Outcomes/Impact of Wraparound Services	35
Total Points Available	100

The scores of each member of the Evaluation Committee were averaged to determine the actual Phase II score for each finalist.

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The award of the contract was made to the vendor whose proposal best met the criteria set forth in the RFP and provides the best value to the County, with price and all other factors considered. The Evaluation Committee's cumulative scores are as follows:

	Total Available	ASPIRAnet	Central Star Behavioral Health Inc.	Sierra Vista Child & Family Services
Phase II Total	500	466	407	410

As shown above, ASPIRAnet received the highest score of 466 of a possible 500 points. On December 3, 2014, GSA Purchasing issued a Notice of Award to ASPIRAnet, along with Notice of Non-Award letters to Central Star Behavioral Health and Sierra Vista Child & Family Services. No letter of protest was received during the five-day protest period of the RFP process.

The proposed agreement with ASPIRAnet has a term beginning of February 1, 2015 and ending June 30, 2016, with three optional one-year renewal terms.

**POLICY ISSUE:**

Approval of these requests supports the Board of Supervisors' priority of Effective Partnerships and Efficient Delivery of Public Services by contracting with a community provider to deliver the needed services at an appropriate level of service in a cost effective manner.

**STAFFING IMPACT:**

Existing Behavioral Health and Recovery Services staff is available to support this contract at current service levels. In the future, should the service level demand increase, the Department will analyze available options and return to the Board of Supervisors for consideration of any necessary staffing changes.

**CONTACT PERSON:**

Madelyn Schlaepfer, Ph.D., Behavioral Health Director (209) 525-6225



**PROVIDER AGREEMENT**

**BETWEEN**

**STANISLAUS COUNTY**

**BEHAVIORAL HEALTH AND RECOVERY SERVICES**

**AND**

**ASPIRANET  
PATHWAYS TO WELL-BEING (KATIE A.)  
PROGRAM SERVICES**

**FEBRUARY 1, 2015 – JUNE 30, 2016**

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## **AGREEMENT**

This Agreement is made and entered into in the City of Modesto, State of California, by and between the **County of Stanislaus**, through **Behavioral Health and Recovery Services**, hereinafter referred to as “**COUNTY**”, and **Aspiranet**, a California Non-profit Corporation with its principal place of business identified in **Section 23**, hereinafter referred to as “**CONTRACTOR**”, effective the date of the last signature, for and in consideration of the premises, and the mutual promises, covenants, terms, and conditions hereinafter contained.

**WHEREAS**, as a result of the Settlement Agreement in *Katie A. v. Bonta*, COUNTY is mandated to provide covered specialty mental health services for those children/youth who are identified as subclass members in the lawsuit;

**WHEREAS**, CONTRACTOR has demonstrated the experience and skills required to ensure that medically necessary services are accessed, coordinated and delivered in a strength-based, individualized, family/youth driven and culturally and linguistically relevant manner and that services and supports are guided by the needs of the child/youth and was awarded this Agreement as a result of Request for Proposal (RFP) # 14-45-SS.

**NOW THEREFORE**, the parties hereby agree as follows:

**1. RECITALS**

The recitals set forth above are a material part of this Agreement.

**2. SERVICES**

- 2.1 Services required under this Agreement are described in the attached exhibit(s).
- 2.2 The CONTRACTOR shall ensure that covered services are sufficient in amount, duration, or scope to reasonably be expected to achieve the purpose for which the services are furnished. The CONTRACTOR shall not arbitrarily deny or reduce the amount, duration, or scope of a required service solely because of diagnosis, type of illness, or condition of the beneficiary except as specifically provided in the medical necessity criteria applicable to the situation as provided in Title 9, California Code of Regulations (CCR), Sections 1820.205, 1830.205, and 1830.210.
- 2.3 The CONTRACTOR shall make covered services available in accordance with Title 9 CCR, Section 1810.345, and with Section 1810.405 with respect to timeliness of routine services.
- 2.4 The CONTRACTOR shall provide COUNTY’s Medi-Cal beneficiaries with

COUNTY's most current beneficiary brochure and provider list when a Medi-Cal beneficiary first receives a specialty mental health service from CONTRACTOR or upon request. CONTRACTOR may obtain copies of COUNTY's beneficiary brochure and provider list from COUNTY.

2.5 CONTRACTOR shall ensure that hours of operation are no less than the hours of operation offered to commercial enrollees, if enrollees of a commercial health plan receive services by CONTRACTOR.

2.6 Services required under this Agreement are described in the attached exhibit(s).

### **3. NONDISCRIMINATION**

3.1 During the performance of this Agreement, CONTRACTOR and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. CONTRACTOR and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. CONTRACTOR and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONTRACTOR and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

3.2 Consistent with the requirements of applicable Federal law, such as 42 CFR § 438.6(d) (3) and (4), or State Law, the CONTRACTOR shall not engage in any unlawful discriminatory practices in the admission of clients, assignment of accommodations, treatment, evaluation, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age (over 40), sexual preference, or mental or physical disability (including individuals with AIDS or those with a record of or who are regarded as having a substantially limiting impairment), or medical condition (cancer-related), pregnancy related condition,



or political affiliation or belief. This policy shall be in writing, in English and Spanish. It shall be posted in all public areas.

#### **4. BILLING AND PAYMENT**

- 4.1 Payment information is identified in the attached exhibit(s).
- 4.2 Pursuant to CCR, Title 9, Chapter 11, Subchapter 4, Section 1840.112, a signed Claims Certification and Program Integrity, as shown in Exhibit E, must accompany each invoice. This certification must be signed by a duly authorized official.
- 4.3 COUNTY shall reimburse CONTRACTOR for only those services that were authorized and approved by local or State entities. COUNTY shall reconcile payments, which have been made for these services, periodically. The reconciliation will be based upon the total authorized and approved units of service captured in COUNTY's medical record and Electronic Health Record (EHR).
- 4.4 Upon request by COUNTY, CONTRACTOR shall repay COUNTY for audit exceptions as a function of BHRS, State, or Federal Medi-Cal audits which occur within the next five (5) fiscal years for the applicable fiscal year, within thirty (30) days from date of request, unless otherwise negotiated with COUNTY.
- 4.5 Payment by COUNTY to CONTRACTOR shall be payment in full for services provided.
- 4.6 CONTRACTOR shall hold harmless both the State and Medi-Cal beneficiaries in the event COUNTY cannot or will not pay for services performed by CONTRACTOR pursuant to this Agreement.
- 4.7 In the event the State changes the Short-Doyle/Medi-Cal Maximum Allowance (SMA) reimbursement rates, CONTRACTOR shall be responsible for costs that exceed applicable SMAs. In no case shall payments to CONTRACTOR exceed SMAs.
- 4.8 Both parties acknowledge that the State of California will continue to seek State or Federal revenue enhancements throughout the term of this Agreement. If a specific strategy adopted by the State affects the funding that COUNTY uses to support this Agreement, the parties agree to re-negotiate the applicable terms.
- 4.9 Final payment for services provided under the terms of this Agreement may be withheld pending fiscal reconciliation.

#### **5. CULTURAL COMPETENCY**

- 5.1 CONTRACTOR shall ensure that cultural competency is integrated into the

provision of services. The terms of this section of the Agreement shall be reviewed during contract monitoring meetings.

- 5.2 COUNTY will provide the Cultural Competence Plan (CCP) to CONTRACTOR when submitted to the California Department of Health Care Services (DHCS) and as updated annually.
- 5.3 CONTRACTOR shall adhere to the provisions of the COUNTY CCP, as submitted and updated, and provide information as required for submitting and updating the CCP.
- 5.4 CONTRACTOR shall document evidence that interpreter services are offered and provided for threshold languages at all points of contact. CONTRACTOR shall also document the response to the offer of interpreter services.
- 5.5 CONTRACTOR shall regularly have a representative participate in the COUNTY Cultural Equity and Social Justice Committee (CESJC).
- 5.6 CONTRACTOR staff shall attend the COUNTY Clinical and Administrative Cultural Competency Standards training.

## **6. QUALITY MANAGEMENT**

- 6.1 CONTRACTOR shall be in full compliance with COUNTY's Quality Management Plan and Risk Management Program. COUNTY shall have access to, and conduct audits and reviews of, CONTRACTOR's records, policies and procedures, incident reports, and related activities it deems necessary to support these functions.
- 6.2 CONTRACTOR and COUNTY, to the extent feasible, shall include their respective Quality Management staff in each other's Quality Management activities. Such activities shall include, but not be limited to, Quality Improvement Councils, chart audits, program compliance reviews, and Medi-Cal certifications.

## **7. COMPLIANCE**

- 7.1 COUNTY has accepted as policy an Organizational Compliance Plan which addresses compliance with Federal, State, and local laws, regulations, rules and guidelines. It is expected that CONTRACTOR shall maintain a similar compliance plan for its organization, which is consistent with COUNTY's Plan.
- 7.2 CONTRACTOR shall ensure that compliance is integrated into the provision of services. This shall be reviewed during contract monitoring meetings.
- 7.3 CONTRACTOR shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act. Violations shall be reported to the Centers for Medicare and Medicaid Services.

- 7.4 CONTRACTOR shall comply with the provisions of Title 42, CFR § 438.610 and Executive Orders 12549 and 12689, "Debarment and Suspension," which excludes parties listed on the General Services Administration's list of parties excluded from federal procurement or non-procurement programs from having a relationship with CONTRACTOR.
- 7.5 CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal financial participation is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.
- 7.6 CONTRACTOR shall not allow services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U. S. Department of Health and Human Services, Office of the Inspector General (OIG), or the California State Medi-Cal Suspended and Ineligible Provider List (S&I), maintained by the California Department of Health Care Services.
- 7.6.1 CONTRACTOR shall insure that all officers, employees, subcontractors, agents or other individuals or entities are not on the two lists in this section at the time of hiring.
- 7.6.2 CONTRACTOR shall thereafter semi-annually insure that all officers, employees, subcontractors, agents or other individuals or entities are not on the two lists in this section.
- 7.6.3 CONTRACTOR shall immediately notify the COUNTY upon discovery of any officer, employee, subcontractor, agent or other individual or entity who are found on either of the two lists in this section.
- 7.6.4 COUNTY provides to CONTRACTOR the following references to the two lists found in this section. COUNTY does not guarantee that these references will not change from time to time.
- 7.6.4.1 OIG list is currently found at the following web address:  
<http://exclusions.oig.hhs.gov/>
- 7.6.4.2 A link to the S&I list is currently found at the following web address: <http://www.medi-cal.ca.gov/references.asp> Near the bottom of the page click, on the "Suspended & Ineligible Provider List."
- 7.7 Pursuant to Section 6032 of the Deficit Reduction Act of 2005, CONTRACTOR

shall communicate to its employees, subcontractors, agents and other persons providing services on behalf of CONTRACTOR to the policies and procedures related to the Federal and State False Claims Act. CONTRACTOR agrees that it has received a copy of the False Health Care Claims Policy approved by the Board of Supervisors on May 8, 2007 and that it and its employees, subcontractors, agents and other persons providing services on behalf of CONTRACTOR will adhere to these policies and procedures.

**8. PATIENTS' RIGHTS AND PROBLEM RESOLUTION**

- 8.1 CONTRACTOR shall comply with all relevant rules, regulations, statutes, and COUNTY policies and procedures related to individuals' rights to a grievance process, an appeal process, and an expedited appeal process.
- 8.2 CONTRACTOR shall comply with the PLAN's Medi-Cal beneficiary problem resolution process as stated in the PLAN's Beneficiary Handbook. This does not preclude CONTRACTOR's commitment to resolve problems or complaints by Medi-Cal beneficiaries at the informal level as simply and quickly as possible. Nothing in this Agreement shall prevent Medi-Cal beneficiaries from utilizing the PLAN's and other rights and processes regarding grievances and appeals, which are guaranteed by statute.
- 8.3 CONTRACTOR shall ensure that each beneficiary has adequate information about the CONTRACTOR's processes to include at a minimum:
  - 8.3.1 Description of grievance and appeal process;
  - 8.3.2 Posting notices explaining the process procedures;
  - 8.3.3 Making grievance forms and appeal forms along with self-addressed envelopes available for beneficiaries at CONTRACTOR sites;
  - 8.3.4 Making interpreter services and TDD/TTY available to beneficiaries during normal business hours.
- 8.4 No provision of this Agreement shall be construed to replace or conflict with the duties of COUNTY's Patients' Rights Advocates as described in Section 5520 of the Welfare and Institutions Code.

**9. CONFIDENTIALITY AND INFORMATION SECURITY**

- 9.1 CONTRACTOR shall comply with applicable laws and regulations, including but not limited to Section 14100.2 and 5328 et seq. of the California Welfare and Institutions (W&I) Code, and 45 CFR Parts 160, 162, and 164 regarding the confidentiality and security of individually identifiable health information (IIHI) as required by Exhibit B of this Agreement.

9.2 Records shall be disclosed only in accordance with all applicable State and Federal laws and regulations, including those relating to the privacy of protected health information, confidentiality of medical records, patient consents to release information, and the therapist-patient privilege. Such information shall be used only for appropriate claims and quality management purposes, unless specifically authorized by the client. Confidentiality regulations shall apply to all electronic media.

**10. MONITORING/REVIEW ASSISTANCE**

10.1 CONTRACTOR agrees to maintain books, records, documents, and other evidence necessary to facilitate contract monitoring and audits pursuant to Section 640, Title 9, Division 1, Chapter 3, Article 9, of the California Code of Regulations and the policies of Behavioral Health and Recovery Services.

10.2 CONTRACTOR agrees that the COUNTY shall have access to facilities, program documents, records, staff, clients/patients, or other material or persons the COUNTY deems necessary to monitor and audit services rendered.

10.3 CONTRACTOR shall provide any necessary assistance to COUNTY in its conduct of facility inspections, and operational reviews of the quality of care being provided to beneficiaries, including providing COUNTY with any requested documentation or reports in advance of a scheduled on-site review.

CONTRACTOR shall also provide any necessary assistance to COUNTY and the External Quality Review Organization contracting with the California Department of Health Care Services (DHCS) in the annual external quality review of the quality of care, quality outcomes, timeliness of, and access to, the services being provided to beneficiaries under this Agreement. CONTRACTOR shall provide a corrective action plan when requested and correct deficiencies as identified by such inspections and reviews according to the time frames delineated in the resulting reports.

10.4 CONTRACTOR shall participate in regularly scheduled contract monitoring designed to review various aspects of contract services, including actual costs, cost per unit, number of units, amount of required match, and State rates.

**11. MEDI-CAL CERTIFICATION**

11.1 CONTRACTOR shall maintain certification as an organizational provider of Medi-Cal specialty mental health services during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and

notifying COUNTY's Contract Manager in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

- 11.2 A Medi-Cal site certification review is required for all new locations. A review can only be conducted after a fire clearance on the new site is obtained. All Medi-Cal billing for services at locations not yet certified shall be suspended until a fire clearance is received and certification has been concluded. CONTRACTOR may not be reimbursed for services provided which are not Medi-Cal billable.
- 11.3 The storage and dispensing of medications on site shall be in compliance with all pertinent state and federal standards.

## **12. RECORDS**

- 12.1 CONTRACTOR shall participate in COUNTY's outpatient medical records system. Accordingly, all necessary recording and charting of the provision of services and related documentation shall be entered in the COUNTY's medical record which shall be the sole medical record used by CONTRACTOR in providing services pursuant to this Agreement.
- 12.2 CONTRACTOR shall comply with COUNTY's medical record policies and procedures including, but not limited to, those related to requesting and transporting records, filing, and security. Further, CONTRACTOR shall comply with COUNTY's documentation protocols and use of forms. COUNTY shall provide training, support, and technical assistance if needed.
- 12.3 Clinical records shall be maintained according to COUNTY standards, policies and procedures and Short-Doyle Medi-Cal regulations. For each client who has received services, a legible record shall be kept in detail which permits effective quality management processes and external operational audit processes, and which facilitates an adequate system for follow-up treatment.
- 12.4 Clinical records shall be the property of COUNTY and maintained by CONTRACTOR in accordance with COUNTY standards.
- 12.5 Each medical record shall be returned to COUNTY at the time the client is discharged.
- 12.6 The CONTRACTOR shall be subject to the examination and audit of the Department or Auditor General for a period of three years after final payment under contract (Government Code, § 8546.7).
- 12.7 CONTRACTOR shall allow the Department, DHCS, HHS, the Comptroller General of the United States, 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 Agreement, and to inspect, evaluate, and audit any and all books, records, and facilities maintained by the Contractor and its subcontractors pertaining to such services at any time during normal business hours. Books and records include, but are not limited to, all physical records originated or prepared pursuant to the performance under this contract including working papers, reports, financial records and books of account, beneficiary records, prescription files, subcontracts, and any other documentation pertaining to covered services for beneficiaries. Upon request, at any time during the period of this Agreement, the Contractor shall furnish any such record, or copy thereof, to the Department, DHCS, or HHS. Authorized agencies shall maintain the confidentiality of such books and records in accordance with applicable laws and regulations.

- 12.8 These books and records shall be maintained for a term of at least five (5) years after final payment is made and all pending matters closed, or, in the event the CONTRACTOR has been duly notified that the County, State, HHS, or the Comptroller General of the United States, or their duly authorized representatives, have commenced an audit or investigation of the contract, until such time as the matter under audit or investigation has been resolved, whichever is later.

### **13. REPORTING**

- 13.1 CONTRACTOR shall enter all required data into the COUNTY's Electronic Health Record (EHR). Data must be entered by the fourth working day of each month. COUNTY may withhold payment for services until the entry of data is current.
- 13.2 CONTRACTOR shall prepare and submit a year-end Medi-Cal cost report for each fiscal year, as required by the California Department of Health Care Services (DHCS), no later than November 15<sup>th</sup>. COUNTY shall provide the appropriate report forms. If necessary, technical assistance must be requested and will be provided no later than thirty (30) days before the date the report is due.
- 13.3 CONTRACTOR shall submit a six (6) month program report electronically to the following e-mail address: [contracts@stanbhhs.org](mailto:contracts@stanbhhs.org) by February 15<sup>th</sup> of each year. The report shall include data related to performance outcomes, cultural competency integration, challenges and the strategies employed to overcome them.
- 13.4 CONTRACTOR shall submit a year-end program report electronically to the following e-mail address: [contracts@stanbhhs.org](mailto:contracts@stanbhhs.org) by September 30<sup>th</sup> of each

year. The report shall include a summary of the year's events; an update on the challenges and strategies; evidence of meeting contract outcomes; update of cultural competency activities; staff training, number and percentage of staff that have received HIPAA training; number of complaints regarding breach of confidentiality and disclosures of PHI, number of internal incidents of disclosure discovered, description of incident, action taken to mitigate risk, outcome of incident; evidence of use of the Language Line and interpreters.

- 13.5 CONTRACTOR shall submit an annual report on CONTRACTOR's staff language and ethnicity as of the payroll period ending closest to December 1<sup>st</sup>. This report shall be submitted electronically to BHRS Contract Services by December 31<sup>st</sup> of each year to the following e-mail address:  
[contracts@stanbhrs.org](mailto:contracts@stanbhrs.org).
- 13.6 CONTRACTOR shall provide COUNTY with any other reports, which may be required by State, Federal or local agencies for compliance with this Agreement.
- 13.7 CONTRACTOR shall submit to COUNTY any fiscal documents required, including, but not restricted to, monthly requests for payment, an annual report of expenditures and an annual financial audit performed by an independent public accounting firm.
- 13.8 CONTRACTOR shall establish and maintain accounting and fiscal practices that comply with its obligations pursuant to Section 1840.105, Chapter 11, Medi-Cal Specialty Mental Health Services and Title 9, California Code of Regulations.

#### **14. INVENTORY**

- 14.1 CONTRACTOR shall report to COUNTY, with the annual program report, any equipment with a cost of \$1,000 or more, purchased with funds from this Agreement. Such report shall include the item description, model and serial number (if applicable), purchase price, date of purchase and physical location of each item.
- 14.2 CONTRACTOR shall make all equipment available during normal business hours for the COUNTY to conduct a physical inspection and/or place a COUNTY inventory tag on the equipment, if desired.
- 14.3 CONTRACTOR shall be solely responsible for maintenance of inventory while in CONTRACTOR's possession. Records evidencing maintenance and any upgrades shall be provided to COUNTY as part of the inventory in the event of termination of this Agreement.
- 14.4 COUNTY reserves title to any property purchased or financed from the proceeds



of this Agreement, if such property is not fully consumed in the performance of this Agreement. This provision shall be operational even though such property may have been purchased in whole or in part by Federal funds and absent a Federal requirement for transfer of title.

## **15. PERSONNEL**

- 15.1 CONTRACTOR shall adhere to the Statement of Compliance as specified in Exhibit C.
- 15.2 All CONTRACTOR staff providing services under the terms of this Agreement shall have successfully passed a criminal background check appropriate to their job classification and duties. CONTRACTOR shall not knowingly allow services to be provided under the terms of this Agreement by any person convicted of financial fraud involving Federal or State funds.
- 15.3 CONTRACTOR assures COUNTY that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.
- 15.4 All personnel rendering services under this contract shall be employed by, or under contract to CONTRACTOR, and shall be appropriately supervised. Services shall be under the supervision of CONTRACTOR's Clinical Director who shall be a licensed mental health professional or other appropriate individual as described in Sections 622 through 630 of Title 9, of the California Code of Regulations.
- 15.5 All staff providing services under this Agreement must obtain a National Provider Identifier (NPI).
- 15.6 All staff providing service under registration with the California State Board of Behavioral Health Science, or the Board of Psychology, shall be supervised by a licensed mental health professional, i.e., a Licensed Clinical Social Worker; Marriage Family Therapist; or Clinical Psychologist.
- 15.7 CONTRACTOR shall ensure a process for credentialing of licensed staff is in place, which includes at a minimum, background checks and license verification.
- 15.8 CONTRACTOR shall follow COUNTY's procedures for registering and terminating CONTRACTOR staff from the COUNTY's Electronic Health Record (EHR). This shall include CONTRACTOR providing Insyst Registration Forms to COUNTY for all newly licensed staff, NPI number, and copies of staff's current license to enable COUNTY to maintain accurate information necessary for billing

in COUNTY's Electronic Health Record (EHR).

15.9 All CONTRACTOR staff transporting clients under the terms of this Agreement shall have received and possess a valid California Drivers License and, if not covered by CONTRACTOR for auto insurance, shall maintain at least minimum coverage.

15.10 CONTRACTOR's staff shall be linguistically and culturally qualified to meet the current and projected needs of the client community. CONTRACTOR shall ensure that staff providing bilingual services are fluent in their identified language.

## **16. CODE OF ETHICS**

CONTRACTOR's Code of Ethics shall be consistent with COUNTY's Code of Ethics, a copy of which was provided to CONTRACTOR in Fiscal Year 2001/02.

## **17. WORKPLACE REQUIREMENTS**

17.1 CONTRACTOR shall report all incidents of client suicides, homicides, or other unusual occurrences resulting in serious harm to clients or staff, using the Outpatient Incident/Occurrence Reporting Form. Such forms shall be faxed to COUNTY's BHRS Risk Manager within twenty-four (24) hours of time of occurrence or as soon as possible.

17.2 CONTRACTOR shall participate, as appropriate, in COUNTY's Root Cause Analysis investigations related to CONTRACTOR's incidents.

17.3 CONTRACTOR shall maintain a safe facility that is as free from safety hazards as is possible. Any reporting of unsafe working conditions by employees or others shall be immediately appraised and addressed.

17.4 CONTRACTOR hereby certifies that it complies with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and provides a drug-free workplace.

17.5 Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and CONTRACTOR may be ineligible for award of any future Agreements if COUNTY determines that any of the following has occurred: (1) CONTRACTOR has made a false certification or, (2) violates the certification by failing to carry out the requirements as noted above.

## **18. ACKNOWLEDGEMENT**

All public relations and educational material shall mention that CONTRACTOR's Program(s) is funded by the Stanislaus County Board of Supervisors and Behavioral Health and Recovery Services.

**19. FINANCIAL RELATIONSHIPS**

- 19.1 CONTRACTOR shall maintain program statistical records in the manner required by COUNTY, California Department of Health Care Services (DHCS), and applicable licensing agencies, and make such records available to COUNTY upon request.
- 19.2 CONTRACTOR shall maintain accurate accounting records of its costs and operating expenses. Such records shall be maintained until State audit findings are resolved. They shall be open to inspection by COUNTY, the Grand Jury, the State Controller, and the State Director of the California Department of Health Care Services (DHCS), or any of their deputies.
- 19.3 CONTRACTOR shall have an audit conducted by an independent auditing firm that shall be executed, if applicable, to comply with the Single Audit Act and the audit reporting requirements set forth in OMB Circular A-133. This audit shall be submitted to COUNTY within one hundred twenty (120) days after the end of the CONTRACTOR's fiscal year.
- 19.4 CONTRACTOR shall adhere to Title XIX of the Social Security Act, and conform to all other applicable Federal and State statutes and regulations.

**20. REQUIRED LICENSES, CERTIFICATES AND PERMITS**

Any licenses, certificates, or permits required by the Federal, State, County, or municipal governments for CONTRACTOR to provide the services and work described in this Agreement shall be procured by CONTRACTOR and be valid at the time CONTRACTOR enters into this Agreement. Further, during the term of this Agreement, CONTRACTOR shall maintain such licenses, certificates, and permits in full force and effect. Licenses, certificates, and permits may include, but are not limited to, driver's licenses, professional licenses or certificates, and business licenses. Such licenses, certificates, and permits shall be procured and maintained in force by CONTRACTOR at no direct expense to COUNTY.

**21. INDEMNIFICATION**

21.1 To the fullest extent permitted by law, CONTRACTOR shall indemnify, hold harmless and defend COUNTY and its agents, officers, and employees against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by CONTRACTOR or CONTRACTOR's officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction

to tangible or intangible property, including the loss of use. Notwithstanding the foregoing, CONTRACTOR's obligation to indemnify the COUNTY and its agents, officers and employees for any judgment, decree or arbitration award shall extend only to the percentage of negligence or responsibility of the CONTRACTOR in contributing to such claim, damage, loss and expense.

- 21.2 CONTRACTOR's obligation to defend, indemnify and hold COUNTY and its agents, officers, and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for CONTRACTOR to procure and maintain a policy of insurance.
- 21.3 To the fullest extent permitted by law, the COUNTY shall indemnify, hold harmless and defend the CONTRACTOR and its officers, employees, agents, representatives or subcontractors from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney's fees, arising out of or resulting from the negligence or wrongful acts of COUNTY and its officers or employees.

## **22. INSURANCE**

22.1 CONTRACTOR shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

22.1.1 General Liability. Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by CONTRACTOR under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

22.1.2 Professional Liability. Professional malpractice liability insurance with limits of no less than One Million Dollars (\$1,000,000) aggregate. Such professional liability insurance shall be continued for a period of no less than one year following completion of the CONTRACTOR's services

22.1.3 Automobile Liability Insurance. If CONTRACTOR or CONTRACTOR's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and

transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

22.1.4 Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, CONTRACTOR certifies under section 1861 of the Labor Code that CONTRACTOR is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that CONTRACTOR will comply with such provisions before commencing the performance of the work of this Agreement.

22.2 Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by COUNTY. At the option of COUNTY, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) CONTRACTOR shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to COUNTY guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. COUNTY, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, CONTRACTOR agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of CONTRACTOR's defense and indemnification obligations as set forth in this Agreement.

22.3 CONTRACTOR shall provide a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, if any, naming COUNTY and its officers, officials and employees as additional insureds regarding: (a) liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of CONTRACTOR, including the insured's general supervision of its sub-contractors; (b) services, products and completed operations of CONTRACTOR; (c) premises owned, occupied or used by CONTRACTOR; and (d) automobiles owned, leased, hired or borrowed by CONTRACTOR. For Workers' Compensation insurance, the insurance carrier shall agree to waive all rights of subrogation against COUNTY and its officers, officials and employees

for losses arising from the performance of or the omission to perform any term or condition of this Agreement by CONTRACTOR.

- 22.4 CONTRACTOR's insurance coverage shall be primary insurance regarding COUNTY and COUNTY's officers, officials and employees. Any insurance or self-insurance maintained by COUNTY or COUNTY's officers, officials and employees shall be excess of CONTRACTOR's insurance and shall not contribute with CONTRACTOR's insurance.
- 22.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to COUNTY or its officers, officials, employees or volunteers.
- 22.6 CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 22.7 Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to COUNTY. CONTRACTOR shall promptly notify, or cause the insurance carrier to promptly notify, COUNTY of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.
- 22.8 Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to COUNTY; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-:VII shall be acceptable to COUNTY; lesser ratings must be approved in writing by COUNTY.
- 22.9 CONTRACTOR shall require that all of its subcontractors are subject to the insurance and indemnity requirements stated herein, or shall include all subcontractors as additional insureds under its insurance policies.
- 22.10 At least ten (10) days prior to the date CONTRACTOR begins performance of its obligations under this Agreement, CONTRACTOR shall furnish COUNTY with certificates of insurance and with original endorsements showing coverage required by this Agreement, including, without limitation, those that verify

coverage for subcontractors of CONTRACTOR. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in COUNTY's sole and absolute discretion, approved by COUNTY. COUNTY reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

22.11 The limits of insurance described herein shall not limit the liability of CONTRACTOR and CONTRACTOR's officers, employees, agents, representatives or subcontractors.

**23. NOTICE**

Any notice, communication, amendments, additions, or deletions to this Agreement including change of address of either party during the term of this Agreement, which either party shall be required or may desire to make, shall be in writing and may be personally served or sent by prepaid first class mail to the respective parties as follows:

County: County of Stanislaus  
Behavioral Health and Recovery Services  
Attention: Contract Manager  
800 Scenic Drive  
Modesto, CA 95350

Contractor: Aspiranet  
Attention: Vernon Brown, Executive Director  
400 Oyster Point Blvd., Suite 501  
So. San Francisco, CA 94080

**24. CONFLICTS**

CONTRACTOR agrees that it has no interest and shall not acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of the work and services under this Agreement.

**25. SEVERABILITY**

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any Federal, State or County statute, ordinance, regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated there and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

**26. AMENDMENT**

This Agreement may only be modified, amended, changed, added to, or subtracted from

by mutual consent of the parties hereto if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

**27. ENTIRE AGREEMENT**

This Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

**28. RELATIONSHIP OF PARTIES**

This is an Agreement by and between two (2) independent contractors and is not intended to, and shall not be construed to be, nor create the relationship of agent, servant, employee, partnership, joint venture, or any other similar association.

**29. REFERENCES TO LAWS AND RULES**

In the event any statute, regulation, or policy referred to in this Agreement is amended during the term of this Agreement, the parties shall comply with the amended provision as of the effective date of such amendment.

**30. ASSIGNMENT**

30.1 COUNTY has relied upon the skills, knowledge, experience, and training presented by CONTRACTOR, as an inducement to enter into this Agreement. CONTRACTOR shall not assign or subcontract this Agreement, either in whole or in part, without prior written consent of COUNTY, which shall not be unreasonably withheld.

30.2 CONTRACTOR shall not assign any monies due or to become due under this Agreement without the prior written consent of COUNTY.

**31. AVAILABILITY OF FUNDS**

Payments for services provided in accordance with the provisions of this Agreement are contingent upon the availability of County, State, and Federal funds. If Federal, State, or local entities do not appropriate sufficient funds for this program, the County has the option to terminate this Agreement or amend the Agreement to reflect any reduction of funds.

**32. WAIVER OF DEFAULT**

Waiver of any default by either party to this Agreement shall not be deemed to be waiver



of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

**33. VENUE**

This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

**34. TERM**

34.1 This Agreement shall become effective February 1, 2015, and continue through June 30, 2016. Either party may terminate this Agreement, with or without cause, by giving thirty (30) days prior written notice to the other party. COUNTY may suspend or terminate this Agreement for cause upon written notice to CONTRACTOR immediately, or upon such notice, as COUNTY deems reasonable. If the default is cured by CONTRACTOR to the satisfaction of COUNTY, or COUNTY determines that the default should be excused, COUNTY may reinstate the Agreement, or revoke the termination upon application by CONTRACTOR.

34.2 In the event of termination or expiration of this Agreement, CONTRACTOR shall assist COUNTY in the orderly transfer of clients. In doing this, CONTRACTOR shall make available any pertinent information necessary for efficient case management of clients as determined by COUNTY. In no case shall a client be billed for this service.

34.3 This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of CONTRACTOR 's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, CONTRACTOR ceases to be licensed or otherwise authorized to do business in the State of California, and the CONTRACTOR fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.

**35. SURVIVAL**

Notwithstanding any other provision of this Agreement, the following clauses shall remain in full force and effect and shall survive the expiration or termination of this Agreement: Paragraph 4, "Billing and Payment", Paragraph 9, "Confidentiality and Information

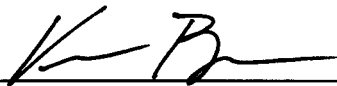
Security”, Paragraph 12, “Records”, Paragraph 21, “Indemnification”, Paragraph 30, “Assignment”.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date(s) shown below.

**COUNTY OF STANISLAUS  
BEHAVIORAL HEALTH AND  
RECOVERY SERVICES**

**ASPIRANET**

\_\_\_\_\_  
Madelyn Schlaepfer, Ph.D., CEAP      Date  
Behavioral Health Director

 12/29/14  
Vernon Brown, MPA      Date  
Chief Executive Officer

APPROVED AS TO FORM:  
John P. Doering, County Counsel

\_\_\_\_\_  
Marc Hartley  
Deputy County Counsel

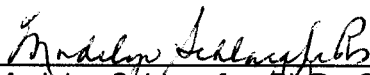
BOS Item Number: 2015-19, January 13, 2015

Security”, Paragraph 12, “Records”, Paragraph 21, “Indemnification”, Paragraph 30, “Assignment”.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date(s) shown below.

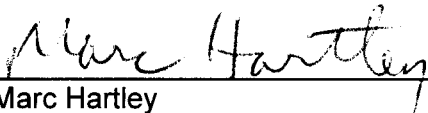
**COUNTY OF STANISLAUS  
BEHAVIORAL HEALTH AND  
RECOVERY SERVICES**

**ASPIRANET**

  
\_\_\_\_\_  
Madelyn Schlaepfer, Ph.D., CEAP      Date  
Behavioral Health Director      1-21-2015

\_\_\_\_\_  
Vernon Brown, MPA      Date  
Chief Executive Officer

APPROVED AS TO FORM:  
John P. Doering, County Counsel

  
\_\_\_\_\_  
Marc Hartley  
Deputy County Counsel

BOS Item Number: 2015-19, January 13, 2015

**Pathways to Well-Being (Katie A.) Program Services****A. SERVICES**

The CONTRACTOR shall provide services under this Agreement as follows:

1. CONTRACTOR shall provide covered specialty mental health services to those children/youth with more intensive needs that are identified as subclass members of *Katie A. v. Bonta*, as follows:
  - a. Intensive Care Coordination (ICC)
  - b. Intensive Home Based Services (IHBS)
  - c. Intensive Therapeutic Foster Care (ITFC)
2. CONTRACTOR shall provide comprehensive mental health assessments for those children/youth identified as high risk subclass members of *Katie A. v. Bonta*, as assigned through COUNTY's Child Welfare Mental Health Team.
3. CONTRACTOR shall provide services in accordance to the Core Practice Model (CPM), which is a set of practices and principles for children/youth served by both the Child Welfare and Mental Health system.
4. CONTRACTOR shall schedule, arrange, coordinate and facilitate all Child and Family Team (CFT) meetings (initial and subsequent) for subclass members. CFT meetings shall be held at a minimum of once every 90 days for each subclass member. This includes meeting all the goals of the CFT meeting as identified in the Core Practice Model (CPM) manual and Medi-Cal manual, as follows:
  - a. Engagement of the family, child/youth and formal/informal supports.
  - b. Identification of the needs and strengths of the child/youth and their family.
  - c. Development of a shared plan(s) with the family, support plan implementation, modify plans as needed and transition family to informal support.
  - d. Establishing and monitoring treatment plans as well as continued subclass eligibility.
5. CONTRACTOR's staff shall be available 24 hours a day, seven days a week to provide services in response to calls from Behavioral Health and Recovery Services, and/or families of subclass member(s).
6. CONTRACTOR shall collaborate with COUNTY in the implementation and utilization of the "Child and Adolescent Needs and Strengths" (CANS) toll with the client and family.
7. CONTRACTOR shall provide results of internal surveys conducted at or near discharge on annual report.
8. CONTRACTOR's services shall reflect the core values of COUNTY's CSOC as identified in Exhibit E.

9. Medi-Cal beneficiaries shall receive the same level of service provided to all other clients served by CONTRACTOR. This requirement is a condition for reimbursement for specialty mental health services.
10. All services provided by CONTRACTOR and the manner in which services are to be provided are more particularly set forth in COUNTY's Request for Proposal #14-57-SS; the CONTRACTOR's responding proposal, as well as any plans, specifications, addenda, and any documents particularly required or provided (as may be applicable), all of which are incorporated herein by reference and made a part hereof (collectively, the "RFP"). All of the foregoing documents, as may be applicable, together with this Agreement, comprise the contract and all services provided hereunder shall be performed in accordance therewith. In the event there is a conflict between the terms and conditions set forth in this Agreement, those set forth in the RFP, and those set forth in Exhibit A, then in such case, the terms and conditions shall control in this order: 1<sup>st</sup>, Exhibit A, 2<sup>nd</sup>, this Agreement, and 3<sup>rd</sup> the RFP.

## **B. PERFORMANCE OUTCOMES**

1. It is expected that the child's ability to function in the home, school and community will improve as indicated by parental report, school report/records, therapist evaluation and current BHRS outcomes tool.
2. It is expected that clients and families served by CONTRACTOR through this Agreement will report an overall positive response on consumer satisfaction surveys for all programs, with evaluation percentages equal to or greater than responses to COUNTY CSOC programs. Copies of the completed surveys should be clearly labeled and forwarded to COUNTY's Data Management Services Performance Measurement division.
3. It is expected that assessments will occur within thirty (30) days of the referral and fourteen (14) days for inpatient discharge. CONTRACTOR shall utilize a tracking system to measure this requirement. For good cause, CONTRACTOR shall notify CSOC Coordinator when unable to meet the assessment expectation.
4. It is expected that the CONTRACTOR will maintain a tracking mechanism for reporting services that have included the family.
5. It is expected that 80% of children receiving services will have a Primary Care Physician (PCP) noted in the database.
6. It is expected that the CONTRACTOR will make Primary Care Physician (PCP) contact for 70% of those children receiving services with PCP's during the term of this Agreement.
7. It is expected that children and youth served under the terms of this Agreement will experience a reduction in baseline behavior problem as identified by the specific treatment plan goals.
8. It is expected that regular program coordination and treatment review meetings will include line staff, as well as management staff, to identify program strengths, build on them and problem solve areas of concern.

**C. BILLING AND PAYMENT**

1. COUNTY shall reimburse CONTRACTOR for services delivered under the terms of this Agreement through the following funding source(s): 2011 Realignment, 1991 Realignment and Medi-Cal funds.
2. In consideration of CONTRACTOR's provision of services required under this Agreement, COUNTY shall reimburse CONTRACTOR an amount not to exceed the Contract Maximum of \$2,120,070 (GL 5123090) for salaries, benefits and other operating costs, for the entire term of this Agreement.
3. The monthly invoice shall be equal to the monthly program costs for delivering all the services required by this Agreement. The CONTRACTOR shall provide a monthly expenditure report to accompany the invoice in support of the program costs on the invoice. CONTRACTOR shall submit invoices and expenditure reports electronically to [abh@stanbh@stanbh.org](mailto:abh@stanbh@stanbh.org), or by mail to the following address:  
  
Stanislaus County Behavioral Health & Recovery Services (BHRS)  
800 Scenic Drive, Building 4  
Modesto, CA 95350  
Attention: Accounts Payable
4. COUNTY shall reimburse CONTRACTOR for any undisputed invoices, which COUNTY and CONTRACTOR agree represent the costs of delivering the services required under the terms of this Agreement for the period covered by the invoice, within 30 days of invoice receipt. CONTRACTOR agrees that the monthly invoice represents an estimate of the actual program costs and not a final settlement for the costs of delivering the services under the terms of this Agreement. CONTRACTOR understands that the maximum amount to be paid by the COUNTY during the term of this Agreement is \$2,120,070. CONTRACTOR shall manage the program operations and program costs to insure the provision of services for the full term of this Agreement.
5. CONTRACTOR is expected to generate a minimum of \$700,000 in Medi-Cal Federal Financial Participation (FFP) for the entire term of this Agreement, which is in part the basis for funding this Agreement, as listed below. The Net County Cost for the provision of services under the terms of this Agreement shall be \$1,420,070, which is calculated by subtracting the FFP of \$700,000 from the Contract Maximum of \$2,120,070.
6. FFP revenue projections are based on year-to-date actual, approved and authorized Medi-Cal units of service. Actual and projected FFP revenue shall be reviewed at regular monitoring meetings by COUNTY and CONTRACTOR during the term of this Agreement. In the event the FFP revenue projected through the term of this Agreement does not meet the budgeted amount necessary to support the program expenditures, CONTRACTOR shall submit a plan to increase the FFP revenue or reduce the operating costs of delivering the services required in this Agreement.
7. CONTRACTOR shall submit an annual Cost Report to COUNTY upon request from the COUNTY, generally in November for the previous Fiscal Year. COUNTY shall settle to the CONTRACTOR's actual costs of delivering the services during the term of this Agreement in approximately January of each year. The COUNTY and

CONTRACTOR shall agree that the approved units of service from the COUNTY Electronic Health Record and actual program costs are the actual services and costs used for purposes of this agreement and final cost report settlement. Settlement is limited to the Contract Maximum and is also limited to the Net County Cost after applying the FFP revenue.

8. CONTRACTOR shall be at risk for shortfalls in FFP revenue and is therefore accountable for submitting/entering services that are eligible for reimbursement into the COUNTY Electronic Health Record (EHR).

**D. DUPLICATE COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

**Confidentiality and Information Security Provisions  
Direct Service Providers**

1. As a covered entity, the Contractor shall comply with applicable laws and regulations, including but not limited to Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code and with the privacy and security requirements of Title II of the Health Insurance Portability and Accountability Act of 1996, (Public Law 104-91), also known as "HIPAA", and Title XIII of the American Recovery and Reinvestment Act of 2009, (Public Law 111-5), "the ARRA/HITECH Act" or "the HITECH Act", as these laws may be subsequently amended, and implementing regulations enacted by the Department of Health and Human Services at 45 CFR Parts 160-164, and, regulations enacted with regard to the HITECH Act. The foregoing laws and rules are sometimes collectively referred to hereafter as "HIPAA".
  
2. Permitted Uses and Disclosures of IIHI by the Contractor.
  - A. *Permitted Uses and Disclosures.* Except as otherwise provided in this Agreement, the Contractor, may use or disclose IIHI to perform functions, activities or services identified in this Agreement provided that such use or disclosure would not violate federal or state laws or regulations.
  
  - B. *Specific Uses and Disclosures Provisions.* Except as otherwise indicated in the Agreement, the Contractor may:
    - (1) Use and disclose IIHI for the proper management and administration of the Contractor or to carry out the legal responsibilities of the Contractor, provided that such use and disclosures are permitted by law.
  
    - (2) Use IIHI to provide data aggregation services to County. Data aggregation means the combining of IIHI created or received by the Contractor for the purposes of this Agreement with IIHI received by the Contractor in its capacity as the Contractor of another HIPAA covered entity, to permit data analyses that relate to the health care operations of County.
  
3. Responsibilities of the Contractor.

The Contractor agrees:

- A. *Safeguards.* To prevent use or disclosure of IIHI other than as provided for by this Agreement. The Contractor shall develop and maintain an information privacy and security program that includes the implementation of administrative, technical, and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities. The information privacy and security programs must reasonably and appropriately protect the confidentiality, integrity, and availability of the IIHI that it creates, receives, maintains, or transmits; and prevent the use or disclosure of IIHI other than as provided for by this Agreement. The Contractor shall provide County with information concerning such safeguards as County may reasonably request from time to time.

The Contractor shall restrict logical and physical access to confidential, personal (e.g., PHI) or sensitive data to authorized users only.

The Contractor shall not transmit confidential, personal, or sensitive data via e-mail or other Internet transport protocol over a public network.



**Confidentiality and Information Security Provisions  
Direct Service Providers**

- B. *Mitigation of Harmful Effects.* To mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of IIHI by Contractor or its subcontractors in violation of the requirements of this Agreement.
- C. *Agents and Subcontractors of the Contractor.* To ensure that any agent, including a subcontractor to which the Contractor provides IIHI received from County, or created or received by the Contractor, for the purposes of this contract shall comply with the same restrictions and conditions that apply through this Agreement to the Contractor with respect to such information.
- D. *Notification of Electronic Breach or Improper Disclosure.* During the term of this Agreement, Contractor shall notify County immediately upon discovery of any breach of IIHI and/or data, where the information and/or data is reasonably believed to have been acquired by an unauthorized person. Immediate notification shall be made to the County BHRS Privacy Officer, within five (5) business days of discovery. Contractor shall take prompt corrective action to cure any deficiencies and any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations. Contractor shall investigate such breach and provide a written report of the results of the investigation, including any corrective actions taken, and copies of all Notifications made as a result of the breach, to the BHRS Officer, postmarked within thirty (30) calendar days of the discovery of the breach to the address below:

**BHRS Privacy Officer  
Behavioral Health and Recovery Services  
800 Scenic Drive  
Modesto, CA 95320  
(209) 525-6225**

- E. *Employee Training and Discipline.* To train and use reasonable measures to ensure compliance with the requirements of this Agreement by employees who assist in the performance of functions or activities under this Agreement and use or disclose IIHI; and discipline such employees who intentionally violate any provisions of this Agreement, including by termination of employment.

4. Termination.

- A. *Termination for Cause.* Upon County's knowledge of a material breach of this Agreement by Contractor, County shall either:
- (1) Provide an opportunity for Contractor to cure the breach or end the violation and terminate this Agreement if Contractor does not cure the breach or end the violation within the time specified by County.
  - (2) Immediately terminate this Agreement if Contractor has breached a material term of this Agreement and cure is not possible; or
  - (3) If neither cure nor termination is feasible, the BHRS Privacy Officer shall report the violation to the DCHS Information Security Officer of the California Department of Health Care Services (DHCS).
- B. *Judicial or Administrative Proceedings.* County may terminate this Agreement, effective immediately, if (i) Contractor is found liable in a civil matter or guilty in a criminal proceeding for a violation of the HIPAA Privacy or Security Rule or (ii) a finding or

**Confidentiality and Information Security Provisions  
Direct Service Providers**

stipulation is made, in an administrative or civil proceeding in which the Contractor is a party, that the Contractor has violated a privacy or security standard or requirement of HIPAA, or other security or privacy laws.

- C. *Effect of Termination.* Upon termination or expiration of this Agreement for any reason, Contractor shall return or destroy all IHI received from County that Contractor still maintains in any form, and shall retain no copies of such IHI or, if return or destruction is not feasible, it shall continue to extend the protections of this Agreement to such information, and limit further use of such IHI to those purposes that make the return or destruction of such IHI infeasible. This provision shall apply to IHI that is in the possession of subcontractors or agents of the Contractor.
5. Miscellaneous Provisions.
- A. *Disclaimer.* County makes no warranty or representation that compliance by Contractor with this Agreement, HIPAA or the HIPAA regulations will be adequate or satisfactory for Contractor's own purposes or that any information in the Contractor's possession or control, or transmitted or received by the Contractor, is or will be secure from unauthorized use or disclosure. Contractor is solely responsible for all decisions made by Contractor regarding the safeguarding of IHI.
- B. *Assistance in Litigation or Administrative Proceedings.* Contractor shall make itself, and use its best efforts to make any subcontractors, employees or agents assisting Contractor in the performance of its obligations under this Agreement, available to County at no cost to County to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings against County, its directors, officers or employees for claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy based upon actions or inactions of the Contractor and/or its subcontractor, employee, or agent, except where Contractor or its subcontractor, employee, or agent is a named adverse party.
- C. *No Third-Party Beneficiaries.* Nothing expressed or implied in the terms and conditions of this Agreement is intended to confer, nor shall anything herein confer, upon any person other than County or Contractor and their respective successors or assignees, any rights remedies, obligations or liabilities whatsoever.
- D. *Interpretation.* The terms and conditions in this Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HIPAA regulations and applicable State laws. The parties agree that any ambiguity in the terms and conditions of this Agreement shall be resolved in favor of a meaning that complies and is consistent with applicable laws.
- E. *Regulatory References.* A reference in the terms and conditions of this Agreement to a section in the HIPAA regulations means the section as in effect or as amended.
- F. *Survival.* The respective rights and obligations of Contractor under Section 6.B of this Exhibit shall survive the termination or expiration of this Agreement.
- G. *No Waiver of Obligations.* No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

## STATEMENT OF COMPLIANCE

- A. CONTRACTOR agrees, unless specifically exempted, compliance with Government Code Section 12900 (a-f) and California Code of Regulations, Title 2, Division 4, Chapter 5 in matters relating to reporting requirements and the development, implementation and maintenance of a Nondiscrimination Program. Contractor agrees not to unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Employment of personnel shall be made solely on the basis of merit.
1. Action shall be taken to ensure applicants are employed, and employees are treated during employment, without regard to their race, religion, color, sex, national origin, age, physical or mental handicap. Such action shall include, but not be limited to, the following: Employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff; or apprenticeship. However, recruitment and employment of applicants shall reflect the ethnic and racial composition of the County, particularly those groups not previously, nor currently, having adequate representation in recruitment or hiring. There shall be posted, in conspicuous places, notices available to employees and applicants for employment provided by the County Officer responsible for contracts setting forth the provisions of the Equal Opportunity clause.
  2. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR and/or the subcontractor shall state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin, age, or physical or mental handicap.
  3. Each labor union or representative of workers with which the County and/or the subcontractor has a collective bargaining agreement, or other contract or understanding, must post a notice provided by the County Officer responsible for contracts, advising the labor union or workers representative of CONTRACTOR's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  4. In the event of noncompliance with the discrimination clause of this contract or as otherwise provided by State and Federal law, this contract may be canceled, terminated or suspended, in whole or in part, and CONTRACTOR and/or the subcontractor may be declared ineligible for further State contracts in accordance with the procedures authorized in the California Department of Health Care Services' (DHCS) Complaint Process.
  5. All provision of Paragraph 1 through this paragraph 5 will be included in every subcontract unless exempted by rules, regulations or orders of the Director of the California Department of Health Care Services (DHCS) so such provisions will be binding upon each subcontractor. CONTRACTOR will take such action with respect to any subcontract as the State may direct as a means of enforcing such provisions including sanctions for noncompliance provided; however, in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor as a result of such direction by the State, CONTRACTOR may request in writing to the State, who, in turn, may request the United States to enter into such litigation to protect the interest of the State and the United States.
- B. Services, benefits and facilities shall be provided to patients without regard to their race, color, creed, national origin, sex, age or physical or mental handicap, and no one will be refused service because of inability to pay for such services.
1. Nondiscrimination in Services, Benefits and Facilities: There shall be no discrimination in the provision of services because of color, race, creed, national origin, sex, age, or physical or mental handicap in accordance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d, rules and regulations promulgated pursuant thereto, or as otherwise provided by State and Federal law. For the purpose of the contract, distinctions on the grounds of color, race, creed, national origin, sex, or age include, but are not limited to, the following: denying a participant any service or benefit to the participant which is different, or is provided in a different manner or at a different time, from that provided to other participants under this contract; subjecting a participant to segregation or separate treatment in any matter related to this receipt of any service; restricting a participant in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; treating a participant differently from others in determining whether he/she satisfied any admission, enrollment quota, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit; the assignment of times or places for the provision of services on the basis of the race, color, creed, or national origin of the participants to be served. The County and all subcontractors will take action to ensure intended beneficiaries are provided services without regard to color, race, creed, national origin, sex, age, or physical or mental handicap.
  2. Procedure for Complaint Process: All complaints alleging discrimination in the delivery of services by the County and/or the subcontractor because of race, color, creed, national origin, sex, age, or physical or mental handicap, may be resolved by the State through the California Department of Health Care Services' (DHCS) Action Complaint Process.
  3. Notice of Complaint Process: The County and all subcontractors shall, subject to the approval of the California Department of Health Care Services (DHCS), establish procedures under which recipients of the service are informed of their rights to file a complaint alleging discrimination or a violation of their civil rights with the California Department of Health Care Services (DHCS).
- C. The County and any subcontractor will furnish all information and reports required by the California Department of Health Care Services (DHCS) and will permit access to books, records and accounts for purposes of investigation to ascertain compliance with above paragraphs.
- D. The County and all subcontractors assure all recipients of service are provided information in accordance with provisions of Welfare and Institutions Code, Sections 5325 and 5325.1, and Sections 5520 through 5550, pertaining to their rights as patients, that the County has established a system whereby recipients of service may file a complaint for alleged violations of their rights.
- E. CONTRACTOR agrees to 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, Education and Welfare, effective June 3, 1997, and found in the Federal Register, Volume 42, Number 85, dated May 4, 1977.

**MHP Claims Certification and Program Integrity**

TO: Stanislaus County, Behavioral Health and Recovery Services

I HEREBY CERTIFY based on best knowledge, information, and belief to the following: An assessment of all Medi-Cal beneficiaries were conducted in compliance with the requirements established by the Stanislaus County Mental Health Plan (MHP). The beneficiaries were eligible to receive Medi-Cal services at the time the services were provided to the beneficiaries. Medical necessity was established for each beneficiary for the services provided, for the timeframe in which the services were provided. A client plan was developed and maintained for each beneficiary that met all client plan requirements established by the MHP. For each beneficiary receiving day rehabilitation, day treatment intensive, or EPSDT supplemental specialty mental health services included in the claim, all requirements for MHP payment authorization have been met and reviews for such service or services were conducted prior to the initial authorization and any re-authorization periods as established by the MHP. All documentation for services meets the standards established by the MHP and is in the clinical record.

I also certify based on best knowledge, information, and belief that all claims for services provided to Medi-Cal beneficiaries were, in fact, provided to those beneficiaries.

I understand that payment of these claims will be from Federal and/or State funds, and any falsification or concealment of a material fact may be prosecuted under Federal and/or State laws.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Agency

**CHILDREN'S SYSTEM OF CARE VALUES**

- Family focused: we believe in keeping families together and providing what they need to be successful together
  
- Child centered: we work to help children be the best they can be
  
- Strength based: we believe that all people have strengths to build on, children, families, and staff
  
- We go where children and families are, in the community, at school, play and home, we go to where they need us
  
- We view parents as partners in our work together as staff and as partners in policy and program
  
- We provide culturally effective services that respect and incorporate the beliefs and values of our diverse families
  
- We provide outcome based services, working toward families being able to live together, function better together, stay in school, learn more and more effectively and stay out of trouble.

## Exhibit F

### **Department of Health Care Services Mental Health Act Additional Terms and Conditions**

To the extent the funds provided by the Department of Health Care Services (DHCS) are used under the Mental Health Act, the following terms of this Exhibit are used and apply:

#### **1. Service, Administrative and Operational Requirements**

A. Contractor shall have hours of operation during which services are provided to Medi-Cal beneficiaries that are no less than the hours of operation during which the contractor offers services to non-Medi-Cal beneficiaries. If the Contractor only serves Medi-Cal beneficiaries, the Contractor shall offer hours of operation that are comparable to the hours the Contractor makes available for Medi-Cal services that are not covered.

#### **2. Provider Selection and Certification**

A. Contractor shall comply with provisions of 42 C.F.R. §§ 455.104, 455.105, 1002.203, 1002.3, which relate to the provision of information about provider business transactions and provider ownership and control, prior to entering into a contract and during certification or re-certification of the provider.

B. Contractor shall comply with provisions of 42 C.F.R. § 438.214, which relates to the implementing of written policies and procedures for selection and retention of providers.

#### **3. Requirements for Day Treatment and Day Rehabilitation**

If the services to be delivered under the terms of this agreement include day treatment intensive or day rehabilitation, the CONTRACTOR shall have a written description of the day treatment intensive and/or day rehabilitation program that complies with the following:

A. Contractor shall request payment authorization for day treatment intensive and day rehabilitation services in advance of service delivery under the following conditions:

- 1) Day treatment or day rehabilitation will be provided for more than five days a week;
- 2) At least every three months for continuation of day treatment intensive;
- 3) At least every six months for continuation of day rehabilitation;

- 4) Request authorization for mental health services, as defined in Cal. Code Regs. Tit. 9, §1810.227, provided concurrently with day treatment or day rehabilitation, excluding services to treat emergency and urgent conditions as defined in Cal.Code Regs., Tit.9, §1810.216 and §1810.253. These services shall be authorized with the same frequency as the concurrent day treatment intensive or day rehabilitation services.

B. Contractor shall assure that the advance payment authorization function does not include staff involved in the provision of day treatment intensive, day rehabilitation services, or mental health services provided concurrent to day treatment intensive or day rehabilitation services.

C. Contractor shall meet the requirements of Cal.Code Regs. Tit. 9, § §1840.318, 1840.328, 1840.350 and 1840.352

D. Contractor shall include, at a minimum, the following day treatment intensive and day rehabilitation service components:

- 1) *Community meetings*. These meetings shall occur at least once a day to address issues pertaining to the continuity and effectiveness of the therapeutic milieu, and shall actively involve staff and beneficiaries. Relevant discussions items include, but are not limited to: the day's schedule, any current event, individual issues that beneficiaries or staff wish to discuss to elicit support of the group and conflict resolution. Community meetings shall:

- 2) For day treatment intensive, include a staff person whose scope of practice includes psychotherapy;

- a) For day rehabilitation, include a staff person who is a physician, a licensed/waivered/registered psychologist, clinical social worker, or marriage and family therapist, and a registered nurse, psychiatric technician, licensed vocational nurse or mental health rehabilitation specialist.

- b) *Therapeutic milieu*. This component must include process groups and skill-building groups. Specific activities shall be performed by identified staff and take place during the scheduled hours of operation of the program. The goal of the therapeutic milieu is to teach, model and reinforce constructive interactions involving beneficiaries in the overall program. For example, beneficiaries are provided with opportunities to lead community meetings and to provide feedback to peers. The program includes behavior management interventions that focus on teaching self-management skills that children, youth, adults and older adults may use to control their own lives, to deal effectively with present and future problems, and to function well with minimal or

no additional therapeutic intervention. Activities include, but are not limited to, staff feedback to beneficiaries on strategies for symptom reduction, increasing adaptive behaviors, and reducing subjective distress.

c) *Process groups*. These groups, facilitated by staff, shall assist each beneficiary to develop necessary skills to deal with his/her problems and issues. The group process shall utilize peer interaction and feedback in developing problem-solving strategies to resolve behavioral and emotional problems. Day rehabilitation may include psychotherapy instead of process groups, or in addition to process groups.

d) *Skill-building groups*. In these groups, staff shall help beneficiaries identify barriers related to their psychiatric and psychological experiences. Through the course of group interaction, beneficiaries identify skills that address symptoms and increase adaptive behaviors.

e) *Adjunctive therapies*. These are therapies in which both staff and beneficiaries participate. These therapies may utilize self-expression, such as art, recreation, dance, or music as the therapeutic intervention. Participants do not need to have any level of skill in the area of self-expression, but rather be able to utilize the modality to develop or enhance skills directed toward achieving beneficiary plan goals. Adjunctive therapies assist the beneficiary in attaining or restoring skills which enhance community functioning including problem solving, organization of thoughts and materials, and verbalization of ideas and feelings. Adjunctive therapies provided as a component of day rehabilitation or day treatment intensive are used in conjunction with other mental health services in order to improve the outcome of those services consistent with the beneficiary's needs identified in the client plan,

E. Day treatment intensive shall additionally include:

1) *Psychotherapy*. Psychotherapy means the use of psychological methods within a professional relationship to assist the beneficiary or beneficiaries to achieve a better psychosocial adaptation, to acquire a greater human realization of psychosocial potential and adaptation, to modify internal and external conditions that affect individuals, groups or communities in respect to behavior, emotions and thinking, in respect to their intrapersonal and interpersonal processes. Psychotherapy shall be provided by licensed, registered, or waived staff practicing within their scope of practice. Psychotherapy does not include physiological interventions, including medication intervention.



2) *Mental Health Crisis Protocol.* Contractor shall ensure that there is an established protocol for responding to beneficiaries experiencing a mental health crisis. The protocol shall assure the availability of appropriately trained and qualified staff and include agreed upon procedures for addressing crisis situations. The protocol may include referrals for crisis intervention, crisis stabilization, or other specialty mental health services necessary to address the beneficiary's urgent or emergency psychiatric condition (crisis services). If the protocol includes referrals, the day treatment intensive or day rehabilitation program staff shall have the capacity to handle the crisis until the beneficiary is linked to an outside crisis service.

3) *Written Weekly Schedule.* Contractor shall ensure that a weekly detailed schedule is available to beneficiaries and as appropriate to their families, caregivers or significant support persons and identifies when and where the service components of the program will be provided and by whom. The written weekly schedule will specify the program staff, their qualifications, and the scope of their services.

F. *Staffing requirements.* Staffing ratios shall be consistent with the requirements in Cal. Code Regs., tit. 9 §1840.350, for day treatment intensive, and Cal. Code Regs., tit. 9 §1840.352 for day rehabilitation. For day treatment intensive, staff shall include one staff person whose scope of practice includes psychotherapy.

1) Program staff may be required to spend time on day treatment intensive and day rehabilitation activities outside the hours of operation and therapeutic program (e.g., time for travel, documentation, and caregiver contacts).

2) At least one staff person shall be present and available to the group in the therapeutic milieu for all scheduled hours of operation.

3) Day treatment intensive and day rehabilitation programs shall maintain documentation that enables the County and DHCS to audit the program if it uses day treatment intensive or day rehabilitation staff who are also staff with other responsibilities (e.g., as a staff of a group home, a school, or another mental health treatment program). There shall be documentation of the scope of responsibilities for these staff and the specific time in which day treatment intensive or day rehabilitation activities are being performed exclusive of other activities.

G. If a beneficiary is unavoidably absent and does not attend all of the scheduled hours of the day rehabilitation or day treatment intensive program, Contractor will only receive Medi-Cal reimbursement if beneficiary is present for at least 50% of scheduled hours of operation for that day. A separate entry is required and shall be entered in the beneficiary record documenting the reason for the unavoidable

absence and the total time (number of hours and minutes) the beneficiary actually attended the program that day. In cases where absences are frequent, Contractor is responsible for re-evaluating the beneficiary's need for the day rehabilitation or day treatment intensive program, and for taking appropriate action.

- H. *Documentation Standards.* Day treatment intensive and day rehabilitation shall meet the documentation standards described in Section 11 of this exhibit. The documentation shall include the date of service, signature of person providing the service (or electronic equivalent), the person's type of professional degree, licensure or job title, date of signature and the total number of minutes/hours the beneficiary actually attended the program. For day treatment intensive these standards include daily progress notes on activities and a weekly clinical summary reviewed and signed by a physician, a licensed/waivered/registered psychologist, clinical social worker, or marriage and family therapist, or a registered nurse who is either staff to the day treatment intensive program or the person directing the services.
- I. Contractor shall ensure that day treatment intensive and day rehabilitation have at least one contact per month with a family member, caregiver or other significant support person identified by an adult beneficiary, or one contact per month with the legally responsible adult for a beneficiary who is a minor. This contact may be face-to-face, or by an alternative method (e.g., e-mail, telephone, etc.). Adult beneficiaries may decline this service component. The contacts should focus on the role of the support person in supporting the beneficiary's community reintegration. Contractor shall ensure that this contact occurs outside hours of operation and outside the therapeutic program for day treatment intensive and day rehabilitation.
- J. *Written Program Description.* Contractor shall ensure there is a written program description for day treatment intensive and day rehabilitation. The written program description must describe the specific activities of each service and reflects each of the required components of the services as described in this section.
- K. *Additional higher or more specific standards.* COUNTY shall retain the authority to set additional higher or more specific standards than those set forth in this contract, provided the County's standards are consistent with applicable state and federal laws and regulations and do not prevent the delivery of medically necessary day treatment intensive and day rehabilitation.
- L. *Continuous Hours of Operation.* Contractor shall apply the following when claiming for day treatment intensive and day rehabilitation services:

1) A half day shall be billed for each day in which the beneficiary receives face-to-face services in a program with services available four hours or less per day.

Services must be available a minimum of three hours each day the program is open.

2) A full day shall be billed for each day in which the beneficiary receives face-to-face services in a program with services available more than four hours per day.

3) Although the beneficiary must receive face to face services on a full day or half day claimed, all service activities during that day are not required to be face-to-face with the beneficiary.

4) The requirement for continuous hours of operation does not preclude short breaks (for example, a school recess period) between activities. A lunch or dinner may also be appropriate depending on the program's schedule. Contractor shall not count these breaks toward the total hours of operation of the day program for purposes of determining minimum hours of service.

#### 4. Disclosures.

Contractor shall submit the disclosures below to the County BHRS Contracts Manager regarding the network providers' (disclosing entities') ownership and control. Contractor must submit updated disclosures to the BHRS Contracts Manager upon submitting the provider application, before entering into or renewing a contract with the County, and within 35 days after any change in the subcontract/network provider's ownership or upon request by the County.

##### A. Disclosures to be provided:

1) The name and address of any person (individual or corporation) with an ownership or control interest in the network provider. The address for corporate entities shall include, as applicable, a primary business address, every business location, and a P.O. Box address;

2). Date of birth and Social Security Number (in the case of an individual);

3). Other tax identification number (in the case of a corporation with an ownership or control interest in the managed care entity or in any subcontractor in which the managed care entity has a 5 percent or more interest);

4). Whether the person (individual or corporation) with an ownership or control interest in the Contractor's network provider is related to another person with ownership or control interest in the same or any other network provider of the Contractor as a spouse, parent, child or sibling; or whether the person (individual or corporation) with an ownership or

control interest in any subcontractor in which the managed care has a 5 percent or more interest is related to another person with ownership or control interest in the managed care entity as a spouse, parent, child, or sibling;

5) The name of any other disclosing entity in which the Contractor or subcontracting network provider has an ownership or control interest; and

6) The name, address, date of birth, and Social Security Number of any managing employee of the managed care entity.

*B. Disclosures Related to Business Transactions.* Contractor must submit disclosures and updated disclosures to the County including information regarding certain business transactions within 35 days, upon request.

1) The following information must be disclosed:

a) The ownership of any subcontractor with whom the Contractor has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and,

b) Any significant business transactions between the Contractor and any subcontractor, during the 5 year period ending on the date of the request.

*C. Disclosures Related to Persons Convicted of Crimes.* Contractor shall submit the following disclosures to the County regarding the Contractor's management:

1) The identity of any person who is a managing employee of the Contractor who has been convicted of a crime related to federal health care programs. (42 C.F.R. § 455.106(a) (1), (2).)

2) The identity of any person who is an agent of the Contractor who has been convicted of a crime related to federal health care programs. (42 C.F.R. §455.106(a) (1), (2).) For this purpose, the word "agent" has the meaning described in 42 C.F.R. §455.101.

3) The Contractor shall supply the disclosures before entering into the contract and at any time upon the County's request.

## **5. Beneficiary Liability for Payment**

A. Pursuant to Cal. Code Regs., tit.9, § 1810.365, the Contractor shall not submit a claim to, or demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any specialty mental health or related administrative services provided under this contract, except to collect other health insurance coverage, share of cost, and co-payments. Consistent with 42 C.F.R. § 438.106, the Contractor or an affiliate, vendor, contractor, or sub-subcontractor of the Contractor shall not hold beneficiaries liable for debts in the event that the Contractor becomes insolvent, for costs of covered services for which the State does not pay the Contractor, for costs of covered services for which the State or the Contractor does not pay the providers, for costs of covered services provided under a contract, referral or other arrangement rather than from the Contractor, or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary with an emergency psychiatric condition.

## **6. Audits and Recovery of Overpayments**

A. Contractor shall be subject to audits and/or reviews, including client record reviews, by the Department Health Care Services.

## **7. Federal Equal Opportunity Requirements**

A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHCS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of

- the Vietnam era and the rights of applicants and employees.
- B. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
  - C. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  - D. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.
  - E. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
  - F. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- G. The Contractor will include the provisions of Paragraphs A. through G. in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or DHCS may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHCS, the Contractor may request in writing to DHCS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

## **8. Travel and Per Diem Reimbursement**

- A. CONTRACTOR reimbursement for travel and per diem expenses under this agreement shall be no higher than the rates currently in effect, as established by the California Department of Personnel Administration (DPA), for nonrepresented state employees as stipulated in DHCS' Travel Reimbursement Information Exhibit. If the DPA rates change during the term of the Agreement, the new rates shall apply upon their effective date and no amendment to this Agreement shall be necessary.

## **9. Procurement Rules**

### *A. Equipment/Property definitions*

Wherever the term equipment and/or property is used, the following definitions shall apply:

- 1) Major equipment/property: A tangible or intangible item having a base unit cost of \$5,000 or more with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.
- 2) Minor equipment/property: A tangible item having a base unit cost of less than \$5,000 with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this agreement.

- B. Nonprofit organizations and commercial businesses shall use a procurement

system that meets the following standards:

- 1) Maintain a code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement, or bid contract in which, to his or her knowledge, he or she has a financial interest.
- 2) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
- 3) Procurements shall be conducted in a manner that provides for all of the following:
  - a. Avoid purchasing unnecessary or duplicate items;
  - b. Equipment/property solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured;
  - c. Take positive steps to utilize small and veteran owned businesses.
- 4) Unless waived or otherwise stipulated in writing by DHCS, prior written authorization from the appropriate DHCS Program Contract Manager and the BHRM Contracts Manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment/property, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by DHCS, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.
- 5) In special circumstances, determined by DHCS (e.g., when DHCS has a need to monitor certain purchases, etc.), DHCS may require prior written authorization and/or submission of paid vendor receipts for any purchase, regardless of dollar amount, DHCS reserves the right to either deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor purchase that DHCS determined to be unnecessary in carrying out performance under this agreement.
- 6) For all purchases, the Contractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor for inspection or audit.

**10. Equipment/Property Ownership/Inventory/Disposition**

- A. Unless otherwise stipulated, DHCS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or property.



- B. The Contractor and/or Subcontractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or property
- C. In administering this provision, DHCS may require the Contractor and/or Subcontractor to repair or replace, to DHCS' satisfaction, any damaged, lost or stolen state equipment and/or property. In the event of state equipment and/or miscellaneous property theft, Contractor shall immediately file a theft report with the appropriate police agency and Contractor shall promptly submit one copy of the theft report to the BHRS Contracts Manager.

**11. Motor Vehicles**

The purchase of a vehicle with DHCS funds under this agreement requires that a written request be submitted to the BHRS Contracts Manager and prior written BHRS department approval and authorization must be given prior to the purchase of vehicle.

**12. Income Restrictions**

Unless otherwise stipulated in this Agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this Agreement shall be paid by the Contractor to BHRS, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by BHRS under this Agreement.

**13. Audit and Record Retention**

(Applicable to agreements in excess of \$10,000)

- A. The Contractor and/or Subcontractor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- B. Contractor agrees that DHCS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor

agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, CCR Title 2, Section 1896).

- C. The Contractor and/or Subcontractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.
- D. The Contractor and/or Subcontractor may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

**14. Site Inspection**

- A. The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premise of the Contractor or Subcontractor, the Contractor shall provide and shall require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

**15. Federal Contract Funds**

(Applicable only to that portion of an agreement funded in part or whole with federal funds)

- A. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
- B. This agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this Agreement. In

addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this Agreement in any manner.

- C. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

**16. Intellectual Property Rights**

- A. Except where DHCS has agreed in a signed writing to accept a license, DHCS shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or DHCS and which result directly or indirectly from this Agreement.
- B. Contractor agrees to assign to DHCS all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor, or DHCS and which result directly or indirectly from this Agreement or any subcontract.

**17. Smoke-Free Workplace Certification**

(Applicable to federally funded agreements/grants and subcontracts/sub awards, that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.)

- A. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- B. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- C. By signing this Agreement, Contractor or Grantee certifies that it will

comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.

**18. Prohibited Use of State Funds for Software**

(Applicable to agreements in which computer software is used in performance of the work.)

- A. Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

**19. Use of Small, Minority Owned and Women's Businesses**

- A. Positive efforts shall be made to use small businesses, minority-owned firms and women's business enterprises, whenever possible (i.e., procurement of goods and/or services). Contractors shall take all of the following steps to further this goal.

1) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.

2) Make information on forthcoming purchasing and contracting opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.

3) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.

4) Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.

5) Use the services and assistance, as appropriate, of such organizations as the Federal Small Business Administration and the U.S. Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

**20. Alien Ineligibility Certification**

(Applicable to sole proprietors entering federally funded agreements)

- A. By signing this Agreement, the Contractor certifies that he/she is not an alien that is ineligible for state and local benefits, as defined in Subtitle B of the Personal Responsibility and Work Opportunity Act.

(8 U.S.C. 1601, et seq.)

**21. Contract Uniformity (Fringe Benefit Allowability)**

(Applicable only to nonprofit organizations)

- A. Pursuant to the provisions of Article 7 (commencing with Section 100525) of Chapter 3 of Part 1 of Division 101 of the Health and Safety Code, DHCS sets forth the following policies, procedures, and guidelines regarding the reimbursement of fringe benefits.
- B. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.

As used herein, fringe benefits do not include

- 1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this Agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
- 2) Director's and executive committee member's fees
- 3) Incentive awards and/or bonus incentive pay.
- 4) Allowances for off-site pay
- 5) Location allowances
- 6) Hardship pay
- 7) Cost-of-living differentials

- B. Specific allowable fringe benefits include:

- 1) Fringe benefits in the form of employer contribution for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI) employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.
- 2) To be an allowable fringe benefit, the cost must meet the following criteria:
  - a) Be necessary and reasonable for the performance of the Agreement;
  - b) Be determined in accordance with generally accepted accounting principles;
  - c) Be consistent with policies that apply uniformly to all activities of the Contractor.
- 3) Contractor agrees that all fringe benefits shall be at actual cost.
- 4) Earned/Accrued Compensation
  - a) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement

term cannot be claimed as allowable costs. See Example No. 1.

- b) For multiple year agreements, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the Agreement. Holidays cannot be carried over from one agreement year to the next. See Example No. 2.
- c) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the Agreement, cannot be claimed as an allowable cost. See Example No. 3.

*Example No. 1:*

If an employee, John Doe, earns/accrues three weeks of vacation and twelve days of sick leave each year, then that is the maximum amount that may be claimed during a one year agreement. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of an agreement, the Contractor during a one-year budget period may only claim up to three weeks of vacation and twelve days of sick leave as actually used by the employee. Amounts earned/accrued in periods prior to the beginning of the Agreement are not an allowable cost.

*Example No. 2:*

If during a three-year (multiple year) agreement, John Doe does not use his three weeks of vacation in year one, or his three weeks in year two, but he does actually use nine weeks in year three; the Contractor would be allowed to claim all nine weeks paid for in year three. The total compensation over the three-year period cannot exceed 156 weeks (3 x 52 weeks)

*Example No. 3:*

If during a single year agreement, John Doe works fifty weeks and used one week of vacation and one week of sick leave and all fifty-two weeks have been billed to DHCS, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

**23. Lobbying Prohibition**

(Applicable to all sub awards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of \$100,000 or more)

A. Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds

may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan or cooperative agreement.

**24. Patient Rights**

Pursuant to 42 C.F.R. § 438.100, Contractor shall take beneficiaries rights into account when providing services, including the right to:

- A. Receive information in accordance with 42 C.F.R. § 438.10.
- B. Be treated with respect and with due consideration for his or her dignity and privacy.
- C. Receive information on available treatment options and alternatives, presented in a manner appropriate to the beneficiary's condition and ability to understand.
- D. Participate in decisions regarding his or her health care, including the right to refuse treatment.
- E. Be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience, or retaliation.
- F. Request and receive a copy of his or her medical records, and to request that they be amended or corrected, as specified in 45 C.F.R. §§ 164.524 and 164.526.
- G. To be furnished services in accordance with 42 C.F.R. §§ 438.206 through 438.210.
- H. To freely exercise his or her rights, and the exercise of those rights will not adversely affect the way the Contractor and its providers or the Department treat the beneficiary.