



Contract Number

SAP Number

Department of Behavioral Health

Department Contract Representative	Desiree Alfaro
Telephone Number	(909) 388-0932
Contractor	California Psychiatric Transitions
Contractor Representative	Nate Garibay
Telephone Number	(209) 667-9304
Contract Term	May 19, 2026, through September 30, 2029
Original Contract Amount	Aggregate \$13,417,652
Amendment Amount	N/A
Total Contract Amount	Aggregate \$13,417,652
Cost Center	9209181000
Grant Number (If applicable)	N/A

THIS CONTRACT is entered into in the State of California by and between San Bernardino County, hereinafter called the County, and California Psychiatric Transitions referenced above, hereinafter called Contractor.

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, San Bernardino County (County) desires to designate a contractor of choice to provide Mental Health Rehabilitation Center (MHRC) services, as further described in the description of program services; and

WHEREAS, the County desires that such services be provided by Contractor and Contractor agrees to perform these services as set forth below:

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REFERENCED CONTRACT PROVISIONS

Term: May 19, 2026, through September 30, 2029, inclusive.

Total Maximum Obligation:

TOTAL AGGREGATE CONTRACT OBLIGATION \$13,417,652

Basis for Reimbursement:

Fee-For-Service

Current Payment/Reimbursement Rate:

County Authorized *Level I MHRC Service Day

County Authorized *Level II MHRC Service Day

County Authorized *Level III MHRC Service Day

**Addendum I describes the differences between the designated levels.*

Notices to County and Contractor:

COUNTY: San Bernardino County
Department of Behavioral Health
Contracts Unit
550 Hospitality Lane, 1st Floor
San Bernardino, CA 92415-0026

CONTRACTOR: • California Psychiatric Transitions
9226 N. Hinton Ave.
Delhi, CA 95315
(209) 667-9304

PROGRAM SITE: • California Psychiatric Transitions
9226 N. Hinton Ave.
Delhi, CA 95315
(209) 667-9304

I. Definition of Terminology

- A. Wherever in this document and in any attachments hereto, the terms "Contract" and/or "Agreement" are used to describe the conditions and covenants incumbent upon the parties hereto, these terms are interchangeable.
- B. The terms beneficiary, client, consumer, customer, participant, or patient are used interchangeably throughout this document and refers to the individual(s) receiving services.
- C. Definition of May, Shall and Should. Whenever in this document the words "may," "shall" and "should" are used, the following definitions shall apply: "may" is permissive; "shall" is mandatory; and "should" means desirable.
- D. Subcontractor - An individual, company, firm, corporation, partnership or other organization, not in the employment of or owned by Contractor who is performing services on behalf of Contractor under the Contract or under a separate contract with or on behalf of Contractor.
- E. The term "Director," unless otherwise stated, refers to the Director of DBH for San Bernardino County.
- F. The term "head of service" as defined in the California Code of Regulations, Title 9, Sections 622 through 630, is a licensed mental health professional or other appropriate individual as described in these sections.
- G. The "State and/or applicable State agency" as referenced in this Contract may include the Department of Health Care Services (DHCS), the Department of State Hospitals (DSH), the Department of Social Services (DSS), the Mental Health Services Oversight and Accountability Commission (MHSOAC), the Department of Public Health (CDPH), and the Office of Statewide Health Planning and Development (OSHPD).
- H. The U.S. Department of Health and Human Services (HHS) mission is to enhance and protect the health and well-being of all Americans by providing for effective health and human services and fostering advances in medicine, public health, and social services.
- I. The "rates" are the rates established for billing and payment purposes and may only be changed by mutual written agreement of both parties.
- J. Mental Health Rehabilitation Center (MHRC) - Involuntary locked facilities that provide services to individuals with a severe chronic behavioral health condition who require a longer stabilization following an acute psychiatric hospitalization or a step down from an extended placement in a long term care facility.
- K. Institute for Mental Disease (IMD) - hospital, nursing facility, or other institution of 17 beds or more that is primarily engaged in providing diagnosis, treatment, or care of people with mental diseases.
- L. Centralized Hospital After Care Services Care Consumer - Includes adult consumers, 18-65 years of age, who require additional support and assistance while transitioning into less restrictive community settings.

II. General Contract Requirements

A. Recitals

The recitals set forth above are true and correct and incorporated herein by this reference.

B. Change of address

Contractor shall notify the County in writing, of any change in mailing address within ten (10) business days of the change.

C. Choice of Law

This Contract shall be governed by and construed according to the laws of the State of California.

D. Contract Exclusivity

This is not an exclusive Contract. The County reserves the right to enter into a contract with other contractors for the same or similar services. The County does not guarantee or represent that the Contractor will be permitted to perform any minimum amount of work, or receive compensation other than on a per order basis, under the terms of this Contract.

E. Material Misstatement/Misrepresentation

If during the course of the administration of this Contract, the County determines that Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the County, this Contract may be immediately terminated. If this Contract is terminated according to this provision, the County is entitled to pursue any available legal remedies.

F. Mutual Covenants

The parties to this Contract mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing."

G. Notice of Delays

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, that party shall, within twenty-four (24) hours, give notice thereof, including all relevant information with respect thereto, to the other party.

H. Relationship of the Parties

Nothing contained in this Contract shall be construed as creating a joint venture, partnership, or employment arrangement between the Parties hereto, nor shall either Party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other Party hereto.

I. Time of the Essence

Time is of the essence in performance of this Contract and of each of its provisions.

J. Audit Exemption

Notwithstanding any other provision contained herein, County and Contractor agree that Contractor does not meet the definition of a Non-Federal Entity under 2 CFR 200 and does not bill via Medi-Cal and/or Medi-Care, and hence, is exempt from the audit provisions, cost reports, SAM.gov registration, submission of owner social security numbers and regulatory requirements applicable to such entities. The Parties further agree that any review of contracts, books, accounts, records, accounting and administrative documents, statistics, program procedures or any other information (collectively "Documentation") in Contractor's possession shall be limited solely to that Documentation that relates to the specific services provided by Contractor under this Contract. Nothing contained herein shall be deemed to allow inspection of the financial statements or any other Documentation relating to the operation of California Psychiatric Transitions.

K. Applicability of Medi-Cal/Medicare Provisions

The Parties acknowledge that this Agreement contains provisions designed for providers that bill Medi-Cal, Medicare, or Medicaid. Contractor does not bill Medi-Cal, Medicare, or Medicaid for services. Contractor's compensation under this Agreement is limited to privately negotiated per diem rates paid by County for County-placed clients. Accordingly, any provisions of this Agreement that assume Medi-Cal, Medicare, or Medicaid billing, cost-settlement, claims processing, certification, or reporting shall be inapplicable to Contractor.

III. Contract Supervision

- A. The Director or designee shall be the County employee authorized to represent the interests of the County in carrying out the terms and conditions of this Contract. The Contractor shall provide, in writing, the names of the persons who are authorized to represent the Contractor in this Contract.
- B. Contractor will designate an individual to serve as the primary point of contact for this Contract. Contractor shall not change the primary contact without written notification and acceptance of the County. Contractor shall notify DBH when the primary contact will be unavailable/out of the office for one (1) or more workdays and will also designate a back-up point of contact in the event the primary contact is not available. Contractor or designee must respond to DBH inquiries within two (2) business days.
- C. Contractor shall provide DBH with contact information, specifically, name, phone number and email address of Contractor's staff member who is responsible for the following processes: Business regarding administrative issues, Technical regarding data issues, Clinical regarding program issues; and Facility.

IV. Performance

- A. Under this Agreement, the Contractor shall provide those services, which are dictated by attached Addenda, Schedules and/or Attachments; specifically, contractor will provide the services listed on **Addendum I Mental Health Rehabilitation Center Residential Service Description**. The Contractor agrees to be knowledgeable in and apply all

pertinent local, State, and Federal laws and regulations; including, but not limited to those referenced in the body of this Agreement. In the event information in the Addenda, Schedules and/or Attachments conflicts with the basic Agreement, then information in the Addenda, Schedules and/or Attachments shall take precedence to the extent permitted by law.

- B. Contractor shall provide the appropriate level of Mental Health Rehabilitation Center (MHRC) Services for beneficiaries ages 18 – 59 years of age who suffer from a severe behavioral health condition. The client may need a treatment milieu that benefits a long term patient exiting from acute psychiatric hospitalization or long term care facility as these clients may need a longer stabilization period. Other clients referred have functioning levels too low to be maintained at a licensed board and care facility including enhanced board and care in accordance with applicable provisions of law and Addendum I.
- C. Limitations on Moral Grounds
 - 1. Contractor shall not be required to provide, reimburse for, or provide coverage of a counseling or referral service if the Contractor objects to the service on moral or religious grounds.
 - 2. If Contractor elects not to provide, reimburse for, or provide coverage of a counseling or referral service because of an objection on moral or religious grounds, it must furnish information about the services it does not cover as follows:
 - a. To DBH:
 - i. After executing this Contract;
 - ii. Whenever Contractor adopts the policy during the term of the Contract;
 - b. Consistent with the provisions of 42 Code of Federal Regulations part 438.10:
 - i. To potential beneficiaries before and during enrollment; and
 - ii. To beneficiaries at least thirty (30) days prior to the effective date of the policy for any particular service.
- D. Contractor is prohibited from offering Physician Incentive Plans, as defined in Title 42 CFR Sections 422.208 and 422.210, unless approved by DBH in advance that the Plan(s) complies with the regulations.
- E. Contractor agrees to submit only those reports that are specifically required under this Agreement, by applicable law, or by DHCS regulations directly applicable to Contractor's MHRC licensure. Any additional reporting requests by County shall be reasonable, related to the services provided under this Agreement, and mutually agreed upon in writing.
- F. Data Collection and Performance Outcome Requirements

Contractor shall comply with all local, State, and Federal regulations regarding local, State, and Federal Performance Outcomes measurement requirements and participate in the outcomes measurement process, as required by the State and/or DBH.

Contractor shall comply with all applicable requests regarding local, State, and Federal Performance Outcomes measurement requirements and participate in the outcomes measurement processes as requested.

MHSOAC, DHCS, OSHPD, DBH and other oversight agencies or their representatives have specific accountability and outcome requirements. Timely reporting is essential for meeting those expectations.

1. Contractor must collect, manage, maintain and update client, service and episode data as well as staffing data as required for local, State, and Federal reporting.
2. Contractor shall provide required data through secure reports or in a mutually agreed format. Contractor shall not be required to directly access or input data into County-owned or third-party systems.
3. Contractor shall comply with all mutually agreeable surveys.
4. Contractor shall provide service, program, and survey data in accordance with reasonable timelines mutually agreed upon between Contractor and County. Data collection requirements may be modified or expanded according to local, State, and/or Federal requirements provided such modifications are applicable to Contractor's licensure and business model. Contractor shall provide periodic analyses of data in a format mutually agreed upon by the parties, demonstrating how services provided align with the intent of the Contract. Independent research involving clients shall not be conducted without the prior written approval of the Director of DBH. Any approved research must follow the guidelines in the DBH Research Policy.

Note: Independent research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. Activities which meet this definition constitute research for purposes of this policy, whether or not they are conducted or supported under a program which is considered research for other purposes. For example, some demonstration and service programs may include research activities.

G. Right to Monitor and Audit Performance and Records

1. Right to Monitor

County or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Auditor General, shall have a reasonable right to review and audit all records, books, papers, documents, corporate minutes, financial records, staff information, patient records, other pertinent items as requested, and shall have a reasonable right to monitor the performance of Contractor in the delivery of services provided under this Contract.

Full cooperation shall be given by Contractor in any auditing or monitoring conducted, according to this agreement.

Contractor shall make all of its premises, physical facilities, equipment, books, records, documents, contracts, computers, or other electronic systems pertaining to services provided under this Contract available at any time for inspection, examination, or copying by DBH, the State of California or any subdivision or appointee thereof. This audit right will exist for at least ten (10) years from the final date of the contract period or in the event the Contractor has been notified that an audit or investigation of this Contract has commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies. Records and documents include, but are not limited to all physical and electronic records.

Contractor shall cooperate with the County in the implementation, monitoring and evaluation of this Agreement and comply with any and all mutually agreeable reporting requirements established by the County to the extent applicable to Contractor's licensure and business model. Should the County identify an issue or receive notification of a complaint or potential/actual/suspected violation of requirements, County may audit, monitor, and/or request information from Contractor to ensure compliance with laws, regulations, and requirements, as applicable.

County reserves the right to place Contractor on probationary status, as referenced in the Probationary Status Article, should Contractor fail to meet performance requirements; including, but not limited to failure to report incidents and changes as contractually required, failure to correct issues, inappropriate invoicing, timely and accurate data entry, meeting performance outcomes expectations, and violations issued directly from the State. Additionally, Contractor may be subject to Probationary Status or termination if contract monitoring and auditing corrective actions are not resolved within specified timeframes.

2. Availability of Records

Contractor and subcontractors shall retain all records and documents originated or prepared pursuant to Contractor's or subcontractor's performance under this Contract for a period of no less than ten (10) years from the term end date of this Contract or until such time as the matter under audit or investigation has been resolved.

Federal Uniform Guidance and Medi-Cal managed care regulations (including 2 CFR Part 200 and 42 CFR Part 438) shall not apply, as Contractor does not bill Medi-Cal or receive federal pass-through funding under this Agreement.

Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Contractor shall only be required to make available to County copies of invoices submitted under this Agreement, and reasonable supporting documentation directly related to such invoices.

All records shall be complete and current and comply with all Contract requirements. In the event the County believes Contractor's records are not in compliance with the requirements of this Contract, the parties shall work together in good faith to resolve the issue. If the issue cannot be resolved, the County may exercise its right to terminate this Contract, provided that the County first removes all of its clients from Contractor's facility prior to termination.

Contractor shall maintain client service records in compliance with all applicable regulations set forth by local, State, and Federal requirements, laws and regulations, and provide access to clinical records by DBH staff.

Contractor shall comply with Medical Records/Protected Health Information Article regarding relinquishing or maintaining medical records.

Contractor shall agree to maintain and retain all appropriate service and financial records for a period of at least ten (10) years from the date of final payment, the final date of the contract period, final settlement, or until audit findings are resolved, whichever is later.

3. Contractor shall maintain financial records limited to invoices billed to the County under this Contract. Upon reasonable notice, Contractor shall make such records available for the County's review to the extent necessary to verify the accuracy of billings and payments. In the event this Contract is terminated or expires, Contractor shall retain all invoice and billing records related to this Contract in accordance with applicable law. Upon the County's request, Contractor shall provide copies of such records relevant to invoices billed to the County.
Assistance by Contractor

Contractor shall provide all reasonable facilities and assistance for the safety and convenience of County's 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 of Contractor.

- H. Notwithstanding any other provision of this Agreement, the County shall notify Contractor in writing of any deficiency(ies) identified under this Agreement. Contractor and County shall work together in good faith to resolve such deficiency(ies) within thirty (30) days of notice. In the event the deficiency(ies) cannot be resolved, the County's sole remedy shall be to terminate this Agreement, provided that the County first removes all of its clients from Contractor's facility prior to termination. Payments for services rendered prior to termination shall not be withheld.
- I. If the County reasonably determines, based on objective evidence, that Contractor has materially failed to perform its obligations under this Agreement, the County shall provide Contractor with written notice of the specific deficiency(ies) and a minimum of thirty (30) days to cure. If Contractor does not cure within the notice period, the County may exercise its right to terminate this Agreement, provided that the County first removes all of its clients from Contractor's facility prior to termination. Payments for services rendered prior to termination shall not be withheld.

J. Cultural Competency

The State mandates counties to develop and implement a Cultural Competency Plan (CCP). This Plan applies to all DBH services. Policies and procedures and all services must be culturally and linguistically appropriate. Contract agencies are included in the implementation process of the most recent State approved CCP for San Bernardino County and shall adhere to all cultural competency standards and requirements. Contractor shall participate in the County's efforts to promote the delivery of services in a culturally competent and equitable manner to all enrollees, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation or gender identity. In addition, contract agencies will maintain a copy of the current DBH CCP.

1. Cultural and Linguistic Competency

Cultural competence is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers and professionals that enables that system, agency, or those professionals and consumer providers to work effectively in cross-cultural situations.

- a. To ensure equal access to quality care for diverse populations, Contractor shall provide services in a culturally and linguistically appropriate manner consistent with applicable State and Federal requirements, including alignment with the Federal Office of Minority Health Culturally and Linguistically Appropriate Services (CLAS) national standards.
- b. Contractor shall be required to assess the demographic make-up and population trends of its service area to identify the cultural and linguistic needs of the eligible beneficiary population. Such studies are critical to designing and planning for providing appropriate and effective mental health and substance use disorder treatment services.
- c. Upon request, Contractor shall provide DBH with culture-specific service options available to be provided by Contractor.
- d. Contractor shall have the capacity or ability to provide interpretation and translation services in threshold and prevalent non-English languages, free of charge to beneficiaries. Upon request, Contractor will provide DBH with language service options available to be provided by Contractor. Including procedures to determine competency level for multilingual/bilingual personnel.
- e. Contractor shall ensure that personnel receive training on cultural awareness and sensitivity appropriate to their roles.

NOTE: Contractor staff is required to complete annual cultural competency trainings.

- f. DBH recognizes that cultural competence is a goal toward which professionals, agencies, and systems should strive.

- i. Monitoring activities administered by DBH may require Contractor to demonstrate documented capacity to offer services in threshold languages or contracted interpretation and translation services.
- ii. Contractor shall maintain reasonable procedures to identify staff language capabilities and to ensure personnel providing services in a language other than English are able to effectively communicate with beneficiaries consistent with their job duties. Contractor may assess language proficiency through hiring processes, supervisory observation, operational experience, or other appropriate methods. Contractor shall maintain access to interpretation or translation.

K. Accessibility/Availability of Services

Contractor shall ensure that services provided are available and accessible to beneficiaries in a timely manner including those with limited English proficiency or physical or mental disabilities. Contractor shall provide physical access, reasonable accommodations, and accessible equipment.

L. Internal Control

Contractor must establish and maintain effective internal control over the County Fund to provide reasonable assurance that the Contractor manages the County Fund in compliance with Federal, State and County statutes, regulations, and terms and conditions of the Contract.

Fiscal practices and procedures shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. For clarity, Contractor is a vendor providing services on a per diem, fee-for-service basis, and is not a subrecipient of federal financial assistance. Accordingly, 2 CFR Part 200 and federal single audit requirements do not apply to this Agreement.

M. Site Inspection

Contractor shall permit authorized County, State, and/or Federal Agency(ies), through any authorized representative, the right to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract support activities and the premises which it is being provided, to the extent required by applicable law and consistent with Contractor's MHRC license. Contractor shall provide all reasonable assistance for the safety and convenience of the authorized representative in the performance of their duties. All inspections and evaluations shall be made in a manner that will not unduly delay the work.

N. Disaster Response

1. In the event that a local, State, or Federal emergency is proclaimed within San Bernardino County, Contractor shall coordinate with the County to ensure the safety and continued care of County-placed clients residing at Contractor's MHRC facility. Contractor is not required to deploy staff to community disaster sites located in San Bernardino County.

2. Contractor shall designate a 24/7 on-call Administrator (and an alternate) with current contact information for emergency coordination. Contractor will notify the County of any changes in writing within five (5) business days.
3. Contractor shall provide emergency preparedness training to its personnel consistent with MHRC licensing requirements.
4. Contractor is not required to complete FEMA or ICS coursework unless separately agreed in writing.
5. The County shall reimburse Contractor for all necessary and reasonable expenses actually incurred at the County's written request in connection with emergency coordination for County-placed clients at Contractor's facility.
6. Contractor's reporting obligation is limited to maintaining up-to-date emergency contact information for one designated Administrator and one alternate.
7. Contractor shall provide this information to the County and notify the County in writing of any changes within five (5) business days.

O. Collections Costs

Should the Contractor owe monies to the County undisputed and directly related to services provided under this Agreement and the Contractor has failed to pay the balance in full or remit mutually agreed upon payment, the County may refer the debt for collection. Collection costs incurred by the County shall be recouped from the Contractor. Collection costs charged to the Contractor are not a reimbursable expenditure under the Contract.

P. Strict Performance

Failure by a party to insist upon the strict performance of any of the provisions of this Contract by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Contract thereafter.

Q. Telehealth (If Applicable)

Contractor shall utilize telehealth, when deemed appropriate, as a mode of delivering behavioral health services in accordance with all applicable state and federal requirements, DBH's Telehealth Policy (MDS2027) and Procedure (MDS2027-1), as well as DHCS Telehealth Policy, CMS Telehealth/Telemedicine Standards, and those related to privacy/security, efficiency, and standards of care.

DBH may at any time require documentation and/or other cooperation by Contractor to allow adequate monitoring of Contractor's adherence to telehealth practices.

V. Funding and Budgetary Restrictions

- A. This Agreement is fee-for-service and contingent upon sufficient funds being made available by State, County or Federal governments for the term of the Agreement. Funding is by fiscal year period July 1 through June 30. Costs and services are accounted for by fiscal year. Any unspent fiscal year allocation does not roll over and is

not available in future years. Each fiscal year period will be settled to Federal and/or State cost reporting accountability.

- B. County will take into consideration requests for changes to Contract funding, within the existing contracted amount. All requests must be submitted in writing by Contractor to DBH Fiscal no later than February 1 for the operative fiscal year. Requests must be addressed to the Fiscal Designee written on organizational letterhead and include an explanation of the revisions being requested.
- C. Contractor does not bill Medi-Cal for services under this Agreement.
- D. Contractor Prohibited From Redirection of Contracted Funds:
 - 1. Funds under this Agreement are provided for the delivery of mental health services to eligible beneficiaries under each of the funded programs identified in the Scope of Work. Each funded program has been established in accordance with the requirements imposed by each respective County, State and/or Federal payer source contributing to the funded program.
 - 2. Contractor may not redirect funds from one funded program to another funded program, except through a duly executed amendment to this Agreement.
 - 3. Contractor may not charge services delivered to an eligible beneficiary under one funded program to another funded program unless the recipient is also an eligible beneficiary under the second funded program.
- E. The allowable funding source for this Contract may include: 1991 Realignment. Federal funds may not be used as match funds to draw down federal funds.
- F. The total amount of payment under this Contract shall not exceed an aggregate maximum of \$13,417,652, divided between several agreements between the County and various vendors for the same or similar services. This Contract is only one of several agreements to which this aggregate maximum obligation applies. It is, therefore, understood by Contractor that the payment to Contractor will be only a fraction of this aggregate maximum, if any, in accordance with the actual services provided by Contractor under this Contract.

VI. Payment

- A. Reimbursement for this contract will be fee for service based.
- B. During the term of this Agreement, the County shall reimburse Contractor in arrears for eligible expenditures provided under this Agreement and in accordance with the terms.
- C. All expenses claimed to DBH must be specifically related to the contract. After fiscal review and approval of the billing or invoice, County shall reimburse Contractor, subject to the limitations and conditions specified in this Agreement, in accordance with the following:
 - 1. The County will reimburse Contractor based upon Contractor's submitted invoices for per diem services actually rendered under this Agreement.
- D. Contractor shall submit monthly invoices in arrears for per diem services actually rendered to County-placed clients under this Agreement. Invoices shall include the

information reasonably necessary for County to verify services billed. Contractor shall submit invoices within ten (10) days after the close of each month, and County shall remit payment within thirty (30) days of receipt of a complete and correct invoice. Payment shall not be subject to any maximum monthly cap but shall be made in full at the agreed per diem rate for each day of service provided.

- E. Contractor shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments. Failure by the County to provide or process EFT documentation shall not delay or relieve the County's obligation to timely pay Contractor for services rendered under this Agreement.
- F. Prohibited Payments
 - 1. County shall make no payment to Contractor other than payment for services covered under this Contract.

VII. Electronic Signatures

- A. Contractor may utilize electronic signatures in Contractor's health record system in compliance with applicable State and Federal law governing MHRCs. Contractor is not required to obtain County authorization for its internal medical recordkeeping practices.
- B. Contractor shall update its practices as required by applicable State or Federal licensing or regulatory agencies.

VIII. Annual Cost Report Settlement

- A. Contractor is paid on a per diem, fee-for-service basis and does not submit cost reports or participate in cost settlement processes.

IX. Fiscal Award Monitoring

- A. County has the right to monitor the Contract during the award period to ensure accuracy of claim for reimbursement and compliance with applicable laws and regulations.
- B. Contractor agrees to furnish duly authorized representatives from the County and the State access to patient/client records and to disclose to State and County representatives all financial records necessary to review or audit Contract services and to evaluate the cost, quality, appropriateness and timeliness of services. Contractor shall attain a signed confidentiality statement from said County or State representative when access to any patient records is being requested for research and/or auditing purposes. Contractor will retain the confidentiality statement for its records.
- C. If the appropriate agency of the State of California, or the County, determines that all, or any part of, the payments made by the County to Contractor pursuant hereto are not reimbursable in accordance with this Agreement, said payments will be repaid by Contractor to the County. In the event such payment is not made on demand, the County may withhold monthly payment on Contractor's claims until such disallowances are paid by Contractor.

X. Final Settlement: Audit

- A. Contractor agrees to maintain and retain all appropriate service and financial records for a period of at least ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later. This is not to be construed to relieve Contractor of the obligations concerning retention of medical records as set forth in Medical Records/Protected Health Information Article.
- B. Contractor agrees to furnish duly authorized representatives from the County and the State access to patient/client records and to disclose to State and County representatives all financial records necessary to review or audit Contract services and to evaluate the cost, quality, appropriateness and timeliness of services. Contractor shall attain a signed confidentiality statement from said County or State representative when access to any patient record is being requested for research and/or auditing purposes. Contractor will retain the confidentiality statement for its records.
- C. If the appropriate agency of the State of California, or the County, determines that all, or any part of, the payments made by the County to Contractor pursuant hereto are not reimbursable in accordance with this Agreement, said payments will be repaid by Contractor to the County. In the event such payment is not made on demand, the County may withhold monthly payment on Contractor's claims until such disallowances are paid by Contractor, may refer for collections, and/or the County may terminate and/or indefinitely suspend this Agreement immediately upon serving written notice to the Contractor.
- D. The eligibility determination and the fees charged to, and collected from, patients whose treatment is provided for hereunder may be audited periodically by the County, DBH and the State.
- E. Contractor expressly acknowledges and will comply with all audit requirements contained in the Contract documents. These requirements include, but are not limited to, the agreement that the County or its designated representative shall have the right to audit, to review, and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Contractor shall have fourteen (14) days to provide a response and additional supporting documentation upon receipt of the draft post Contract audit report. DBH – Administration Audits will review the response(s) and supporting documentation for reasonableness and consider updating the audit information. After said time, the post Contract audit report will be final.
- F. If a post Contract audit finds that funds reimbursed to Contractor under this Agreement were in excess of actual costs or in excess of claimed costs (depending upon State of California reimbursement/audit policies) of furnishing the services, the difference shall be reimbursed on demand by Contractor to the County using one of the following methods, which shall be at the election of the County:
 - 1. Payment of total.
 - 2. Payment on a monthly schedule of reimbursement agreed upon by both the Contractor and the County.

- G. If there is a conflict between a State of California audit of this Agreement and a County audit of this Agreement, the State audit shall take precedence.
- H. In the event this Agreement is terminated, the last reimbursement claim shall be submitted within sixty (60) days after the Contractor discontinues operating under the terms of this Agreement. When such termination occurs, the County shall conduct a final audit of the Contractor within the ninety (90) day period following the termination date, and final reimbursement to the Contractor by the County shall not be made until audit results are known and all accounts are reconciled. No claims for reimbursement shall be accepted after the sixtieth (60th) day following the date of contract termination.

XI. Single Audit Requirement

- A. If applicable the Contractor is a vendor providing services on a per diem, fee-for-service basis and is not a subrecipient of Federal financial assistance under this Agreement. Accordingly, Contractor is not subject to the Single Audit Act or the audit requirements of 2 CFR Part 200, Subpart F.

XII. Contract Performance Notification

- A. In the event of a material issue reasonably expected to impact the quality or quantity of work, or Contractor's performance under this Contract, Contractor shall promptly notify DBH in writing (email acceptable) within two (2) business days after becoming aware of the issue. For urgent matters involving an imminent risk to client health or safety, Contractor shall also provide immediate telephone notice.
- B. Contractor shall notify DBH in writing of any change in mailing address within ten (10) calendar days of the address change. Email notice to the County's designated contract contact satisfies this requirement.

XIII. Probationary Status

- A. If the County reasonably determines, based on objective evidence, that Contractor is in material breach of this Agreement, the County shall provide Contractor with written notice of the deficiency and a minimum of thirty (30) days to cure.
- B. If Contractor does not cure within the notice period, the County may exercise its right to terminate this Agreement, provided the County first removes all its clients from Contractor's facility as soon as reasonably possible.
- C. The concept of "probationary status" shall not apply to this Agreement. Contractor's obligations are governed by this Agreement and Contractor's MHRC license under State law.

XIV. Duration and Termination

- A. The term of this Agreement shall be from May 19, 2026, through September 30, 2029 inclusive.
- B. This Agreement may be terminated immediately by the Director at any time, provided that prior to termination the County arranges for and completes the discharge and removal of all County-placed clients from Contractor's facility as soon as reasonably possible. Grounds for immediate termination may include:

1. The appropriate office of the State of California indicates that this Agreement is not subject to reimbursement under law; or
 2. There are insufficient funds available to County; or
 3. There is evidence of fraud or misuse of funds by Contractor; or
 4. There is an immediate threat to the health and safety of Medi-Cal beneficiaries; or
 5. Contractor is found not to be in compliance with any or all of the terms of the herein incorporated Articles of this Agreement or any other material terms of the Contract, including the corrective action plan; or
 6. During the course of the administration of this Agreement, the County determines that the Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the County, this Contract may be immediately terminated. If this Contract is terminated according to this provision, the County is entitled to pursue any available legal remedies.
- C. Either the Contractor or Director may terminate this Agreement at any time for any reason or no reason by serving thirty (30) days written notice upon the other party. Termination shall not be effective until the County has arranged for and completed the discharge and removal of all County-placed clients from Contractor's facility as soon as reasonably possible.
- D. This Agreement may be terminated at any time by the mutual written concurrence of both the Contractor and the Director.
- E. Contractor must immediately notify DBH when a facility operated by Contractor as part of this Agreement is sold or leased to another party. In the event a facility operated by Contractor as part of this Agreement is sold or leased to another party, the Director has the option to terminate this Agreement immediately, provided that the County first arranges for and completes the discharge and removal of all County-placed clients from Contractor's facility as soon as reasonably possible.

XV. Accountability: Revenue

- A. Payments under this Agreement are made on a per diem, fee-for-service basis at the agreed contract rate. Contractor's reimbursement shall not be subject to cost settlement or limited to actual costs of service delivery.

XVI. Patient/Client Billing

- A. If applicable, Contractor shall comply with all County, State and Federal requirements and procedures relating to:
- a. Contractor does not determine UMDAP, collect patient/client fees under WIC §§ 5709–5710, or bill Medi-Cal, Medicare, or private insurance. Contractor's sole compensation under this Agreement is per diem payment by the County at the agreed contract rate. If a conservator, trust, or other third party makes a direct payment to Contractor on behalf of a County-placed client, Contractor shall deduct such payment from the corresponding invoice submitted to the County.

XVII. Personnel

- A. Contractor shall operate continuously throughout the term of this Agreement with at least the minimum number of staff as required by Title 9 of the California Code of Regulations for the mode(s) of service described in this Agreement.
- B. Contractor shall comply with all credentialing, staffing, and personnel requirements applicable to MHRCs as set forth by DHCS Licensing and Certification. Contractor is not subject to DBH's credentialing or re-credentialing policy, nor to federal managed care regulations at 42 C.F.R. Part 438.
- C. Contractor does not utilize DBH's Staff Master or County billing/transactional databases. Contractor shall maintain accurate and current personnel records, including licensure and certification information, as required by DHCS Licensing and applicable law.
- D. Contractor does not participate in DBH's Medi-Cal provider network and is not included in the County's provider directory. Contractor shall, however, provide contact and facility information reasonably necessary for County client placement and contract administration.
- E. Contractor agrees to comply with any applicable State or Federal conflict-of-interest and disclosure requirements.
- F. Contractor does not track or report employment information beyond those requirements.
- G. Statements of Disclosure
 - 1. Contractor shall submit a statement of disclosure of ownership, control and relationship information regarding its owners and managing employees, consistent with applicable State law.:
 - a. Contractor shall provide the name and business address of any individual or entity with an ownership or control interest of five percent (5%) or more, and the name and business address of any managing employee.;
 - b. Other tax identification number (if a corporation or other entity);
 - c. Whether the person (individual or corporation) with an ownership or control interest in the Contractor's agency is related to another person with ownership or control in the same or any other network provider of the Contractor as a spouse, parent, child or sibling;
 - d. The name of any other disclosing entity in which the Contractor has an ownership or control interest; and
 - e. The name, of any managing employee of the Contractor.
- H. Contractor complies with DHCS licensing rules and DOJ background clearance requirements. Contractor shall verify staff qualifications and conduct exclusion checks as required by DHCS licensing and applicable State law, and review the following databases to ensure non-exclusion status.
- I. Contractor shall comply with the Department of Health Care Services (DHCS) Criminal Background Check requirements applicable to licensed Mental Health Rehabilitation Centers, including the submission of fingerprints through the DHCS Criminal

Background Check Unit for prospective employees, volunteers, and others as required by law.

- J. Contractor shall inform DBH within twenty-four (24) hours or next business day of any substantiated incidents or credible reports of sexual harassment, physical abuse, etc., committed by Contractor's employees against clients served under this Contract. Contractor shall report incident as outlined in Notification of Unusual Occurrences or Incident/Injury Reports paragraph in the Administrative Procedures Article.

- K. Iran Contracting Act of 2010

IRAN CONTRACTING ACT OF 2010, Public Contract Code sections 2200 et seq. (Applicable for all Contracts of one million dollars (\$1,000,000) or more) In accordance with Public Contract Code Section 2204(a), the Contractor certifies that at the time the Contract is signed, the Contractor signing the Contract is not identified on a list created pursuant to subdivision (b) of Public Contract Code Section 2203 as a person [as defined in Public Contract Code Section 2202(e)] engaging in investment activities in Iran described in subdivision (a) of Public Contract Code Section 2202.5, or as a person described in subdivision (b) of Public Contract Code Section 2202.5, as applicable.

Contractors are cautioned that making a false certification may subject the Contractor to civil penalties, termination of existing contract, and ineligibility to bid on a contract for a period of three (3) years in accordance with Public Contract Code Section 2205.

- L. Trafficking Victims Protection Act of 2000

In accordance with the Trafficking Victims Protection Act (TVPA) of 2000, the Contractor certifies that at the time the Contract is signed, the Contractor will remain in compliance with Section 106(g) of the Trafficking Victims Protection Act of 2000 as amended (22 U.S.C. 7104). For access to the full text of the award term, go to: <http://www.samhsa.gov/grants/grants-management/policies-regulations/additional-directives>.

The TVPA strictly prohibits any Contractor or Contractor employee from:

1. Engaging in severe forms of trafficking in persons during the duration of the Contract;
2. Procuring a commercial sex act during the duration of the Contract; and
3. Using forced labor in the performance of the Contract.

Any violation of the TVPA may result in payment withholding and/or a unilateral termination of this Contract without penalty in accordance with 2 CFR Part 175. The TVPA applies to Contractor and Contractor's employees and/or agents.

- M. Executive Order N-6-22 Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related>).

[sanctions](https://www.dgs.ca.gov/OLS/Ukraine-Russia)), as well as any sanctions imposed under state law (<https://www.dgs.ca.gov/OLS/Ukraine-Russia>). The EO directs state agencies and their contractors (including by agreement or receipt of a grant) to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should it be determined that Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. Contractor shall be provided advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the County.

N. Levine Act Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439)

Contractor has disclosed to the County using Attachment III – Levine Act Campaign Contribution Disclosure Senate Bill (formerly referred to as Senate Bill 1439), whether it has made any campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of Contractor’s proposal to the County, or (2) 12 months before the date this Contract was approved by the Board of Supervisors. Contractor acknowledges that under Government Code section 84308, Contractor is prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer for 12 months after the County’s consideration of the Contract.

In the event of a proposed amendment to this Contract, the Contractor will provide the County a written statement disclosing any campaign contribution(s) of more than \$500 to any member of the Board of Supervisors or other County elected officer within the preceding 12 months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the Contractor or by a parent, subsidiary or otherwise related business entity of Contractor.

XVIII. Prohibited Affiliations

A. If applicable, Contractor shall not knowingly have any prohibited type of relationship with the following:

1. An individual or entity that is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549 [42 C.F.R. § 438.610(a)(1)].
2. An individual or entity who is an affiliate, as defined in the Federal Acquisition Regulation at 48 CFR 2.101, of a person described in this section [42 C.F.R. § 438.610(a)(2)].

B. If applicable, Contractor shall not have a prohibited type of relationship by employing or contracting with providers or other individuals and entities excluded from participation in Federal health care programs (as defined in section 1128B(f) of the Social Security Act)

under either Section 1128, 1128A, 1156, or 1842(j)(2) of the Social Security Act [42 C.F.R. §§ 438.214(d)(1), 438.610(b); 42 U.S.C. § 1320c-5].

C. If applicable, Contractor shall not have any types of relationships prohibited by this section with an excluded, debarred, or suspended individual, provider, or entity as follows:

1. A director, officer, agent, managing employee, or partner of the Contractor [42 U.S.C. § 1320a-7(b)(8)(A)(ii); 42 C.F.R. § 438.610(c)(1)].
2. A subcontractor of the Contractor, as governed by 42 C.F.R. § 438.230. [42 C.F.R. § 438.610(c)(2)].
3. A person with beneficial ownership of 5 percent (5%) or more of the Contractor's equity [(42 C.F.R. § 438.610(c)(3)].
4. An individual convicted of crimes described in section 1128(b)(8)(B) of the Act [42 C.F.R. § 438.808(b)(2)].
5. A network provider or person with an employment, consulting, or other arrangement with the Contractor for the provision of items and services that are significant and material to the Contractor's obligations under this Contract [42 C.F.R. § 438.610(c)(4)].
6. Contractor shall not employ or contract with, directly or indirectly, such individuals or entities for the furnishing of health care, utilization review, medical social work, administrative services, management, or provision of medical services, or the establishment of policies or provision of operational support for such services [42 C.F.R. § 438.808(b)(3)].

D. Conflict of Interest (If applicable)

1. Contractor shall comply with the conflict of interest safeguards described in 42 Code of Federal Regulations part 438.58 and the prohibitions described in section 1902(a)(4)(C) of the Act [42 C.F.R. § 438.3(f)(2)].
2. Contractor shall not utilize in the performance of this Contract any County officer or employee or other appointed County official unless the employment, activity, or enterprise is required as a condition of the officer's or employee's regular County employment [Pub. Con. Code § 10410; 42 C.F.R. § 438.3(f)(2)].
 - a. Contractor shall submit documentation to the County of current and former County employees who may present a conflict of interest.

XIX. Licensing, Certification and Accreditation

- a. Contractor shall ensure that it has all necessary licenses, permits, and/or certifications required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations. The Contractor shall maintain these licenses, permits, and/or certifications in effect for the duration of this Contract. Failure to maintain a required license, certification, and/or permit may result in immediate termination of this Contract.
- b. Contractor shall maintain for inpatient and residential services the necessary licensing and certification or mental health program approval throughout the term of this Contract.

- c. If applicable, Contractor shall inform DBH whether it has been accredited by a private independent accrediting entity [42 C.F.R. 438.332(a)]. If Contractor has received accreditation by a private independent accrediting entity, Contractor shall authorize the private independent accrediting entity to provide the County a copy of its most recent accreditation review, including:
 - 1. Its accreditation status, survey type, and level (as applicable); and
 - 2. Accreditation results, including recommended actions or improvements, corrective action plans, and summaries of findings; and
 - 3. The expiration date of the accreditation [42 C.F.R. § 438.332(b)].
- d. Contractor shall be knowledgeable of and compliant with State law governing MHRCs. The head of service shall meet applicable DHCS requirements.
- e. Contractor shall ensure all service providers apply for, obtain and maintain the appropriate certification, licensure, registration or waiver prior to rendering services. Service providers must work within their scope of practice. Contractor will maintain internal procedures to track licensure/certification status and remediate any lapse. Contractor shall ensure timely renewal of such credentials and shall take immediate corrective action to remediate any lapse, suspension, or revocation, including but not limited to removal of the affected individual from service delivery until compliance is restored. Contractor shall notify County in writing, within 10 business days of any changes in the licensure, certification, registration, or waiver status of any service provider, including any lapse, suspension, revocation, restriction, or disciplinary action.

Contractor acknowledges that services provided under this Agreement are indirectly supported by Medi-Cal funding and are therefore subject to applicable federal Medicaid managed care requirements, including but not limited to 42 CFR Part 438. Accordingly, Contractor shall comply with all applicable requirements necessary to support the County's obligations as a Mental Health Plan (MHP), including ensuring that all service providers are appropriately qualified and credentialed, and maintaining documentation sufficient for the County to verify the licensure and qualifications of all individuals delivering services.
- f. Contractor shall ensure licensed and pre-licensed staff maintain valid Board registration and comply with DHCS requirements. DBH HR policies and related submission requirements do not apply to Contractor.
- g. Contractor shall comply with applicable provisions of the:
 - 1. California Code of Regulations, Title 9;
 - 2. California Business and Professions Code, Division 2; and
 - 3. California Code of Regulations, Title 16.
- h. Contractor shall ensure personnel providing services under this Agreement are legally eligible to work in a licensed MHRC. Contractor shall comply with the United States Department of Health and Human Services OIG requirements related to eligibility for participation in Federal and State health care programs.

1. Ineligible Persons may include both entities and individuals and are defined as any individual or entity who:
 - a. Is currently excluded, suspended, debarred or otherwise ineligible to participate in the Federal and State health care programs; or
 - b. Has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal and State health care programs after a period of exclusion, suspension, debarment, or ineligibility.
2. Contractor shall review the organization and all its employees, subcontractors, agents, physicians and persons having five percent (5%) or more of direct or indirect ownership or controlling interest of the Contractor for eligibility against the following databases: SAM and the OIG's LEIE respectively to ensure that Ineligible Persons are not employed or retained to provide services related to this Contract. Contractor shall conduct these reviews before hire or contract start date and then no less than once a month thereafter.
 - a. SAM can be accessed at <https://www.sam.gov/SAM/>.
 - b. LEIE can be accessed at <http://oig.hhs.gov/exclusions/index.asp>.
3. If Contractor receives Medi-Cal reimbursement, Contractor shall review the organization and all its employees, subcontractors, agents and physicians for eligibility against the DHCS S&I List to ensure that Ineligible Persons are not employed or retained to provide services related to this Contract. Contractor shall conduct this review before hire or contract start date and then no less than once a month thereafter.
 - a. S&I List can be accessed at <https://files.medi-cal.ca.gov/pubsdoco/SandILanding.aspx>.
4. Contractor shall certify or attest that no staff member, officer, director, partner or principal, or sub-contractor is "excluded" or "suspended" from any Federal health care program, federally funded contract, state health care program or state funded contract. This certification shall be documented by completing the Attestation Regarding Ineligible/Excluded Persons (**Attachment I**) at time of the initial contract execution and annually thereafter. Contractor shall not certify or attest any excluded person working/contracting for its agency and acknowledges that the County shall not pay the Contractor for any excluded person. The Attestation Regarding Ineligible/Excluded Persons shall be submitted to the following program and address:

DBH Office of Compliance
550 E Hospitality Lane
San Bernardino, CA 92415-0026

Or send via email to: Compliance_Questions@dbh.sbcounty.gov
5. Contractor acknowledges that Ineligible Persons are precluded from employment and from providing Federal and State funded health care services by contract with County.

6. Contractor shall maintain internal procedures to ensure compliance with applicable exclusion screening requirements and will take appropriate action if an individual is identified as excluded. Notification to County shall be provided only as required by applicable law. Contractor will ensure excluded persons are removed from services reimbursable by this contract.

XX. Health Information System

- A. If applicable, should Contractor have a health information system, it shall maintain a system that collects, analyzes, integrates, and reports data (42 C.F.R. § 438.242(a); Cal. Code Regs., tit. 9, § 1810.376.) The system shall provide information on areas including, but not limited to, utilization, claims, grievances, and appeals [42 C.F.R. § 438.242(a)]. Contractor shall comply with Section 6504(a) of the Affordable Care Act [42 C.F.R. § 438.242(b)(1)].
- B. If applicable, Contractor's health information system shall, at a minimum:
 1. Collect data on beneficiary and Contractor characteristics as specified by the County, and on services furnished to beneficiaries as specified by the County; [42 C.F.R. § 438.242(b)(2)].
 2. Ensure that data received is accurate and complete by:
 - a. Verifying the accuracy and timeliness of reported data.
 - b. Screening the data for completeness, logic, and consistency.
 - c. Collecting service information in standardized formats to the extent feasible and appropriate.
- C. If applicable, Contractor shall make all collected data available to DBH and, upon request, to DHCS and/or CMS [42 C.F.R. § 438.242(b)(4)].
- D. If applicable, Contractor's health information system is not required to collect and analyze all elements in electronic formats [Cal. Code Regs., tit. 9, § 1810.376(c)].

XXI. Administrative Procedures

- A. Contractor agrees to adhere to all applicable provisions of:
 1. State Notices,
DBH policies and procedures that are expressly referenced in this Agreement and provided to Contractor in writing prior to execution. Contractor shall not be bound by future DBH policies, procedures, or manual provisions unless mutually agreed upon in writing by County and Contractor.
- B. Contractor shall have a current administrative manual which includes: personnel policies and procedures, general operating procedures, service delivery policies, any required State or Federal notices (Deficit Reduction Act), and procedures for reporting unusual occurrences relating to health and safety issues.
- C. If applicable, all written materials for potential beneficiaries and beneficiaries with disabilities must utilize easily understood language and a format which is typically at 5th or 6th grade reading level, in a font size no smaller than 12 point, be available in

alternative formats and through the provision of auxiliary aids and services, in an appropriate manner that takes into consideration the special needs of potential beneficiaries or beneficiaries with disabilities or limited English proficiency and include a large print tagline and information on how to request auxiliary aids and services, including the provision of the materials in alternative formats [42 C.F.R. 438.10(d)(6)(ii)]. The aforementioned written materials may only be provided electronically by the Contractor if all of the following conditions are met:

1. The format is readily accessible;
2. The information is placed in a location on the Contractor's website that is prominent and readily accessible;
3. The information is provided in an electronic form which can be electronically retained and printed;
4. The information is consistent with the content and language requirements of this Attachment; and
5. The beneficiary is informed that the information is available in paper form without charge upon request and Contractor provides it upon request within five (5) business days [42 C.F.R. 438.10(c)(6)].

Contractor shall ensure that written materials provided to clients and their representatives are maintained in clear, accessible language and in compliance with DHCS licensing requirements for MHRCs, including availability of alternative formats or auxiliary aids when reasonably requested. Contractor is not subject to Medi-Cal managed care requirements under 42 C.F.R. Part 438.

D. Contractor will provide alternative formats upon request, consistent with MHRC licensing requirements and reasonable accommodation obligations under State and Federal law.

E. Beneficiary Informing Materials

Contractor shall ensure that staff is knowledgeable of and compliant with applicable State policy/procedure regarding Beneficiary Informing. Contractor shall only use the applicable DHCS developed and approved handbooks, guides and notices.

F. If a dispute arises between the parties to this Agreement concerning the interpretation of any State Notice or a policy/procedure within the DBH SPM, the parties agree to meet with the Director to attempt to resolve the dispute.

G. State Notices shall take precedence in the event of conflict with the terms and conditions of this Agreement.

H. In the event the County determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to this Contract or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

I. Grievance and Complaint Procedures

Contractor shall ensure that staff are knowledgeable of and compliant with applicable DHCS Grievance and Appeals Procedures and ensure that any complaints by recipients are appropriately referred to DBH.

J. Notification of Unusual Occurrences or Incident/Injury Reports

1. Contractor shall notify DBH, within twenty-four (24) hours or next business day, of any sentinel event or material incident involving a County-placed client that results in serious injury, death, or poses a substantial risk to client safety (i.e. unusual occurrence). Notification shall be consistent with and concurrent to the notice provided to the client's assigned conservator or other legally responsible party, as required by DHCS licensing.
2. Contractor shall, upon DBH's request, provide a copy of its written sentinel or material incident report within three (3) business days. Contractor may use its own DHCS-compliant reporting documents, and such reports do not require County pre-approval of form or format.
3. If Contractor is required to report occurrences, incidents or injuries as part of licensing requirements, Contractor shall, upon request, provide DBH Program Manager or designee (the client's assigned conservator) with a copy of report submitted to applicable State agency.
4. Written reports shall not be made via email unless encryption is used.

K. Copyright

County shall have a royalty-free, non-exclusive and irrevocable license to publish, disclose, copy, translate, and otherwise use, copyright or patent, now and hereafter, any training materials, curricula, manuals, or other non-clinical documents specifically created at County's request and funded under this Contract. Copies of all such educational and training materials assembled pursuant to this Contract must be filed with and approved by the County prior to publication. Contractor shall receive written permission from DBH prior to publication of said training materials.

L. Release of Information

No news releases, advertisements, public announcements or photographs arising out of this Contract or Contractor's relationship with the County may be made or used without prior written approval of DBH.

M. Ownership of Documents

All non-clinical documents, data, products, graphics, computer programs and reports prepared by Contractor or subcontractor pursuant to the Agreement shall be considered property of the County upon payment for services. All such items shall be delivered to DBH at the completion of work under the Agreement. Unless otherwise directed by DBH, Contractor may retain copies of such items. Client medical records, treatment charts, and PHI created or maintained by Contractor in the ordinary course of providing services shall remain the property of Contractor and/or the client, subject to applicable confidentiality laws.

- N. Contractor agrees to and shall comply with all requirements and procedures established by the State and Federal Governments that are applicable to the services provided under this Agreement. Contractor will comply with reporting obligations specifically identified in this Agreement but will not be subject to unilateral County policies or procedures not expressly incorporated herein without Contractor's prior written consent.
- O. Contractor does not engage in political activities and does not make donations to candidates. Contractor further agrees that no political contributions or lobbying costs will be charged to the County under this Agreement.

XXII. Laws and Regulations

- A. Contractor agrees to comply with all relevant Federal and State laws and regulations, including, but not limited to those listed below, inclusive of future revisions, and comply with all applicable provisions of:

- 1. Mental Health Plan (MHP) Contract with the State;
- 2. California Code of Regulations, Title 9;
- 3. California Code of Regulations, Title 22; and
- 4. California Welfare and Institutions Code, Division 5.

- B. Health and Safety

Contractor shall comply with all applicable State and local health and safety requirements and clearances for each site where program services are provided under the terms of the Contract:

- 1. Any space owned, leased or operated by the Contractor and used for services or staff must meet local fire codes and applicable licensure requirements.
- 2. The physical plant of any site owned, leased or operated by the Contractor and used for services or staff is clean, sanitary and in good repair.
- 3. Contractor shall establish and implement maintenance policies for any site owned, leased or operated that is used for services or staff to ensure the safety and well-being of beneficiaries and staff.

- C. Drug and Alcohol-Free Workplace

In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this Contract, Contractor agrees that Contractor and Contractor's employees, while performing service for the County, in connection with services under this Agreement:

- 1. Shall not be in any way impaired because of being under the influence of alcohol or a drug.
- 2. Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of any substance.
- 3. Shall not sell, offer, or provide alcohol or a drug to another person. This shall not be applicable to Contractor or Contractor's employees who, as part of the

performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

4. Contractor shall inform all employees providing services under this Agreement, of the County's objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.
5. Contractor maintains and enforces a drug- and alcohol-free workplace policy in compliance with State licensure requirements. Any breach of this policy by Contractor's staff shall be addressed in accordance with Contractor's disciplinary procedures and applicable law.

D. Pro-Children Act of 1994

Contractor does not provide services to children under this Agreement. To the extent applicable, Contractor maintains compliance with all state and federal laws regarding smoke-free environments.

E. Privacy and Security

1. Contractor shall comply with all applicable State and Federal regulations pertaining to privacy and security of client information including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), as incorporated in the American Recovery and Reinvestment Act of 2009. Regulations have been promulgated governing the privacy and security of Individually Identifiable Health Information (IIHI) and/or Protected Health Information (PHI) or electronic Protected Health Information (ePHI). Contractor's obligations under this section shall be limited to those requirements directly applicable to Contractor as a Covered Entity under HIPAA and applicable state law, and shall not extend to County policies or procedures not expressly incorporated into this Agreement.
2. In addition to the aforementioned protection of IIHI, PHI and e-PHI, the County requires Contractor to adhere to the protection of Personally Identifiable Information (PII) and Medi-Cal PII. PII includes any information that can be used to search for or identify individuals such as but not limited to name, social security number or date of birth. For clarity, Contractor does not perform Medi-Cal administrative functions and therefore has no obligations regarding "Medi-Cal PII." Contractor shall continue to protect all PII, PHI, and e-PHI in accordance with HIPAA and applicable State privacy laws.
3. Contractor shall comply with the HIPAA Privacy and Security Rules, which includes but is not limited to implementing administrative, physical and technical safeguards that reasonably protect the confidentiality, integrity and availability of PHI; implementing reasonable and appropriate written policies and procedures to comply with the standards; conducting a risk analysis regarding the potential risks and vulnerabilities of the confidentiality, integrity and availability of PHI; conducting privacy and security awareness and training at least annually, and

limiting access to those persons who have a business need. Contractor shall maintain training records in accordance with HIPAA and applicable State law. Contractor is not required to submit internal HIPAA policies to the County.

4. Contractor shall comply with reasonable data security practices required by HIPAA and State law. Contractor does not agree to be bound by Attachment II unless separately negotiated and mutually accepted in writing.

5. Reporting of Improper Access, Use or Disclosure or Breach

Contractor shall report to DBH Office of Compliance any unauthorized use, access or disclosure of unsecured Protected Health Information or any other security incident with respect to Protected Health Information in accordance with applicable requirements of HIPAA, HITECH, and State law, which require notification without unreasonable delay and no later than five business (5) days of discovery. Upon discovery of the potential breach, the Contractor shall complete the following actions:

- a. Notify DBH Office of Compliance in writing, by mail, fax, or electronically, of such incident within the timeframes required by HIPAA/HITECH and provide DBH Office of Compliance with the following information to include but not limited to:
 - i. Date the potential breach occurred;
 - ii. Date the potential breach was discovered;
 - iii. Number of staff, employees, subcontractors, agents or other third parties and the titles of each person allegedly involved;
 - iv. Number of potentially affected patients/clients; and
 - v. Description of how the potential breach allegedly occurred.
- b. Contractor will provide updates of applicable information without unreasonable delay as additional facts are determined..
- c. Contractor shall conduct and document a risk assessment and investigation consistent with HIPAA/HITECH requirements and make a summary available to DBH upon request.
- d. Contractor shall be responsible for required notifications under HIPAA/HITECH and applicable State law, including client notifications, at Contractor's expense. Contractor will provide DBH with a copy of any notification letter at the time it is issued, for informational purposes.
- e. Contractor shall cooperate reasonably with County in the event of a breach investigation, consistent with Contractor's obligations under HIPAA and State law, but shall not be required to provide unfettered access to internal policies, procedures, or records beyond what is legally required.

F. Program Integrity Requirements

1. General Requirement

Contractor is not a Medi-Cal billing or managed care entity and therefore the requirements of Title 42 C.F.R. Part 438 do not apply. Contractor shall, however, maintain internal compliance practices reasonably designed to detect and prevent fraud, waste, or abuse in the delivery of services under this Agreement, consistent with Contractor's licensure obligations and applicable State law. If Contractor identifies an issue of possible fraud, waste, or abuse within the scope of services provided under this Agreement, Contractor shall investigate and take corrective action consistent with Contractor's compliance policies and will notify DBH when such issue materially affects County-funded services.

- a. Contractor will cooperate with DBH in addressing substantiated issues of fraud, waste, or abuse related to services under this Agreement.
- b. Contractor shall promptly notify DBH of any overpayments received from the County under this Agreement.
- c. Contractor shall notify DBH upon becoming aware of a client death or change in placement status that materially impacts County-funded services under this Agreement.
- d. Contractor shall notify DBH of any material changes in Contractor's licensure or staffing that affect Contractor's ability to perform services under this Agreement.
- e. Contractor shall maintain compliance procedures designed to reasonably ensure services billed to the County under this Agreement have been furnished.
- f. Contractor understands DBH retains standard audit rights under this Agreement, but federal managed care oversight provisions do not apply to Contractor.

2. Compliance Plan and Program

DBH has established an Office of Compliance for purposes of ensuring adherence to all standards, rules and regulations related to the provision of services and expenditure of funds in Federal and State health care programs. Contractor shall maintain its own Compliance Plan/Program appropriate to Contractor's size, complexity, licensure, and risk profile. Contractor is not required to adopt DBH policies or obtain DBH's prior approval. Upon reasonable written request, Contractor will provide a high-level summary or certification of its compliance program for informational purposes. Contractor's Compliance Program will be designed to promote compliance with applicable law and guidance (including, as appropriate, OIG compliance program guidance) and to prevent, detect, and remediate fraud, waste, or abuse related to services under this Agreement.

Contractor's Compliance Program must include the following elements:

- a. Contractor shall assign qualified staff to address compliance

responsibilities, with authority to escalate matters to senior leadership, the Chief Executive Officer, and/or the Board of Directors as appropriate.

b. Policies and Procedures

Written policies and procedures that articulate the Contractor's commitment to comply with all applicable Federal and State standards. Contractor will maintain and follow its own compliance-related policies and procedures applicable to its licensed Mental Health Rehabilitation Center (MHRC) operations.

- i. Contractor shall assign qualified staff and implement procedures for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they arise, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under the Contract.
- ii. Contractor shall implement and maintain written policies for its employees, contractors, and agents that provide information about applicable State and Federal fraud, waste, and abuse prevention laws, including protections afforded to whistleblowers. For clarity, because Contractor does not bill Medi-Cal, Medicare, or other federal health care programs, this requirement shall not obligate Contractor to implement policies specific to the federal False Claims Act.
- iii. Contractor shall maintain a written Compliance Plan appropriate to its size, business model, and licensure as a Mental Health Rehabilitation Center. Contractor may utilize its existing governance structures to oversee compliance activities. Upon County's reasonable request, Contractor will make its current Compliance Plan available for review. No advance submission or approval by County is required.:

c. Code of Conduct

Contractor shall develop its own Code of Conduct consistent with applicable laws, regulations, and industry standards.

- i. Upon County's reasonable request, Contractor will make its current Code of Conduct available for review. No advance submission or County approval is required.
- ii. Contractor shall distribute its Code of Conduct to all employees, subcontractors, interns, volunteers, and members of its Board of Directors, and shall maintain documentation, at least annually,

confirming that such persons have received, read, understand, and agree to abide by the Code.

d. Excluded/Ineligible Persons

Contractor shall comply with Licensing, Certification and Accreditation Article in this Contract related to excluded and ineligible status in Federal and State health care programs.

e. Internal Monitoring and Auditing

Contractor shall be responsible for conducting internal monitoring and auditing appropriate to its operations. Internal monitoring and auditing include, but are not limited to verification of staff licensure, credentialing, registration, and waiver requirements, licensure/credential/registration/waiver verification and adherence to State regulations governing Mental Health Rehabilitation Centers, and the requirements of this Contract. For clarity, because Contractor does not bill Medi-Cal, Medicare, or other federal health care programs, this provision shall not obligate Contractor to conduct billing or coding audits related to such programs.

- i. Contractor shall take reasonable precaution precautions to ensure that all invoices and billings submitted to the County under this Contract are prepared in an accurate and timely manner and are consistent with applicable State regulations governing Mental Health Rehabilitation Centers and the terms of this Agreement. For clarity, because Contractor does not bill Medi-Cal, Medicare, or other federal health care programs, this provision shall not obligate Contractor to comply with coding requirements, third-party payer agreements, or procedures issued by the Centers for Medicare and Medicaid Services.
- ii. Contractor shall not submit false, fraudulent, inaccurate, or fictitious invoices or claims for payment to the County under this Contract.
- iii. Contractor shall bill only for services actually rendered to County clients and fully documented in accordance with applicable MHRC licensure requirements and the terms of this Contract.
- iv. Contractor shall act promptly to investigate and correct any problems or errors in invoices or billings submitted under this Contract, if and when problems or errors are identified by the County, Contractor, or external reviewers..
- v. Contractor shall ensure all employees/service providers maintain current licensure/credential/registration/waiver status as required by the respective licensing Board, applicable governing State agency(ies) and Title 9 of the California Code of Regulations.

Should Contractor identify improper procedures, actions or

circumstances, including fraud/waste/abuse and/or systemic issue(s), Contractor shall take prompt steps to correct said problem(s). Contractor shall report to DBH Office of Compliance and Fiscal Administration any overpayments discovered as a result of such problems no later than five (5) business days from the date of discovery, with the appropriate documentation, and a thorough explanation of the reason for the overpayment. Prompt mitigation, corrective action and reporting shall be in accordance with the DBH Overpayment Policy (COM0954), which has been provided or will be provided to Contractor at its request

f. Response to Detected Offenses

Contractor shall respond to and correct any compliance issues or offenses relating to the services provided under this Contract promptly. Contractor shall be responsible for developing corrective action measures to mitigate the potential for recurrence.

g. Compliance Training

Contractor is responsible for ensuring that its staff and management receive compliance training appropriate to their job duties, including training on applicable State standards, licensing requirements, and the requirements of this Contract. Contractor shall be conducting and tracking such training for its agency staff. Contractor may, at its discretion, participate in DBH Compliance trainings, when offered and relevant.

h. Enforcement of Standards

Contractor shall enforce its compliance standards uniformly through its own written and well-publicized disciplinary guidelines, consistent with applicable employment laws and MHRC licensure requirements. Contractor shall not be required to adopt or apply DBH policies or procedures for this purpose.

i. Communication

Contractor shall establish and maintain effective lines of communication to allow its employees and subcontractors to report concerns related to fraud, waste, abuse, or unethical practices. Contractor shall provide internal reporting mechanisms appropriate to its operations and shall ensure that staff are informed of those mechanisms. Contractor shall also maintain open communication with the County regarding compliance issues related to this Contract.

j. Subpoena

In the event that a subpoena or other legal process commenced by a third party concerning the Services provided under this Contract is served upon Contractor or County, the receiving party shall notify the other as soon as reasonably Contractor and County shall cooperate with one another in good faith in responding to such legal process, provided that each party shall be responsible for its own costs and legal representation unless otherwise

expressly provided by this Contract.

- k. Compliance with this section shall be subject to the same termination and corrective action provisions set forth in the Termination paragraph of this Agreement. In the event of an alleged breach of this section, the County shall provide Contractor written notice and a reasonable opportunity to cure prior to exercising any termination rights.

G. Sex Offender Requirements

Contractor reserves the right, in its sole discretion, not to admit registered sex offenders (California Penal Code § 290 registrants) into its facility. County acknowledges that Contractor does not wish to admit such individuals, and County agrees, as part of this Agreement, to verify that all clients referred or placed with Contractor are not registered sex offenders and otherwise meet Contractor's admission criteria. Contractor shall reasonably rely on County's screening and referral process and shall not be required to independently obtain criminal history information or disclosures from clients.

XXIII. Patients' Rights

Contractor shall take all appropriate steps to fully protect patients' rights, as specified in Welfare and Institutions Code Sections 5325 et seq; Title 9 California Code of Regulations (CCR), Sections 861, 862, 883, 884; and Title 22 CCR, Sections 72453 and 72527.

XXIV. Confidentiality

Contractor agrees to comply with confidentiality requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), commencing with Subchapter C, and all State and Federal statutes and regulations regarding confidentiality, including but not limited to applicable provisions of Title 45, Parts 160 and 164; Welfare and Institutions Code Sections 5328 et seq. and 14100.2, Title 22, California Code of Regulations Section 51009 and Title 42, Code of Federal Regulations Part 2, and agreements with DHCS.

- A. Contractor shall ensure that all employees sign confidentiality acknowledgements consistent with HIPAA, Welfare and Institutions Code §5328, Title 9 and 22 CCR, 42 CFR Part 2 (as applicable), and this Contract. Contractor shall not be required to adopt or mirror DBH's Oath of Confidentiality. Contractor will maintain its own confidentiality forms and processes appropriate to its MHRC operations and shall make such documentation available to County upon request.
- B. Contractor shall not use or disclose PHI other than as permitted or required by law.

XXV. Admission and Discharge Policies

- A. Contractor shall maintain written patient/client admission policies consistent with applicable licensure requirements for Mental Health Rehabilitation Centers. Such policies shall be made available to the public upon request.
- B. Contractor's admission policies shall be consistent with Title 9 CCR and other applicable State regulations and shall not be supplanted by County policies or procedures. County referrals shall be considered for admission in accordance with Contractor's established admission criteria and clinical judgment.

- C. Any disputes regarding admission policies shall be addressed through the Agreement's dispute resolution process and shall not constitute independent grounds for termination.
- D. Contractor's Admission Agreement (Parts 1 and 2) shall be executed for each client placed at Contractor's facility and is incorporated herein by reference.
- E. If Contractor's team determines that a County client has exceeded Contractor's level of care, or the client is no longer an appropriate for placement, Contractor will immediately notify the County Department of Behavioral Health to coordinate discharge of the client as soon as reasonably possible.

XXVI. Medical Records/Protected Health Information

- A. Contractor agrees to maintain and retain medical records according to the following:
 - 1. The minimum maintenance requirement of medical records is:
 - a. The information contained in the medical record shall be confidential and shall be disclosed only to authorized persons in accordance to local, State and Federal laws.
 - b. Documents contained in the medical record shall be written legibly in ink or typewritten, be capable of being photocopied and shall be kept for all clients accepted for care or admitted, if applicable.
 - c. If the medical record is electronic, the Contractor shall make the computerized records accessible for the County's review.
 - 2. The minimum contractual requirement for the retention of medical records is:
 - a. For adults and emancipated minors, ten (10) years following discharge (last date of service), the final date of the contract period or from the date of completion of any audit, whichever is later;
 - b. For unemancipated minors, a minimum of ten (10) years after they have attained the age of 18, but in no event less than ten (10) years following discharge (last date of service), the final date of the contract period or from the date of completion of any audit, whichever is later.
 - c. County shall be informed within three (3) business days, in writing, if client medical records are defaced or destroyed prior to the expiration of the required retention period.
- B. Should patient/client records be misplaced and cannot be located after the Contractor has performed due diligence, the Contractor shall report to DBH as a possible breach of PHI in violation of HIPAA. Should the County and Contractor determine the chart cannot be located, all billable services shall be disallowed/rejected.
- C. Contractor shall ensure that all patient/client records are stored in a secure manner and access to records is limited to those employees of Contractor who have a business need. Security and access of records shall occur at all times, during and after business hours.
- D. Contractor agrees to furnish duly authorized representatives from the County and the State access to patient/client records.

- E. The medical records and PHI created or maintained by Contractor in connection with services provided under this Contract shall remain the property of Contractor, consistent with HIPAA, Welfare and Institutions Code §5328 et seq., 42 CFR Part 2 (as applicable), and other confidentiality laws. County shall have the right, at any time, to review or obtain copies of such records related to its referred clients, provided the County demonstrates legal authority to access such records under applicable law. Contractor shall cooperate in good faith with such requests.
- F. The County may request copies of medical records for San Bernardino County funded clients when a Contract ends its designated term, a Contract is terminated, a Contractor relinquishes its contracts or if the Contractor ceases operations.
 - 1. Upon request, Contractor shall provide copies to DBH all data, reports, records and other such information and materials (in electronic or hard copy format) pertaining to the medical records that may have been accumulated by Contractor or subcontractor under this Contract, whether completed, partially completed or in progress within seven (7) calendar days of said termination/end date.
 - 2. Contractor shall remain the custodian of all original medical records, including those for County-funded clients, and shall retain such records for the legally required period.
 - 3. Nothing in this Agreement shall be construed as transferring ownership or custodianship of medical records from Contractor to the County shall maintain responsibility for the medical records of non-county funded clients.

XXVII. Transfer of Care

Prior to the termination or expiration of this Contract, and upon request by the County, the Contractor shall assist the County in the orderly transfer of behavioral health care for beneficiaries in San Bernardino County. In doing this, the Contractor shall make available to DBH copies of medical records and any other pertinent information, including information maintained by any subcontractor that is necessary for efficient case management of beneficiaries. Under no circumstances will the costs for reproduction of records to the County from the Contractor be the responsibility of the client.

XXVIII. Quality Assurance/Utilization Review

- A. Contractor agrees to comply with the Laws and Regulations Article of this Contract.
- B. Contractor shall maintain documentation of care and services in accordance with MHRC licensure requirements under Title 9 CCR and other applicable laws. County may review such documentation for the purpose of verifying services provided under this Contract..
- C. Contractor agrees to maintain a Quality Improvement Program appropriate to MHRC operations. This program shall include internal monitoring of documentation, quality improvement, and quality of care issues. Contractor shall cooperate with DBH's Quality Management Division, upon reasonable request, to share relevant quality improvement tools or reports.
- D. When quality of care documentation or issues are found to exist by DBH, Contractor shall submit a plan of correction to be approved by DBH Quality Management.

- E. Contractor agrees to be part of the County Quality Improvement planning process in areas mutually agreed upon by both parties that are relevant to the services provided under this Contract through participation in the annual submission of Quality Improvement Outcomes in County identified areas.

XXIX. Independent Contractor Status

Contractor understands and agrees that the services performed hereunder by its officers, agents, employees, or contracting persons or entities are performed in an independent capacity and not in the capacity of officers, agents or employees of the County.

All personnel, supplies, equipment, furniture, quarters, and operating expenses of any kind required for the performance of this Contract shall be provided by Contractor.

XXX. Subcontractor Status

- A. If Contractor intends to subcontract any part of the services provided under this Contract to an individual, company, firm, corporation, partnership or other organization, not in the employment of or owned by Contractor who is performing services on behalf of Contractor under the Contract or under a separate contract with or on behalf of Contractor, Contractor must ensure a written Memorandum of Understanding (MOU) with that individual, agency, company, firm, corporation, partnership or other organization is in place prior to services commencing. For clarity, routine service vendors or contractors that provide ancillary or operational support services (e.g., pharmacy services, dietitian consultations, mobile x-ray services, vending machine services, etc.) shall not be considered subcontractors for purposes of this Article. The MOU must clearly define the following:

1. The name of the subcontracting agency.
2. The amount (units, minutes, etc.) and types of services to be rendered under the MOU.
3. The amount of funding to be paid to the subcontracting agency.
4. The subcontracting agency's role and responsibilities as it relates to this Contract.
5. A detailed description of the methods by which the Contractor will insure that all subcontracting agencies meet the monitoring requirements associated with funding regulations.
6. Additionally, each MOU shall contain the following requirements:
 - a. Subcontractor shall comply with the Right to Monitor and Audit Performance and Records requirements, as referenced in the Performance Article.
 - b. Subcontractor agrees to comply with Personnel Article related to the review of applicable Federal databases in accordance with Title 42 of the Code of Federal Regulations, Section 455.436, and applicable professional disciplines' and licensing and/or certifying boards' code of ethics and conduct.

- c. Subcontractor shall operate continuously throughout the term of the MOU with all licenses, certifications, and/or permits as are necessary to perform services and comply with Licensing, Certification, and Accreditation Article related to excluded and ineligible status.
 - d. Subcontractor agrees to perform work under this MOU in compliance with confidentiality requirements, as referenced in the Confidentiality and Laws and Regulations Articles.
 - e. MOU is governed by, and construed in accordance with, all laws and regulations, and all contractual obligations of the Contractor under the primary contract.
 - f. Subcontractor's delegated activities and reporting responsibilities follow the Contractor's obligations in the primary contract.
 - g. Subcontractor shall be knowledgeable in and adhere to primary contractor's program integrity requirements and compliance program, as referenced in the Laws and Regulations Article.
 - h. Subcontractor agrees to not engage in unlawful discriminatory practices, as referenced in the Nondiscrimination Article.
- B. Any subcontracting agency must be approved in writing by DBH and shall be subject to all applicable provisions of this Contract. The Contractor will be fully responsible for the performance, duties and obligations of a subcontracting agency, including the determination of the subcontractor selected and the ability to comply with the requirements of this Contract. DBH will not reimburse contractor or subcontractor for any expenses rendered without DBH approval of MOU in writing in the fiscal year the subcontracting services started.
- C. At DBH's request, Contractor shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by DBH, resumes of proposed subcontractor personnel.
- D. Contractor shall remain directly responsible to DBH for its subcontractors and shall indemnify the County for the actions or omissions of its subcontractors under the terms and conditions specified in Indemnification and Insurance Article.
- E. Ineligible Persons
- If applicable, Contractor shall adhere to Prohibited Affiliations and Licensing, Certification and Accreditation Articles regarding Ineligible Persons or Excluded Parties for its subcontractors.
- F. Upon expiration or termination of this Contract for any reason, DBH will have the right to enter into direct Contracts with any of the Subcontractors. Contractor agrees that its arrangements with Subcontractors will not prohibit or restrict such Subcontractors from entering into direct Contracts with DBH.

XXXI. Attorney Costs & Fees

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorneys' fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Article, Part A.

XXXII. Indemnification and Insurance

A. Indemnification

Contractor agrees to indemnify, defend (with counsel reasonably approved by the County) and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The Contractor's indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

B. Additional Insured

All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies, shall contain endorsements naming the County and its officers, employees, agents and volunteers as additional insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

C. Waiver of Subrogation Rights

Contractor shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors, and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Contractor and Contractor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Contractor hereby waives all rights of subrogation against the County.

D. Policies Primary and Non-Contributory

All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

E. Severability of Interests

Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that

preclude coverage for suits between the Contractor and the County or between the County and any other insured or additional insured under the policy.

F. Proof of Coverage

Contractor shall furnish Certificates of Insurance to the County Department administering the Contract evidencing the insurance coverage at the time the contract is executed. Additional endorsements, as required, shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this Contract, the Contractor shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and all endorsements immediately upon request.

G. Acceptability of Insurance Carrier

Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A-VII".

H. Deductibles and Self-Insured Retention

Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

I. Failure to Procure Coverage

In the event that any policy of insurance required under this Contract does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the Contract or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Contractor or County payments to the Contractor will be reduced to pay for County purchased insurance.

J. Insurance Review

Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Contract. Contractor agrees to execute any such

amendment within thirty (30) days of receipt. If the parties are unable to reach agreement on such additional requirements, either party may terminate this Contract upon thirty (30) days' written notice, during which time the County shall arrange for the removal of all County clients from Contractor's facility.

Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

K. Insurance Specifications

Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Contractor agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the contract services.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Contractor shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

1. Workers' Compensation/Employers Liability

A program of Workers' Compensation insurance or a State-approved, Self-Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits, covering all persons including volunteers providing services on behalf of the Contractor and all risks to such persons under this Contract.

If Contractor has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

2. Commercial/General Liability Insurance

Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Contractor providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- a. Premises operations and mobile equipment.
- b. Products and completed operations.
- c. Broad form property damage (including completed operations).
- d. Explosion, collapse and underground hazards.

- e. Personal Injury.
- f. Contractual liability.
- g. \$2,000,000 general aggregate limit.

3. Automobile Liability Insurance

Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the Contractor is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If the Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

4. Umbrella Liability Insurance

An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

5. Cyber Liability Insurance

Cyber Liability Insurance with limits of not less than \$1,000,000 for each occurrence or event with an annual aggregate of \$2,000,000 covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy shall protect the involved County entities and cover breach response cost as well as regulatory fines and penalties.

L. Professional Services Requirements

1. Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim or occurrence and two million (\$2,000,000) aggregate.

or

Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) per occurrence and two million (\$2,000,000) aggregate.

or

Directors and Officers Insurance coverage with limits of not less than one million (\$1,000,000) shall be required for contracts with charter labor committees or other not-for-profit organizations advising or acting on behalf of the County.

2. Abuse/Molestation Insurance – The Contractor shall have abuse or molestation insurance providing coverage for all employees for the actual or threatened abuse or molestation by anyone of any person in the care, custody, or control of any insured, including negligent employment, investigation, and supervision. The policy shall provide coverage for both defense and indemnity with liability limits of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate.
3. If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the start of the contract work. The “claims made” insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after contract completion.

XXXIII. Nondiscrimination

A. General

Contractor agrees to serve all clients without regard to race, color, gender, gender identity, religion, marital status, national origin, age, sexual orientation, or mental or physical handicap or disability pursuant to the Civil Rights Act of 1964, as amended (42 U.S.C., Section 2000d), Executive Order No. 11246, September 24, 1965, as amended, Title IX of the Education Amendments of 1972, and Age Discrimination Act of 1975.

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

B. Americans with Disabilities Act/Individuals with Disabilities

Contractor agrees to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) which prohibits discrimination on the basis of disability, as well as all applicable Federal and State laws and regulations, guidelines and interpretations issued pursuant thereto. Contractor shall maintain reasonable accommodations consistent with applicable law..

C. Employment and Civil Rights

Contractor agrees to and shall comply with the County’s Equal Employment Opportunity Program and Civil Rights Compliance requirements:

1. Equal Employment Opportunity Program

Contractor agrees to comply with all applicable Federal and State nondiscrimination laws and regulations, including but not limited to Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, and 13672; Title VII of the Civil Rights Act of 1964 (and Division 21 of the California Department of Social Services Manual of Policies and Procedures and California Welfare and Institutions Code, Section 10000); the California Fair Employment and Housing Act; and other applicable Federal, State, and County laws, regulations and

policies relating to equal employment or social services to welfare recipients, including laws and regulations hereafter enacted.

During the term of the Contract, Contractor shall not discriminate against any employee, applicant for employment, or service recipient on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, political affiliation or military and veteran status.

2. Civil Rights Compliance

- a. Contractor shall develop and maintain internal policies and procedures to assure compliance with each factor outlined by State regulation. Consistent with the requirements of applicable Federal or State law, the Contractor shall not engage in any unlawful discriminatory practices in the admission of beneficiaries, assignments of accommodations, treatment, evaluation, employment of personnel or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, sexual preference or mental or physical disabilities. The Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified individuals with disabilities in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of the United States Department of Health and Human Services, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977. Contractor shall require subcontractors, if any, to comply with applicable nondiscrimination laws. Notwithstanding other provisions of this section, the Contractor may require a determination of medical necessity pursuant to Title 9, CCR, Section 1820.205, Section 1830.205 or Section 1830.210, prior to providing covered services to a beneficiary.
- b. Contractor shall prohibit discrimination on the basis of race, color, national origin, sex, gender identity, age, disability, or limited English proficiency (LEP) in accordance with Section 1557 of the Affordable Care Act (ACA).

D. Sexual Harassment

Contractor agrees that clients have the right to be free from sexual harassment and sexual contact by all staff members and other professional affiliates.

- E. Contractor shall not discriminate against beneficiaries on the basis of health status or need for health care services, pursuant to 42 C.F.R. Section 438.6(d)(3).
- F. Contractor shall not discriminate against Medi-Cal eligible individuals who require an assessment or meet medical necessity criteria for specialty mental health services on the basis of race, color, gender, gender identity, religion, marital status, national origin, age, sexual orientation, or mental or physical handicap or disability and will not use any policy or practice that has the effect of discriminating on the basis of race, color, gender,

gender identity, religion, marital status, national origin, age, sexual orientation, or mental or physical handicap or disability [42 C.F.R. § 438.3(d)(4)].

G. Policy Prohibiting Discrimination, Harassment, and Retaliation

1. Contractor acknowledges County's Policy Prohibiting Discrimination, Harassment and Retaliation (07-01). This policy prohibits discrimination, harassment, and retaliation by all persons involved in or related to the County's business operations.

Contractor will maintain and enforce its own policies prohibiting discrimination, harassment, and retaliation, consistent with applicable federal and state law.

2. Contractor shall comply with 45 C.F.R. § 160.316 to refrain from intimidation or retaliation. Contractors may not threaten, intimidate, coerce, harass, discriminate against, or take any other retaliatory action against any individual or other person for:

- a) Filing of a complaint

- b) Testifying, assisting, or participating in an investigation, compliance review, proceeding, or hearing

- c) Opposing any unlawful act of practice, provided the individual or person has a good faith belief that the practice opposed is unlawful, and the manner of opposition is reasonable and does not involve a disclosure of protected health information.

XXXIV. Contract Amendments

Contractor agrees that any alterations, variations, modifications, or waivers of the provisions of the Contract shall be valid only when made in a written amendment, duly signed by authorized representatives of both parties. No amendment shall be effective unless mutually agreed upon, and no party shall be obligated to execute an amendment that materially alters the rights, obligations, or risks originally agreed to under this Contract without its consent.

XXXV. Assignment

A. This Agreement shall not be assigned by Contractor, either in whole or in part, without the prior written consent of the Director.

B. This Contract and all terms, conditions and covenants hereto shall insure to the benefit of, and binding upon, the successors and assigns of the parties hereto.

C. If the ownership of the Contractor changes, both the licensee and the applicant for the new license shall, prior to the change of ownership, provide the State and DBH with written documentation stating:

1. That the new licensee shall have custody of the clients' records and that these records or copies shall be available to the former licensee, the new licensee and the County; or

2. That arrangements have been made by the licensee for the safe preservation and the location of the clients' records, and that they are available to both the new and former licensees and the County; or

3. The reason for the unavailability of such records.

XXXVI. Legality and Severability

The parties' actions under the Contract shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this Contract are specifically made severable. If a provision of the Contract is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

XXXVII. Improper Consideration

- A. Contractor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Contract.
- B. The County, by written notice, may immediately terminate any Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County with respect to the proposal and award process or any solicitation for consideration was not reported. This prohibition shall apply to any amendment, extension or evaluation process once a Contract has been awarded.
- C. Contractor shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Contractor. The report shall be made to the supervisor or manager charged with supervision of the employee or to the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

XXXVIII. Venue

The venue of any action or claim brought by any party to the Contract will be the Superior Court of California, County of San Bernardino, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning the Contract is brought by any third-party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino, San Bernardino District.

XXXIX. Conclusion

- A. This Agreement consisting of fifty-seven (57) pages, Addenda, and Attachments inclusive is the full and complete document describing the services to be rendered by Contractor to the County, including all covenants, conditions and benefits.
- B. IN WITNESS WHEREOF, the Board of Supervisors of San Bernardino County has caused this Agreement to be subscribed by the Clerk thereof, and Contractor has caused this Agreement to be subscribed on its behalf by its duly authorized officers, the day, month, and year first above written.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

SAN BERNARDINO COUNTY

California Psychiatric Transitions

 (Print or type name of corporation, company, contractor, etc.)

► _____
 Dawn Rowe, Chair, Board of Supervisors

By _____
 (Authorized signature - sign in blue ink)

Dated: _____
 SIGNED AND CERTIFIED THAT A COPY OF THIS
 DOCUMENT HAS BEEN DELIVERED TO THE
 CHAIRMAN OF THE BOARD

Name Nate Garibay
 (Print or type name of person signing contract)

Lynna Monell
 Clerk of the Board of Supervisors
 of San Bernardino County

Title Chief Operating Officer & Facility Director
 (Print or Type)

By _____
 Deputy

Dated: _____

Address 9226 N Hinton Ave.,
Delhi, CA 95315

FOR COUNTY USE ONLY

Approved as to Legal Form

 Kristina Robb, Deputy County Counsel
 Date _____

Reviewed for Contract Compliance

 Michael Shin, Administrative Manager
 Date _____

Reviewed/Approved by Department

 Joshua Dugas, Acting Director
 Date _____

**MENTAL HEALTH REHABILITATION CENTER
SERVICE DESCRIPTION**

**California Psychiatric Transitions
9226 N. Hinton Ave., Delhi, CA 95315
(209) 667-9304**

I. DEFINITION OF RECOVERY, WELLNESS, AND RESILIENCE AND REHABILITATIVE MENTAL HEALTH SERVICES

- A. Mental Health Recovery, Wellness, and Resilience (RWR) is an approach to helping the consumer live a healthy, satisfying, and hopeful life according to his or her own values and cultural framework despite limitations and/or continuing effects caused by his or her mental illness. RWR focuses on client strengths, skills and possibilities, rather than on illness, deficits, and limitations, in order to encourage hope (in staff and consumers) and progress toward the life the consumer desires. RWR involves collaboration with consumers and their families, support systems and involved others to help take control of major life decisions and consumer care. RWR encourages involvement or re-involvement of consumer in family, social, and community roles that are consistent with their values, culture, and preferred language; it facilitates hope and empowerment with the goal of counteracting internal and external “stigma”; it improves self-esteem; it encourages consumer self-management of his/her life and the making of his/her own choices and decisions, it re-integrates the consumer back into his/her community as a contributing member; and it achieves a satisfying and fulfilling life for the consumer. It is believed that all consumers can recover, even if that recovery is not complete. This may at times involve risks as consumers move to new levels of functioning. The consumer is ultimately responsible for his or her own recovery choices.
- B. For adult clients, the goal of the RWR philosophy of care is to assist them to recovery from maltreatment and trauma, to learn more adaptive methods of coping with environmental demands, their own emotions, and to joyfully discover their potential and their place in the world. RWR focuses on an adult consumer’s strengths, skills, and possibilities rather than on illness, deficits and limitations. RWR encourages adult consumers to take increasing responsibility for their choices and their behavior, since these choices can lead either in the direction of recovery and growth or in the direction of stagnation and unhappiness. RWR encourages adult consumers to assume and to regain family, social, and community roles in which they can learn and grow toward maturity and that are consistent with their values and culture. RWR promotes acceptance by their support system and by the community, regardless of developmental level, illness, or disability, and it addresses issues of stigma and prejudice that are related to them. This may involve interacting with the community and cultural group’s way of viewing mental and emotional problems and differences.

“Rehabilitation” is a strength-based approach to skills development that focuses on maximizing a consumer’s functioning. Services will support the consumer in accomplishing his/her desired results. Families, caregivers, human service agency personnel and other significant support persons should be encouraged to participate in the planning and implementation process in responding to the consumer’s needs and desires, and in facilitating the consumer’s choices and responsibilities.

- C. The MHRC Contractor will join the existing continuum of care providing services to DBH placed adult clients, 18-65 years old, who suffer from a severe and chronic behavioral health condition. MHRCs create a place for high utilizers of acute psychiatric hospitals who could benefit from a subacute facility that affords the opportunity for continued stabilization as a step-down from an acute psychiatric hospital setting. Effective service implementation will involve comprehensive organized therapeutic activities, including skill building, small therapy groups, individual therapy, physical and recreational activities, and various types of supervised outings that include passes and special events designed to promote improved functionality in daily living and social skills, preparing the individual to return to a less structured facility, when appropriate, such as a licensed board and care with enhanced services. Accordingly, program staffing should be multi-disciplinary and reflect the cultural, linguistic, ethnic, age, gender, sexual orientation and other social characteristics of the community in which the client resides. Programs may be designed to utilize both licensed and non-licensed personnel who are experienced in providing mental health services.
- D. All contract agencies are required to provide services under Title 9, Division 1, Chapter 3.5. Minimum guidelines are detailed in Section III, “DESCRIPTION OF SPECIFIC SERVICES TO BE PROVIDED” of this Addendum.

II. PERSONS TO BE SERVED

The Contractor will serve San Bernardino County residents as referenced in this Addendum I and budget schedules during the term of the Contract. The Contractor shall screen clients generated and referred by DBH.; In conjunction with the Department of Behavioral Health (DBH), the Contractor shall develop admission policies and procedures regarding those persons who are eligible for services; and shall provide a discharge plan for all cases that aids in the maintenance of a stable level of functioning. (Cases will be discharged following completion of services, an acceptable level of stability and linkage with supportive resources.)

- A. The target population is San Bernardino County residents who are between the ages of 18-65 years, with serious and persistent mental illness who meet MHRC admission criteria under Title 9, CCR. These clients may need a longer stabilization period following an acute psychiatric hospitalization or may need a treatment milieu that would benefit a consumer who has been hospitalized in long term care facilities for a significant amount of time.

B. Provider Adequacy

Contractor shall submit to DBH documentation verifying it has the capacity to serve the expected enrollment in its service area in accordance with the network adequacy standards developed by DHCS. Documentation shall be submitted no less frequently than the following:

1. Upon request from the County;
2. At any time there has been a significant change, as defined by DBH, in the Contractor's operations that would affect the adequacy capacity of services, including the following:
 - a. A decrease of twenty-five percent (25%) or more in services or providers available to beneficiaries;
 - b. Changes in benefits;
 - c. Changes in geographic service area; and
 - d. Details regarding the change and Contractor's plans to ensure beneficiaries continue to have access to adequate services and providers.

C. It is further expected that the client population will be reflective of the social, economic and ethnic characteristics of the communities served by the Contractor.

III. DESCRIPTION OF SPECIFIC SERVICES TO BE PROVIDED

- A. Contractor shall provide for the appropriate level of care for the term of this agreement.
- B. Contractor to provide the total bed days within a locked, long-term, residential treatment facility, for each Level of Care, for the term of this agreement, as specified in: Article III Performance, Paragraph B, of this agreement. Levels of Care are defined as:
 1. Level I: At this level, consumers have acute behaviors that may require 1:1 supervision and a high level of behavioral interventions. Consumers at this level may also require a high level of nursing intervention, requiring enhanced 24/7 nursing coverage.
 2. Level II: At this level, consumers continue to be significantly impaired; however, behavior is more chronic. These consumers continue to require intensive programming, supervision, and support.
 3. Level III: At this level, consumers require less supervision and support. Consumers are stabilized and are working on transitioning into less restrictive, lower levels of care.
- C. Clients may be referred from State Hospitals, Veterans Hospital, county/private facilities, board and care facilities, and other facilities or sources as deemed

appropriate by the DBH CHAS Clinic Supervisor, or designee. All referrals from these sources must have prior approval by the DBH CHAS Clinic Supervisor, or designee, prior to admission, if DBH is to be the payment source at any time during the client's stay.

- D. Provide for admission capabilities from 8:00 a.m. through 7:00 p.m., Monday through Friday and from 8:00 a.m. through 5:00 p.m. on Saturday.
- E. Contractor shall evaluate all clients referred who meet the target population criteria. Any referral that is denied must be reported to the DBH Centralized Hospital Aftercare Services (CHAS) Clinic Supervisor or designee, in writing within 24 hours of denial. The basis for the denial shall be based on Contractor's clinical judgment, safety considerations, milieu appropriateness, capacity, or applicable regulatory restrictions (including but not limited to Title 9). Contractor shall have sole discretion to determine whether a referral is appropriate for admission to its facility..
- F. At the time of admission, Contractor's psychiatrist, in consultation with Contractor's clinical team, shall determine whether to accept the referral for admission and, if accepted, the appropriate level of care and unit placement. Contractor shall notify DBH of its admission decision and unit placement, and DBH's execution of Contractor's admission agreement shall constitute agreement to the admission and placement terms. Contractor and DBH shall then coordinate the admission process. County and Contractor will coordinate and discuss ongoing level of care need for the clients once placed. .
- G. Provide the appropriate level of comprehensive organized therapeutic activities, including skill building, small therapy groups, individual therapy, physical and recreational activities, and various types of outings, passes and special events designed to promote improved functionality in daily living and social skills, preparing the consumer to return to a less structured facility.
- H. Follow all Title 9 regulations as well as ensuring that the MHRC license is current.
- I. Work cooperatively with County staff and any other County contractors to facilitate provision of services to clients. Provide appropriate office space for County staff to interview clients at the facility.
- J. . Contractor will be responsible for reimbursement of replacement of all items only where loss/theft results from Contractor's negligence.
- K. Coordination of Care

Contractor shall coordinate care consistent with Title 9, CCR, and accepted MHRC standards of practice:

Ensure that each client has an ongoing source of care appropriate to his or her needs and a person or entity formally designated as primarily responsible for coordinating the services accessed by the client. The client shall be provided

information on how to contact their designated person or entity [42 C.F.R. § 438.208(b)(1)].

Coordinate the services Contractor furnishes to the client between settings of care, including appropriate discharge planning for short term and long-term hospital and institutional stays. Coordinate the services Contractor furnishes to the beneficiary with the services the client receives from any other managed care organization, in FFS Medicaid, from community and social support providers, and other human services agencies used by its beneficiaries [(42 C.F.R. § 438.208(b)(2)(i)-(iv), CCR, title 9 § 1810.415.]

L. Mental Health Service Activities:

Mental Health Services: Mental health services are interventions designed to provide the maximum reduction of mental disability and restoration or maintenance of functioning consistent with the requirements for learning, development, independent living and enhanced self-sufficiency. Services shall be directed toward achieving the client's goals/desired, results/personal milestones.

1. Assessment is a clinical analysis of the history and current status of the client's mental, emotional, or behavioral disorder. Relevant cultural factors and history may be included where appropriate. Assessment may include diagnosis and the use of testing procedures. The initial clinical assessment will be done within 48 hours of placement into the MHRC facility.
2. Evaluation is an appraisal of the client's community functioning in several areas including living situation, daily activities, social support systems and health status. Cultural issues may be addressed where appropriate.
3. Collateral is contact with one or more significant support persons in the life of the client that may include consultation and training to assist in better utilization of services and understanding of mental illness. Collateral services include, but are not limited to, helping significant support persons to understand and accept the client's condition and involving them in service planning and implementation of service plan(s).
4. Therapy is a service activity that may be delivered to a client or group of clients and may include family therapy (when the client is present). Therapeutic interventions are to be consistent with the client's goals/desired results/personal milestones which focus primarily on symptom reduction as means to improve functional impairments. Therapy should be provided in a culturally relevant manner taking into consideration the client's or group's cultural practices and beliefs.
5. Rehabilitation is a service activity that may include any or all of the following:
 - a. Assistance in restoring or maintaining a client's or group of client's functional skills, daily living skills, social skills, grooming, and

personal hygiene skills, meal preparation skills, medication compliance, and support resources. Areas of improvement must align with functional impairments which are directly related to the mental health diagnosis of the client.

- b. Medication education done within scope of practice of the Provider.
6. Plan Development may include any or all of the following:
 - a. Development of coordination plans, treatment plans or service plans. Client Recovery Plan will be done within 72 hours of placement into the MHRC facility.
 - b. Monitoring of the individual's progress.
7. Medication Support Services include prescribing, administering, dispensing and monitoring of psychiatric medications necessary to alleviate the symptoms of mental illness which are provided by a staff person, within the scope of practice of his/her profession. This service includes:
 - a. Evaluation of the need for medication.
 - b. Evaluation of clinical effectiveness and side effects of medication.
 - c. Obtaining informed consent.
 - d. Medication education (including discussing risks, benefits and alternatives with the consumer or significant support persons).
8. Crisis Intervention is a quick emergency response service enabling the client to cope with a crisis, while maintaining his/her status as a functioning community member to the greatest extent possible. A crisis is an unplanned event that results in the client's need for immediate service intervention. The response modality must allow for the resolution of the client's crisis. Crisis Intervention services are limited to stabilization of the presenting emergency. This service does not include Crisis Stabilization, which is provided in a 24-hour health care facility or hospital outpatient program. Service activities include but are not limited to Assessment, Evaluation, Collateral and Therapy.

IV. FACILITY LOCATION

Contractor's facility(ies) where services are to be provided is/are located at:

California Psychiatric Transitions
9226 N. Hinton Ave.
Delhi, CA 95315
(209) 667-9304

The locations for services may change in order to best serve the needs of San Bernardino County residents. Any location change shall be approved by the Director or designee, to ensure that all applicable laws and regulations are followed, and all contract requirements are met.

- A. The Contractor shall follow all Title 9 regulations and ensure that the MHRC license is current as well as:
 - Provide sufficient furniture, fixtures, curtains, cabinets, beds and other items specified by State Title 9 regulations for MHRC facilities.
 - Develop and maintain a system to correct physical plant deficiencies and to provide housekeeping and grounds maintenance services for the facility as specified by State Title 9 Regulations for MHRC facilities.
 - Provide adequate furnishings and clinical supplies for therapy and services to be delivered, in a clinically effective manner.
- B. The Contractor will work cooperatively with County staff and any other County contractors to facilitate provision of services to clients. Provide appropriate office space for County staff to interview consumers at the facility.
- C. The Contractor shall obtain the prior written consent of the Director of DBH or the designee before terminating services at the above location or providing services at another location.
- D. The Contractor shall comply with all requirements of the State to maintain MHRC licensure and obtain necessary fire clearances. Short-Doyle/Medi-Cal Contractors must notify DBH at least sixty days prior to a change of ownership or a change of address. DBH will request a new provider number from the State.
- E. The Contractor shall have adequate fire extinguishers and smoke alarms, as well as a fire safety plan.
- F. The Contractor shall have an exterior sign clearly indicating the location and name of the clinic.
- G. Contractor is responsible for notifying DBH of any changes in hours or availability. Notice of change in hours must be provided in writing to the DBH Access Unit at fax number 909-890-0353, as well as the DBH program contact overseeing the Contract.

V. STAFFING

All staff shall be employed by, or contracted for, by the Contractor. The staff described will perform the job functions specified and shall meet the California Code of Regulations requirements. All clinical treatment staff providing services with DBH funding shall be licensed or waived by viable internship by the State.

- A. Staff Responsibilities
 - 1. Provide structure and support

2. Assist the client in engaging in appropriate activities
 3. Minimize impulsivity
 4. Increase social and community competencies by building or reinstating those daily living skills that will assist the client to live successfully in the community.
 5. Assist in developing the ability to sustain self-directed appropriate behaviors, internalize a sense of social responsibility, and/or enable appropriate participation in community activities.
 6. Be available to participate in weekly/monthly treatment plan meetings and conference calls requiring input and feedback regarding the progress of the intervention and continued client needs.
- B. Staff Training Plan: Contractor shall provide training for staff on an ongoing basis, including cultural competency training that addresses service delivery to a diverse population

VI. ADMINISTRATIVE AND PROGRAMMATIC REQUIREMENTS

- A. Contractor shall have written procedures for referring clients to a psychiatrist when necessary, or to a physician, if a psychiatrist is not available.
- B. Contractor shall maintain client records in compliance with all regulations set forth by the State and provide access to clinical records by DBH staff.
- C. Contractor shall maintain compliance with applicable MHRC licensing and chart review requirements. Contractor shall maintain high standards of quality of care for the service which it has committed to provide.
 1. Contractor's staff shall hold regular treatment team meetings to evaluate the effects of treatment and the need for continued treatment.
 2. Contractor has the primary responsibility to provide the full range of mental health services, as defined in Addendum I, Section III, Paragraph A., to clients referred to Contractor.
- D. Contractor shall ensure that there are adequate budgeted funds to pay for all necessary treatment staff, supplies and tools.
- E. Contractor shall maintain a separate and clear audit trail reflecting expenditure of funds under this Agreement.
- F. Contractor shall make available to the DBH Program Manager II or designee copies of all administrative policies and procedures utilized and developed for service location(s) and shall maintain ongoing communication with the Program Manager II or designee regarding those policies and procedures.
- G. Contractor must submit a report to the DBH Program Manager II or designee by the third of each month. At a minimum, the monthly report must include an overview of the total caseload, changes and status of staffing, program and

services that impact service delivery under the Contract. A copy of staff or team and peer review meetings minutes will be forwarded to the DBH-CHAS Program Manager.

H. Contractor shall submit additional reports as required by DBH-CHAS Program Manager or designee.

I. Contractor's Director or designee must attend regional meetings as scheduled.

J. Medication Storage Requirements (If Applicable)

Contractor is required to store and dispense medications in compliance with all pertinent Federal and State standards, specifically:

1. All medications obtained by prescription are labeled in compliance with Federal and State laws. Prescription labels are altered only by persons legally authorized to do so.
2. Medications intended for external use only and food items are stored separately from medications intended for internal use.
3. All medications are stored at proper temperatures: room temperature medications at 59-86 degrees Fahrenheit and refrigerated medications at 36-46 degrees Fahrenheit.
4. Medications are stored in a locked area with access limited to those medical personnel authorized to prescribe, dispense or administer medication.
5. Medications are not retained after the expiration date. Intramuscular multi-dose vials are dated and initialed when opened.
6. A medication log is maintained to ensure Contractor disposes of expired, contaminated, deteriorated and abandoned medications in a manner consistent with State and Federal laws.
7. Policies and procedures are in place for dispensing, administering and storing medications.

K. Contractor understands that compliance with all standards listed is required by the State and the County of San Bernardino. Failure to comply with any of the above requirements or Special Provisions below may result in reimbursement checks being withheld until Contractor is in full compliance.

VII. COUNTY DEPARTMENT OF BEHAVIORAL HEALTH RESPONSIBILITIES

A. DBH shall initiate screenings of all clients prior to admission for psychological, medical and financial appropriateness.

B. DBH may request bed holds; a daily rate will be authorized as necessary.

C. Attempt to secure Medi-Cal Proof of Eligibility (POE) and financial and legal papers when consumer is receiving benefits.

- D. Transport clients from DBH facilities to Contractor’s facilities after pre-admission screening and placement into one of the facilities are approved.
- E. DBH shall participate in evaluating the progress of the overall program in regard to responding to the mental health needs of local communities and ensuring compliance with program goals and objectives.
- F. Ensure that client records support client days and services reported to DBH.
- G. Provide case management and coordinate placement with MHRC staff, including admission, discharge and aftercare services.
- H. DBH shall provide linkages throughout the Mental Health system to assist Contractor in meeting the needs of its clients.

VIII. SPECIAL PROVISIONS

- A. A review of productivity of Contractor shall be conducted after the end of each quarter of each fiscal year.
- B. Contractor and DBH will work jointly to monitor outcome measures.
- C. Contractor and DBH will participate in evaluating the progress of the overall program in regard to responding to the mental health needs of local communities consistent with MHRC licensure requirements and the mutually agreed goals of this Contract.

IX. OUTCOME MEASURES AND DATA REPORTING REQUIREMENTS

Outcome Data Requirements: Contractor shall be responsible for submitting data that is collected based on the performance data below. In addition to the below performance-based criteria, data collection shall include demographic data, the number of case openings, the number of case closings, and the services provided. DBH may base future funding for Contractor upon positive performance outcomes, which DBH will monitor throughout the year. Contractor shall collect data in a timely manner and submit quarterly to DBH.

- A. Performance-Based Criteria: DBH shall evaluate Contractor on process and outcomes criteria related to program and operational measures indicative of quality mental health services. These criteria are consistent with DBH’s System-wide Performance Outcomes Framework. Exceptions are to be negotiated between Contractor and DBH.
 - 1. The outcomes-based criteria which shall be achieved are as follows:

GOALS	KEY OUTCOMES
Provide timely access to appropriate level of care	Timely access to the appropriate level of care based on the consumer’s current level of functioning

ATTESTATION REGARDING INELIGIBLE/EXCLUDED PERSONS

Contractor California Psychiatric Transitions shall:

To the extent consistent with the provisions of this Agreement, comply with regulations Social Security Act §1128, et al regarding exclusion from participation in Federal and State funded programs, which provide in pertinent part:

- 1. Contractor certifies to the following:
 - a. it is not presently excluded from participation in Federal and State funded health care programs,
 - b. there is not an investigation currently being conducted, presently pending or recently concluded by a Federal or State agency which is likely to result in exclusion from any Federal or State funded health care program, and/or
 - c. unlikely to be found by a Federal and State agency to be ineligible to provide goods or services.

- 2. As the official responsible for the administration of Contractor, the signatory certifies the following:
 - a. all of its officers, employees, agents, sub-contractors and/or persons having five percent (5%) or more of direct or indirect ownership or control interest of the Contractor are not presently excluded from participation in any Federal or State funded health care programs,
 - b. there is not an investigation currently being conducted, presently pending or recently concluded by a Federal or State agency of any such officers, employees, agents and/or sub-contractors which is likely to result in an exclusion from any Federal and State funded health care program, and/or
 - c. its officers, employees, agents and/or sub-contractors are otherwise unlikely to be found by a Federal or State agency to be ineligible to provide goods or services.

- 3. Contractor certifies it has reviewed, at minimum prior to hire or contract start date and annually thereafter, the following lists in determining the organization nor its officers, employees, agents, sub-contractors and/or persons having five percent (5%) or more of direct or indirect ownership or control interest of the Contractor are not presently excluded from participation in any Federal or State funded health care programs:
 - a. OIG’s List of Excluded Individuals/Entities (LEIE).
 - b. United States General Services Administration’s System for Award Management (SAM).
 - c. California Department of Health Care Services Suspended and Ineligible Provider (S&I) List, if receives Medi-Cal reimbursement.

- 4. Contractor certifies that it shall notify DBH immediately (within 24 hours) by phone and in writing within ten (10) business days of being notified of:
 - a. Any event, including an investigation, that would require Contractor or any of its officers, employees, agents and/or sub-contractors exclusion or suspension under Federal or State funded health care programs, or
 - b. Any suspension or exclusionary action taken by an agency of the Federal or State government against Contractor, or one or more of its officers, employees, agents and/or sub-contractors, barring it or its officers, employees, agents and/or sub-contractors from providing goods or services for which Federal or State funded health care program payment may be made.

Printed name of authorized official

Signature of authorized official

Date

DATA SECURITY REQUIREMENTS

Pursuant to its contract with the State Department of Health Care Services, the Department of Behavioral Health (DBH) requires Contractor adhere to the following data security requirements:

A. Personnel Controls

1. Employee Training. All workforce members who assist in the performance of functions or activities on behalf of DBH, or access or disclose DBH Protected Health Information (PHI) or Personal Information (PI) must complete information privacy and security training, at least annually, at Contractor's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later.
2. Employee Discipline. Appropriate sanctions must be applied against workforce members who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.
3. Confidentiality Statement. All persons that will be working with DBH PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The Statement must be signed by the workforce member prior to accessing DBH PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for DBH inspection for a period of ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later.
4. Background Check. Before a member of the workforce may access DBH PHI or PI, a background screening of that worker must be conducted. The screening should be commensurate with the risk and magnitude of harm the employee could cause, with more thorough screening being done for those employees who are authorized to bypass significant technical and operational security controls. The Contractor shall retain each workforce member's background check documentation for a period of ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later.

B. Technical Security Controls

1. Workstation/Laptop Encryption. All workstations and laptops that store DBH PHI or PI either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk unless approved in writing by DBH's Office of Information Technology.
2. Server Security. Servers containing unencrypted DBH PHI or PI must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
3. Minimum Necessary. Only the minimum necessary amount of DBH PHI or PI required to perform necessary business functions may be copied, downloaded, or exported.
4. Removable Media Devices. All electronic files that contain DBH PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, Blackberry, backup tapes, etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.
5. Antivirus / Malware Software. All workstations, laptops and other systems that process and/or store DBH PHI or PI must install and actively use comprehensive anti-virus software / Antimalware software solution with automatic updates scheduled at least daily.

6. Patch Management. All workstations, laptops and other systems that process and/or store DBH PHI or PI must have all critical security patches applied with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within thirty (30) days of vendor release. Applications and systems that cannot be patched within this time frame due to significant operational reasons must have compensatory controls implemented to minimize risk until the patches can be installed. Application and systems that cannot be patched must have compensatory controls implemented to minimize risk, where possible.
7. User IDs and Password Controls. All users must be issued a unique user name for accessing DBH PHI or PI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed at least every ninety (90) days, preferably every sixty (60) days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
 - a. Upper case letters (A-Z)
 - b. Lower case letters (a-z)
 - c. Arabic numerals (0-9)
 - d. Non-alphanumeric characters (special characters)
8. Data Destruction. When no longer needed, all DBH PHI or PI must be wiped using the Gutmann or U.S. Department of Defense (DoD) 5220.22-M (7 Pass) standard, or by degaussing. Media may also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods require prior written permission of DBH's Office of Information Technology.
9. System Timeout. The system providing access to DBH PHI or PI must provide an automatic timeout, requiring re-authentication of the user session after no more than twenty (20) minutes of inactivity.
10. Warning Banners. All systems providing access to DBH PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.
11. System Logging. The system must maintain an automated audit trail which can identify the user or system process which initiates a request for DBH PHI or PI, or which alters DBH PHI or PI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If DBH PHI or PI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later.
12. Access Controls. The system providing access to DBH PHI or PI must use role based access controls for all user authentications, enforcing the principle of least privilege.
13. Transmission Encryption. All data transmissions of DBH PHI or PI outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing DBH PHI can be encrypted. This requirement pertains to any type of DBH PHI or PI in motion such as website access, file transfer, and E-Mail.
14. Intrusion Detection. All systems involved in accessing, holding, transporting, and protecting DBH PHI or PI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

C. Audit Controls

1. System Security Review. Contractor must ensure audit control mechanisms that record and examine system activity are in place. All systems processing and/or storing DBH PHI or PI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.
2. Log Review. All systems processing and/or storing DBH PHI or PI must have a routine procedure in place to review system logs for unauthorized access.
3. Change Control. All systems processing and/or storing DBH PHI or PI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

D. Business Continuity/Disaster Recovery Controls

1. Emergency Mode Operation Plan. Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of DBH PHI or PI held in an electronic format in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.
2. Data Backup Plan. Contractor must have established documented procedures to backup DBH PHI to maintain retrievable exact copies of DBH PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore DBH PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of DBH data.

E. Paper Document Controls

1. Supervision of Data. DBH PHI or PI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. DBH PHI or PI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
2. Escorting Visitors. Visitors to areas where DBH PHI or PI is contained shall be escorted and DBH PHI or PI shall be kept out of sight while visitors are in the area.
3. Confidential Destruction. DBH PHI or PI must be disposed of through confidential means, such as cross cut shredding and pulverizing.
4. Removal of Data. Only the minimum necessary DBH PHI or PI may be removed from the premises of Contractor except with express written permission of DBH. DBH PHI or PI shall not be considered "removed from the premises" if it is only being transported from one of Contractor's locations to another of Contractor's locations.
5. Faxing. Faxes containing DBH PHI or PI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
6. Mailing. Mailings containing DBH PHI or PI shall be sealed and secured from damage or inappropriate viewing of such PHI or PI to the extent possible.

Mailings which include 500 or more individually identifiable records of DBH PHI or PI in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of DBH to use another method is obtained.



**Levine Act –
Campaign Contribution Disclosure**
(formerly referred to as Senate Bill 1439)

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

DEFINITIONS

Actively supporting or opposing the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidiary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), “shared management and control” can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsubsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

Contractors must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

- 1. Name of Contractor: California Psychiatric Transitions, Inc.
- 2. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?

Yes If yes, skip Question Nos. 3-4 and go to Question No. 5 No

- 3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision:
Dina Hackett

- 4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded (“closed corporation”), identify the major shareholder(s):

Hackett Family Trust 2023

- 5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship
N/A	

6. Name of agent(s) of Contractor:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)
N/A		

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district.

Company Name	Subcontractor(s):	Principal and/or Agent(s):
None		

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name
None	

9. Was a campaign contribution, of more than \$500, made to any member of the San Bernardino County Board of Supervisors or other County elected officer within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No

Yes If **yes**, please provide the contribution information in Question 11.

10. Has an agent of Contractor made a campaign contribution of any amount to any member of the San Bernardino County Board of Supervisors or other elected officer involved with this Contract while award of this Contract is being considered?

No

Yes If **yes**, please provide the contribution information in Question 11.

11. Name of Board of Supervisor Member or other County elected officer: None

Name of Contributor: None

Date(s) of Contribution(s): None

Amount(s): None

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, Contractor certifies that the statements made herein are true and correct. Contractor acknowledges that agents are prohibited from making any campaign contributions, regardless of amount, to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County. Contractor understands that the other individuals and entities (excluding agents) listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County.