

NAPA COUNTY AGREEMENT NO. 270106B
PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT (the “Agreement”) is made and entered into as of the 1st of July 2026, by and between **NAPA COUNTY**, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and **MOLLY'S ANGELS OF NAPA VALLEY**, a California nonprofit corporation whose business address is 433 Soscol Avenue, Suite A-100, Napa, CA 94559, hereinafter referred to as “CONTRACTOR.” COUNTY and CONTRACTOR may be referred to below collectively as “Parties” and individually as “Party.”

RECITALS

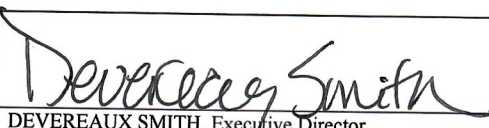
WHEREAS, COUNTY wishes to obtain specialized services in order for CONTRACTOR to provide behavioral health screening, navigation, linkage, and early intervention for older adults; and CONTRACTOR is willing to provide such specialized services to COUNTY under the terms and conditions set forth herein;

TERMS

NOW, THEREFORE, for good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, COUNTY hereby engages the services of CONTRACTOR, and CONTRACTOR agrees to serve COUNTY in accordance with the Terms and Conditions and their own Exhibits, which together are attached hereto and incorporated by this reference as though set forth in full herein. The Section numbers of any portion of this Agreement may at times be referred to either as “Sections” or “Paragraphs” interchangeably.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement was executed by the Parties hereto as of the date first above written.

NAPA COUNTY , a political subdivision of the State of California	CONTRACTOR
By _____ AMBER MANFREE, Chair of the Board of Supervisors	 DEVEREAUX SMITH, Executive Director
ATTEST: NEHA HOSKINS, Clerk of the Board	
By: _____	
DATE APPROVED BY THE BOARD: _____	
Processed by: _____ Deputy	

Maximum Amount of this Agreement: \$117,814 per fiscal year	APPROVED AS TO FORM BY NAPA COUNTY COUNSEL By: <i>Rachel L. Ross (e-signature)</i> Date: 7/15/26
Term Expires: June 30, 2027	
Automatic renewal of term is modified.	

TERMS AND CONDITIONS OF NAPA COUNTY AGREEMENT NO. 270106B

SECTION 1. Contract Administration

For purposes of this Agreement, the following shall apply:

- 1.1 “Department” shall mean: Health and Human Services Agency
- 1.2 “Director” shall mean the person elected or appointed to the chief management position of the Department.
- 1.3 “Contract Administrator” shall be: Contracts Analyst or such other person as designated by the Department Director. The address for COUNTY’s Contract Administrator shall be: 2751 Napa Valley Corporate Drive, Building B, 2nd Floor, Napa, CA 94559.
- 1.4 The Program Manager for COUNTY shall be: Joe Hallett, Assistant Director of HHSA, Interim Deputy Director of Behavioral Health at HHSA, 2751 Napa Valley Corporate Drive, Building B, 2nd Floor, Napa, CA 94559.
- 1.5 The Contract Contact Person for CONTRACTOR shall be: Devereaux Smith, Executive Director, is 433 Soscol Avenue, Suite A-100, Napa, CA 94559.
- 1.6 CONTRACTOR is a ☐ sole proprietor ☐ partnership ☒ corporation ☐ public agency ☐ other (specify) .
- 1.7 The source of funding for this Agreement shall be: State BHSA Early Intervention funds.
- 1.8 In entering into this Agreement, CONTRACTOR acknowledges and agrees to abide by the applicable terms of the following COUNTY-entity agreements, and as they may amended from time to time: California Department of Health Care Services Performance Agreement

These agreements are on file with the Napa County Clerk of the Board of Supervisors and may be accessed at <https://www.napacounty.gov/DocumentCenter/> under “Departments/Health and Human Services/Administration/Contracts and Administration Documents” (See also Section 2, Paragraphs 2.15(b)(2) and 2.35)

SECTION 2. General Terms and Conditions.

Attached hereto and incorporated by this reference as Exhibit C is “SECTION 2. General Terms and Conditions – Version 12”, which shall be referred to herein as the “General Terms and Conditions” and which shall apply to this Agreement unless otherwise specifically limited or excluded by more specific provisions.

Due to changes in the laws, future versions of General Terms and Conditions shall automatically become part of this Agreement upon approval by the Napa County Board of Supervisors and notice to CONTRACTOR, effective within such time period as is designated in Paragraph 2.10 (Other Termination) plus 15 days or as mandated by local, state or federal laws or regulations, whichever date is sooner.

SECTION 3. Specific Terms and Conditions.

The following Specific Terms and Conditions provide additional terms and conditions or modify

the General Terms and Conditions of this Agreement. A Specific Term and Condition shall control if a conflict exists with a General Term and Condition.

3.1 The following Specific Terms and Conditions apply when CONTRACTOR's obligations under this Agreement involve the following as designated by an "X":

☒ (a) Contact with vulnerable populations such as children, elderly, mentally ill or disabled persons (General Terms and Conditions Paragraph 2.8(b) applies).

☐ (b) Construction or pre-construction related services (General Terms and Conditions Paragraph 2.19(e) applies).

☐ (c) Work on or the supplying of any software systems or equipment containing or suspected of containing clocks or embedded chips functioning as or dependent upon the use of clocks or calendars (General Terms and Conditions Paragraph 2.29 applies).

☐ (d) Services covered by a Federal Health Care Program (General Terms and Conditions Paragraph 2.31 applies).

☐ (e) Services covered by a State Medi-Cal Specialty Mental Health Program (General Terms and Conditions Paragraph 2.32 applies).

☒ (f) Mental Health Activities (General Terms and Conditions Paragraph 2.33 applies).

☐ (g) Services involving the receipt, use or disclosure of protected health information: A determination has been made by COUNTY's Privacy Officer that CONTRACTOR shall not provide services under this Agreement as a Business Associate to COUNTY. General Terms and Conditions Paragraph 2.34(b) does not apply to this Agreement.

☐ (h) Services provided under COUNTY's Managed Care Provider Program, which shall be subject to all the terms and conditions set forth in the Napa County Mental Health Managed Care Provider Manual, herein incorporated by reference and on file with the Clerk of the Napa County Board of Supervisors.

☐ (i) Services as a provider for which CONTRACTOR has submitted a "Provider Application," which CONTRACTOR warrants that the information contained in said application is accurate and understands that any inaccuracies may be grounds for termination of this Agreement by COUNTY. CONTRACTOR authorizes COUNTY to consult with third parties, including but not limited, to the National Practitioner Data Bank or other applicable licensing boards.

☐ (j) Services involving the use or disclosure of personally identifiable information that are performed as a subcontractor under COUNTY's contract with another entity when that contract requires COUNTY to include its applicable terms in COUNTY's subcontracts. (General Terms and Conditions Paragraph 2.35 applies.)

☐ (k) Services determined by the Department Director to be covered by Department's Code of Ethics. (General Terms and Conditions Paragraph 2.38 applies.) CONTRACTOR understands that, by entering into this Agreement, CONTRACTOR acknowledges that CONTRACTOR has received, read, and understands the Code of Ethics, and agrees to abide by the terms therein as applicable to CONTRACTOR's activities under this Agreement. Department shall provide CONTRACTOR with copies of Department's Code of Ethics prior to

the execution of the Agreement. CONTRACTOR further understands that on an annual basis CONTRACTOR shall provide written certification to Department that CONTRACTOR has received, read, understands, and will abide by Department's Code of Ethics.

[X] (l) Services have been determined by the Department Director, or may be determined at a later date, that CONTRACTOR is a subrecipient or pass-through entity and is therefore required to meet all of the requirements found in 2 C.F.R. § 200.331. (General Terms and Conditions 2.40 applies.) COUNTY shall notify CONTRACTOR in accordance with General Terms and Conditions Paragraph 2.13 (Notices), of any change in designation as a subrecipient, and any subsequent increase to the amount of Federal funding CONTRACTOR shall receive under the terms of this Agreement. CONTRACTOR shall be bound thereby upon receipt of notice.

3.2 Source Funding.

(a) Change in Source Funding. Paragraph 1.7 may be unilaterally modified by COUNTY upon written notice to CONTRACTOR who shall be bound thereby immediately upon receipt. The Department Director is delegated the authority to modify Paragraph 1.7 and provide such written notice, but may exercise such authority only after consultation with, and concurrence of, the Napa County Counsel and the Napa County Executive Officer or their respective designees; provided, however, that nothing in this delegation prevents the Department Director from requesting the Napa County Board of Supervisors to modify Paragraph 1.7.

(b) Amendment to Source Funding Agreement. If Paragraph 1.7 identifies a funding source agreement, then any amendment to the funding source agreement shall be automatically incorporated and made a part of this Agreement, effective in accordance with the amended funding source agreement. As a subcontractor of COUNTY, CONTRACTOR shall be bound by the applicable terms of the funding source agreement, and any amendments thereto.

3.3 Statement of Economic Interests. By authorizing its Chair to execute this Agreement on its behalf, COUNTY's Board of Supervisors hereby determines in writing on behalf of COUNTY that CONTRACTOR has been hired to perform a range of duties so limited in scope as to not be required to comply with the disclosure obligations set forth in Paragraph 2.23(b).

3.4 General Terms and Conditions 2.1(b)-Automatic Renewal is modified to read in full as follows:

The term of this Agreement shall be automatically renewed for an additional year at the end of each fiscal year, until the final renewal period, which concludes on **June 30, 2029**, under the same terms and conditions, unless terminated earlier in accordance with Paragraphs 2.9 (Termination for Cause), 2.10 (Termination for Convenience) or 2.23 (a) (Covenant of No Undisclosed Conflict). The obligations of the Parties under Paragraphs 2.7 (Insurance) and 2.8 (Indemnification) shall continue in full force and effect after the expiration date or early termination in relation to acts or omissions occurring prior to such dates during the term of the Agreement, and the obligations of CONTRACTOR to COUNTY shall also continue after the expiration date or early termination in relation to the obligations prescribed by Paragraphs 2.15 (Confidentiality), 2.20 (Taxes) and 2.21 (Access to Records/Retention).

3.5 COUNTY delegates its authority to the Director of the Health and Human Services Agency to approve future amendments to Exhibits A and B, attached to this Agreement,

provided that any such amendment does not materially alter the nature of the services to be provided or increase the maximum compensation available under this Agreement.

SECTION 4. Incorporated Documents.

The following documents are incorporated herein by this reference and attached hereto and labeled as the following Exhibit letters:

Exhibit A: Scope of Work (attached)

Exhibit B: Compensation and Financial Reporting (attached)

Exhibit C: "Section 2, General Terms and Conditions, Version 12" (attached)

Exhibit D: Individual Service Level (ISL) Code Data Collection and Reporting Requirements for BHSA Early Intervention Programs (attached)

Exhibit E: BHSA Early Intervention Provider Requirements (attached)

EXHIBIT A
Scope of Work

July 1, 2026 through June 30, 2027

(and each subsequent automatic annual renewal, terminating no later than June 30, 2029)

Molly's Angels Older Adult BHSA Early Intervention

PROGRAM OVERVIEW

CONTRACTOR shall implement the Older Adult BHSA Early Intervention Program to serve older adults (age 60+) in Napa County. The program integrates validated behavioral health screening, brief non-clinical support, navigation assistance, outreach and referral awareness, and warm linkage to care into trusted service delivery through Care Calls and non-emergency transportation. Building on 26+ years of community-based service and four prior years of County-supported early intervention work, this combined approach reduces isolation, increases engagement in supportive services, and improves connection to behavioral health resources before concerns become urgent or crisis-driven.

TARGET POPULATION

CONTRACTOR's Older Adult BHSA Early Intervention Program shall primarily serve Older Adults (age 60+) as well as adult family/caregivers (age 18-59) to support linkage for Older Adults. Services will be provided throughout Napa County, with focus on American Canyon, Up-Valley communities, and unincorporated Napa County. Priority populations shall include Older Adults who are Spanish-speaking/bilingual, LGBTQ+, veterans as well as military-connected families and individuals experiencing housing insecurity or who are unhoused.

PROGRAM ACTIVITIES AND SERVICE APPROACH

CONTRACTOR shall provide services in trusted, low-barrier settings and program materials shall be available in English, Spanish, and Tagalog. A Spanish Program Coordinator shall conduct screenings and provide direct support for Spanish-speaking clients.

CONTRACTOR shall offer the following services:

- Opt-in screenings for newly onboarded Older Adults using the Short Form Geriatric Depression Scale (GDS) and UCLA Loneliness Scale. Conducted by trained staff (including Spanish Program Coordinator) primarily by phone through Care Calls.
- Care Calls (Molly Cares) – Regular telephone check-in calls to enrolled older adults for ongoing engagement, early identification of emerging concerns, and reducing isolation.
- Brief Non-Clinical Support that offers emotional reassurance, practical problem-solving, and motivation to connect to services. Not therapy, clinical treatment, or case management.
- Navigation and Linkage – Warm handoffs to referral partners; assistance with scheduling, transportation coordination, and language access; closed-loop follow-up to confirm referral connection and reduce drop-off/no-shows.
- Transportation Support for Behavioral Health Access - Assistance with transportation to reduce barriers to accessing behavioral health services, including rides to counseling, psychiatry, support groups, dementia education, peer support, and pharmacy pick-up.

- Community-Based Wellness Transportation (Angels Express) - Scheduled transportation to community locations and activities that support social connection, reduce isolation, and promote behavioral health and wellbeing among older adults, including senior centers, libraries, and community events.
Outreach and Referral Awareness - Distribute Behavioral Health Resources flyer; conduct an annual holiday health fair; send direct mail in English/Spanish/Tagalog; compile a referral pathway one-page document for referral partners; and track referral sources by type.
- Staff/Volunteer Training – Provide Mental Health First Aid (MHFA) and Question, Persuade, and Refer (QPR) Training for staff/volunteers to strengthen early recognition and safe referrals.

PARTNERSHIPS AND REFERRAL PATHWAYS

CONTRACTOR partners with several agencies and Community-Based Organizations (CBOs) including:

Partner

Napa County Health and Human Services Agency
Aging and Disability Resource Connections Agency
HHSA Mobile Crisis Services
Napa County Adult Protective Services
Providence Mind Boosters
Mentis Therapy/Healthy Minds, Healthy Aging
Other BH & aging service providers

Role / Services

System coordination
Information assistance and referrals
Urgent/crisis referral pathway
Safety concern referrals
Cognitive wellness programming
Outpatient counseling and therapy
Psychiatry, support groups, dementia education, peer support

Referral & Linkage Process:

- Create a 1-page Referral Pathway flyer to distribute to partners
- Update BH resource flyers and distribute to partners
- Warm handoff approach with staff confirming contact info and appointment details
- Assist with scheduling and rescheduling; coordinate transportation
- Support language access for non-English-speaking participants
- Closed-loop follow-up to verify connection and address barriers causing drop-off
- Track referral sources by type (partner agency, outreach event, Care Call, transportation, self-referral)

PROGRAM DELIVERABLES

CONTRACTOR shall produce the following deliverables under the scope of this contract:

Outreach

- 15 outreach activities/events per year

Screenings

- 144 behavioral health screenings per year using the Geriatric Depression Scale (GDS) and UCLA Loneliness Scale

Referrals

- 180 Older Adults served through navigation and linkage per year
- 96 referrals made to partners per year

Successful Linkages

- 72 confirmed linkages to ongoing services per year
- Average time from first contact to confirmed connection will be no more than 30 days

Short-Term Interventions Mental Health

- 5 Care Calls per client, per month completed for enrolled clients
- 60% of clients will report stable or improved scores on the GDS + and UCLA Loneliness Scales based on pre-/post-screening outcomes administered at intake and every 6 months
- 70% of clients will report reduced stress, improved well-being, or reduced isolation in at least at 6-month follow-up

Other activities

- 50 staff/volunteers will complete the MHFA and/or QPR training per year
- 10 non-emergency, including behavioral health-related, appointment rides provided per month with an average duration of 100 minutes per round trip
- 100 Community-Based Wellness Transportation (Angels Express) trips to community wellness destinations per month for 60 passengers

DATA COLLECTION AND REPORTING

CONTRACTOR shall collect, maintain, and report program data in a manner that supports BHSA Early Intervention reporting requirements and COUNTY oversight. Data collection shall be sufficient to describe who is served, what services are delivered, and what outcomes are achieved.

At a minimum, CONTRACTOR shall collect and report data across the following categories:

- **Service Data:** Type, volume, and frequency of outreach, screenings, services, and referrals or linkages to care
- **Demographic and Geographic Data:** Characteristics of individuals served, including age, race/ethnicity, gender, primary language, and service location
- **Impact Data (Outcomes):** Include at least one standardized or program-defined outcome measure aligned with BHSA priorities. Providers should use a measurement approach that is practical for the service model, such as pre/post measurement, post-service feedback, follow-up outcomes, or another reasonable method.
- **Equity and Sustainability Information:** Efforts to provide culturally responsive and linguistically appropriate services and efforts to leverage other funding sources, including Medi-Cal where applicable

CONTRACTOR shall submit *BHSA Quarterly Early Intervention Program Report* to COUNTY using COUNTY-provided template in accordance with the following schedule:

Reporting Period	Reporting due date
July-September	October 31 st
October-December	January 31 st
January-March	April 30 th
April-June	July 31 st

CONTRACTOR shall administer validated and/or COUNTY-approved screening and outcome tools, as appropriate to the service model, and collect participant feedback or satisfaction data to support evaluation of program effectiveness.

INDIVIDUAL SERVICE LEVEL (ISL) ENCOUNTER REPORTING REQUIREMENTS

Beginning January 1, 2027, CONTRACTOR shall collect and report data required for Behavioral Health Individual Service Level (ISL) Code reporting using COUNTY-provided templates and applicable ISL service codes identified in Exhibit D. ISL Code reporting shall be submitted monthly with CONTRACTOR's invoices and shall include required information regarding program activities, direct services to clients, individuals served, service location, units, duration, and expenditures for the benefit of a client, as applicable.

COUNTY will work with CONTRACTOR to ensure that any overlap between the required reporting is addressed through the provided reporting tools and will provide technical assistance when/if necessary.

CONTRACT MONITORING

CONTRACTOR shall maintain documentation sufficient to demonstrate completion of the Early Intervention services, deliverables, and outcomes described in this Scope of Work. Documentation shall support reported service, demographic, referral/linkage, outcome, and expenditure data.

Early Intervention monitoring shall include but is not limited to review of quarterly program reports, ISL reporting, invoices, service logs, outreach and engagement records, screening records, referral and linkage documentation, participant feedback or outcome data, sign-in sheets for events or trainings, and documentation supporting expenditures charged to this Agreement.

CONTRACTOR's performance under this Scope of Work shall be subject to COUNTY monitoring to verify service delivery, progress toward deliverables, accuracy and completeness of reported data, and alignment with BHS Early Intervention requirements. Additional monitoring, compliance, records, access, and corrective action requirements are set forth elsewhere in this Agreement.

REVIEW OF PERFORMANCE

CONTRACTOR shall participate in periodic performance review meetings with COUNTY, either virtually or onsite as requested by COUNTY, to review service delivery, reporting, outcomes, coordination, and any barriers to fulfilling the terms of this Agreement.

CULTURAL COMPETENCE TRAINING

CONTRACTOR shall ensure that all staff providing services under this Agreement complete cultural competence training. CONTRACTOR shall maintain and submit documentation of completed training upon request, which may include sign-in sheets, training agendas, certificates of completion, flyers, or other supporting documentation. Staff may satisfy this requirement through cultural competence training provided by CONTRACTOR or through trainings offered by COUNTY.

RECOGNITION OF COUNTY FUNDING

All press releases, media advisories, print material, other press material, and social media referencing programs funded by BHSA must include the following tagline at the bottom of the release/ advisory:

This program is funded by Napa County Health and Human Services Agency, Behavioral Health Division.

EXHIBIT B
COMPENSATION, FINANCIAL REPORTING, AND BUDGET
July 1, 2026 through June 30, 2027
(and each subsequent automatic annual renewal, terminating no later than June 30, 2029)

Molly's Angels Older Adult BHSA Early Intervention

I. COMPENSATION

CONTRACTOR shall be reimbursed for implementation of the Older Adult BHSA Early Intervention Program as described in Exhibit A. Actual compensation shall be based on CONTRACTOR's actual cost, not to exceed the annual maximum operating budget amount in each Fiscal Year as detailed below.

With the written approval of the Director of COUNTY's Health and Human Services Agency or designee, CONTRACTOR may modify the maximum amount of individual budget items in its final approved budget. The dollar amount of any individual budget item may be reduced without limitation, provided the total dollar amount for all budget items shall remain unchanged, such changes in the budget shall not add a new type of service to the program description, and the administrative cost line item shall remain unchanged. Such changes shall not be effective unless and until notice of consent by Health and Human Services Agency has been given to CONTRACTOR in writing.

Contractor may request to roll over up to 15% of the total annual budget into the subsequent Fiscal Year, subject to explicit written approval by HHSA. Rollovers are restricted to routine administrative or operational variances and will not be authorized for funds unspent due to Contractor's failure to achieve program launch milestones or operationalize programming.

II. Funding Requirements and Non-Duplication of Funding

Funds provided under the BHSA are intended to support services that are not otherwise reimbursable through Medi-Cal, Managed Care Plans, or other funding. Providers are expected to make a good faith effort to identify and utilize all appropriate reimbursement sources and avoid duplication of funding. This includes, as applicable, billing Medi-Cal for covered services, contracting with Managed Care Plans, and pursuing Medi-Cal certification through Napa County Behavioral Health for services that may be eligible for reimbursement.

III. Fiscal Reporting

As specified under General Terms & Conditions, all payments for compensation shall be made only upon presentation by CONTRACTOR to COUNTY using the COUNTY's BHSA Invoice Template or using an invoice form approved by the COUNTY. CONTRACTOR shall submit monthly invoices within 30 days of the end of the month to BHInvoices@countyofnapa.org and BHSA@countyofnapa.org. Additionally, as of the service month of January 2027, the monthly

ISL reports shall be submitted with the compensation invoice (please see Exhibit D for ISL Reporting information). Payments may be held until ISL data is received.

The Program Budget detail is as follows:

Annual Budget	Amount
1. Human Resource Expenditures	\$65,800
This category includes the expenses for contractor administrative and program staff and benefits for salaried/hourly/contract employees as appropriate.	
2. Operating Expenditures	\$37,500
This category includes expenses for the contractor and any subcontractor(s) related to program expenses, stipends, services, communications, printing, recruitment costs, training and travel, outreach and promotional expenses.	
3. Subtotal Human Resources and Operating Expenditures	\$103,300
4. Administrative Overhead Attributable to the Project/Program 14.05%	\$14,514
5. TOTAL EI PROGRAM BUDGET	\$117,814

EXHIBIT C

SECTION 2. GENERAL TERMS AND CONDITIONS --VERSION 12

2.1 Term of the Agreement.

(a) Term. The term of this Agreement shall commence on the date first written on page 1 and shall expire on the expiration date set forth on page 1 unless terminated earlier in accordance with Paragraphs 2.9 (Termination for Cause), 2.10 (Other Termination) or 2.23(a) (Covenant of No Undisclosed Conflict).

(b) Automatic Renewal. The term of this Agreement shall be automatically renewed for an additional year at the end of each fiscal year, under the same terms and conditions, unless either party gives the other party written notice of intention not to renew no less than thirty (30) days prior to the expiration of the then current term. For purposes of this Agreement, "fiscal year" shall mean the period commencing on July 1 and ending on June 30. COUNTY authorizes the Department Director to determine whether this Agreement shall not be renewed and to provide the written notice of the intention to not renew on behalf of COUNTY.

(c) Obligations Extending Beyond Term. The obligations of the parties under Paragraphs 2.7 (Insurance) and 2.8 (Hold Harmless/Defense/Indemnification) shall continue in full force and effect after the expiration date or early termination in relation to acts or omissions occurring prior to such dates during the term of the Agreement, and the obligations of CONTRACTOR to COUNTY shall also continue after the expiration date or early termination in relation to the obligations prescribed by Paragraphs 2.15 (Confidentiality), 2.20 (Taxes), 2.21 (Access to Records/Retention), 2.31 (Compliance with Federal Health Care Program Requirements), 2.32 (Compliance with State Medi-Cal Specialty Mental Health Services Requirements), and 2.33 (Compliance with Mental Health Activities Requirements). To the extent the paragraphs referenced in this Paragraph 2.1 may be modified by Specific Terms and Conditions contained in SECTION 3 of this Agreement, the modifications shall also continue after the expiration date or early termination.

2.2 Scope of Services. CONTRACTOR shall provide COUNTY those services set forth in Exhibit "A."

2.3 Compensation.

(a) Compensation/Maximum. In consideration of CONTRACTOR's fulfillment of the promised work, COUNTY shall pay CONTRACTOR at the rates and/or in the amount(s) set forth in Exhibit "B". The maximum payment for the initial term of this Agreement, and the successive maximum payments for each subsequent automatically renewed term, shall each be that maximum amount set forth on page 1; provided, however, that such amounts shall not be construed as guaranteed sums, and compensation shall be based upon services actually rendered and reimbursable expenses actually incurred.

(b) Advance Funding.

1. Use of Funds. To the extent this Agreement may permit advance funding of services and expenses, use of funds delineated in this Agreement is limited to the term of performance unless otherwise modified in accordance with Paragraph 2.17

(Amendment/Modification). COUNTY may at its discretion recapture funds obligated under the authority of this Agreement if expenditure plans are not being met.

2. Reversion of Funds. If funds awarded to CONTRACTOR have not been expended in accordance with this Agreement and COUNTY has determined after consultation with CONTRACTOR that funds will not be spent in a timely manner, such funds will revert to COUNTY for that reason and to the extent permitted by and in a manner consistent with federal and state law, regulations, and policies.

(c) Availability of Funds. It is mutually understood that, for the benefit of both parties, this Agreement may have been written before ascertaining the availability of congressional and/or state legislative appropriation of funds in order to avoid program and fiscal delays that would occur if the Agreement were executed after that determination was made. If funding of this Agreement is dependent upon the availability of congressional and legislative appropriation of funds, then:

1. This Agreement shall be deemed automatically terminated if the Congress and and/or the State Legislature do not appropriate funds needed for this Agreement;

2. At COUNTY's discretion, this Agreement may be deemed automatically terminated or this Agreement may be modified or amended in accordance with Paragraph 2.17 (Amendment/Modifications), if the Congress and/or State Legislature do not appropriate sufficient funds needed for this Agreement; and

3. This Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or State Legislature, or any statute enacted by the Congress or State Legislature, that may in any manner affect the provisions, terms, or funding of this Agreement.

(d) COUNTY may withhold any compensation due CONTRACTOR as an offset for any revenues lost arising from an act or omission in billing or documentation practices by CONTRACTOR. CONTRACTOR shall make COUNTY whole for any such lost revenues.

2.4 Method of Payment.

(a) Invoices. All payments for compensation and reimbursement for expenses shall be made only upon presentation by CONTRACTOR to COUNTY of an itemized billing invoice in a form acceptable to the Napa County Auditor which indicates, at a minimum, CONTRACTOR's name, address, Social Security or Taxpayer Identification Number, itemization of the hours worked or, where compensation is on a per-task basis, a description of the tasks completed during the billing period, the person(s) actually performing the services and the position(s) held by such person(s), and the approved hourly or task rate. Where expense reimbursement is sought, the invoice shall describe the nature and cost of the expense, the task(s) if any to which the expense was related, and the date incurred. CONTRACTOR shall submit invoices not more often than monthly to the Contract Administrator. After review and approval as to form and content, the invoice shall be submitted to the Napa County Auditor no later than fifteen (15) calendar days following receipt.

(b) Legal status. So that COUNTY may properly comply with its reporting obligations under federal and state laws pertaining to taxation, if CONTRACTOR is or becomes a corporation during the term of this Agreement, proof that such status is currently recognized by and complies with the laws of both the state of incorporation or organization and the State of California, if different, shall be provided to the Contract Administrator upon request during the term of this Agreement in a form satisfactory to the Napa County Auditor. Such proof shall

include, but need not be limited to, a copy of any annual or other periodic filings or registrations required by the state of origin or California, the current address for service of process on the corporation or limited liability partnership, and the name of any agent designated for service of process by CONTRACTOR within the State of California.

2.5 Independent Contractor. CONTRACTOR shall perform this Agreement as an independent contractor. CONTRACTOR and the officers, agents and employees of CONTRACTOR are not, and shall not be deemed, COUNTY employees for any purpose, including workers' compensation and employee benefits. CONTRACTOR shall, at CONTRACTOR's own risk and expense, determine the method and manner by which duties imposed on CONTRACTOR by this Agreement shall be performed; provided, however, that COUNTY may monitor the work performed by CONTRACTOR. COUNTY shall not deduct or withhold any amounts whatsoever from the compensation paid to CONTRACTOR, including, but not limited to amounts required to be withheld for state and federal taxes. As between the parties to this Agreement, CONTRACTOR shall be solely responsible for all such payments.

2.6 Specific Performance. It is agreed that CONTRACTOR, including the agents, employees and authorized subcontractors of CONTRACTOR, shall be the sole providers of the services required by this Agreement. Because the services to be performed by CONTRACTOR under the terms of this Agreement are of a special, unique, unusual, extraordinary, and intellectual or time-sensitive character which gives them a peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action of law, COUNTY, in addition to any other rights or remedies which COUNTY may possess, shall be entitled to injunctive and other equitable relief to prevent a breach of this Agreement by CONTRACTOR.

2.7. Insurance. CONTRACTOR shall obtain and maintain in full force and effect throughout the term of this Agreement, and thereafter as to matters occurring during the term of this Agreement, the following insurance coverage:

(a) Workers' Compensation Insurance. To the extent required by law during the term of this Agreement, CONTRACTOR shall provide workers' compensation insurance for the performance of any of CONTRACTOR's duties under this Agreement, including but not limited to, coverage for workers' compensation and employer's liability and a waiver of subrogation, and shall provide COUNTY with certification of all such coverages upon request by COUNTY's Risk Manager.

(b) Liability Insurance. CONTRACTOR shall obtain and maintain in full force and effect during the term of this Agreement the following liability insurance coverages, issued by a company admitted to do business in California and having an A.M. Best rating of A:VII or better, or equivalent self-insurance:

(1) General Liability. Commercial general liability [CGL] insurance coverage (personal injury and property damage) of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence, covering liability or claims for any personal injury, including death, to any person and/or damage to the property of any person arising from the acts or omissions of CONTRACTOR or any officer, agent, or employee of CONTRACTOR under this Agreement. If the coverage includes an aggregate limit, the aggregate limit shall be no less than twice the per occurrence limit.

(2) Professional Liability/Errors and Omissions. Professional liability [or errors and omissions] insurance for all activities of CONTRACTOR arising out of or in connection with this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) per claim.

(3) Comprehensive Automobile Liability Insurance. Comprehensive automobile liability insurance (Bodily Injury and Property Damage) on owned, hired, leased and non-owned vehicles used in conjunction with CONTRACTOR's business of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence. Coverage shall be business auto insurance coverage using Insurance Services Office (ISO) form number CA 0001 06 92 including symbol 1 (any Auto) or the exact equivalent. If CONTRACTOR owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the General Liability Insurance described in subparagraph (b)(1) above. If CONTRACTOR or CONTRACTOR's employees, officers, or agents will use personal automobiles in any way in the performance of this Agreement, CONTRACTOR shall provide evidence of personal auto liability coverage for each such person upon request.

(c) Certificates of Coverage. All insurance coverages referenced in 2.7(b), above, shall be evidenced by one or more certificates of coverage or, with the consent of COUNTY's Risk Manager, demonstrated by other evidence of coverage acceptable to COUNTY's Risk Manager, which shall be filed by CONTRACTOR with the Health and Human Services Agency prior to commencement of performance of any of CONTRACTOR's duties.

(1) The certificate(s) or other evidence of coverage shall reference this Agreement by its COUNTY number or title and department; shall be kept current during the term of this Agreement; shall provide that COUNTY shall be given no less than thirty (30) days prior written notice of any non-renewal, cancellation, other termination, or material change, except that only ten (10) days prior written notice shall be required where the cause of non-renewal or cancellation is non-payment of premium; and shall provide that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, the coverage afforded applying as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.

(2) Waiver of Subrogation and Additional Insured Endorsements. For the commercial general liability insurance coverage referenced in 2.7(b)(1) and, for the comprehensive automobile liability insurance coverage referenced in 2.7(b)(3) where the vehicles are covered by a commercial policy rather than a personal policy, CONTRACTOR shall also file with the evidence of coverage an endorsement from the insurance provider naming COUNTY, its officers, employees, agents and volunteers as additional insureds and waiving subrogation. For the Workers Compensation insurance coverage, CONTRACTOR shall file with the evidence of coverage an endorsement waiving subrogation.

(3) The certificate or other evidence of coverage shall provide that if the same policy applies to activities of CONTRACTOR not covered by this Agreement, then the limits in the applicable certificate relating to the additional insured coverage of COUNTY shall pertain only to liability for activities of CONTRACTOR under this Agreement, and that the insurance provided is primary coverage to COUNTY with respect to any insurance or self-insurance programs maintained by COUNTY. The additional insured endorsements for the general liability coverage shall use Insurance Services Office (ISO) Form No. CG 20 09 11 85 or CG 20

10 11 85, or equivalent, including (if used together) CG 2010 10 01 and CG 2037 10 01; but shall not use the following forms: CG 20 10 10 93 or 03 94.

(4) Upon request by COUNTY's Risk Manager, CONTRACTOR shall provide or arrange for the insurer to provide within thirty (30) days of the request, certified copies of the actual insurance policies or relevant portions thereof.

(d) Deductibles/Retentions. Any deductibles or self-insured retentions shall be declared to, and be subject to approval by, COUNTY's Risk Manager, which approval shall not be denied unless the COUNTY's Risk Manager determines that the deductibles or self-insured retentions are unreasonably large in relation to compensation payable under this Agreement and the risks of liability associated with the activities required of CONTRACTOR by this Agreement. At the option of and upon request by COUNTY's Risk Manager if the Risk Manager determines that such deductibles or retentions are unreasonably high, either the insurer shall reduce or eliminate such deductibles or self-insurance retentions as respects COUNTY, its officers, employees, agents and volunteers or CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

(e) Inclusion in Subcontracts. CONTRACTOR agrees to require all subcontractors and any other entity or person who is involved in providing services under this Agreement to comply with the Workers Compensation and General Liability insurance requirements set forth in this Paragraph 2.7.

(f) Failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve CONTRACTOR, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

2.8 Hold Harmless/Defense/Indemnification.

(a) In General. To the full extent permitted by law, CONTRACTOR shall hold harmless, defend at its own expense, and indemnify COUNTY and the officers, agents, employees and volunteers of COUNTY from any and all liability, claims, losses, damages or expenses, including reasonable attorney's fees, for personal injury (including death) or damage to property, arising from all acts or omissions to act of CONTRACTOR or its officers, agents, employees, volunteers, contractors and subcontractors in rendering services under this Agreement, excluding, however, such liability, claims, losses, damages or expenses arising from the sole negligence or willful acts of COUNTY or its officers, agents, employees or volunteers or other contractors or their subcontractors. Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, providing that nothing shall require either party to disclose any documents, records or communications that are protected under peer review privilege, attorney-client privilege, or attorney work product privilege.

(b) Obligations Relating to Criminal Background Checks.

1. If CONTRACTOR's obligations under this Agreement involve contact with vulnerable populations such as children, elderly, mentally ill or disabled persons (hereafter in this paragraph referred to as "third persons"), then CONTRACTOR shall investigate by all lawful means, including but not limited to obtaining information from official government sources as the result of taking fingerprints, the criminal background of each and all of its officers, agents, employees, interns, and volunteers, however denominated (hereafter, "employees"), who

will have direct personal contact with, or provide direct personal services to, third persons in the performance of this contract. Depending upon the information acquired by its investigation, CONTRACTOR shall not allow any of its employees to have personal contact with, or provide direct personal services to, third persons where it may reasonably be concluded as a result of its investigation that an employee should not have such contact or provide such service. Nothing herein requires CONTRACTOR to investigate the criminal background of an employee who is currently licensed by the State of California and whose license requires a criminal background investigation.

2. Notwithstanding anything to the contrary in (a) or (c), CONTRACTOR shall defend and indemnify COUNTY and its officers, agents and employees from any and all claims, actions, settlements or judgments of whatever kind which may arise from the failure of CONTRACTOR to conduct the criminal background investigation described in this subparagraph (b) or from the failure of CONTRACTOR after the investigation to reasonably disallow an employee from having such personal contact or providing such direct personal service.

(c) Employee Character and Fitness. CONTRACTOR accepts responsibility for determining and approving the character and fitness of its employees (including volunteers, agents or representatives) to provide the services required of CONTRACTOR under this Agreement, including completion of a satisfactory criminal/background check and period rechecks to the extent permitted by law. Notwithstanding anything to the contrary in this Paragraph, CONTRACTOR shall hold COUNTY and its officers, agents and employees harmless from any liability for injuries or damages resulting from a breach of this provision or CONTRACTOR's actions in this regard.

2.9 Termination for Cause.

(a) If either party shall fail to fulfill in a timely and proper manner that party's obligations under this Agreement or otherwise breach this Agreement and fail to cure such failure or breach within ten (10) days of receipt of written notice from the other party describing the nature of the breach, the non-defaulting party may, in addition to any other remedies it may have, terminate this Agreement by giving five (5) days written notice to the defaulting party in the manner set forth in Paragraph 2.13 (Notices).

(b) The Department Director is delegated the authority to terminate this Agreement in accordance with this Paragraph on behalf of COUNTY, but may exercise such authority only after consultation with, and concurrence of, the County Counsel and the County Executive Officer or their respective designees; however, nothing in this delegation prevents the Department Director from requesting the Board of Supervisors to terminate this Agreement under this Paragraph.

2.10 Other Termination.

(a) This Agreement may be terminated by either party for any reason and at any time by giving prior written notice of such termination to the other party specifying the effective date thereof at least thirty (30) days prior to the effective date; provided, however, that no such termination may be effected by COUNTY unless an opportunity for consultation is provided prior to the effective date of the termination.

(b) The Department Director is delegated the authority to terminate this Agreement in accordance with this Paragraph on behalf of COUNTY, but may exercise such authority only after consultation with, and concurrence of, the County Counsel and the County Executive Officer or their respective designees; however, nothing in this delegation prevents the Department Director from requesting the Board of Supervisors to terminate this Agreement under this Paragraph.

2.11. Disposition of, Title to and Payment for Work upon Expiration or Termination.

(a) Upon expiration or termination of this Agreement, if and to the extent CONTRACTOR has provided services through Software and Applications materials licensed to COUNTY, COUNTY shall promptly return the Software and Application materials to CONTRACTOR. In addition, to the extent CONTRACTOR maintains COUNTY data on those portions of digital software hosted by CONTRACTOR and not controlled by COUNTY ("County data"), CONTRACTOR shall promptly return County data to COUNTY Information Technology Department (ITS) in a format designated by ITS and shall subsequently purge County data from CONTRACTOR's systems upon confirmation from COUNTY that the copy of the data provided to COUNTY is comprehensive of the data previously hosted by CONTRACTOR.

(b) Upon expiration or termination of this Agreement, all finished or unfinished documents and other materials, if any, and all rights therein shall become, at the option of COUNTY, the property of and shall be promptly returned to COUNTY, although CONTRACTOR may retain a copy of such work for its personal records only. Unless otherwise expressly provided in this Agreement, any copyrightable or patentable work created by CONTRACTOR under this Agreement shall be deemed a "work made for hire" for purposes of copyright or patent law and only COUNTY shall be entitled to claim or apply for the copyright or patent thereof.

(c) Notwithstanding the provisions set forth in subparagraph (b) above, if the services involve development or improvement of previously patented inventions or previously copyrighted software, upon expiration or termination of this Agreement, title to, ownership of, and all applicable patents, copyrights and trade secrets in the products developed or improved under this Agreement, shall remain with CONTRACTOR or any other person or entity if such person previously owned or held such patents, copyrights, and trade secrets, and such persons shall retain complete rights to market such product; provided, however, that COUNTY shall receive, at no additional cost, a perpetual license to use such products for its own use or the use of any consortium or joint powers agency to which COUNTY is a party. If the product involves a source code, CONTRACTOR shall either provide a copy of the source code to COUNTY or shall place the source code in an escrow account, at CONTRACTOR's expense, from which the source code may be withdrawn and used by COUNTY for the sole purpose of maintaining and updating the system dependent upon such code when such use is necessary to prevent loss of service to COUNTY.

(d) CONTRACTOR shall be entitled to receive compensation for any satisfactory work completed prior to expiration or receipt of the notice of termination or commenced prior to receipt of notice of termination and completed satisfactorily prior to the effective date of the termination; except that CONTRACTOR shall not be relieved of liability to COUNTY for damages sustained by COUNTY by virtue of any breach of the Agreement by CONTRACTOR

whether or not the Agreement expired or was otherwise terminated, and COUNTY may withhold any payments not yet made to CONTRACTOR for purpose of setoff until such time as the exact amount of damages due to COUNTY from CONTRACTOR is determined.

2.12 No Waiver. The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.

2.13 Notices.

(a) In General. Except as set forth in subparagraph (b) below with respect to notice of automatically adopted provisions, all notices required or authorized by this Agreement shall be in writing and shall be delivered in person or by deposit in the United States mail, by certified mail, postage prepaid, return receipt requested. Any notice sent by mail in the manner prescribed by this subparagraph shall be deemed to have been received on the date noted on the return receipt or five days following the date of deposit, whichever is earlier. Any mailed notice, demand, request, consent, approval or communication that COUNTY desires to give to CONTRACTOR shall be addressed to CONTRACTOR's Contract Contact Person at the mailing address set forth in SECTION 1 of this Agreement. Any mailed notice, demand, request, consent, approval or communication that CONTRACTOR desires to give to COUNTY shall be addressed to COUNTY's Contract Administrator at the mailing address set forth in SECTION 1 of this Agreement. Either party may change its address by notifying the other party of the change of address.

(b) Provisions Adopted Automatically. COUNTY reserves the right to provide notice to CONTRACTOR via facsimile of terms, which automatically become part of this Agreement upon approval by the Napa County Board of Supervisors. Notice delivered by facsimile shall be deemed to have been received on the date a successful delivery confirmation report is generated.

(c) Waiver of Notice by CONTRACTOR. If receipt of notice is refused by CONTRACTOR or if notice is undeliverable due to CONTRACTOR's failure to provide a change of address, notice shall be deemed waived and COUNTY may proceed as though notice were accomplished.

2.14 Compliance with COUNTY Policies on Waste, Harassment, Drug/Alcohol-Free Workplace, and Computer Use. CONTRACTOR hereby agrees to comply, and require its employees and subcontractors to comply, with the following policies, copies of which are on file with the Clerk of the Board of Supervisors and incorporated by reference herein. Future versions of the following policies shall automatically become part of this Agreement upon approval by the Napa County Board of Supervisors and notice to CONTRACTOR pursuant to Paragraph 2.13. CONTRACTOR also agrees that it shall not engage in any activities, or permit its officers, agents and employees to do so, during the performance of any of the services required under this Agreement, which would interfere with compliance or induce violation of these policies by COUNTY employees or contractors.

(a) Waste Source Reduction and Recycled Product Content Procurement Policy.

(b) County of Napa "Policy for Maintaining a Harassment and Discrimination Free Work Environment."

(c) Drug and Alcohol Policy.

(d) Napa County Information Technology Use and Security Policy. To this end, all

employees and subcontractors of CONTRACTOR whose performance of services under this Agreement requires access to any portion of the COUNTY computer network shall sign and have on file with COUNTY's ITS Department prior to receiving such access the certification attached to said Policy.

(e) Napa County Workplace Violence Policy, adopted by the BOS effective May 23, 1995 and subsequently revised effective November 2, 2004, which is located in the County of Napa Policy Manual Part I, Section 37U.

2.15 Confidentiality.

(a) Maintenance of Confidential Information. Confidential information is defined as all information disclosed to or created by CONTRACTOR which relates to COUNTY's past, present, and future activities, as well as activities under this Agreement. CONTRACTOR shall hold all such information as CONTRACTOR may receive or create, if any, in trust and confidence, except with the prior written approval of COUNTY, as expressed through the Department Director. Upon cancellation or expiration of this Agreement, to the extent permitted by law, CONTRACTOR shall return to COUNTY all written and descriptive matter which contains any such confidential information, except that CONTRACTOR may retain for its files a copy of CONTRACTOR's work product if such product has been made available to the public by COUNTY.

(b) Protection of Personally Identifiable Information and Protected Health Information.

(1) To the extent CONTRACTOR is provided, creates, or has access to, Protected Health Information (PHI), Personally Identifiable Information (PII), or any other legally protected confidential information or data in any form or matter (collectively referred to as "Protected Information"), CONTRACTOR shall adhere to all federal, state and local laws, rules and regulations protecting the privacy of such information. CONTRACTOR shall adhere to all existing and future federal, state and local laws, rules and regulations regarding the privacy and security of Protected Information, including, but not limited to, laws and regulations requiring data encryption or policy and awareness programs for the protection of COUNTY Protected Information provided to, or accessed or created by, CONTRACTOR.

(2) CONTRACTOR agrees to adhere to the applicable terms regarding the privacy and security of Protected Information as set forth in the COUNTY-entity agreements identified in Paragraph 1.8 of Section 1 of this Agreement (Contract Administration). CONTRACTOR shall also observe and comply with those requirements set forth in "Addendum For Contracts Involving Protected Information Subject to Confidentiality or Security Provisions of County's Agreements with Other Entities" which is incorporated by reference herein, is on file with the Clerk of the Board of Supervisors and the Department, and is also online at: www.napacounty.gov.

(3) CONTRACTOR shall ensure that its staff is trained to its privacy and security policies and procedures and that appropriate physical, technological and administrative safeguards are in place to protect the confidentiality of COUNTY's Protected Information, including, but not limited to, PHI and PII. Upon request, CONTRACTOR shall make available to COUNTY its policies and procedures, staff training records and other documentation of compliance with this Paragraph 2.15.

(4) CONTRACTOR agrees to notify COUNTY, by and through the Napa County Privacy Officer at 2751 Napa Valley Corporate Dr. Suite B, Napa, CA 94559, or 707.253-4715, immediately in the following instances:

(A) Upon the discovery of a breach of PHI/PII/other Protected Information in electronic or other media;

(B) Upon the discovery that PHI/PII/other Protected Information was, or is reasonably believed to have been accessed or acquired by an unauthorized person;

(C) Upon the discovery of a suspected security incident that involves PHI/PII/other Protected Information; or

(D) Upon the discovery of any breach, security incident, intrusion, or unauthorized access, use, or disclosure of PHI/PII/other Protected Information.

(5) CONTRACTOR will be responsible for all costs associated with CONTRACTOR's breach of the security and privacy of PHI/PII/other Protected Information, or its unauthorized access to or disclosure of PHI/PII/or other Protected Information, including, but not limited to, mitigation of the breach, cost to the County of any monetary sanctions resulting from breach, notification of individuals affected by the breach, and any other action required by federal, state, or local laws, rules or regulations applicable at the time of the breach.

(c) To the extent CONTRACTOR creates, is provided, or has access to applications and records concerning any individual made or kept by COUNTY in connection with public social services (records) as defined in California Welfare & Institutions Code Section 10850, CONTRACTOR shall maintain the confidentiality of such records in accordance with Section 10850, except as otherwise permitted by COUNTY and as necessary for purposes of providing services under this Agreement.

(d) Protection of County Data. If CONTRACTOR will be processing and storing the COUNTY's data in an offsite location, such as a cloud service site, cloud storage site, hosted application site, or hosted storage site, CONTRACTOR shall guarantee that such data is encrypted using an encryption algorithm that meets the current US Department of Defense minimum requirements in order to protect COUNTY data against a breach of protected data if lost or stolen. All offsite cloud applications and storage systems utilized by CONTRACTOR shall be located in the United States, which includes any backup and failover facilities. Application and storage solutions in any foreign location is prohibited.

All desktop and laptop computers, as well other similar type computer systems, used by CONTRACTOR shall be encrypted using the same encryption algorithm described above. All data in transit shall require the same encryption. Storage of COUNTY data on removable portable storage is prohibited.

Upon termination of this agreement, CONTRACTOR shall purge all COUNTY data from all CONTRACTOR systems using a forensic grade deletion that conforms to US Department of Defense DoD 5220.22-M (E) standards.

CONTRACTOR shall reimburse the COUNTY for all associated costs of a breach, including but not limited to reporting costs and associated penalties the COUNTY must bear.

(e) HHS Contractor Security Requirements. Whenever CONTRACTOR utilizes their own equipment to perform work under this Agreement, CONTRACTOR warrants that they have reviewed "HHS Contractor Security Requirements" and can adhere to the minimum standards at all time. A copy of "HHS Contractor Security Requirements" which is incorporated by reference herein, is on file with the Clerk of the Board of Supervisors and the Department, and is also online at: www.napacounty.gov.

2.16 No Assignments or Subcontracts.

(a) In general. A consideration of this Agreement is the personal reputation of CONTRACTOR; therefore, CONTRACTOR shall not assign any interest in this Agreement or subcontract any of the services CONTRACTOR is to perform hereunder without the prior written consent of COUNTY, which shall not be unreasonably withheld. The inability of the assignee to provide personnel equivalent in experience, expertise, and numbers to those provided by CONTRACTOR, or to perform any of the remaining services required under this Agreement within the same time frame required of CONTRACTOR shall be deemed to be reasonable grounds for COUNTY to withhold its consent to assignment. For purposes of this subparagraph, the consent of COUNTY may be given by the Department Director.

(b) Effect of Change in Status. If CONTRACTOR changes its status during the term of this Agreement from or to that of a corporation, limited liability partnership, limited liability company, general partnership, or sole proprietorship, such change in organizational status shall be viewed as an attempted assignment of this Agreement by CONTRACTOR. Failure of CONTRACTOR to obtain approval of such assignment under this Paragraph shall be viewed as a material breach of this Agreement.

2.17 Amendment/Modification.

(a) Except as specifically provided herein, this Agreement may be modified or amended only in writing and with the prior written consent of both parties. In particular, only COUNTY, by the Department Director (as long as the aggregate compensation payable to CONTRACTOR by COUNTY under this and all prior agreements with CONTRACTOR will not exceed \$10,000), or by COUNTY's Purchasing Agent (as long as the aggregate compensation payable to CONTRACTOR by COUNTY under this and all prior agreements with CONTRACTOR will not exceed the maximum aggregate amount for Purchasing Agent contracts as specified by Napa County Code section 2.36.040 (G)) or by COUNTY's Board of Supervisors (in all other instances), in the form of an amendment of this Agreement, may authorize extra and/or changed work if beyond the scope of services prescribed by "Exhibit A." Failure of CONTRACTOR to secure such authorization in writing in advance of performing any of the extra or changed work shall constitute a waiver of any and all rights to adjustment in the contract price or contract time and no compensation shall be paid for such extra work.

(b) Notwithstanding anything to the contrary in (a), this Agreement may be unilaterally modified by COUNTY upon written notice to CONTRACTOR under the following circumstances:

1. There is a decrease in state or federal funding needed for this Agreement;
2. There is a no-cost extension of the end date of the Agreement as authorized by a state or federal funding source; or
3. There is a change in state/federal law or regulation requiring a change in a provision of this Agreement.

(c) The Department Director is delegated the authority to modify this Agreement in accordance with subparagraph (b), but may exercise such authority only after consultation with, and concurrence of, the County Counsel and the County Executive Officer or their respective designees; provided, however, that nothing in this delegation prevents the Department Director from requesting the Board of Supervisors to modify this Agreement under subparagraph (b).

2.18 Interpretation; Venue.

(a) Interpretation. The headings used herein are for reference only. The terms of the Agreement are set out in the text under the headings. This Agreement shall be governed by the laws of the State of California without regard to the choice of law or conflicts.

(b) Venue. This Agreement is made in Napa County, California. The venue for any legal action in state court filed by either party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement shall be in the Superior Court of California, County of Napa, a unified court. The venue for any legal action in federal court filed by either party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement lying within the jurisdiction of the federal courts shall be the Northern District of California. The appropriate venue for arbitration, mediation or similar legal proceedings under this Agreement shall be Napa County, California; however, nothing in this sentence shall obligate either party to submit to mediation or arbitration any dispute arising under this Agreement.

2.19 **Compliance with Laws.** CONTRACTOR shall observe and comply with all applicable Federal, State and local laws, ordinances, and codes. **CONTRACTOR acknowledges its independent duty to be and to remain informed of all changes in such laws without reliance on COUNTY to provide notice of such changes.** Such laws shall include, but not be limited to, the following, except where prohibited by law:

(a) Non-Discrimination. During the performance of this Agreement, CONTRACTOR and its subcontractors shall not deny the benefits thereof to any person on the basis of race, color, ancestry, national origin or ethnic group identification, religion or religious creed, gender or self-identified gender, sexual orientation, marital status, age (over 40), mental disability, physical disability, genetic information, or medical condition (including cancer, HIV and AIDS), or political affiliation or belief nor shall they discriminate unlawfully against any employee or applicant for employment because of race, color, ancestry, national origin or ethnic group identification, religion or religious creed, gender or self-identified gender, sexual orientation, marital status, age (over 40), mental disability, physical disability, genetic information, or medical condition (including cancer, HIV and AIDS, use of family care leave, or political affiliation or belief. CONTRACTOR shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination or harassment. In addition to the foregoing general obligations, CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), the regulations promulgated thereunder (Title 2, California Code of Regulations, section 7285.0, et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (sections 11135-11139.5) and any state or local regulations adopted to implement any of the foregoing, as such statutes and regulations may be amended from time to time. To the extent this Agreement subcontracts to CONTRACTOR services or works required of COUNTY by the State of California pursuant to agreement between COUNTY and the State, the applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a) through (f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are expressly incorporated into this Agreement by reference and made a part hereof as if set forth in full, and CONTRACTOR and any of its subcontractors shall give written notice of their obligations thereunder to labor organizations with which they have collective bargaining or other agreements.

(b) Documentation of Right to Work. CONTRACTOR agrees to abide by the requirements of the Immigration and Control Reform Act pertaining to assuring that all newly-hired employees of CONTRACTOR performing any services under this Agreement have a legal right to work in the United States of America, that all required documentation of such right to work is inspected, and that INS Form 1-9 (as it may be amended from time to time) is completed and on file for each employee. CONTRACTOR shall make the required documentation available upon request to COUNTY for inspection.

(c) Federal Grant Source. Notwithstanding anything to the contrary in this Agreement, if the funds for this Agreement are derived from a grant from a federal agency, pursuant to 29 CFR 97.36(i)(8) and (9), CONTRACTOR is hereby notified of, and shall comply with the requirements and regulations imposed by the federal granting agency with respect to any discovery or invention which arises or is developed pursuant to this Agreement, and pertaining to any copyrights or rights in data created or otherwise developed when engaging in activities of CONTRACTOR under this Agreement. The requirements and regulations imposed by the federal granting agency are set forth in the original grant agreement specified in Section 1 of the Agreement and are incorporated by reference herein. The original grant agreement is on file with the Clerk of the Board of Supervisors.

(d) Prevailing Wages. If the services to be provided relate to construction or pre-construction-related services, including but not limited to testing, surveying, and inspection, then this Agreement includes the following provisions:

(1) Affected work. CONTRACTOR shall comply with Labor Code sections 1774 and 1775 in relation to payment of prevailing wages for any portion of the required work performed under this Agreement on or after January 1, 2002 relating to construction design, testing, surveying and/inspection work, and construction if the State Director of Industrial Relations has established prevailing wage rates for the types of work involved.

(2) Prevailing wages rates. In accordance with the provisions of Section 1774 of the Labor Code of the State of California, to the extent the Director of Industrial Relations has established the general prevailing rate of wages (which rate includes employer payments for health and welfare, pension, vacation and similar purposes) for the above-described portions of the work required under this Agreement, such rates of wages will be on file and available for inspection at the office of the County of Napa Department of Public Works, 1195 Third Street, Room 201, Napa, California.

(3) Payroll records. In accordance with Labor Code section 1776, a copy of all payrolls for work subject to this subparagraph shall be submitted weekly to COUNTY's Director of Public Works. Payrolls shall contain the full name, address and social security number of each employee, his correct classification, rate of pay, daily and weekly number of hours worked, itemized deductions made and actual wages paid. They shall also indicate apprentices and ratio of apprentices to journeymen. The employee's address and social security number need only appear on the first payroll on which his name appears. The payroll shall be accompanied by a "Statement of Compliance" signed by the employer or his agent indicating that the payrolls are correct and complete and that the wage rates contained therein are not less than those required by the contract. The "Statement of Compliance" shall be on forms furnished by the Director of Public Works or his designee or on any form with identical wording. CONTRACTOR shall be responsible for the submission of copies of payrolls of all subcontractors.

(4) Apprentices. CONTRACTOR shall be responsible for ensuring compliance with the provisions of Labor Code section 1777.5 relating to employment and

payment of apprentices for work under this Agreement relating to land surveying and/or construction inspection if the total compensation to be paid CONTRACTOR for such work is \$30,000 or more.

(e) **Inclusion in Subcontracts.** To the extent any of the services required of CONTRACTOR under this Agreement are subcontracted to a third party, CONTRACTOR shall include all of the provisions of this Paragraph 2.19 in all such subcontracts as obligations of the subcontractor.

(f) Notwithstanding any other provisions of this contract, CONTRACTOR represents that it will comply with the applicable cost principles and administrative requirements including claims for payment or reimbursement by COUNTY as set forth in 2 C.F.R. 200 et. seq., as currently enacted or as may be amended throughout the term of this Agreement.

2.20 Taxes. CONTRACTOR agrees to file all applicable federal and state tax returns or applicable withholding documents and to pay all applicable taxes or to make all required withholdings on amounts paid pursuant to this Agreement, and shall be solely liable and responsible to make such withholdings and/or pay such taxes and other obligations including, without limitation, state and federal income and FICA taxes. CONTRACTOR agrees to indemnify and hold COUNTY harmless from any liability it may incur to the United States or the State of California as a consequence of CONTRACTOR's failure to pay or withhold, when due, all such taxes and obligations. In the event that COUNTY is audited for compliance regarding any withholding or other applicable taxes or amounts, CONTRACTOR agrees to furnish COUNTY with proof of payment of taxes or withholdings on those earnings.

2.21 Access to Records/Retention. COUNTY, any federal or state grantor agency funding all or part of the compensation payable hereunder, the State Controller, the Comptroller General of the United States, or the duly authorized representatives of any of the above, shall have access to any books, documents, papers and records of CONTRACTOR which are directly pertinent to the subject matter of this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law, CONTRACTOR shall maintain all required records, including clinical documentation, for at least ten (10) years after COUNTY makes final payment for any other work authorized hereunder and all pending matters are closed, whichever is later.

2.22 Authority to Contract. CONTRACTOR and COUNTY each warrant hereby that they are legally permitted and otherwise have the authority to enter into and perform this Agreement. The parties further warrant that the signatories to this Agreement are authorized to execute this Agreement on behalf of their respective parties and that any action necessary to bind each such party has been taken by that party prior to entering into this Agreement.

2.23 Conflict of Interest.

(a) **Covenant of No Undisclosed Conflict.** The parties to the Agreement acknowledge that they are aware of the provisions of Government Code section 1090, et seq., and section 87100, et seq., relating to conflict of interest of public officers and employees. CONTRACTOR hereby covenants that it presently has no interest not disclosed to COUNTY and shall not acquire any interest, direct or indirect, which would conflict in any material manner or degree with the performance of its services or confidentiality obligation hereunder, except as such as COUNTY

may consent to in writing prior to the acquisition by CONTRACTOR of such conflict. CONTRACTOR further warrants that it is unaware of any financial or economic interest of any public officer or employee of County relating to this Agreement. CONTRACTOR agrees that if such financial interest does exist at the inception of this Agreement, COUNTY may terminate this Agreement immediately upon giving written notice without further obligation by COUNTY to CONTRACTOR under this Agreement. The Department Director is delegated the authority to terminate this Agreement in accordance with this Paragraph on behalf of COUNTY, but may exercise such authority only after consultation with, and concurrence of, the County Counsel and the County Executive Officer or their respective designees; however, nothing in this delegation prevents the Department Director from requesting the Board of Supervisors terminate this Agreement.

(b) Statements of Economic Interest. CONTRACTOR acknowledges and understands that COUNTY has developed and approved a Conflict of Interest Code as required by state law which requires CONTRACTOR to file with the Elections Division of the Napa County Assessor-Clerk Recorder “assuming office”, “annual”, and “leaving office” Statements of Economic Interest as a “consultant”, as defined in section 18701(a)(2) of Title 2 of the California Code of Regulations, unless COUNTY, through a person authorized to execute this Agreement on behalf of COUNTY, or the Department Director, has determined in writing that CONTRACTOR, although holding a “designated” position as a consultant, has been hired to perform a range of duties so limited in scope as to not be required to fully comply with such disclosure obligation. CONTRACTOR agrees to timely comply with all filing obligations for a consultant under COUNTY’s Conflict of Interest Code unless such a determination is on file on the filing dates for each of the required Statements of Economic Interest.

2.24 Non-Solicitation of Employees. Each party agrees not to solicit for employment the employees of the other party who were directly involved in the performance of the services hereunder for the term of this Agreement and a period of six (6) months after termination of this Agreement except with the written permission of the other party, except that nothing in this Paragraph shall preclude either party from publishing or otherwise distributing applications and information regarding that party’s job openings where such publication or distribution is directed to the general public.

2.25 Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create any rights in third parties and the parties do not intend to create such rights.

2.26 Attorney’s Fees. In the event that either party commences legal action of any kind or character to either enforce the provisions of this Agreement or to obtain damages for breach thereof, the prevailing party in such litigation shall be entitled to all costs and reasonable attorney’s fees incurred in connection with such action.

2.27 Severability. If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

2.28 **Entirety of Contract.** This Agreement, including documents incorporated by reference and not attached hereto, constitutes the entire agreement between the parties relating to the subject of this Agreement and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the parties with respect to the subject matter hereof.

2.29. **Other Terms and Conditions [Reserved.]**

2.30 **Acknowledgment of Funds; Compliance with Government Code Section 7550.**

(a) **In General.** Because the monies provided by COUNTY are funded by taxpayer dollars, it is important that the public know the individuals and organizations that are receiving funds from COUNTY under this Agreement. Therefore, CONTRACTOR shall acknowledge funding received under this Agreement in statements or printed materials relating thereto. All printed materials shall contain the following information in a type size and style appropriate to the materials: “Made possible by funding provided by the County of Napa.”

(b) **Compliance With Government Code Section 7550.** In addition, if the Scope of Work includes preparation of a document or written report and the total cost of the work is more than \$5,000, each document or report prepared by CONTRACTOR for or under the direction of COUNTY pursuant to this Agreement shall contain the numbers and dollar amounts of the Agreement and all subcontracts under the Agreement relating to the preparation of the document or written report as required by Government Code section 7550. The Agreement and subcontract dollar amounts shall be contained in a separate section of the document or written report. If multiple documents or written reports are the subject of the Agreement or subcontracts, the disclosure section may also contain a statement indicating that the total contract amount represents compensation for multiple documents or written reports.

2.31 **Compliance with Federal Health Care Program Requirements.** If CONTRACTOR will be performing services under this Agreement that are covered by a Federal Health Care Program, then:

(a) CONTRACTOR shall observe and comply with all applicable Federal Health Care Program Requirements, including but not limited to those requirements set forth in “Addendum For Contracts Involving Federal Health Care Programs—Revision of March 22, 2021.” The Addendum is incorporated by reference as if set forth herein. A copy of the Addendum is on file with and available for inspection in the offices of the Clerk of the Napa County Board of Supervisors and the Department and is online at: www.napacounty.gov.

(b) CONTRACTOR shall attend and/or provide Compliance Trainings as required by the Department Director unless otherwise deemed exempt by the Department Director or designee thereof.

(c) CONTRACTOR shall make COUNTY whole for any revenues lost arising from an act or omission in billing practices by CONTRACTOR.

(d) CONTRACTOR warrants that no one providing services is an Excluded Individual as such term is defined for Federal Health Care Programs.

(e) CONTRACTOR shall pay any penalty or fine assessed against COUNTY arising from CONTRACTOR’s failure to comply with the obligations imposed by the “Addendum for Contractors Involving Federal Health Care Programs”. Said penalties and fines that may be

assessed are as follows: civil monetary penalties of \$11,000 per item or service; treble damages for the submission of claims for reimbursement from an excluded health care provider.

(f) CONTRACTOR shall pay any penalty or fine assessed against COUNTY arising from CONTRACTOR's failure to comply with all applicable Federal or State Health Care Program Requirements, including, but not limited to any penalties or fines which may be assessed under a Federal or State False Claims Act provision.

(g) To the extent any of the services required of CONTRACTOR under this Agreement are subcontracted to a third party, CONTRACTOR shall include the provisions of the Addenda in all such subcontracts as obligations of the subcontractor.

(h) CONTRACTOR agrees to abide by COUNTY'S policies entitled "Whistleblower Protections", "The False Claims Act (Federal & State Statutes) & Other Administrative Remedies & Statutes", "Federal Anti-Kickback Prohibitions" and "Physicians Referrals – The Stark Law". The policies are on file with the Clerk of the Napa County Board of Supervisors and the Department and are also online at: www.napacounty.gov.

(i) CONTRACTOR shall provide copies of any and all clinical documentation supporting the services it provided pursuant to this Agreement at any time requested by COUNTY, including after this Agreement is terminated. CONTRACTOR shall provide copies of documentation requested by COUNTY immediately, and by no later than 14 calendar days, after such request is made. As set forth in Paragraph 2.21, CONTRACTOR is required to maintain all records, including clinical documentation, for a period of ten (10) years after COUNTY makes final payment for any work authorized pursuant to this Agreement and after all audit and fiscal matters are closed by COUNTY, whichever is later. Failure by CONTRACTOR to provide such documentation upon request by COUNTY shall subject contractor to monetary damages, in addition to CONTRACTOR reimbursing the payments it received from COUNTY for services related to the requested documentation, and all remedies and damages that COUNTY may seek for CONTRACTOR'S breach of its specific performance of the services provided pursuant to this Agreement.

2.32 Compliance with State Medi-Cal Specialty Mental Health Services Requirements.

If CONTRACTOR, under this Agreement, is required to and performs services that are covered by a State Medi-Cal Specialty Mental Health Services Program, then:

(a) CONTRACTOR shall observe and comply with all applicable State Medi-Cal Specialty Mental Health Services Requirements, including but not limited to those requirements set forth in "Addendum for Contracts Involving Medi-Cal Specialty Mental Health Services-- Revision No. 1" for services performed on or after July 1, 2014. The Addendum is incorporated by reference as if set forth herein. A copy of the Addendum is on file with and available for inspection in the offices of the Clerk of the Napa County Board of Supervisors and the Department and are also online at: www.napacounty.gov.

(b) CONTRACTOR shall provide such documentation as required by the Department Director, Contract Administrator, or designees thereof at any time for purposes of quality assurance, audit, or to substantiate claims for payment. COUNTY may elect to withhold payment, or request reimbursement of payments made, for failure by CONTRACTOR to provide such documentation as required by COUNTY.

(c) CONTRACTOR is subject to any audits of its services or claims conducted by the Department, the California State Department of Mental Health or other auditors. Any resulting audit exemption shall be repaid to COUNTY.

(d) CONTRACTOR shall make COUNTY whole for any losses, including, but not limited to, disallowances for payment or lost revenues identified and discovered by COUNTY that are attributable to CONTRACTOR's actions when performing its obligations under this Agreement, such as insufficient documentation by CONTRACTOR of Medical Necessity or billing errors by CONTRACTOR that preclude COUNTY from claiming the Federal Financial Participation share of Medi-Cal or State General Funds.

(e) To the extent that CONTRACTOR must make COUNTY whole under this Paragraph, COUNTY may elect to withhold any payments for past services, offset against any payments for future services for which CONTRACTOR provides, or demand reimbursement without offset.

(f) CONTRACTOR shall pay any penalty or fine assessed against COUNTY arising from CONTRACTOR's failure to comply with all applicable Federal or State Health Care Program Requirements, including, but not limited to any penalties or fines which may be assessed under a Federal or State False Claims Act provision.

(g) To the extent any of the services required of CONTRACTOR under this Agreement are subcontracted to a third party, CONTRACTOR shall include the provisions of the applicable Addendum in all such subcontracts as obligations of the subcontractor.

(h) CONTRACTOR shall provide copies of any and all clinical documentation supporting the services it provided pursuant to this Agreement at any time requested by COUNTY, including after this Agreement is terminated. CONTRACTOR shall provide copies of documentation requested by COUNTY immediately, and by no later than 14 calendar days, after such request is made. As set forth in Paragraph 2.21, CONTRACTOR is required to maintain all records, including clinical documentation, for a period of ten (10) years after COUNTY makes final payment for any work authorized pursuant to this Agreement and after all audit and fiscal matters are closed by COUNTY, whichever is later. Failure by CONTRACTOR to provide such documentation upon request by COUNTY shall subject contractor to monetary damages, in addition to CONTRACTOR reimbursing the payments it received from COUNTY for services related to the requested documentation, and all remedies and damages that COUNTY may seek for CONTRACTOR'S breach of its specific performance of the services provided pursuant to this Agreement.

2.33 Compliance with Mental Health Activities Requirements. If CONTRACTOR, under this Agreement, is required to perform mental health activities, then:

(a) CONTRACTOR shall provide such documentation as required by the Department Director, Contract Administrator or designees thereof at any time for purposes of quality assurance, audit, or to substantiate claims for payment. COUNTY may elect to withhold payment, or request reimbursement of payments made, for failure by CONTRACTOR to provide such documentation as required by COUNTY.

(b) CONTRACTOR shall be subject to any audits of its services or claims conducted by Department, California State Department of Mental Health or other auditors. Any resulting audit exemption shall be repaid to COUNTY.

(c) CONTRACTOR shall make COUNTY whole for any losses, including, but not limited to, lost revenues as identified and discovered by the COUNTY that are attributable to CONTRACTOR's performance under this Agreement such as CONTRACTOR's insufficient documentation of services as required by the Agreement.

(e) To the extent that CONTRACTOR must make COUNTY whole under this Paragraph, COUNTY may elect to withhold any payments for past services, offset against any payments for future services for which CONTRACTOR provides, or demand reimbursement without offset.

(f) CONTRACTOR shall pay any penalty or fine assessed against COUNTY arising from CONTRACTOR's failure to comply with all applicable requirements.

(g) To the extent any of the services required of CONTRACTOR under this Agreement are subcontracted to a third party; CONTRACTOR shall include the provisions of this Paragraph in all such subcontracts as obligations of the subcontractor.

(h) CONTRACTOR shall provide copies of any and all clinical documentation supporting the services it provided pursuant to this Agreement at any time requested by COUNTY, including after this Agreement is terminated. CONTRACTOR shall provide copies of documentation requested by COUNTY immediately, and by no later than 14 calendar days, after such request is made. As set forth in Paragraph 2.21, CONTRACTOR is required to maintain all records, including clinical documentation, for a period of ten (10) years after COUNTY makes final payment for any work authorized pursuant to this Agreement and after all audit and fiscal matters are closed by COUNTY, whichever is later. Failure by CONTRACTOR to provide such documentation upon request by COUNTY shall subject contractor to monetary damages, in addition to CONTRACTOR reimbursing the payments it received from COUNTY for services related to the requested documentation, and all remedies and damages that COUNTY may seek for CONTRACTOR'S breach of its specific performance of the services provided pursuant to this Agreement.

2.34 Compliance with Federal Health Insurance Portability and Accountability Act of 1996. If CONTRACTOR shall perform services under this Agreement involving the receipt, use, or disclosure of protected health information, then:

(a) Federal and other applicable law. CONTRACTOR shall observe and comply with all applicable requirements of the Federal Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder by the U.S. Department of Health and Human Services (collectively referred to as "HIPAA"), and other applicable laws.

(b) HIPAA Business Associate Agreement. If applicable, CONTRACTOR shall comply with the terms and conditions of the HIPAA Business Associate Agreement previously entered into with COUNTY, which is incorporated by reference herein and on file with the Clerk of the Board of Supervisors.

(c) Use or Disclosure of Protected Health Information. CONTRACTOR may use or disclose protected health information for the purpose of performing functions, activities for or on behalf of COUNTY, as specified in this Agreement, provided that such use or disclosure would not violate HIPAA, if done by COUNTY, or the provisions of any applicable HIPAA Business Associate Agreement.

(d) Subcontractors. To the extent any of the services required of CONTRACTOR under this Agreement are subcontracted to a third party, CONTRACTOR shall require compliance with all applicable HIPAA provisions, other applicable law, and any applicable HIPAA Business Associate Agreement(s) in such subcontracts as obligations of the subcontractor.

2.35 Compliance With COUNTY's Obligations Under Contracts With Other Entities. If CONTRACTOR under this Agreement shall perform services as a subcontractor under COUNTY's contract(s) with other entities, including, but not limited to State and Federal Agencies, and such services involve the use or disclosure of personally identifiable information, then:

(a) CONTRACTOR shall observe and comply with all applicable terms of COUNTY's contract(s) with other entities, including, but not limited to, those requirements set forth in "Addendum For Contracts Involving Personally Identifiable Information Subject to Confidentiality or Security Provisions of County's Agreements with Other Entities" which is incorporated by reference herein, is on file with the Clerk of the Board of Supervisors and the Department, and is also online at: www.napacounty.gov.

(b) CONTRACTOR shall pay any penalty or fine assessed against COUNTY arising from CONTRACTOR's failure to comply with the obligations imposed by the "Addendum for Contracts Involving Personally Identifiable Information Subject to Confidentiality or Security Provisions of County's Agreements with Other Entities".

(c) To the extent any of the services required of CONTRACTOR under this Agreement are subcontracted to a third party, CONTRACTOR shall include the provisions of the "Addendum for Contracts Involving Protected Information Subject to Confidentiality or Security Provisions of County's Agreements with Other Entities" in all such subcontracts as obligations of the subcontractor.

2.36 Napa Health Matters Listing. If CONTRACTOR is an organization providing health, human, or social services of a type recognized for listing on the "Napa Health Matters" website, CONTRACTOR agrees to maintain a current and accurate listing on www.NapaHealthMatters.org for such services.

2.37 Licensure Status.

(a) License in Good Standing. If CONTRACTOR is providing services under this Agreement as a state-licensed professional, CONTRACTOR shall ensure that CONTRACTOR's professional license is in good standing with all applicable licensing boards. CONTRACTOR understands COUNTY may terminate the Agreement if CONTRACTOR fails to maintain a current professional license in good standing. For purposes of this Agreement, "license in good standing" means there is no suspension, revocation or probation for any reason (including the failure to pay licensing fees), nor any restriction upon the provisions of the license: including, but not limited to, restrictions placed by a licensing agency upon CONTRACTOR's license pursuant to any consent or settlement agreement or to an administrative decision of the licensing agency.

(b) Expiration of License. In the event that CONTRACTOR's professional license is not renewed on or before its expiration, CONTRACTOR shall neither provide nor be reimbursed for services pursuant to this Agreement commencing the day after license expiration and until CONTRACTOR's professional license is renewed. For purposes of this Agreement, renewal date is the date the licensing board issues a renewed license, and it is irrelevant whether the licensing board subsequently recognizes any lapse in licensure.

2.38 Code of Ethics. CONTRACTOR understands that Napa County Health and Human Services (HHSA) has adopted a Code of Ethics. If the Department Director determines that the

HHSA Code of Ethics applies to CONTRACTOR's activities under this Agreement, CONTRACTOR shall read, understand, and abide by the Code of Ethics, and CONTRACTOR shall on an annual basis provide written certification to HHSA that CONTRACTOR has received, read, understands, and will abide by HHSA's Code of Ethics. The Code of Ethics may be found online at www.napacounty.gov or may be obtained from HHSA upon written request.

2.39 Electronic Billing System. CONTRACTOR understands that Napa County Health and Human Services (HHSA) operates an electronic billing system program, which seeks reimbursement from the State of California for the delivery of alcohol, drug abuse and mental health services. If CONTRACTOR provides any services related to alcohol, drug abuse or mental health services under the terms of CONTRACTOR's Agreement, CONTRACTOR agrees, upon request of the Director of HHSA or the Director's designee, to implement the COUNTY's sponsored electronic health record system as part of CONTRACTOR's requirement for the delivery of these services.

2.40 Audit Report Requirements. If COUNTY has determined that CONTRACTOR is a "subrecipient" (also known as a "pass-through entity") as defined in 2 C.F.R. § 200 et. seq., CONTRACTOR represents that it will comply with the applicable cost principles and administrative requirements including claims for payment or reimbursement by COUNTY as set forth in 2 C.F.R. § 200 et. seq., as currently enacted or as may be amended throughout the term of this Agreement. CONTRACTOR shall observe and comply with all applicable Audit Report Requirements, including but not limited to those requirements set forth in "Addendum for Contracts Involving Federal Awards." The Addendum is incorporated by reference as if set forth herein. A copy of the Addendum is on file with and available for inspection in the offices of the Clerk of the Napa County Board of Supervisors and the Department and are also online at: www.napacounty.gov.

EXHIBIT D

Individual Service Level (ISL) Code Data Collection and Reporting Requirements for BHSA Early Intervention Programs

1. Individual Service Level (ISL) Encounter Reporting Requirements

Beginning January 1, 2027, the California Department of Health Care Services (DHCS) will require all counties to implement Behavioral Health Individual Service Level (ISL) Early Intervention Encounter Reporting. ISL encounter reporting captures all individual level behavioral health services and expenditures provided directly to clients by County Behavioral Health Systems that are not reimbursable through Medi-Cal funding.

CONTRACTOR shall be responsible for reporting these services and expenditures via ISL Service Codes listed in Exhibit C. CONTRACTOR will be required to collect data on program activities, direct services to clients, individuals served, the location where those services are provided as well as expenditures for the benefit of a client. COUNTY is developing an ISL Reporting Template which CONTRACTOR shall utilize to gather this data.

2. Purpose

This Exhibit establishes CONTRACTOR's obligations related to Individual Service Level (ISL) Code data collection and reporting in support of COUNTY's responsibilities under the Behavioral Health Services Act (BHSA) and related California Department of Health Care Services (DHCS) requirements.

Under BHSA, COUNTY is required to report non-Medi-Cal person-level encounter and expenditure data to DHCS to capture COUNTY-funded behavioral health investments beyond Medi-Cal claims.

Compliance with this Exhibit is a material requirement of the Agreement.

CONTRACTOR acknowledges that ISL Code reporting requirements may evolve as DHCS issues additional guidance and agrees to comply with updated requirements as communicated through COUNTY-issued instructions, guidance, or reporting specifications.

3. Applicability

This Exhibit applies to all services, supports, activities, and expenditures funded in whole or in part by COUNTY behavioral health funds under this Agreement that are not billable to, not claimable to, or not billed to Medi-Cal and therefore are not reflected in Medi-Cal claims data.

4. Services and Expenditures Subject to ISL CODE Reporting

CONTRACTOR shall collect and report ISL CODE data for COUNTY-funded services and expenditures subject to this Exhibit beginning January 1, 2027.

Such services and expenditures may include, but are not limited to:

- Services provided to individuals without Medi-Cal coverage
- Services not claimable under Medi-Cal rules
- Outreach, engagement, and other supportive services not reflected in Medi-Cal claims data
- Direct client expenditures and flexible supports

5. ISL Reporting Codes

CONTRACTOR shall utilize the ISL Codes identified by COUNTY when documenting, reporting, or invoicing services and expenditures subject to ISL reporting requirements.

Only ISL Codes relevant to the services, supports, or expenditures authorized under this Agreement shall apply.

COUNTY may update applicable ISL Codes as necessary to comply with DHCS guidance or COUNTY reporting requirements.

The ISL Codes below may apply to Early Intervention services under this Agreement. CONTRACTOR shall use only the codes relevant to the funded services and activities provided and is not expected to use all listed ISL Codes.

ISL Code	Description	Applicable Program or Service	Notes (Optional)	
School Non-Billable Meeting	Practitioner participation in educational or coordination meetings—such as IEP meetings, student support team meetings, or general school planning sessions—that are not tied to the delivery of direct, billable services for an individual client. These meetings are considered interagency or systems-level collaboration rather than reimbursable client-specific case management.	ISL300	minutes	
Client Non-Billable Service Must Document	Any other non-billable service that must be documented and is not better accounted for by other available non-billable procedure codes.	ISL301	minutes	
Early Intervention Outreach	Non-clinical early intervention outreach, engagement, education, and information-sharing with high-risk or at-risk individuals within BHSA priority populations to promote early recognition of behavioral health concerns and support appropriate access to care. These activities may occur before an individual meets criteria for a behavioral health diagnosis. Note: If clinical or service coordination activities are provided (e.g., case management), record the service	ISL302	minutes	

	under the appropriate CPT/HCPCS code instead.			
BHSS Early Intervention (not EBP or CDEPs)	Use this code to record client Early Intervention services (not EBP or CDEPs). Early Intervention programs must emphasize the reduction of the likelihood of adverse outcomes for BHSA-eligible individual, include culturally responsive and linguistically appropriate interventions, and focus on strategies and activities that are directed to an eligible individual, including indicated prevention and case identification. Use this code when the service does not have an equivalent Medi-Cal CPT/HCPCS code or existing BH-ISL Code.	ISL312	minutes	
BHSS Early Intervention Evidence-Based Practices (EBPs) and Community-Defined Evidence Practices (CDEPs)	Use this code to record client EBP or CDEP services. An EBP or CDEP must include at least one aspect of the required BHSA Early Intervention program components: outreach, access and linkage to care, and mental health and substance use disorder treatment services and supports. The primary focus of the EBP or CDEP must be on Early Intervention; EBPs or CDEPs with limited population-based prevention components or treatment/recovery elements may be implemented with BHSA funds if the EBP or CDEP is on the biennial list. Use this code when the service does not have an equivalent Medi-Cal CPT/HCPCS code or existing BH-ISL Code.	ISL313	minutes	

Food, Clothing, Hygiene, Culturally Specific Needs, Medical Remedies or Other Essential Items	Records the cost of providing direct client support expenses that address basic needs essential to health, safety, and well-being. This includes providing resources such as food vouchers or meals, clothing for seasonal needs, hygiene products, and personal or culturally specific medical remedies/services or over-the-counter supplies.	ISL400	expense	Each dollar spent is billed as one unit to this code. Tracked per individual receiving supports.
Travel and Transportation	Records the cost of providing needed transportation including the cost of taxi fares when no public transit is available for medical appointments (or NEMT benefit is not accessible/feasible), providing temporary car rentals to ensure families can meet essential needs such as assisting with vehicle repairs when reliable transportation is necessary for employment, or issuing gas vouchers to help families bridge short-term financial gaps. Support may also extend to rideshare services, such as Uber or Lyft. Prohibited expenses include fuel for agency vehicles used to transport clients and costs related to maintaining agency vehicles.	ISL401	expense	Each dollar spent is billed as one unit to this code. Tracked per individual receiving supports.
Employment and Education	Records the cost of providing assistance with school or college expenses such as textbooks, tuition for trade schools or higher education, and supplies needed for academic success. Support can also extend to employment-related needs, such as uniforms, tools, or other required job supplies, as well as funding for vocational training courses that build job skills. In addition, programs may cover the cost of living skills trainings that prepare young adults, particularly those transitioning out of foster	ISL402	expense	Each dollar spent is billed as one unit to this code. Tracked per individual receiving supports.

	care, for independent living. These resources ensure that individuals have the educational, vocational, and practical tools necessary to succeed in school, work, and daily life.			
Child Care Supports / Respite Services for Caregivers	Records the cost of providing child and family support, including assistance with childcare expenses, such as covering the cost of care for parents starting a new job until they receive their first paycheck. It can also provide funding for respite services, offering temporary relief for caregivers experiencing stress or crisis. This may involve short-term care for children or dependent adults, giving caregivers time to manage personal responsibilities and reduce stress while ensuring their loved ones are cared for in a safe environment.	ISL403	expense	Each dollar spent is billed as one unit to this code. Tracked per individual receiving supports.

6. Direct Client Expenditures and Flexible Supports

CONTRACTOR shall document and report COUNTY-funded direct client expenditures and flexible supports provided on behalf of individuals that are not billed to Medi-Cal, including but not limited to:

- Housing supports or hotel vouchers
- Transportation assistance
- Food, clothing, or essential needs items
- Flexible or “whatever-it-takes” expenditures
- Other non-clinical supports funded by COUNTY

Such expenditures must be tracked at the individual level in accordance with COUNTY-issued ISL Code reporting specifications.

7. Data Collection and Documentation

CONTRACTOR shall collect and maintain complete and accurate person-level documentation sufficient to support COUNTY ISL Code reporting obligations, including:

- Client identifier consistent with COUNTY specifications
- Required demographic elements
- Date(s) of service or support

- Type of service, activity, or expenditure
- Location or setting
- Funding source designation
- Units, duration, or amount of expenditure (as applicable)
- Any additional data elements required by COUNTY or DHCS

COUNTY may update required data elements and documentation standards consistent with DHCS guidance. CONTRACTOR shall implement such updates in accordance with COUNTY-issued instructions.

CONTRACTOR shall ensure all submitted ISL Code data is complete, accurate, and maintained in a manner sufficient to support COUNTY and DHCS reporting and oversight requirements.

8. Data Submission Requirements

CONTRACTOR shall:

1. Submit ISL Code data in the form, format, and manner specified by COUNTY on the 30th of the month following the month of services with their monthly invoice for reimbursement of expenses;
2. Use COUNTY-designated electronic systems, templates, or data exchange processes;
3. Comply with established submission timelines and reporting cycles; and
4. Correct identified data deficiencies within timelines specified by COUNTY.

COUNTY may modify reporting specifications or technical instructions as necessary to comply with DHCS requirements. Such updates shall be binding upon CONTRACTOR upon issuance.

9. Compliance with DHCS and COUNTY Guidance

CONTRACTOR shall comply with all current and future BHSA and ISL-related Code reporting requirements, including DHCS guidance, BHINs, SPAs, COUNTY Provider Manual provisions, and COUNTY-issued technical instructions.

Updated requirements shall be binding upon their effective date.

10. Systems Capability

CONTRACTOR shall maintain systems capable of capturing, storing, and transmitting required ISL Code data elements in accordance with COUNTY specifications.

11. Monitoring, Audit, and Record Retention

CONTRACTOR shall retain documentation supporting ISL Code reported services and expenditures in accordance with applicable record retention requirements and shall make such records available to COUNTY, DHCS, or other authorized entities upon request.

These obligations shall survive termination of the Agreement for audit and record retention purposes.

12. COUNTY-Specific ISL Code Requirements (Optional)

COUNTY may establish additional ISL Code reporting requirements consistent with BHSA and DHCS guidance, including reporting frequency, validation processes, documentation standards,

implementation timelines, and escalation thresholds. Such requirements may be communicated through COUNTY-issued guidance and shall be binding upon CONTRACTOR.

13. Noncompliance and Remedies

Timely and accurate ISL Code reporting is a required component of CONTRACTOR performance under this Agreement. Failure to comply with this Exhibit may result in corrective action and the exercise of contractual remedies available under the Agreement.

EXHIBIT E

BHSA Early Intervention Provider Requirements

1. Behavioral Health Services Act

1.1 Overview and General Requirements

- A. This Agreement is funded in whole or in part by the Behavioral Health Services Act (BHSA).
- B. CONTRACTOR shall comply with applicable BHSA requirements, including applicable law, regulations, the BHSA County Policy Manual, and applicable guidance issued by the California Department of Health Care Services (DHCS).
- C. CONTRACTOR shall deliver BHSA Early Intervention services consistent with this Agreement, the Scope of Work, applicable County policies, and applicable BHSA requirements.
- D. To the extent there is a conflict between this Agreement and any applicable federal or state statute, regulation, or DHCS guidance, CONTRACTOR shall comply with the statute, regulation, or guidance.

2. Early Intervention Services

- A. CONTRACTOR shall provide BHSA Early Intervention services intended to support early identification, early access, brief intervention, engagement, navigation, and linkage to appropriate behavioral health and supportive services.
- B. CONTRACTOR shall provide services in a manner that is low-barrier, culturally responsive, trauma-informed, and appropriate to the population served.
- C. CONTRACTOR shall refer participants to County Behavioral Health, Medi-Cal, Medi-Cal Managed Care Plans, commercial insurance, community-based services, or other appropriate resources when a participant appears to need services outside the scope of this Agreement.
- D. CONTRACTOR shall not represent or provide services as Specialty Mental Health Services, Drug Medi-Cal services, or other Medi-Cal reimbursable services unless authorized by COUNTY and appropriately enrolled, certified, credentialed, or otherwise approved to do so.

3. Promoting Access to Care and Appropriate Use of Funding

Effective July 1, 2026, CONTRACTOR shall comply with the requirements in this section, as applicable to the services provided under this Agreement.

- A. When CONTRACTOR provides BHSA-funded Early Intervention services that are also covered by Medi-Cal, a Medi-Cal Managed Care Plan, commercial insurance, or another responsible payer, CONTRACTOR shall work with COUNTY to support appropriate billing, referral, coordination, or linkage, as applicable.
- B. If CONTRACTOR is authorized by COUNTY to provide and bill for services covered by the County's Medi-Cal Behavioral Health Delivery System, CONTRACTOR shall:
 - 1. Maintain applicable Medi-Cal enrollment, certification, credentialing, provider approval, and County authorization required to deliver and bill for those services;
 - 2. Check whether individuals receiving covered services are enrolled in Medi-Cal, as applicable;
 - 3. Refer individuals who may be eligible for Medi-Cal to the Department of Social Services or other appropriate enrollment support; and

4. Submit claims for covered services in accordance with County billing requirements, applicable Medi-Cal requirements, and this Agreement.
- C. If CONTRACTOR provides BHSA-funded services that may be covered by a Medi-Cal Managed Care Plan or commercial health insurance, CONTRACTOR shall make a good faith effort, as applicable to the service model and funding structure, to:
 1. Identify whether the participant has Medi-Cal Managed Care Plan coverage or commercial health insurance;
 2. Coordinate with the participant's health plan or other payer when appropriate;
 3. Support linkage to covered services when the participant's need is outside the scope of this Agreement; and
 4. Comply with applicable County direction regarding coordination, referral, documentation, and reporting.
- D. Nothing in this section requires CONTRACTOR to bill Medi-Cal, a Medi-Cal Managed Care Plan, or commercial insurance for services that are not covered, not reimbursable, or not authorized for billing under this Agreement.

4. Provider Qualifications

- A. CONTRACTOR shall ensure that staff, subcontractors, volunteers, interns, and any other persons providing services under this Agreement possess the qualifications, experience, training, licensure, registration, certification, supervision, or other authorization required for the services they provide.
- B. CONTRACTOR shall ensure that staff provide services within their scope of practice and within the scope of this Agreement.
- C. CONTRACTOR shall maintain appropriate supervision of staff and shall ensure services are delivered safely, ethically, and consistent with applicable professional standards.
- D. CONTRACTOR shall maintain any required license, registration, approval, certification, insurance, or organizational qualification necessary to operate and provide services under this Agreement.
- E. CONTRACTOR shall maintain participant records in a manner consistent with applicable federal, state, County, and contractual requirements.
- F. CONTRACTOR shall comply with any additional provider qualification, credentialing, training, or monitoring requirements established by COUNTY.
- G. CONTRACTOR shall notify COUNTY promptly if CONTRACTOR, its owners, officers, directors, staff, subcontractors, or any person delivering services under this Agreement becomes excluded, suspended, debarred, or otherwise prohibited from participation in Medi-Cal, Medicare, or other publicly funded health programs.

5. Nondiscrimination

- A. CONTRACTOR shall not unlawfully discriminate in the admission, referral, service delivery, treatment, evaluation, employment, or any other aspect of services under this Agreement.
- B. CONTRACTOR shall comply with applicable federal and state nondiscrimination laws, including requirements related to race, color, national origin, ancestry, ethnic group identification, religion, age, sex, gender, gender identity, sexual orientation, marital status, disability, medical condition, genetic information, language, or any other protected category under federal or state law.

- C. CONTRACTOR shall provide services in a manner that is accessible to individuals with disabilities, including reasonable accommodations, effective communication, and accessible information when required.
- D. CONTRACTOR shall not deny or limit access to BHSA-funded services based on a participant's disability, language, race, culture, immigration status, insurance status, or inability to pay, except as otherwise allowed by law and this Agreement.

6. Language Access and Accessible Information

- A. CONTRACTOR shall comply with applicable federal, state, and County requirements related to language access, effective communication, and accessible information.
- B. CONTRACTOR shall provide or arrange for language assistance services, as applicable to the service model, at no cost to the participant.
- C. CONTRACTOR shall not require a participant to provide their own interpreter.
- D. CONTRACTOR shall not rely on a minor child, family member, friend, or accompanying adult to interpret or facilitate communication, except where allowed by law and only after informing the participant of the availability of free interpreter services.
- E. CONTRACTOR shall make reasonable efforts to ensure participant-facing materials are understandable, culturally responsive, and available in alternative formats when required.

7. Cultural Responsiveness

- A. CONTRACTOR shall provide services in a culturally responsive and linguistically appropriate manner.
- B. CONTRACTOR shall ensure that policies, procedures, training, supervision, and day-to-day practices support equitable access for diverse populations, including individuals with limited English proficiency, individuals with disabilities, LGBTQ+ individuals, and individuals from diverse racial, ethnic, cultural, and community backgrounds.
- C. CONTRACTOR shall support COUNTY's efforts to promote culturally responsive and equitable BHSA services.

8. Monitoring and Compliance

- A. CONTRACTOR shall cooperate with COUNTY monitoring, site review, fiscal review, program review, data validation, corrective action, and other oversight activities related to BHSA-funded services.
- B. CONTRACTOR shall maintain records sufficient to demonstrate compliance with this Agreement, BHSA requirements, service delivery expectations, fiscal requirements, and reporting obligations.
- C. CONTRACTOR shall provide COUNTY, DHCS, and any authorized designee timely access to records, information, and supporting documentation related to services funded under this Agreement.
- D. Inclusion of these requirements in this Agreement does not limit COUNTY's responsibility or authority to monitor CONTRACTOR's compliance with BHSA requirements.

EXHIBIT D
HIPAA BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") is entered into as of this 1st day of July, 2026 ("Effective Date") by and between Molly's Angels of Napa Valley ("Contractor") and Napa County ("County").

This BAA supplements the agreement for document destruction services entered into between Contractor and County (Napa County Agreement No. 270106B, dated July 1, 2026 (the "Service Agreement")) pursuant to which Contractor provides confidential destruction of records ("Services").

Contractor and County enter into this BAA to meet the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and 42 C.F.R. Part 2 governing substance use disorder (SUD) patient records. County is a "Covered Entity" and Contractor is a "Business Associate" as those terms are defined in HIPAA. If and to the extent that County is not, or subsequently fails to be, a Covered Entity, or Contractor is not, or fails to be, a Business Associate, this BAA shall be of no effect.

1. Definitions

- HIPAA means the HIPAA Privacy Rule and the HIPAA Security Rule, as amended. The HIPAA Privacy Rule is at 45 C.F.R. Parts 160 and 164, subparts A and E. The HIPAA Security Rule is at 45 C.F.R. Parts 160, 162, and 164.
- Protected Health Information (PHI) has the same meaning as in 45 C.F.R. § 160.103, limited to information created, maintained, or received by Contractor from or on behalf of County.
- Patient Identifying Information (Part 2 Information) has the same meaning in 42 C.F.R. § 2.11 and refers to information that identifies a patient as having applied for or received a substance use disorder diagnosis, treatment, or referral.
- Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI or Part 2 Information.

2. Obligations of Contractor Under HIPAA Privacy Rule

(a) Contractor shall not use, access, or disclose PHI or Part 2 Information other than as permitted by this BAA, the Service Agreement, or as required by law. All such uses, access and disclosures must comply with HIPAA, the HITECH Act, and 42 C.F.R. Part 2.

(b) Contractor shall apply the minimum necessary standard and use limited data sets whenever practicable.

(c) Contractor shall implement safeguards to prevent unauthorized access, use, or disclosure of PHI or Part 2 Information, and shall mitigate any harmful effect of a breach or security incident.

(d) Contractor shall notify County of any unauthorized access, use, or disclosure of PHI or Part 2 Information within 24 hours of discovery and cooperate fully in investigation, mitigation, and notification.

- (e) Contractor shall ensure subcontractors or agents receiving PHI or Part 2 Information agree in writing to comply with the same restrictions and conditions.
- (f) Where applicable, Contractor shall assist County with access, amendment, and accounting of disclosures requirements under 45 C.F.R. §§ 164.524, 164.526, and 164.528.
- (g) Contractor shall not receive remuneration in exchange for PHI except as expressly permitted under HIPAA and the HITECH Act.

2A. Obligations of Contractor Under 42 C.F.R. Part 2

- (a) Redisclosure Prohibition. Contractor acknowledges that Part 2 Information may not be redisclosed except as expressly permitted by 42 C.F.R. Part 2. Contractor shall ensure that each disclosure of Part 2 Information includes the following notice:
“This information has been disclosed to you from records protected by Federal confidentiality rules (42 C.F.R. Part 2). The Federal rules prohibit you from making any further disclosure unless expressly permitted by the written consent of the person to whom it pertains or as otherwise permitted by 42 C.F.R. Part 2.”
- (b) Consent & Legal Exceptions. Contractor shall only access, use, or disclose Part 2 Information with valid patient consent meeting 42 C.F.R. § 2.31 requirements, or pursuant to an applicable exception (e.g., medical emergency, audit, research, or court order).
- (c) Subcontractors/Agents. Contractor shall ensure that any subcontractor or agent receiving Part 2 Information agrees in writing to comply with all requirements of 42 C.F.R. Part 2.
- (d) Incident Reporting. Contractor shall notify County within 24 hours of any breach, security incident, or unauthorized use or disclosure of Part 2 Information.
- (e) Termination/Destruction. Upon termination of this BAA, Contractor shall return or destroy all PHI and Part 2 Information. If destruction is infeasible, Contractor must notify County in writing and continue to apply the protections of this BAA for as long as the information is retained.

3. Security Rule Obligations

- (a) Contractor shall implement administrative, physical, and technical safeguards that reasonably protect the confidentiality, integrity, and availability of electronic PHI and electronic Part 2 Information consistent with HIPAA and HITECH.
- (b) Contractor shall ensure subcontractors implement reasonable and appropriate safeguards.
- (c) Contractor shall report to County any Security Incident involving electronic PHI or Part 2 Information of which it becomes aware.
- (d) Contractor shall make its policies, procedures, and documentation available to the Secretary of HHS upon request.

4. Indemnification

Contractor shall indemnify, defend, and hold harmless County, its employees, officers, directors, subcontractors, and agents from any losses, liabilities, penalties, costs, or expenses (including attorneys' fees) arising from Contractor breach of this BAA or failure to comply with HIPAA, HITECH, or 42 C.F.R. Part 2. This obligation survives termination of this BAA.

5. Notices.

- (a) All notices required or authorized by this BAA shall be in writing and delivered (i) in person, (ii) by deposit in the United States mail, certified mail, postage prepaid, return receipt requested, (iii) by nationally recognized overnight courier, or (iv) by electronic mail with confirmation of

transmission. Any notice sent in accordance with this Section shall be deemed received on the date of delivery, the date noted on the return receipt, or two business days following deposit with an overnight courier, whichever is earliest.

(b) Any notice, demand, request, consent, approval, or communication that County desires to give to Contractor shall be addressed to Contractor at the mailing address set forth in the Service Agreement, unless updated by written notice.

(c) Any notice, demand, request, consent, approval, or communication that Contractor desires to give to County shall be addressed to:

Compliance and Privacy Officer

2751 Napa Valley Corporate Dr.

Napa, CA 94558

Phone: 707-253-4715

Email: Privacy.officer@countyofnapa.org

(d) Privacy Incidents and Breaches. Notwithstanding subsections (a)–(c), any notification of a suspected or actual privacy or security incident, impermissible use or disclosure of PHI, or breach involving PHI or Part 2 Information must be provided to County’s Compliance and Privacy Officer within 24 hours of discovery by secure email and confirmed by telephone. Such notice shall include, to the extent known at the time:

- A brief description of the incident,
- The types of information involved,
- The date of the incident and date of discovery,
- The number of individuals affected (if known), and
- Any mitigation actions taken or planned.

7. Term and Termination

(a) This BAA begins on the Effective Date and continues until the Service Agreement expires or all PHI and Part 2 Information has been returned or destroyed.

(b) If either party becomes aware of a material breach, the breaching party shall have 30 days to cure. If uncured, the non-breaching party may terminate this BAA and the Service Agreement or report the breach to the Secretary of HHS.

(c) Upon termination, Contractor shall return or destroy all PHI and Part 2 Information. If infeasible, protections shall continue.

8. Miscellaneous

(a) References to HIPAA, HITECH, and 42 C.F.R. Part 2 include current and future amendments.

(b) The parties agree to amend this BAA as needed to maintain compliance with HIPAA, HITECH, and Part 2.

(c) This BAA supersedes all prior agreements on this subject but supplements the Service Agreement.

(d) This BAA is governed by the laws of the State of California without regard to conflict-of-law rules.