

**NAPA COUNTY AGREEMENT NO. 250287B
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT (the “Agreement”) is made and entered into as of the 1st day of January 2025, by and between NAPA COUNTY, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and **BUCKELEW PROGRAMS, INC.**, hereinafter referred to as “CONTRACTOR.” COUNTY and CONTRACTOR may be referred to below collectively as “Parties” and individually as “Party.”

RECITALS

WHEREAS, on or about July 1, 2021, COUNTY and CONTRACTOR entered into Napa County Agreement No. 220002B,” for CONTRACTOR to provide community-based housing alternatives for chronically and severely mentally ill clients of its Health and Human Services Agency; and

WHEREAS, as of the effective date of this Agreement, the Parties wish to terminate Agreement No. 220002B and replace it with this Agreement No. 250287B; and

WHEREAS, COUNTY wishes to obtain specialized services in order to provide supportive permanent living environments and rental assistance to eligible clients; 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 _____ ANNE COTTRELL, Chair of the Board of Supervisors	Signature <i>Chris Kughn</i>	
ATTEST: NEHA HOSKINS, Clerk of the Board	CHRIS KUGHN, Chief Executive Officer	
By: _____	Signature <i>Karen Frost</i>	
DATE APPROVED BY THE BOARD: _____	KAREN FROST, Chief Financial Officer/Administrative Officer	
Processed by: _____ Deputy		

Maximum Amount of this Agreement: For FYs 24-25; 25-26; 26-27: \$569,752 For FY 27-28 and each subsequent renewal: \$502,321	APPROVED AS TO FORM BY NAPA COUNTY COUNSEL
Term Expires: June 30, 2025	By: Rachel L. Ross (e-signature)
Automatic renewal of term applies.	Date: 1/8/2025

TERMS AND CONDITIONS OF NAPA COUNTY AGREEMENT NO. 250287B

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: Cassandra Eslami, Deputy Director of HHSA/Behavioral Health Director
- 1.5 The Contract Contact Person for CONTRACTOR shall be: Chris Kughn, 555 Northgate Drive, Suite 200, San Rafael, CA 94903
- 1.6 CONTRACTOR is a ☐ sole proprietor ☐ partnership ☒ corporation ☐ public agency ☐ other (specify).
- 1.7 The source of funding for this Agreement shall be: Medi-Cal, State Behavioral Health Realignment, and Behavioral Health Bridge Housing (BHBH) 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: Performance Agreement with Department of Health Care Services—Napa County Agreement No. 170142B, State Managed Care Agreement with Department of Health Care Services—Napa County Agreement No. 8560, and Behavioral Health Bridge Funding Agreement with Advocates for Human Potential—Napa County Agreement No. 240252B.

These agreements are on file with the Napa County Clerk of the Board of Supervisors and may be accessed at <https://www.countyofnapa.org/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 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 (attached)

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

Exhibit D: Specialty Mental Health Services CalAIM and Payment Reform Contractor Boilerplate

Exhibit E: Medi-Cal Outpatient Rates, Per Billable Minute

EXHIBIT A
SCOPE OF WORK
January 1, 2025, through June 30, 2025
(and each subsequent automatic renewal)

Introduction

COUNTY's Health and Human Services Agency (HHS) aims to provide specialty mental health services through the Supportive Living Program (SLP). These services are offered to Medi-Cal eligible individuals with serious mental illness. The program supports individuals who need assistance to live independently in either permanent or transitional housing.

A limited number of clients served under this contract may also qualify for Behavioral Health Bridge Housing (BHH) rental assistance. Details regarding distinct eligibility and program requirements for BHH funding are provided later in this exhibit. The BHH program ends on June 30, 2027.

CONTRACTOR shall provide said services in CONTRACTOR'S separate programs as described herein; and locations as described herein.

SLP: Target Population

Individuals targeted for referral are those who:

1. are identified as having a major mental illness;
2. are verified as Medi-Cal eligible;
3. need behavioral health support in order to live in the community without 24 hour supervision;
4. wish to, and have some capacity to live more independently;
5. are able to self-administer medications (with support as needed).

Issues that have impacted these individuals' ability to live completely independent at this level include such things as: non-compliance with or resistance to medications, non-assaultive aggressiveness, psychotic ideation; hygiene deficiencies; and substance abuse histories, among other issues. The group of those individuals who will be served includes those who are discharged directly from higher levels of care as deemed appropriate through the SLP admission process.

SLP: Program Description

CONTRACTOR's Supportive Living Program (SLP) shall provide specialty mental health services to Medi-Cal eligible individuals or individuals in families with serious mental illness in the County of Napa who are unable to maintain independent housing placements in the

community because of insufficient structure and mental health support in these placements or who are placed in permanent housing but need support and supervision in these placements in order to remain housed at this level of care. CONTRACTOR shall coordinate with other providers in the community to ensure qualified individuals receive necessary mental health services and supports as a component of their housing in CONTRACTOR's permanent housing project.

SLP: Program Requirements

Certification as an Organizational Provider: CONTRACTOR shall operate as, and meet all standards required of, an organizational provider defined and regulated in Title 9, Division 1, Chapter 11, California Code of Regulations (CCR). CONTRACTOR shall meet the MHP's certification process to include a site review in addition to a review of relevant documentation.

At minimum, COUNTY certification requires that CONTRACTOR meets the following standards:

1. Staff providing specialty mental health services shall possess the necessary license or certification to provide those services. CONTRACTOR certifies that all staff providing services hereunder are qualified to provide the service for which reimbursement is claimed, based upon education, experience and licensure. CONTRACTOR shall maintain records verifying said qualifications for each service provider providing services under this agreement, and documenting the provision of supervised hours as required by the Board of Behavioral Sciences for Marriage and Family Counselor- Interns, (MFTI), Licensed Professional Clinical Counselors-Interns (LPCC), or an Associate Clinical Social Workers (ASW). CONTRACTOR shall provide evidence of said records as requested by COUNTY. Maintain a safe facility. If staff providing services are not licensed or registered interns, CONTRACTOR shall provide evidence of specified qualifications as requested by COUNTY
2. Maintain medical records in a manner that meets state and federal standards. All medical record requirements for Specialty Mental Health services shall be met and/or exceeded.
3. Meet any additional requirements established by the MHP as part of a credentialing or other evaluation process.
4. Possess the necessary license to operate.
5. Provide for appropriate supervision of staff.
6. Have as head of service a licensed mental health professional or other appropriate individual as described in Sections 622 through 630 of Title 9, Division 1, Chapter 3, of the California Code of Regulations.
7. Possess appropriate liability insurance.
8. Have accounting and fiscal practices that are sufficient to comply with its obligations pursuant to CCR Title 9, Division 1, Chapter 11, Section 1840.105.
9. As a condition for reimbursement, CONTRACTOR shall ensure beneficiaries shall receive the same level of services as provided all other clients served.

10. Inform the MHP of any sentinel event or occurrence in which COUNTY'S individual receiving services covered under this contract suffers physical injury, emotional trauma, death or serious side-effect which could be attributed as caused in any way by CONTRACTOR. Such events shall be immediately reported to the Napa County Behavioral Health Director and/or his/her designee.
11. CONTRACTOR shall provide culturally and linguistically appropriate services to individuals as defined in the Napa County Specialty Behavioral Health Implementation Plan
12. CONTRACTOR shall post Napa County Guide to Medi-Cal Services (MHP Beneficiary Brochure) in both public areas of housing unit and programmatic areas of agency.
13. CONTRACTOR shall post Napa County Grievance forms and self-addressed envelopes in both public areas of housing unit and programmatic areas of agency.

SLP: Services Provided

CONTRACTOR shall provide and document as specified herein for the specialty mental health services listed in the Service Definitions section below, and as authorized by COUNTY.

Upon acceptance of an individual, the CONTRACTOR'S SLP staff shall make a behavioral health assessment of the individual or family's needs, resources, strengths, and weaknesses, then develop a written service plan. The assessment and plan shall include documentation of all elements necessary to meet medical necessity criteria as set forth herein. The assessment and plan shall consider the individual's functioning abilities, as well as the individual's strengths and challenges in regard to housing, substance abuse counseling, behavioral health and/or peer support counseling, social linkages, educational activities, public benefits assessments and applications, vocational assessments, health services, nutritional counseling, living skills development and job or volunteer placement.

COUNTY may require CONTRACTOR to utilize a standardized Level of Care tool approved by COUNTY to document initial and ongoing client need for SLP level services. If COUNTY does not require a specific level of care tool CONTRACTOR may utilize any instrument that can accurately address a range of domains such as internalizing and externalizing behaviors and symptoms and allow for repeated administrations over the course of recurring CONTRACTOR's SLP visits and to allow SLP staff to gauge client's progress or lack of progress while receiving SLP services.

CONTRACTOR shall visit all clients at a minimum one time per week.

Service Definitions

Assessment means a service activity which may include a clinical analysis of the history and current status of a beneficiary's mental, emotional, or behavioral disorder; relevant cultural issues and history; diagnosis; and the use of testing procedures.

Plan Development means a service activity which consists of development of client plans, approval of client plans, and/or monitoring of a beneficiary's progress.

Targeted Case Management means service activities related to locating, coordinating, and monitoring necessary and appropriate services for a beneficiary related to their treatment. Targeted Case Management services must be provided in close coordination with other service providers to ensure each provider is focusing their work on a specific aspect of each individual's goals and/or objectives. COUNTY will not authorize CONTRACTOR to provide Targeted Case Management Services if individual is already receiving Napa County Behavioral Health Plan services from another Napa County Behavioral Health Plan provider. Additionally, CONTRACTOR will inquire of each individual served whether or not other service providers are assisting the individual with the goals/objectives identified on their mental health treatment plan. If the individual being served confirms this as fact, CONTRACTOR shall contact other providers to ensure they are not duplicating other provider's efforts. If other provider confirms that they are providing similar assistance to help the individual with the same objective(s) then CONTRACTOR shall not provide Targeted Case Management services to the individual that target those objective(s).

Rehabilitation is a service activity which includes assistance in improving, maintaining, or restoring an individual's or group of individuals' functional skills, daily living skills, social and leisure skills, grooming and personal hygiene skills, meal preparation skills, and support resources; and/or medication education.

Crisis Intervention Service, lasting less than 24 hours, to or on behalf of an individual for a condition which requires more timely response than a regularly scheduled visit. Service activities may include but are not limited to assessment, collateral, and therapy. Note that billing for crisis intervention services is limited to 8 hours per instance.

Authorization and Reauthorization Requirements

COUNTY is responsible for authorizing and reauthorizing CONTRACTOR'S services consistent with Department of Health Care Services (DHCS) requirements specified in Napa County DHCS Contract. Authorization of ongoing services other than non-treatment assessment services shall be based on a comprehensive assessment that is due no later than *30 calendar days* from the date of intake, documented in COUNTY Access.

Admission

SLP referrals shall be solicited from various community agencies and from COUNTY. CONTRACTOR shall select individuals for the receipt of services in accordance with the criteria contained herein. COUNTY, at its discretion may require CONTRACTOR to direct all individuals requesting CONTRACTOR's services to contact COUNTY's ACCESS program for assessment for behavioral health needs and referrals to any services that may address those needs.

CONTRACTOR shall be responsible for verifying Napa County Medi-Cal status and eligibility for individuals whose referrals originated from providers other than COUNTY.

For cases whom COUNTY Access completes the initial comprehensive assessment and refers to CONTRACTOR for ongoing services:

COUNTY ACCESS team will submit to CONTRACTOR:

The Referral and Authorization Form, indicating the services authorized and the authorization period, and the following clinical assessment documentation and informing materials.

1. Napa County Health and Human Services Demographic Form
2. Napa County Health and Human Services Behavioral Health Comprehensive Assessment
3. Napa County Health and Human Services Mental Status Exam
4. Napa County Health and Human Services Diagnosis Form
5. Napa County Health and Human Services Behavioral Health Division Admission Agreement and Consent for Treatment
6. Napa County Health and Human Services Agency Cost of Behavioral Health Services
7. Acknowledgement of Receipt of Notice of Privacy Practices
8. Napa County Health and Human Services Behavioral Health Services Interpretive Services Disclosure Form
9. Napa County Behavioral Health Access Registration Forms Checklist

CONTRACTOR will:

1. Accept COUNTY Access team initial comprehensive assessment and intake documentation and incorporate into the CONTRACTOR electronic health record.
2. Provide first face-to-face mental health service as soon as possible, but no later than *10 calendar days* from receipt of the referral.
3. Complete all required documentation, per Authorizations Guide, as soon as possible in order to initiate ongoing mental health services.
4. Close clients who do not engage. Those who engage beyond *60 calendar days* of date of NCMH initial assessment, CONTRACTOR will contact COUNTY Access for guidance.

5. Submit to NCMH Managed Care the *Discharge Summary* upon case closure.

For cases whom CONTRACTOR completes the initial assessment

CONTRACTOR will:

1. Offer first face-to-face initial screening appointment within ten (10) *calendar days* of request for service.
 - a. The first request for service occurs when the individual and/or guardian initiates the request or agrees to the offer of service made by the CONTRACTOR.
2. Submit to COUNTY Access via encrypted email (MHAccess@countyofnapa.org) or Fax (707.259.8721) no later than ten (10) *calendar days* from starting the assessment process, the following forms:
 - a. Screening Tool
 - b. Demographic Form (to obtain the Napa County Medical Record number for that case).
 - c. Diagnosis Form (Z03.89/No Diagnosis Code is permitted on this form at the screening stage)
3. Complete clinical assessment documentation and informing materials within thirty (30) *calendar days* of first face-to-face assessment appointment.
4. At the end of assessment, submit completed referral form to COUNTY Access Supervisor prior to presenting the client at a COUNTY Children's Authorization Review Team (CART) /Adults Authorization Review Team (AART) meeting.
5. For individuals who do not meet CONTRACTOR level of care:
 - a. Inform the client/family of the determination and refer/collaborate with Carelon for services.
 - b. If it is determined that client does not meet criteria for services, provide client/family with a *Notice of Adverse Benefit Determination* (NOABD)

Informing Requirements

All individuals enrolling in CONTRACTOR's SLP program who are not, at the time of enrollment, already receiving Napa County Behavioral Health Plan services require receipt of special beneficiary informing materials as required by State and Federal Health Care regulations. CONTRACTOR shall coordinate with COUNTY staff to ensure that each individual meeting these criteria shall be provided the materials listed below. COUNTY and CONTRACTOR shall mutually agree which party will provide these materials to the individual being considered for enrollment. Should CONTRACTOR be determined responsible, CONTRACTOR shall maintain written verification that materials were distributed and/or completed for each individual receiving services. Materials shall be provided at the intervals specified below and documentation shall include at minimum: the exact materials provided, the name of the individual receiving the materials, the date the materials were provided, and the name of the staff member providing these materials.

Informing Materials To Be Provided At Intake

1. The Napa County Guide to Medi-Cal Mental Health Services (MHP Beneficiary Brochure)
2. The Napa County Provider Directory
3. Information on Advance Health Care Directives
4. Napa County Admission Agreement & Consent to Treatment Form
5. Authorization for Release of Information to appropriate parties including Napa County Mental Health providers.

In addition to the Informing Materials listed above, and if CONTRACTOR is deemed responsible, CONTRACTOR shall provide COUNTY with verification as requested that the following administrative paperwork has been provided to CONTRACTOR's individuals served on the schedule listed below:

- a. Napa County Behavioral Health Demographic form – At intake, and updated annually
- b. A Diagnosis Review Form signed and dated by a licensed practitioner, if not provided by COUNTY at Intake
- c. HIPAA Privacy Rights and Acknowledgement of Receipt – At Intake
- d. Client Financial Review form – At intake and updated annually

Referrals/Request for Service and Authorization Requirements

1. CONTRACTOR staff shall interview and assess all SLP candidates and shall obtain authorization from COUNTY prior to accepting individuals into the program. Authorization requests shall be reviewed and approved by COUNTY's Access/Managed Care staff.
2. CONTRACTOR shall maintain a Request for Services Log to document all CONTRACTOR referrals that are not made by COUNTY, which shall be presented to COUNTY'S staff for review upon request.

At minimum the CONTRACTOR's Request for Services logs shall include:

- a. The name of beneficiary;
- b. The date of request;
- c. The date the assessment is offered (for siblings, Courage Center, and SOAR clients); and
- d. The initial disposition of the request.

All services provided by CONTRACTOR and subject to reimbursement hereunder are defined in accordance with CCR Title 9, Division 1, Chapter 11.

Staffing Requirements – General

CONTRACTOR shall hire, train, and supervise staff to perform services under this agreement. CONTRACTOR'S staff members shall deliver services at CONTRACTOR'S housing program location or in other community housing sites. CONTRACTOR may also conduct other offsite

activities with or for the benefit of program's participants in other community locations as necessary. Staff will provide services to individuals in their apartments in accordance with individuals' needs as determined through the assessment, level of care tool, and functional evaluation process as set forth in the individual's service plan. Services may be provided seven days per week. Minimum client contact time is once per week. CONTRACTOR will provide 24-hour emergency telephone support.

Other specialty mental health services may be provided by any person determined by the MHP to be qualified to provide the service, consistent with state law.

Medi-Cal Mental health services provided to Spanish speaking clients shall be provided by qualified bilingual and bicultural staff whenever possible.

Non-reimbursable Services

The following services are not reimbursable under the terms of this agreement:

1. Academic educational services
2. Vocational services which have as a purpose actual work or work training
3. Recreation
4. Socialization is not reimbursable if it consists of generalized group activities which do not provide systematic individualized feedback to the specific targeted behaviors of the beneficiaries involved.
5. Transportation of a client to a service is not reimbursable.

Lockouts

CONTRACTOR may provide and document services under the following situations, however those services are not reimbursable as the setting the client resides in or the type and amount of service is non-reimbursable through Medi-Cal. Lockouts include the following:

1. For Medication Support Services: The maximum amount claimable for Medication Support Services in a 24 hour period is 4 hours.
2. Mental Health services provided during the time a client is a resident of juvenile hall or another correctional facility.
3. Mental Health Services provided during the time a client is residing in a Crisis Residential Treatment program except on the day of admission.
4. Mental Health Services provided during the time a client is residing in an acute inpatient psychiatric hospital
5. All Mental Health Services during the time an individual is a resident in a federally defined Institution for Mental Disease (IMD).

An exception to this lockout of reimbursable services is the first day of commitment in an acute care inpatient setting.

Medical Necessity Criteria for Adult Services

CONTRACTOR shall only seek Medi-Cal reimbursement for mental health services when the beneficiary being served meets the medical necessity requirements described herein, pursuant to Welfare and Institutions Code section 14184.402(a). For individuals 21 years of age or older, a service is “medically necessary” or a “medical necessity” when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.

Services provided to a beneficiary must be medically necessary and clinically appropriate to address the beneficiary’s presenting condition.

Procedures

Criteria for Adult Beneficiaries to Access the Specialty Mental Health Services Delivery System:

For beneficiaries 21 years of age or older, CONTRACTOR shall provide covered specialty mental health services (SMHS) for beneficiaries who meet both of the following criteria, (1) and (2) below:

1. The beneficiary has one or both of the following:
 - a. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities; and/or,
 - b. A reasonable probability of significant deterioration in an important area of life functioning;
- AND
2. The beneficiary’s condition as described in paragraph (2) of the policy statement is due to either of the following:
 - a. A diagnosed mental health disorder, according to the criteria of the current edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Statistical Classification of Diseases and Related Health Problems (ICD); or,
 - b. A suspected mental disorder that has not yet been diagnosed.

Additional Coverage Requirements and Clarifications:

This criteria for a beneficiary to access the SMHS delivery system (except for psychiatric inpatient hospital and psychiatric health facility services) set forth above shall not be construed to exclude coverage for, or reimbursement of, a clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service under any of the following circumstances:

1. Services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process.
2. The prevention, screening, assessment, treatment, or recovery service was not included in an individual treatment plan.

3. The beneficiary has a co-occurring substance use disorder.

Per Welfare and Institutions Code section 14184.402(f)(1)(A), a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a CMS approved ICD-10 diagnosis code.

Discharge and Discharge Summary

Discharge from the program will occur, ideally, by mutual agreement between the individual and CONTRACTOR that the goals have been completed and the participant is able to live independently. Longitudinal Level of Care scores should also support this joint decision to discharge. Discharge may also occur by sole decision of the individual, or by sole decision of the CONTRACTOR. It is expected that all efforts to reach a mutually agreed-upon discharge plan will be put forth, but that there will be situations in which an individual chooses to leave the Program against the advice of the staff, or that the staff reach the conclusion that continuing to provide service to an individual would be against the best interests of the individual, would create a risk for other individuals, would impair their ability to benefit from the program, or would otherwise be detrimental to the program. CONTRACTOR preserves the right to discharge individuals from the program for cause and shall do so in accordance with all applicable federal and state regulations.

A Discharge Summary is to be completed at case closing. The purpose of the Discharge Summary is to capture essential elements of treatment – referring problem, treatment conducted, response to treatment, and disposition. Additionally, CONTRACTOR shall promptly inform COUNTY that the individual is no longer enrolled in the SLP by submitting a Napa County Notification of Case Assignment, Termination, or Transfer form.

Documentation Requirements for Services

Assessments: CONTRACTOR shall ensure that all program participants' Medical Records include an assessment of each individual's need for mental health services. An Assessment shall be completed as soon as possible but within thirty (30) days of the first clinical service contact.

Assessments shall contain, at minimum, the following:

1. Identifying information.
2. Sources of information.
3. Referral information and context.
4. Presenting concerns, symptoms and objective impairments in behavior or functioning, and relevant conditions affecting the client's physical and behavioral health.
5. Relevant health care issues and medical history reported by the individual being served.
6. Relevant conditions, events and situations affecting the individual's physical and behavioral health.

7. Current risk factors associated with danger to self, others and/or property.
8. Past and present use of tobacco, alcohol and caffeine. Illicit drugs prescribed and over the counter medications should also be included.
9. Behavioral health and psychiatric history including: previous treatment dates, providers, interventions and responses, sources of clinical data, relevant family history and results of lab tests and consultations reports.
10. For children and adolescents, prenatal and perinatal events as well as complete developmental history.
11. Family history, composition, interactions, socioeconomic factors, strengths and resources.
12. Occupational and/or school history, including social and academic functioning.
13. Medications prescribed. Psychiatrists will include informed consent, dosages of each medication and date of initial prescription.
14. Individual's report of allergies and adverse reactions to medications.
15. Legal history and status.
16. Relevant cultural issues and history.
17. A mental status exam.
18. A five-axis diagnosis consistent with the information gathered. Axis I and Axis II diagnoses, or changes to them, may only be made by licensed clinicians.
19. Clinical observations and impression of mental status, functioning and service needs.
20. Individual's strengths in achieving goals.
21. Treatment recommendations (including prognosis for individuals receiving medication services).

Reassessment. The Reassessment is to be completed one (1) year from the date of the first session. The Reassessment form is the tool for evaluating current problems, functioning, and progress to drive the New Client Plan.

Individual Service Plans: CONTRACTOR shall ensure that an individual service plan shall be completed within sixty (60) days of the date of intake into services and at a minimum annually. Individual Service Plans shall contain, at minimum, the following:

1. Specific observable and/or specific quantifiable goals
2. Proposed types of interventions
3. Proposed duration of interventions
4. Staff Signature, License and/or Job Title, and Date
5. Individual's Signature and Date

Additional Requirements for Individual Service Plans:

1. Individual Service Plans shall be consistent with the diagnoses, and the focus of intervention shall be consistent with the individual plan goals, and there shall be documentation of

individual's participation in and agreement with the plan. The Individual Service Plan is to be collaboratively constructed with the individual.

2. Documentation of clients' agreement with the plan is best evidenced by inclusion of the client's signature and date of signature on the plan. In lieu of this signature CONTRACTOR shall reference to the individual's participation in the body of the plan or document the extent of the individual's participation and agreement in progress notes.
3. When the individual's signature is required on the Individual Service Plan and the individual refuses or is unavailable for signature, the Individual Service Plan or an individual progress note, shall include written explanation of the refusal or unavailability. Contractor shall document ongoing efforts to secure documentation of the individual's participation in, and agreement with their plan during the course of treatment.
4. The CONTRACTOR shall document that a copy of the Individual Service Plan was offered to the individual.

Progress Notes: CONTRACTOR shall ensure that all services provided are accurately and legibly documented in service or progress notes. A Progress Note is to be completed for every meaningful contact with the individual. Progress Notes are to be completed in a timely manner, sufficient to ensure continuity of care. Progress Notes for each service shall contain, at minimum, the following information:

1. Individual's name and medical record number
2. Mode of service identified by proper activity code
3. Program (subunit) code
4. Date of service
5. Start time of direct service
6. End time of direct service
7. Total documentation time
8. Total travel time (if travel is component of mental health service activity)
9. Service indicators (person contacted, type of contact, place of service, appointment type, evidence-based practice/service strategy)
10. Name of clinician providing service
11. Narrative description of contact
12. Clinical decisions and interventions
13. Individual's response to interventions, including progress toward client plan goals
14. Documentation of any existing risk factors
15. Signature of clinician providing service, license and/or job title, and date of signature

CONTRACTOR shall provide COUNTY with access to all documentation of services provided under this agreement for COUNTY'S use in administering this agreement. Without limitation, COUNTY shall have access to such documentation for quality assurance and for audit or substantiation of claims for payment of services.

At the minimum, all documentation shall include accurate clinical and administrative records as required by law and policy. Such records shall be legible, shall list each date of services, and include the total time for each service including documentation time. All services shall be documented utilizing COUNTY approved templates and contain all required elements as described herein. Activity codes shall be documented on each date of service using activity codes included herein. Upon written notice from designated Contract Administrator, COUNTY, at its sole discretion, may impose additional requirements for documentation.

Medi-Cal Service Documentation Requirements

A unit is defined as one minute of service. All authorized service activities provided by an eligible staff providing a Medi-Cal eligible service to a Napa County Medi-Cal eligible individual shall be recorded per minute.

The following requirements apply for Medi-Cal service documentation of services:

1. The exact number of minutes that a reimbursable service was provided by program staff shall be documented and reported.
2. In no case shall more than 60 units of time be reported or claimed for any one individual during a one-hour period.
3. In no case shall the units of time reported or claimed by one staff person exceed the hours worked.
4. When a staff person provides service to, or on behalf of, more than one individual at the same time, the staff person's time must be prorated to each individual. When more than one staff person provides a service to more than one individual at the same time, the time utilized by all those providing the service shall be added together to yield the total claimable services. The total time claimed shall not exceed the actual time utilized for claimable services.
5. All documentation of services provided to, or on behalf of, more than one individual at the same time or services provided by multiple staff members to one or more beneficiaries at the same time must clearly indicate the clinical need for such a treatment approach
6. All documentation of services provided to, or on behalf of, more than one individual at the same time, or services provided by multiple staff members to one or more individuals at the same time must clearly delineate the total minutes of the direct service, the total minutes of documentation and the total individuals served.

Program Performance Objectives

CONTRACTOR shall participate in the statewide performance outcome system that requires County Behavioral Health Departments and its contractor providers to administer consumer perception surveys to all individuals and their caregivers who are seen for services during a two (2) week reporting period semi-annually

Specific Performance Objectives During the Term of this Agreement.

1. Improved Independent Living skills:
 - a. 75% of all individuals that enter and remain in the program for at least one (1) year will demonstrate improvement in their independent living skills as measured by completion of an independent living skills checklist assessment form at intake and re-evaluation on an annual basis.
2. Attainment of Personal Goals:
 - a. 75% of individuals that enter and remain in the program for at least one (1) year will achieve a least one (1) of their personal goals as identified on their individual service plan-personal goals form completed at intake and re-evaluated on an annual basis.

Program Reporting

CONTRACTOR staff will provide program utilization review data to COUNTY upon request.

CONTRACTOR will conduct an annual client satisfaction survey to regularly assess client's satisfaction of services delivered. Contractor will report findings to COUNTY annually.

Performance Standards

In evaluating client records COUNTY will evaluate services with reference to applicable contract, state, and federal standards for service delivery and documentation. Without limiting this, HHSA will at a minimum evaluate services and documentation with reference to the standards set forth on the attached Service Descriptions standards in determining whether they qualify for payment under this agreement. This document and the other requirements contained in this agreement shall set forth the minimum standards that CONTRACTOR shall meet, and that COUNTY shall monitor.

In the event COUNTY revises the required standards during the contract year, the revised standards shall be provided to the CONTRACTOR, along with an explanation of the impact of any changes on the CONTRACTOR.

COUNTY and CONTRACTOR agree to work collaboratively to develop key service quality indicators and outcomes and identify sources of reliable data to measure them. In addition, attributes and characteristics of persons served and other information needed shall be identified.

CONTRACTOR shall provide COUNTY upon request, with documentation of CONTRACTOR's organizational capacity to conduct internal quality management activities, including chart audits. CONTRACTOR shall provide documentation of the measures in place to assess key quality factors (including appropriateness, efficacy, and effectiveness) and key risks (including client safety and adherence to funding standards). At minimum, CONTRACTOR shall be required to conduct internal case record reviews at least quarterly.

CONTRACTOR shall submit timely reports of these internal monitoring activities, as well as reports on quarterly incidents, accidents, and client complaints as requested by COUNTY.

Contract Monitoring

COUNTY shall monitor CONTRACTOR's performance under this agreement to ensure the safety of individuals served, the appropriateness of services provided, their efficacy and effectiveness, and to protect against fiscal disallowances.

COUNTY shall designate its Provider Services Coordinator as the individual who shall monitor CONTRACTOR's performance under this agreement and serve as the primary point of contact regarding this agreement.

Monitoring Site Visits

This agreement contains provisions related to required objective service documentation standards, adherence to clinical standards of care, client satisfaction levels, client outcomes, authorization processes and invoicing. Without limiting those provisions, COUNTY shall have the right to conduct one or more site visits to the CONTRACTOR's place of business to monitor performance under this agreement. COUNTY will normally provide CONTRACTOR with thirty (30) days or more prior notice of such site visits.

This notice shall include:

1. the specific monitoring tool(s) that will be utilized,
2. the preparation required of the CONTRACTOR prior to the monitoring visit. HHSA may require the provision of specific information in writing prior to the site visit to expedite the monitoring activities.
3. the information to be available for review at the time of the visit, which may include, among other things, individual service records, program policies and procedures, proof of licensure or certification, and documentation substantiating staff hours or other costs incurred by CONTRACTOR in providing the services being purchased.

As an outcome of the site visit, COUNTY shall provide CONTRACTOR with a preliminary monitoring report for review before it is finalized. This report shall contain a summary of information collected or reviewed; the evaluator's assessment, conclusions, and recommendations; and, any requirements or sanctions to be imposed on the CONTRACTOR, such as disallowances, recoupments, or requests for plans of action.

CONTRACTOR will have two (2) weeks to give notice of any disagreement with any of the findings and to present information supporting the provider's position. If appropriate, COUNTY may conduct additional monitoring activities to evaluate the CONTRACTOR's position.

COUNTY shall then finalize and issue its report. If the final report identifies material variations between CONTRACTOR's service activities and the standards required under this agreement, COUNTY may require CONTRACTOR to prepare a written plan of action to address those variations. COUNTY will also have such other remedies as are provided under this agreement.

Orientation, Training and Technical Assistance

COUNTY will endeavor to provide CONTRACTOR with training and support in the skills and competencies to (a) conduct, participate in, and sustain the performance levels called for in the contract and (b) conduct the quality management activities called for by the contract.

COUNTY shall provide CONTRACTOR with all applicable standards for the delivery and accurate documentation of services. COUNTY shall make ongoing technical assistance available in the form of direct consultation to the CONTRACTOR upon CONTRACTOR's request to the extent that COUNTY has capacity and capability to provide this assistance. In so doing COUNTY is not relieving CONTRACTOR of its duty to provide training and supervision to its staff or to ensure that its activities comply with applicable regulations and other requirements included in the terms and conditions of this agreement. Any requests for technical assistance by CONTRACTOR regarding any part of this agreement shall be directed to the COUNTY's designated contract monitor.

CONTRACTOR shall require all new employees in positions designated as a "covered individuals" to complete four-hour compliance training within the first 30 days of their first day of work. CONTRACTOR shall require all covered individuals to attend at minimum, a four-hour compliance training annually. These trainings shall be conducted by COUNTY or, at COUNTY's discretion, by CONTRACTOR staff, or both, and may address any standards contained in this agreement. Covered individuals who are subject to this training are any CONTRACTOR staff who has or will have responsibility for, or who supervises any person who has responsibility for, ordering, prescribing, providing, or documenting client care or medical items or services.

Behavioral Health Bridge Housing (BHBH) Rental Assistance (January 1, 2025 through June 30, 2027)

CONTRACTOR shall provide Rental Assistance to qualified residents in the form of transitional housing environments as part of the Behavioral Health Bridge Housing (BHBH) grant subcontracted through Advancement of Human Potential (AHP). BHBH funding will not supplant other sources of funding, federal or state, that can be used for the purpose of rental assistance for the program target population. This funding will be available from January 1, 2025 through June 30, 2027.

Target Population/Client Eligibility Criteria for BHBH Rental Assistance Funding

1. Individual meets criteria for Medi-Cal Specialty Mental Health Services (SMHS) as outlined in BHIN 21-073.

OR

2. The individual is a CARE Program participant, regardless of whether they meet the criteria in (1).

AND

3. The individual has a homelessness status based on the definition of homelessness used in the ECM policy guide updated July 2023.

BHBH Housing Unit Standards

BHBH housing program units shall meet the Continuum of Care (CoC) Housing Quality Standards (HQS), which is the highest standard, for any stays 90 days or longer.

- Inspections: Qualified personnel must inspect all units before spending BHBH funds, and annually throughout the grant period.
- Deficiencies: The unit owner has 30 days to correct any deficiencies.
- State and local codes: All units must meet state and local codes.

BHBH Program Requirements

CONTRACTOR shall be responsible for cooperation and collaboration with COUNTY staff, including staff providing Housing Navigation services to create the optimal outcomes for participants.

CONTRACTOR shall make referrals to COUNTY Behavioral Health on behalf of participants when they require behavioral health services beyond those provided through the SLP.

CONTRACTOR shall maintain nonmedical client records in the Homeless Management Information System (HMIS)

CONTRACTOR shall make policies and procedures specific to SLP program BHBH recipient participants that abide by the following requirements. All BHBH policies and procedures must be approved by COUNTY designated staff.

- A. Policies shall include assurances that BHBH funds will not be used to supplant other funding sources available for the same purpose.
- B. Policies shall clearly state that homelessness is an eligibility requirement, based on the definition used in the [Enhanced Care Management Policy Guide from 2023](#)
- C. Policies shall indicate that Behavioral Health eligibility requirements in use are consistent with BHBH requirements.

Specific Performance Objectives During the Term of this Agreement

1. Housing
 - a. 75% of participants will exit the BHBH program to Permanent Housing.

EXHIBIT B
COMPENSATION
January 1, 2025, through June 30, 2025
(and each subsequent automatic renewal)

I. Compensation

- A. Contract maximum not to exceed \$569,752 for FYs 24-25, 25-26 and 26-27. As of July 1, 2027 (and each subsequent automatic renewal), the contract maximum will revert to \$502,321.
- B. Approved Specialty Mental Health Services performed, at any program site, shall be entered into COUNTY EHR. Services entered will be extracted from the EHR by COUNTY HHSA billing team and sent to CONTRACTOR as a report for review and approval.
- C. Approved distribution of Behavioral Health Bridge Housing (BHBH) rental assistance funds. Funds will be made available for SLP clients meeting BHBH criteria for rental assistance. Funds are available annually through June 30, 2027.

II. Payment Rates

COUNTY shall compensate CONTRACTOR for contract services provided and properly documented at current Napa County HHSA Medi-Cal rates, as defined in Exhibit E to the Agreement and posted on the Napa County HHSA website. Exhibit E shall control in the event of a conflict between Exhibit E and the information posted on the Napa County HHSA website.

- A. A billing unit is defined as one minute of service. Only authorized service activities provided by eligible staff, while providing Medi-Cal eligible services to Napa County Medi-Cal eligible clients, shall qualify for payment. The following requirements apply for claiming of services:
 - 1. Accurate and precise number of minutes shall be reported and billed properly, by a qualified staff member.
 - 2. A maximum of 60 units of time may be reported or claimed for any single client during a one-hour period.
 - 3. Units of time reported or claimed shall not exceed hours worked by eligible staff.
 - 4. When a single staff member provides eligible service to, or on behalf of, more than one beneficiary at the same time, the staff member's time must be prorated to each beneficiary.
 - 5. When more than one staff member provides an eligible service to more than one beneficiary at the same time, the time utilized by all those providing the service shall be added together to yield the total claimable services. The total time claimed shall not exceed the actual time utilized for claimable services.

6. All documentation of services provided to, or on behalf of, more than one beneficiary at the same time, or services provided by multiple staff members to one or more beneficiaries at the same time, must include clear indication of the clinical necessity for the chosen treatment approach.
 7. All documentation of services provided to, or on behalf of, more than one beneficiary at the same time, or services provided by multiple staff members to one or more beneficiaries at the same time, must clearly delineate the total minutes of the direct service and the combined number of clients served.
- B. Total contract payments for the term shall not exceed the contract maximum, which is based on an estimate of services that may be performed during the contract period and shall not be considered a guaranteed sum.

III. Clients with Medi-CAL and Other Health Coverage (OHC)

Per Federal Regulation, providers must bill all Other Health Coverage (OHC) options prior to submitting claims to COUNTY for Medi-Cal reimbursement. The CONTRACTOR may bill the COUNTY for claims requiring OHC billing and the COUNTY will pre-pay the pending OHC claim. The CONTRACTOR must provide the Explanation of Benefits (EOB) or denial letter along with a copy of the original claim submitted to private insurance within 5 months from the date of service. If the EOB or denial letter is not received by the COUNTY within 5 months from the date of service, the COUNTY will offset the payment for the current period by this pre-paid amount.

The OHC insurer is considered the primary insurance and may pay all, part, or none of the cost of services. Any unreimbursed cost may be claimable to Medi-Cal.

It is in the best interest of the client and CONTRACTOR to submit claims to the OHC insurer in a timely manner. If no response or EOB is received from the OHC within 90-days from the date of claim submission, CONTRACTOR may presume denial from the OHC and submit a letter stating that no response was received from the OHC, along with a copy of the original claim submitted to the OHC.

The COUNTY makes every attempt to identify eligibility and notify CONTRACTOR if OHC eligibility exists. As eligibility verification for OHC can be inconsistent, it is also imperative that CONTRACTOR inquire with the client/guardian as to possible OHC and notify the COUNTY if OHC eligibility is discovered.

The COUNTY is unable to provide a comprehensive list of procedures and points of contact for OHC insurers as they are numerous and have individual requirements. Therefore, CONTRACTOR is responsible for obtaining the necessary information to fulfill its duty to bill OHC insurers. As able, the COUNTY will assist CONTRACTOR in finding contact information for OHC insurers, but the COUNTY is under no obligation to do so, and this does not alleviate CONTRACTOR from the sole responsibility to do so.

IV. **BHBH Rental Assistance Funds**

A limited number of clients served under this contract may also qualify for Behavioral Health Bridge Housing (BHBH) rental assistance. Details regarding distinct eligibility and program requirements for BHBH funding are provided in Exhibit A of this agreement.

BHBH maximum rates are \$1,404.80/month per room and shall be invoiced monthly on COUNTY approved invoice form. Total annual BHBH rental assistance shall not exceed \$67,430.40. In the event that the Client does not contribute to the rental payments, COUNTY agrees to pay a fee of \$1,404.80 per room. If the Client contributes to the rental payments, the amount payable by COUNTY shall be reduced by the amount of the Client's contribution.

V. **Required Submissions**

- A. **Budget.** Fifteen days prior to the beginning of the Fiscal Year, CONTRACTOR shall submit an estimated Budget consistent with the Fiscal Year contract maximum. CONTRACTOR shall include estimated FTEs, by standardized classification, and identify those providing Direct Client Care. The COUNTY shall supply a revised Budget Template which correlates to standardized classification fields.
- B. **Invoices.** CONTRACTOR shall submit valid and accurate *Monthly* itemized invoices to BHInvoices@countyofnapa.org by the 15th of each month for all authorized contract services provided in the preceding month. CONTRACTOR shall use COUNTY HHSA billing team service report to review and approve. Upon CONTRACTOR service approval, CONTRACTOR shall submit approved services as an invoice on agency letterhead with total amount due and service month and year to BHInvoices@countyofnapa.org. BHBH invoices shall be submitted separately by the 15th of the month to BHinvoices@countyofnapa.org.

Validity and accuracy of invoice submission is critical to ensure timely payment of invoices for contracted services. Invoices will be paid within 60 days of receipt of invoices. If COUNTY staff requires any invoice follow-up, clarification, adjustment, or resubmission from CONTRACTOR, the 60-day timeframe for invoice payment resets to the date all outstanding issues are resolved, and the most recently received invoice is confirmed to be valid and accurate.

- A. **Annual Cost Report.** COUNTY may require CONTRACTOR to submit an annual cost report, at no additional cost to COUNTY. If a cost report is required, CONTRACTOR will be notified, and the cost report will be due by August 31st following the end of the fiscal year. Failure to submit the cost report timely may result in the suspension of payments until the cost report is received by the COUNTY.
- B.

VI. Other Limitations Affecting Payments

CONTRACTOR shall perform services and provide such documentation as required by all applicable State and Federal laws, rules, and regulations, and as described in Exhibit A of this Agreement. Other limitations affecting contract payments include, but are not limited to:

- A. CONTRACTOR shall provide such documentation as required by COUNTY at any time in order to substantiate its claims for payment. COUNTY may elect to withhold payment for failure by CONTRACTOR to provide such documentation required by COUNTY.
- B. Contractor's services and claims are subject to any audits conducted by COUNTY, the State of California or federal government, or other auditors. Any resulting audit exception shall be repaid to COUNTY by CONTRACTOR.
- C. CONTRACTOR shall reimburse COUNTY for disallowances for payment or lost revenues as identified and discovered by the COUNTY that are attributable to CONTRACTOR's failure to perform in accordance with this Agreement, including, but not limited to, CONTRACTOR's insufficient documentation of Medical Necessity or billing errors by CONTRACTOR that preclude COUNTY from claiming the Federal Financial Participation share of Medi-Cal.
- D. To the extent CONTRACTOR is required to reimburse the COUNTY under this Paragraph, COUNTY may elect to withhold any payments for past services, offset against any payments for future services which CONTRACTOR provides, or demand reimbursement without offset.
- E. 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 and fines which may be assessed under a Federal or State False Claims Act provision.

CONTRACTOR's failure to comply with this Agreement may lead at any time to withholding of payments and/or a termination of the Agreement based on breach of contract.

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.countyofnapa.org.

(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/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.countyofnapa.org.

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.countyofnapa.org.

(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.countyofnapa.org.

(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.countyofnapa.org.

(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.countyofnapa.org.

(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.countyofnapa.org 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.countyofnapa.org.

EXHIBIT D

Specialty Mental Health Services CalAIM and Payment Reform Contractor Boilerplate

This Agreement for mental health services is entered by and between Napa County a political subdivision of the State of California (“COUNTY”), and (CONTRACTOR) a California non-profit corporation licensed to provide mental health services.

RECITALS

WHEREAS, COUNTY is under contract with the State of California to provide or arrange for the provision of certain mandated services, including outpatient Specialty Mental Health Services (SMHS), for Medi-Cal beneficiaries served by the COUNTY; and

WHEREAS, COUNTY has determined that it will arrange for CONTRACTOR to provide mental health services to eligible beneficiaries; and

WHEREAS, CONTRACTOR has represented, through COUNTY’s request for proposals or through another means acceptable to the COUNTY, that it is able and willing to provide such services;

NOW, THEREFORE, COUNTY and CONTRACTOR mutually agree as follows:

TERMS

Article 1. DEFINITIONS

1. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

“Behavioral Health Information Notice” or “BHIN” means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

2. BENEFICIARY OR CLIENT

“Beneficiary” or “client” mean the individual(s) receiving services.

3. DHCS

“DHCS” means the California Department of Health Care Services.

4. DIRECTOR

“Director” means the Director of the County Behavioral Health Department, unless otherwise specified.

Article 2. GENERAL PROVISIONS

1. TERM

This Agreement shall govern the period determined COUNTY.

2. SCOPE OF WORK

CONTRACTOR shall provide the services set forth in Exhibit A, “SCOPE OF WORK.”

3. COMPENSATION

A. This Agreement shall be subject to any restrictions, limitations, and/or conditions imposed by COUNTY or state or federal funding sources that may in any way affect the fiscal provisions of, or funding for this Agreement. This Agreement is also contingent upon sufficient funds being made available by COUNTY, state, or federal funding sources for the term of the Agreement. If the federal or state governments reduce financial participation in the Medi-Cal program, COUNTY agrees to meet with CONTRACTOR to discuss renegotiating the services required by this Agreement.

B. Funding is provided by fiscal year. For purposes of this Agreement, the fiscal year begins July 1 and ends the following June 30. Any unspent fiscal year appropriation does not roll over and is not available for services provided in subsequent years.

C. The maximum financial obligation of the COUNTY under this Agreement shall not exceed the amount listed on Exhibit B of this Agreement per fiscal year, which is not a guaranteed sum but shall be paid only for services rendered and received.

4. CONFORMITY WITH STATE AND FEDERAL LAWS AND REGULATIONS

A. CONTRACTOR shall provide services in conformance with all applicable state and federal statutes, regulations and subregulatory guidance, as from time to time amended, including but not limited to:

- 1) California Code of Regulations, Title 9;
- 2) California Code of Regulations, Title 22;
- 3) California Welfare and Institutions Code, Division 5;

- 4) United States Code of Federal Regulations, Title 42, including but not limited to Parts 438 and 455;
- 5) United States Code of Federal Regulations, Title 45;
- 6) United States Code, Title 42 (The Public Health and Welfare), as applicable;
- 7) Balanced Budget Act of 1997;
- 8) Health Insurance Portability and Accountability Act (HIPAA); and
- 9) Applicable Medi-Cal laws and regulations, including applicable sub-regulatory guidance, such as BHINs, MHSUDS INs, and provisions of COUNTY's, state or federal contracts governing client services.

Article 3. SERVICES AND ACCESS PROVISIONS

1. CERTIFICATION OF ELIGIBILITY

CONTRACTOR will, in cooperation with COUNTY, comply with Section 14705.5 of California Welfare and Institutions Code to obtain a certification of a client's eligibility for SMHS under Medi-Cal.

2. ACCESS TO SPECIALTY MENTAL HEALTH SERVICES

A. In collaboration with the COUNTY, CONTRACTOR will work to ensure that individuals to whom the CONTRACTOR provides SMHS meet access criteria, as per DHCS guidance specified in BHIN 21-073. Specifically, the CONTRACTOR will ensure that the clinical record for each client includes information as a whole indicating that client's presentation and needs are aligned with the criteria applicable to their age at the time-of-service provision as specified below.

B. For enrolled clients under 21 years of age, CONTRACTOR shall provide all medically necessary SMHS required pursuant to Section 1396d(r) of Title 42 of the United States Code. Covered SMHS shall be provided to enrolled clients who meet either of the following criteria, (I) or (II) below. If a client under age 21 meets the criteria as described in (I) below, the beneficiary meets criteria to access SMHS; it is not necessary to establish that the beneficiary also meets the criteria in (II) below.

I. The client has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by DHCS, involvement in

the child welfare system, juvenile justice involvement, or experiencing homelessness.

II. The client has at least one of the following:

- a. A significant impairment
- b. A reasonable probability of significant deterioration in an important area of life functioning
- c. A reasonable probability of not progressing developmentally as appropriate.
- d. A need for SMHS, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal Managed Care Plan (MCP) is required to provide.

AND the client's condition as described in subparagraph (II a-d) above is due to one of the following:

- e. A diagnosed mental health disorder, according to the criteria in the current editions of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the International Classification of Diseases and Related Health Problems (ICD).
- f. A suspected mental health disorder that has not yet been diagnosed.
- g. Significant trauma placing the client at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

C. For clients 21 years of age or older, CONTRACTOR shall provide covered SMHS for clients who meet both of the following criteria, (I) and (II) below:

I. The client has one or both of the following:

- a. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.
- b. A reasonable probability of significant deterioration in an important area of life functioning.

II. The client's condition as described in paragraph (I) is due to either of the following:

- a. A diagnosed mental health disorder, according to the criteria in the current editions of the DSM and ICD.
- b. A suspected mental disorder that has not yet been diagnosed.

3. ADDITIONAL CLARIFICATIONS

A. Criteria

- I. A clinically appropriate and covered mental health prevention, screening, assessment, treatment, or recovery service listed within Exhibit A of this Agreement can be provided and submitted to the COUNTY for reimbursement under any of the following circumstances:
 - a. The services were provided prior to determining a diagnosis, including clinically appropriate and covered services provided during the assessment process;
 - b. The service was not included in an individual treatment plan; or
 - c. The client had a co-occurring substance use disorder.

B. Diagnosis Not a Prerequisite

- I. Per BHIN 21-073, a mental health diagnosis is not a prerequisite for access to covered SMHS. This does not eliminate the requirement that all Medi-Cal claims, including SMHS claims, include a current Centers for Medicare & Medicaid Services (CMS) approved ICD diagnosis code.

4. MEDICAL NECESSITY

- A. CONTRACTOR will ensure that services provided are medically necessary in compliance with BHIN 21-073 and pursuant to Welfare and Institutions Code section 14184.402(a). Services provided to a client must be medically necessary and clinically appropriate to address the client's presenting condition. Documentation in each client's chart as a whole will demonstrate medical necessity as defined below, based on the client's age at the time-of-service provision.
- B. For individuals 21 years of age or older, a service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain as set forth in Welfare and Institutions Code section 14059.5.
- C. For individuals under 21 years of age, a service is "medically necessary" or a "medical necessity" if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code.

5. COORDINATION OF CARE

- A. CONTRACTOR shall ensure that all care, treatment, and services provided pursuant to this Agreement are coordinated among all providers who are serving the client, including all other SMHS providers, as well as providers of Non-Specialty Mental Health Services (NSMHS), substance use disorder treatment services, physical health services, dental services, regional center services and all other services as applicable to ensure a client-centered and whole-person approach to services.
 - B. CONTRACTOR shall ensure that care coordination activities support the monitoring and treatment of comorbid substance use disorder and/or health conditions.
 - C. CONTRACTOR shall include in care coordination activities efforts to connect, refer and link clients to community-based services and supports, including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, childcare, child development, family/marriage education, cultural sources, and mutual aid support groups.
 - D. CONTRACTOR shall engage in care coordination activities beginning at intake and throughout the treatment and discharge planning processes.
 - E. To facilitate care coordination, CONTRACTOR will request a HIPAA and California law compliant client authorization to share client information with and among all other providers involved in the client's care, in satisfaction of state and federal privacy laws and regulations.
6. CO-OCCURRING TREATMENT AND NO WRONG DOOR
- A. Per BHIN 22-011, Specialty and Non-Specialty Mental Health Services can be provided concurrently, if those services are clinically appropriate, coordinated, and not duplicative. When a client meets criteria for both NSMHS and SMHS, the client should receive services based on individual clinical need and established therapeutic relationships. Clinically appropriate and covered SMHS can also be provided when the client has a co-occurring mental health condition and substance use disorder.
 - B. Under this Agreement, CONTRACTOR will ensure that clients receive timely mental health services without delay. Services are reimbursable to CONTRACTOR by COUNTY even when:

- I. Services are provided prior to determination of a diagnosis, during the assessment or prior to determination of whether SMHS access criteria are met, even if the assessment ultimately indicates the client does not meet criteria for SMHS.
- II. If CONTRACTOR is serving a client receiving both SMHS and NSMHS, CONTRACTOR holds responsibility for documenting coordination of care and ensuring that services are non-duplicative.

Article 4. AUTHORIZATION AND DOCUMENTATION PROVISIONS

1. SERVICE AUTHORIZATION

- A. CONTRACTOR will collaborate with COUNTY to complete authorization requests in line with COUNTY and DHCS policy.
- B. CONTRACTOR shall have in place, and follow, written policies and procedures for completing requests for initial and continuing authorizations of services, as required by COUNTY guidance. A Screening Tool and Demographic Form shall be submitted to COUNTY for a 30 day assessment service authorization.
- C. CONTRACTOR shall respond to COUNTY in a timely manner when consultation is necessary for COUNTY to make appropriate authorization determinations.
- D. COUNTY shall provide CONTRACTOR with written notice of authorization determinations within the timeframes set forth in BHINs 22-016 and 22-017, or any subsequent DHCS notices.
- E. CONTRACTOR shall alert COUNTY when an expedited authorization decision (no later than 72 hours) is necessary due to a client's specific needs and circumstances that could seriously jeopardize the client's life or health, or ability to attain, maintain, or regain maximum function.

2. DOCUMENTATION REQUIREMENTS

- A. CONTRACTOR will follow all documentation requirements as specified in Article 4.2-4.8 inclusive in compliance with federal, state and COUNTY requirements.
- B. All CONTRACTOR documentation shall be accurate, complete, and legible, shall list each date of service, and include the face-to-face time for each service. CONTRACTOR shall document travel and documentation time for each service separately from face-to-face time and provide this information to COUNTY upon

request. Services must be identified as provided in-person, by telephone, or by telehealth.

- C. All services shall be documented utilizing COUNTY-approved templates and contain all required elements. CONTRACTOR agrees to satisfy the chart documentation requirements set forth in BHIN 22-019 and the contract between COUNTY and DHCS. Failure to comply with documentation standards specified in this Article require corrective action plans.

3. ASSESSMENT

- A. CONTRACTOR shall ensure that all client medical records include an assessment of each client's need for mental health services.
- B. CONTRACTOR will utilize the seven uniform assessment domains and include other required elements as identified in BHIN 22-019 and document the assessment in the client's medical record.
- C. For clients aged 6 through 20, the Child and Adolescent Needs and Strengths (CANS), and for clients aged 3 through 18, the Pediatric Symptom Checklist-35 (PSC-35) tools are required at intake, every six months during treatment, and at discharge, as specified in DHCS MHSUDS INs 17-052 and 18-048. For clients aged 21+, the Adult Strengths and Needs Assessment are required at intake, every six months during treatment, and at discharge, as specified in COUNTY policy.
- D. The time period for providers to complete an initial assessment and subsequent assessments for SMHS is 30 days however, CONTRACTOR's providers shall complete assessments within a reasonable time and in accordance with generally accepted standards of practice.

4. ICD-10

- A. CONTRACTOR shall use the criteria set forth in the current edition of the DSM as the clinical tool to make diagnostic determinations and submit a diagnosis review form for service authorizations
- B. Once a DSM diagnosis is determined, the CONTRACTOR shall determine the corresponding mental health diagnosis in the current edition of ICD. CONTRACTOR shall use the ICD diagnosis code(s) to submit a claim for SMHS to receive reimbursement from COUNTY.

- C. The ICD Tabular List of Diseases and Injuries is maintained by CMS and may be updated during the term of this Agreement. Changes to the lists of ICD diagnoses do not require an amendment to this Agreement, and County may implement these changes as provided by CMS.

5. PROBLEM LIST

- A. CONTRACTOR will create and maintain a Problem List for each client served under this Agreement. The problem list is a list of symptoms, conditions, diagnoses, and/or risk factors identified through assessment, psychiatric diagnostic evaluation, crisis encounters, or other types of service encounters.
- B. CONTRACTOR must document a problem list that adheres to industry standards utilizing at minimum current SNOMED International, Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT®) U.S. Edition, September 2022 Release, and ICD-10-CM 2023.
- C. A problem identified during a service encounter may be addressed by the service provider during that service encounter and subsequently added to the problem list.
- D. The problem list shall include, but is not limited to, all elements specified in BHIN 22-019.
- E. COUNTY does not require the problem list to be updated within a specific timeframe or have a requirement about how frequently the problem list should be updated after a problem has initially been added. However, CONTRACTOR shall update the problem list within a reasonable time such that the problem list reflects the current issues facing the client, in accordance with generally accepted standards of practice and in specific circumstances specified in BHIN 22-019.

6. TREATMENT AND CARE PLANS

- A. CONTRACTOR is not required to complete treatment or care plans for clients under this Agreement, except in the circumstances specified in BHIN 22-019 and additional guidance from DHCS that may follow after execution of this Agreement.

7. PROGRESS NOTES

- A. CONTRACTOR shall create progress notes for the provision of all SMHS services provided under this Agreement.

- B. Each progress note shall provide sufficient detail to support the service code selected for the service type as indicated by the service code description.
- C. Progress notes shall include all elements specified in BHIN 22-019, whether the note be for an individual or a group service.
- D. CONTRACTOR shall complete progress notes within three business days of providing a service, with the exception of notes for crisis services, which shall be completed within 24 hours.
- E. Providers shall complete a daily progress note for services that are billed on a daily basis, such as residential and day treatment services, if applicable.

8. TRANSITION OF CARE TOOL

- A. CONTRACTOR shall use a Transition of Care Tool for any clients whose existing services will be transferred from CONTRACTOR to an Medi-Cal Managed Care Plan (MCP) provider or when NSMHS will be added to the existing mental health treatment provided by CONTRACTOR, as specified in BHIN 22-065, in order to ensure continuity of care.
- B. Determinations to transition care or add services from an MCP shall be made in alignment with County policies and via a client-centered, shared decision-making process.
- C. CONTRACTOR may directly use the DHCS-provided Transition of Care Tool, found at <https://www.dhcs.ca.gov/Pages/Screening-and-Transition-of-Care-Tools-for-Medi-Cal-Mental-Health-Services.aspx>, or obtain a copy of that tool provided by the COUNTY. CONTRACTOR may create the Transition of Care Tool in its Electronic Health Record (EHR). However, the contents of the Transition of Care Tool, including the specific wording and order of fields, shall remain identical to the DHCS provided form. The only exception to this requirement is when the tool is translated into languages other than English.

9. TELEHEALTH

- A. CONTRACTOR may use telehealth, when it deems clinically appropriate, as a mode of delivering behavioral health services in accordance with all applicable COUNTY, state, and federal requirements, including those related to privacy/security, efficiency,

and standards of care. Such services will conform to the definitions and meet the requirements included in the Medi-Cal Provider Manual: Telehealth, available in the DHCS Telehealth Resources page at:

<https://www.dhcs.ca.gov/provgovpart/Pages/TelehealthResources.aspx>.

- B. All telehealth equipment and service locations must ensure that client confidentiality is maintained.
- C. Licensed providers and staff may provide services via telephone and telehealth as long as the service is within their scope of practice.
- D. Medical records for clients served by CONTRACTOR under this Agreement must include documentation of written or verbal consent for telehealth or telephone services if such services are provided by CONTRACTOR. Such consent must be obtained at least once prior to initiating applicable health care services and consent must include all elements as specified in BHIN 22-019.
- E. COUNTY may at any time audit CONTRACTOR's telehealth practices, and CONTRACTOR must allow access to all materials needed to adequately monitor CONTRACTOR's adherence to telehealth standards and requirements.

Article 5. CHART AUDITING AND REASONS FOR RECOUPMENT

1. MAINTENANCE OF RECORDS

- A. CONTRACTOR shall maintain proper clinical and fiscal records relating to clients served under the terms of this Agreement, as required by the Director, DHCS, and all applicable state and federal statutes and regulations. Client records shall include but not be limited to admission records, diagnostic studies and evaluations, client interviews and progress notes, and records of services provided. All such records shall be maintained in sufficient detail to permit evaluation of the services provided and to meet claiming requirements.

2. ACCESS TO RECORDS

- A. CONTRACTOR shall provide COUNTY with access to all documentation of services provided under this Agreement for COUNTY's use in administering this Agreement. CONTRACTOR shall allow COUNTY, CMS, the Office of the Inspector General, the Controller General of the United States, and any other authorized federal and state

agencies to evaluate performance under this Agreement, and to inspect, evaluate, and audit any and all records, documents, and the premises, equipment and facilities maintained by the CONTRACTOR pertaining to such services at any time and as otherwise required under this Agreement.

3. FEDERAL, STATE AND COUNTY AUDITS

A. In accordance with the California Code of Regulations, Title 9, Chapter 11, Section 1810.380(a), COUNTY will conduct monitoring and oversight activities to review CONTRACTOR's SMHS programs and operations. The purpose of these oversight activities is to verify that medically necessary services are provided to clients, who meet medical necessity and criteria for access to SMHS as established in BHIN 21-073, in compliance with the applicable state and federal laws and regulations, and/or the terms of the Agreement between Contractor and County, and future BHINs which may spell out other specific requirements.

4. INTERNAL AUDITING

- A. CONTRACTORS of sufficient size as determined by COUNTY shall institute and conduct a Quality Assurance Process for all services provided hereunder. Said process shall include at a minimum a system for verifying that all services provided and claimed for reimbursement shall meet SMHS definitions and be documented accurately.
- B. CONTRACTOR shall provide COUNTY with notification and a summary of any internal audit exceptions, and the specific corrective actions taken to sufficiently reduce the errors that are discovered through CONTRACTORS's internal audit process. CONTRACTOR's shall provide this notification and summary to COUNTY in a timely manner.

5. CONFIDENTIALITY IN AUDIT PROCESS

A. CONTRACTOR and COUNTY mutually agree to maintain the confidentiality of CONTRACTOR's client records and information, in compliance with all applicable state and federal statutes and regulations, including but not limited to HIPAA and California Welfare and Institutions Code, Section 5328. CONTRACTOR shall inform all of its officers, employees, and agents of the confidentiality provisions of all applicable statutes.

- B. CONTRACTOR's fiscal records shall contain sufficient data to enable auditors to perform a complete audit and shall be maintained in conformance with standard procedures and accounting principles.
- C. CONTRACTOR's records shall be maintained as required by the Director and DHCS on forms furnished by DHCS or the COUNTY. All statistical data or information requested by the Director shall be provided by the CONTRACTOR in a complete and timely manner.

6. REASONS FOR RECOUPMENT

- A. COUNTY will conduct periodic audits of CONTRACTOR files to ensure appropriate clinical documentation, high quality service provision and compliance with applicable federal, state and county regulations.
- B. Such audits may result in requirements for CONTRACTOR to reimburse COUNTY for services previously paid in the following circumstances:
 - I. Identification of Fraud, Waste or Abuse as defined in federal regulation
 - a. Fraud and abuse are defined in C.F.R. Title 42, § 455.2 and W&I Code, section 14107.11, subdivision (d).
 - b. Definitions for "fraud," "waste," and "abuse" can also be found in the Medicare Managed Care Manual available at www.cms.gov/Regulation-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf
 - II. Overpayment of CONTRACTOR by COUNTY due to errors in claiming or documentation.
 - III. Other reasons specified in the SMHS Reasons for Recoupment document released annually by DHCS and posted on the DHCS BHIN website.
- C. CONTRACTOR shall reimburse COUNTY for all overpayments identified by CONTRACTOR, COUNTY, and/or state or federal oversight agencies as an audit exception within the timeframes required by law or COUNTY or state or federal agency.

7. COOPERATION WITH AUDITS

- A. CONTRACTOR shall cooperate with COUNTY in any review and/or audit initiated by COUNTY, DHCS, or any other applicable regulatory body. This cooperation may include such activities as onsite program, fiscal, or chart reviews and/or audits.

- B. In addition, CONTRACTOR shall comply with all requests for any documentation or files including, but not limited to, client and personnel files.
- C. CONTRACTOR shall notify the COUNTY of any scheduled or unscheduled external evaluation or site visits when it becomes aware of such visit. COUNTY shall reserve the right to attend any or all parts of external review processes.
- D. CONTRACTOR shall allow inspection, evaluation and audit of its records, documents and facilities for ten years from the term end date of this Agreement or in the event CONTRACTOR has been notified that an audit or investigation of this Agreement has been commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later pursuant to 42 C.F.R. §§ 438.3(h) and 438.230I(3)(i-iii).

Article 6. CLIENT PROTECTIONS

1. GRIEVANCES, APPEALS AND NOTICES OF ADVERSE BENEFIT DETERMINATION

- A. All grievances (as defined by 42 C.F.R. § 438.400) and complaints received by CONTRACTOR must be immediately forwarded to the COUNTY Behavioral Health Quality Coordinator or other designated persons via a secure method (e.g., encrypted email or by fax) to allow ample time for the Quality Management staff to acknowledge receipt of the grievance and complaints and issue appropriate responses.
- B. CONTRACTOR shall not discourage the filing of grievances and clients do not need to use the term “grievance” for a complaint to be captured as an expression of dissatisfaction and, therefore, a grievance.
- C. Aligned with MHSUDS IN 18-010E and 42 C.F.R. §438.404, the appropriate and delegated Notice of Adverse Benefit Determination (NOABD) must be issued by CONTRACTOR within the specified timeframes using the template provided by the COUNTY.
- D. NOABDs must be issued to clients anytime the CONTRACTOR has made or intends to make an adverse benefit determination that includes the reduction, suspension, or termination of a previously authorized service and/or the failure to provide services in a timely manner. The notice must have a clear and concise explanation of the

- reason(s) for the decision as established by DHCS and the COUNTY. The CONTRACTOR must inform the COUNTY immediately after issuing a NOABD.
- E. Procedures and timeframes for responding to grievances, issuing, and responding to adverse benefit determinations, appeals, and state hearings must be followed as per 42 C.F.R., Part 438, Subpart F (42 C.F.R. §§ 438.400 – 438.424).
 - F. CONTRACTOR must provide clients any reasonable assistance in completing forms and taking other procedural steps related to a grievance or appeal such as auxiliary aids and interpreter services.
 - G. CONTRACTOR must maintain records of grievances and appeals and must review the information as part of its ongoing monitoring procedures. The record must be accurately maintained in a manner accessible to the COUNTY and available upon request to DHCS.
2. Advanced Directives
- CONTRACTOR must comply with all COUNTY policies and procedures regarding Advanced Directives in compliance with the requirements of 42 C.F.R. §§ 422.128 and 438.6(i) (1), (3) and (4).
3. Continuity of Care
- CONTRACTOR shall follow the COUNTY's continuity of care policy that is in accordance with applicable state and federal regulations, MHSUDS IN 18-059 and any BHINs issued by DHCS for parity in mental health and substance use disorder benefits subsequent to the effective date of this Agreement (42 C.F.R. § 438.62(b)(1)-(2).)

Article 7. PROGRAM INTEGRITY

1. GENERAL

As a condition of receiving payment under a Medi-Cal managed care program, the CONTRACTOR shall comply with the provisions of 42 C.F.R. §§ 438.604, 438.606, 438.608 and 438.610. (42 C.F.R. § 438.600(b)).

2. CREDENTIALING AND RE-CREDENTIALING OF PROVIDERS

- A. CONTRACTOR must follow the uniform process for credentialing and recredentialing of service providers established by COUNTY, including disciplinary

- actions such as reducing, suspending, or terminating provider's privileges. Failure to comply with specified requirements can result in suspension or termination of a provider.
- B. Upon request, the CONTRACTOR must demonstrate to the COUNTY that each of its providers are qualified in accordance with current legal, professional, and technical standards, and that they are appropriately licensed, registered, waived, and/or certified.
 - C. CONTRACTOR must not employ or subcontract with providers debarred, suspended or otherwise excluded (individually, and collectively referred to as "Excluded") from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610. See relevant section below regarding specific requirements for exclusion monitoring.
 - D. CONTRACTOR shall ensure that all of their network providers delivering covered services, sign and date an attestation statement on a form provided by County, in which each provider attests to the following:
 - I. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;
 - II. A history of loss of license or felony convictions;
 - III. A history of loss or limitation of privileges or disciplinary activity;
 - IV. A lack of present illegal drug use; and
 - V. The application's accuracy and completeness
 - E. CONTRACTOR must file and keep track of attestation statements for all of their providers and must make those available to the COUNTY upon request at any time.
 - F. CONTRACTOR is required to sign an annual attestation statement at the time of Agreement renewal in which they will attest that they will follow COUNTY's Credentialing Policy and MHSUDS IN 18-019 and ensure that all of their rendering providers are credentialed as per established guidelines.
 - G. CONTRACTOR is required to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements as per the COUNTY's uniform process for credentialing and recredentialing. If any of the

requirements are not up-to-date, updated information should be obtained from network providers to complete the re-credentialing process.

3. SCREENING AND ENROLLMENT REQUIREMENTS

- A. COUNTY shall ensure that all CONTRACTOR providers are enrolled with the State as Medi-Cal providers consistent with the provider disclosure, screening, and enrollment requirements of 42 C.F.R. Part 455, subparts B and E. (42 C.F.R. § 438.608(b))
- B. COUNTY may execute this Agreement, pending the outcome of screening, enrollment, and revalidation of CONTRACTOR of up to 120 days but shall terminate this Agreement immediately upon determination that CONTRACTOR cannot be enrolled, or the expiration of one 120-day period without enrollment of the CONTRACTOR, and notify affected clients. (42 C.F.R. § 438.602(b)(2))
- C. CONTRACTOR shall ensure that all Providers and/or subcontracted Providers consent to a criminal background check, including fingerprinting to the extent required under state law and 42 C.F.R. § 455.434(a). CONTRACTOR shall provide evidence of completed consents when requested by the County, DHCS or the US Department of Health & Human Services (US DHHS).

4. COMPLIANCE PROGRAM, INCLUDING FRAUD PREVENTION AND OVERPAYMENTS

- A. CONTRACTOR shall have in place a compliance program designed to detect and prevent fraud, waste and abuse, as per 42 C.F.R. § 438.608(a)(1), that must include:
 - I. Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the CONTRACTOR, and all applicable federal and state requirements.
 - II. A Compliance Office (CO) who is responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements of this Agreement and who reports directly to the CEO and the Board of Directors.

- III. A Regulatory Compliance Committee on the Board of Directors and at the senior management level charged with overseeing the organization's compliance program and its compliance with the requirements under the Agreement.
 - IV. A system for training and education for the Compliance Officer, the organization's senior management, and the organization's employees for the federal and state standards and requirements under the Agreement.
 - V. Effective lines of communication between the Compliance Officer and the organization's employees.
 - VI. Enforcement of standards through well-publicized disciplinary guidelines.
 - VII. The establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, corrections of such problems promptly and thoroughly to reduce the potential for recurrence and ongoing compliance with the requirements under the Contract.
 - VIII. The requirement for prompt reporting and repayment of any overpayments identified.
- B. CONTRACTOR must have administrative and management arrangements or procedures designed to detect and prevent fraud, waste and abuse of federal or state health care funding. CONTRACTOR must report fraud and abuse information to the COUNTY including but not limited to:
- I. Any potential fraud, waste, or abuse as per 42 C.F.R. § 438.608(a), (a)(7),
 - II. All overpayments identified or recovered, specifying the overpayment due to potential fraud as per 42 C.F.R. § 438.608(a), (a)(2),
 - III. Information about changes in a client's circumstances that may affect the client's eligibility including changes in the client's residence or the death of the client as per 42 C.F.R. § 438.608(a)(3).
 - IV. Information about a change in the CONTRACTOR's circumstances that may affect the network provider's eligibility to participate in the managed care program, including the termination of this Agreement with the Contractor as per 42 C.F.R. § 438.608(a)(6).

- C. CONTRACTOR shall implement written policies that provide detailed information about the False Claims Act (“Act”) and other federal and state laws described in section 1902(a)(68) of the Act, including information about rights of employees to be protected as whistleblowers.
 - D. CONTRACTOR shall make prompt referral of any potential fraud, waste or abuse to COUNTY or potential fraud directly to the State Medicaid Fraud Control Unit.
 - E. COUNTY may suspend payments to CONTRACTOR if DHCS or COUNTY determine that there is a credible allegation of fraud in accordance with 42 C.F.R. §455.23. (42 C.F.R. §438.608 (a)(8)).
 - F. CONTRACTOR shall report to COUNTY all identified overpayments and reason for the overpayment, including overpayments due to potential fraud. CONTRACTOR shall return any overpayments to the COUNTY within 60 calendar days after the date on which the overpayment was identified. (42 C.F.R. § 438.608 (a)(2), (c)(3)).
5. INTEGRITY DISCLOSURES
- A. CONTRACTOR shall provide information on ownership and controlling interests, disclosures related to business transactions, and disclosures related to persons convicted of crimes in the form and manner requested by COUNTY, by the Effective Date, each time the Agreement is renewed and within 35 days of any change in ownership or controlling interest of Contractor. (42 C.F.R. §§ 455.104, 455.105, and 455.106.)
 - B. Upon the execution of this Contract, CONTRACTOR shall furnish COUNTY a Provider Disclosure Statement, which, upon receipt by COUNTY, shall be kept on file with COUNTY and may be disclosed to DHCS. If there are any changes to the information disclosed in the Provider Disclosure Statement, an updated statement should be completed and submitted to the County within 35 days of the change. (42 C.F.R. § 455.104.)
 - C. CONTRACTOR must disclose the following information as requested in the Provider Disclosure Statement:
 - I. Disclosure of 5% or More Ownership Interest:
 - a. In the case of corporate entities with an ownership or control interest in the disclosing entity, the primary business address as well as every business

location and P.O. Box address must be disclosed. In the case of an individual, the date of birth and Social Security number must be disclosed.

- b. In the case of a corporation with ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has a five percent (5%) or more interest, the corporation tax identification number must be disclosed.
- c. For individuals or corporations with ownership or control interest in any subcontractor in which the disclosing entity has a five percent (5%) or more interest, the disclosure of familial relationship is required.
- d. For individuals with five percent (5%) or more direct or indirect ownership interest of a disclosing entity, the individual shall provide evidence of completion of a criminal background check, including fingerprinting, if required by law, prior to execution of Contract. (42 C.F.R. § 455.434)

II. Disclosures Related to Business Transactions:

- a. The ownership of any subcontractor with whom CONTRACTOR has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request.
- b. Any significant business transactions between CONTRACTOR and any wholly owned supplier, or between CONTRACTOR and any subcontractor, during the 5-year period ending on the date of the request. (42 C.F.R. § 455.105(b).)

III. Disclosures Related to Persons Convicted of Crimes:

- a. The identity of any person who has an ownership or control interest in the provider or is an agent or managing employee of the provider who has been convicted of a criminal offense related to that person's involvement in any program under the Medicare, Medicaid, or the Title XXI services program since the inception of those programs. (42 C.F.R. § 455.106.)
- b. COUNTY shall terminate the enrollment of CONTRACTOR if any person with five percent (5%) or greater direct or indirect ownership interest in the disclosing entity has been convicted of a criminal offense related to the

person's involvement with Medicare, Medicaid, or Title XXI program in the last 10 years.

- D. CONTRACTOR must provide disclosure upon execution of CONTRACTOR, extension for renewal, and within 35 days after any change in CONTRACTOR ownership or upon request of COUNTY. COUNTY may refuse to enter into an agreement or terminate an existing agreement with CONTRACTOR if CONTRACTOR fails to disclose ownership and control interest information, information related to business transactions and information on persons convicted of crimes, or if CONTRACTOR did not fully and accurately make the disclosure as required.
- E. CONTRACTOR must provide the COUNTY with written disclosure of any prohibited affiliations under 42 C.F.R. § 438.610. CONTRACTOR must not employ or subcontract with providers or have other relationships with providers Excluded from participation in Federal Health Care Programs, including Medi-Cal/Medicaid or procurement activities, as set forth in 42 C.F.R. §438.610.

Article 8. QUALITY IMPROVEMENT PROGRAM

1. QUALITY IMPROVEMENT ACTIVITIES AND PARTICIPATION

- A. CONTRACTOR shall comply with the COUNTYS's ongoing comprehensive Quality Assessment and Performance Improvement (QAPI) Program (42 C.F.R. § 438.330(a)) and work with the COUNTY to improve established outcomes by following structural and operational processes and activities that are consistent with current practice standards.
- B. CONTRACTOR shall participate in quality improvement (QI) activities, including clinical and non-clinical performance improvement projects (PIPs), as requested by the COUNTY in relation to state and federal requirements and responsibilities, to improve health outcomes and clients' satisfaction over time. Other QI activities include quality assurance, collection and submission of performance measures specified by the COUNTY, mechanisms to detect both underutilization and overutilization of services, client and system outcomes, utilization management, utilization review, provider appeals, provider credentialing and re-credentialing, and

client grievances. CONTRACTOR shall measure, monitor, and annually report to the COUNTY its performance.

- C. CONTRACTOR shall implement mechanisms to assess client/family satisfaction based on COUNTY's guidance. The CONTRACTOR shall assess client/family satisfaction by:
 - I. Surveying client/family satisfaction with the CONTRACTOR's services at least annually.
 - II. Evaluating client grievances, appeals and State Hearings at least annually.
 - III. Evaluating requests to change persons providing services at least annually.
 - IV. Informing the COUNTY and clients of the results of client/family satisfaction activities.
- D. CONTRACTOR, if applicable, shall implement mechanisms to monitor the safety and effectiveness of medication practices. This mechanism shall be under the supervision of a person licensed to prescribe or dispense prescription drugs, at least annually.
- E. CONTRACTOR shall implement mechanisms to monitor appropriate and timely intervention of occurrences that raise quality of care concerns. The CONTRACTOR shall take appropriate follow-up action when such an occurrence is identified. The results of the intervention shall be evaluated by the Contractor at least annually and shared with the County.
- F. CONTRACTOR shall assist COUNTY, as needed, with the development and implementation of Corrective Action Plans.
- G. CONTRACTOR shall collaborate with COUNTY to create a QI Work Plan with documented annual evaluations and documented revisions as needed. The QI Work Plan shall evaluate the impact and effectiveness of its quality assessment and performance improvement program.
- H. CONTRACTOR shall attend and participate in the COUNTY's Quality Improvement Committee (QIC) to recommend policy decisions, review and evaluate results of QI activities, including PIPs, institute needed QI actions, and ensure follow-up of QI processes. CONTRACTOR shall ensure that there is active participation by the CONTRACTOR's practitioners and providers in the QIC.

- I. CONTRACTOR shall assist COUNTY, as needed, with the development and implementation of Corrective Action Plans.
 - J. CONTRACTOR shall participate, as required, in annual, independent external quality reviews (EQR) of the quality, timeliness, and access to the services covered under this agreement, which are conducted pursuant to Subpart E of Part 438 of the Code of Federal Regulations. (42 C.F.R. §§ 438.350(a) and 438.320)
2. NETWORK ADEQUACY
- A. The CONTRACTOR shall ensure that all services covered under this Agreement are available and accessible to clients in a timely manner and in accordance with the network adequacy standards required by regulation. (42 C.F.R. §438.206 (a), (c)).
 - B. CONTRACTOR shall submit, when requested by COUNTY and in a manner and format determined by the COUNTY, network adequacy certification information to the COUNTY, utilizing a provided template or other designated format.
 - C. CONTRACTOR shall submit updated network adequacy information to the COUNTY any time there has been a significant change that would affect the adequacy and capacity of services.
 - D. To the extent possible and appropriately consistent with CCR, Title 9, §1830.225 and 42 C.F.R. §438.3 (l), the CONTRACTOR shall provide a client the ability to choose the person providing services to them.
3. TIMELY ACCESS
- A. CONTRACTOR shall comply with the requirements set forth in CCR, Title 9, § 1810.405, including meeting COUNTY and State Contract standards for timely access to care and services, taking into account the urgency of need for services. The COUNTY shall monitor CONTRACTOR to determine compliance with timely access requirements and shall take corrective action in the event of noncompliance.
 - B. Timely access standards include:
 - I. CONTRACTOR must have hours of operation during which services are provided to Medi-Cal clients that are no less than the hours of operation during which the provider offers services to non-Medi-Cal clients. If the CONTRACTOR's provider only serves Medi-Cal clients, the provider must provide hours of

operation comparable to the hours the provider makes available for Medi-Cal services that are not covered by the Agreement or another COUNTY.

- II. Appointments data, including wait times for requested services, must be recorded and tracked by CONTRACTOR, and submitted to the COUNTY on a monthly basis in a format specified by the COUNTY. Appointments' data should be submitted to the COUNTY's Quality Management Department or other designated persons.
- III. Urgent care appointments for services that do not require prior authorization must be provided to clients within 48 hours of a request. Urgent appointments for services that do require prior authorization must be provided to clients within 96 hours of request.
- IV. Non-urgent non-psychiatry mental health services, including, but not limited to Assessment, Targeted Case Management, and Individual and Group Therapy appointments (for both adult and children/youth) must be made available to Medi-Cal clients within 10 business days from the date the client or a provider acting on behalf of the client, requests an appointment for a medically necessary service. Non-urgent psychiatry appointments (for both adult and children/youth) must be made available to Medi-Cal clients within 15 business days from the date the client or a provider acting on behalf of the client, requests an appointment for a medically necessary service.
- V. Applicable appointment time standards may be extended if the referring or treating provider has determined and noted in the client's record that a longer waiting period will not have a detrimental impact on the health of the client.
- VI. Periodic office visits to monitor and treat mental health conditions may be scheduled in advance consistent with professionally recognized standards of practice as determined by the treating licensed mental health provider acting within the scope of his or her practice.

4. PRACTICE GUIDELINES

- A. CONTRACTOR shall adopt practice guidelines (or adopt COUNTY's practice guidelines) that meet the following requirements:

- I. They are based on valid and reliable clinical evidence or a consensus of health care professionals in the applicable field;
 - II. They consider the needs of the clients;
 - III. They are adopted in consultation with contracting health care professionals; and
 - IV. They are reviewed and updated periodically as appropriate (42 C.F.R. § 438.236(b) and CCR, Title 9, Section 1810.326).
- B. CONTRACTOR shall disseminate the guidelines to all affected providers and, upon request, to clients and potential clients (42 C.F.R. § 438.236(c)).
5. PROVIDER APPLICATION AND VALIDATION FOR ENROLLMENT (PAVE)
- A. CONTRACTOR shall ensure that all of its required clinical staff, who are rendering SMHS to Medi-Cal clients on behalf of Contractor, are registered through DHCS' Provider Application and Validation for Enrollment (PAVE) portal, pursuant to BHIN 20-071 requirements, the 21st Century Cures Act and the CMS Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule.
 - B. SMHS licensed individuals required to enroll via the "Ordering, Referring and Prescribing" (ORP) PAVE enrollment pathway (i.e. PAVE application package) available through the DHCS PED Pave Portal, include: Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Professional Clinical Counselor (LPCC), Psychologist, Licensed Educational Psychologist, Physician (MD and DO), Physician Assistant, Registered Pharmacist/Pharmacist, Certified Pediatric/Family Nurse Practitioner, Nurse Practitioner, Occupational Therapist, and Speech-Language Pathologist. Interns, trainees, and associates are not eligible for enrollment.
6. REPORTING UNUSUAL OCCURRENCES
- A. CONTRACTOR shall report unusual occurrences to the Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.
 - B. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

- I. Complete written description of event including outcome;
 - II. Written report of CONTRACTOR's investigation and conclusions;
 - III. List of persons directly involved and/or with direct knowledge of the event.
- C. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

Article 9. FINANCIAL TERMS

1. CLAIMING

- A. CONTRACTOR shall submit claims to according to COUNTY's billing and transactional specifications within the timeframes established by COUNTY.
- B. Claims shall be complete and accurate and must include all required information regarding the claimed services.
- C. CONTRACTOR shall maximize the Federal Financial Participation (FFP) reimbursement by claiming all eligible Medi-Cal services and correcting denied services for resubmission in a timely manner as needed.

2. INVOICING

- A. CONTRACTOR shall invoice COUNTY for services monthly, in arrears, in the format directed by COUNTY. Invoices shall be based on claims for the prior month.
- B. Monthly payments for claimed services shall be based on the units of time assigned to each service invoiced set forth in the Provider Rate Table, Exhibit B, of this Agreement.
- C. COUNTY's payments to CONTRACTOR for performance of claimed services are provisional and subject to adjustment until the completion of all settlement activities. COUNTY's adjustments to provisional payments for claimed services shall be based on the terms, conditions, and limitations of this Agreement or the reasons for recoupment set forth in Article 5, Section 6.

4. ADDITIONAL FINANCIAL REQUIREMENTS

- A. COUNTY has the right to monitor the performance of this Agreement to ensure the accuracy of claims for reimbursement and compliance with all applicable laws and regulations.

- B. CONTRACTOR must comply with the False Claims Act employee training and policy requirements set forth in 42 U.S.C. 1396a(a)(68) and as the Secretary of the United States Department of Health and Human Services may specify.
 - C. CONTRACTOR agrees that no part of any federal funds provided under this Agreement shall be used to pay the salary of an individual per fiscal year at a rate in excess of Level 1 of the Executive Schedule at <https://www.opm.gov/> (U.S. Office of Personnel Management), as from time to time amended.
 - D. Federal Financial Participation is not available for any amount furnished to an Excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the COUNTY failed to suspend payments during an investigation of a credible allegation of fraud [42 U.S.C. section 1396b(i)(2)].
5. CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS
- A. CONTRACTOR may not redirect or transfer funds from one funded program to another funded program under which CONTRACTOR provides services pursuant to this Agreement except through a duly executed amendment to this Agreement.
 - B. CONTRACTOR may not charge services delivered to an eligible client under one funded program to another funded program unless the client is also eligible for services under the second funded program.
6. FINANCIAL AUDIT REPORT REQUIREMENTS FOR PASS-THROUGH ENTITIES
- A. If COUNTY determines 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 may be amended from time to time. CONTRACTOR shall observe and comply with all applicable financial audit report requirements and standards.

- B. Financial audit reports must contain a separate schedule that identifies all funds included in the audit that are received from or passed through the COUNTY. COUNTY programs must be identified by Agreement number, Agreement amount, Agreement period, and the amount expended during the fiscal year by funding source.

Article 10. ADDITIONAL FINAL RULE PROVISIONS

1. NON-DISCRIMINATION

- A. CONTRACTOR shall not discriminate against Medi-Cal eligible individuals in its county who require an assessment or meet medical necessity criteria for SMHS in the provision of SMHS because of race, color, religion, ancestry, marital status, national origin, ethnic group identification, sex, sexual orientation, gender, gender identity, age, medical condition, genetic information, health status or need for health care services, or mental or physical disability as consistent with the requirements of applicable federal law, such as 42 C.F.R. § 438.3(d)(3) and (4), BHIN 22-060 Enclosure 4 and state law.
- B. CONTRACTOR shall take affirmative action to ensure that services to intended Medi-Cal clients are provided without use of any policy or practice that has the effect of discriminating on the basis of race, color, religion, ancestry, marital status, national origin, ethnic group identification, sex, sexual orientation, gender, gender identity, age, medical condition, genetic information, health status or need for health care services, or mental or physical disability.

2. PHYSICAL ACCESSIBILITY

In accordance with the accessibility requirements of section 508 of the Rehabilitation Act and the Americans with Disabilities Act of 1973, CONTRACTOR must provide physical access, reasonable accommodations, and accessible equipment for Medi-Cal clients with physical or mental disabilities.

3. APPLICABLE FEES

- A. CONTRACTOR shall not charge any clients or third-party payers any fee for service unless directed to do so by the Behavioral Health Director at the time the client is referred for services. When directed to charge for services, CONTRACTOR shall use the uniform billing and collection guidelines prescribed by DHCS.

- B. CONTRACTOR will perform eligibility and financial determinations, in accordance DHCS' Uniform Method of Determining Ability to Pay (UMDAP), for all clients unless directed otherwise by the Behavioral Health Director.
- C. CONTRACTOR shall not submit a claim to, or demand or otherwise collect reimbursement from, the client or persons acting on behalf of the client for any specialty mental health or related administrative services provided under this CONTRACT, except to collect other health insurance coverage, share of cost, and co-payments (Cal. Code Regs., tit. 9, §1810.365(c).
- D. The CONTRACTOR must not bill clients, for covered services, any amount greater than would be owed if the COUNTY provided the services directly as per and otherwise not bill client as set forth in 42 C.F.R. § 438.106.

4. CULTURAL COMPETENCE

All services, policies and procedures must be culturally and linguistically appropriate. CONTRACTOR must participate in the implementation of the most recent Cultural Competency Plan for the COUNTY and shall adhere to all cultural competency standards and requirements. CONTRACTOR shall participate in the COUNTY's efforts to promote the delivery of services in a culturally competent and equitable manner to all clients, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation, or gender identity.

5. CLIENT INFORMING MATERIALS

A. Basic Information Requirements

- I. CONTRACTOR shall provide information in a manner and format that is easily understood and readily accessible to clients. (42 C.F.R. § 438.10(c)(1))
CONTRACTOR shall provide all written materials for clients in easily understood language, format, and alternative formats that take into consideration the special needs of clients in compliance with 42 C.F.R. § 438.10(d)(6).
CONTRACTOR shall inform clients that information is available in alternate formats and how to access those formats in compliance with 42 C.F.R. § 438.10.
- II. CONTRACTOR shall provide the required information in this section to each client receiving SMHS under this Agreement and upon request. (1915(b) Medi-

Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26., attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e).)

- III. CONTRACTOR shall use DHCS/COUNTY developed beneficiary handbook and client notices. (42 C.F.R. §§ 438.10(c)(4)(ii), 438.62(b)(3))
- IV. Client information required in this section may only be provided electronically by the CONTRACTOR if all of the following conditions are met:
 - a. The format is readily accessible;
 - b. The information is placed in a location on the CONTRACTOR's website that is prominent and readily accessible;
 - c. The information is provided in an electronic form which can be electronically retained and printed;
 - d. The information is consistent with the content and language requirements of this agreement;
 - e. The client is informed that the information is available in paper form without charge upon request and the Contractor provides it upon request within 5 business days. (42 C.F.R. § 438.10(c)(6).)

B. Language and Format

- I. CONTRACTOR shall provide all written materials for potential clients and clients in a font size no smaller than 12 point. (42 C.F.R. 438.10(d)(6)(ii))
- II. CONTRACTOR shall ensure its written materials that are critical to obtaining services are available in alternative formats, upon request of the client or potential client at no cost.
- III. CONTRACTOR shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbook, appeal and grievance notices, denial and termination notices, and the CONTRACTOR's mental health education materials, available in the prevalent non-English languages in the COUNTY. (42 C.F.R. § 438.10(d)(3))
 - a. CONTRACTOR shall notify clients, prospective clients, and members of the public that written translation is available in prevalent languages free of cost and how to access those materials. (42 C.F.R. § 438.10(d)(5)(i), (iii); Welfare

& Inst. Code § 14727(a)(1); Cal. Code Regs. tit. 9 § 1810.410, subd. (e), para. (4))

- IV. CONTRACTOR shall make auxiliary aids and services available upon request and free of charge to each client. (42 C.F.R. § 438.10(d)(3)- (4))
- V. CONTRACTOR shall make oral interpretation and auxiliary aids, such as Teletypewriter Telephone/Text Telephone (TTY/TDY) and American Sign Language (ASL), available and free of charge for any language in compliance with 42 C.F.R. § 438.10(d)(2), (4)-(5).
- VI. Taglines for written materials critical to obtaining services must be printed in a conspicuously visible font size.

C. Beneficiary Informing Materials

- I. Each client must receive and have access to the beneficiary informing materials upon request by the client and when first receiving SMHS from CONTRACTOR. Beneficiary informing materials include but are not limited to:
 - a. Guide to Medi-Cal Mental Health Services
 - b. County Beneficiary Handbook (BHIN 22-060)
 - c. Provider Directory
 - d. Advance Health Care Directive Form (required for adult clients only)
 - e. Notice of Language Assistance Services available upon request at no cost to the client
 - f. Language Taglines
 - g. Grievance/Appeal Process and Form
 - h. Notice of Privacy Practices
 - i. Early & Periodic Screening, Diagnostic and Treatment (EPSDT) poster (if serving clients under the age of 21)
- II. CONTRACTOR shall provide each client with a beneficiary handbook at the time the client first accesses services. The beneficiary handbook shall be provided to beneficiaries within 14 business days after receiving notice of enrollment.
- III. CONTRACTOR shall give each client notice of any significant change to the information contained in the beneficiary handbook at least 30 days before the intended effective date of change as per BHIN 22-060.

- IV. Required informing materials must be electronically available on CONTRACTOR's website and must be physically available at the CONTRACTOR agency facility lobby for clients' access.
- V. Informing materials must be made available upon request, at no cost, in alternate formats (i.e., Braille or Audio) and Auxiliary Aids (i.e., California Relay Service (CRS) 711 and American Sign Language) and must be provided to clients within five business days. Large print materials shall be in a minimum 18-point font size.
- VI. Informing materials will be considered provided to the client if CONTRACTOR does one or more of the following:
 - a. Mails a printed copy of the information to the client's mailing address before the client first receives a specialty mental health service;
 - b. Mails a printed copy of the information upon the client's request to the client's mailing address;
 - c. Provides the information by email after obtaining the client's agreement to receive the information by email;
 - d. Posts the information on the CONTRACTOR's website and advises the client in paper or electronic form that the information is available on the internet and includes applicable internet addresses, provided that clients with disabilities who cannot access this information online are provided auxiliary aids and services upon request and at no cost; or,
 - e. Provides the information by any other method that can reasonably be expected to result in the client receiving that information. If CONTRACTOR provides informing materials in person, when the client first receives specialty mental health services, the date and method of delivery shall be documented in the client's file.

D. Provider Directory

- I. CONTRACTOR must follow the COUNTY's provider directory policy, in compliance with MHSUDS IN 18-020.
- II. CONTRACTOR must make available to clients, in paper form upon request and electronic form, specified information about the county provider network as per 42 C.F.R. § 438.10(h). The most current provider directory is electronically

available on the COUNTY website and is updated by the COUNTY no later than 30 calendar days after information is received to update provider information. A paper provider directory must be updated as set forth in 42 C.F.R. § 438.10(h)(3)(i).

- III. Any changes to information published in the provider directory must be reported to the COUNTY within two weeks of the change.
- IV. CONTRACTOR will only need to report changes/updates to the provider directory for licensed, waived, or registered mental health providers.

Article 11. DATA, PRIVACY AND SECURITY REQUIREMENTS

1. CONFIDENTIALITY AND SECURE COMMUNICATIONS

- A. CONTRACTOR shall comply with all applicable federal and state laws and regulations pertaining to the confidentiality of individually identifiable protected health information (PHI) or personally identifiable information (PII) including, but not limited to, requirements of the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, the California Welfare and Institutions Code regarding confidentiality of client information and records and all relevant County policies and procedures.
- B. CONTRACTOR will comply with all COUNTY policies and procedures related to confidentiality, privacy, and secure communications.
- C. CONTRACTOR shall not use or disclose PHI or PII other than as permitted or required by law.

2. ELECTRONIC PRIVACY AND SECURITY

- A. CONTRACTOR shall have a secure email system and send any email containing PII or PHI in a secure and encrypted manner. CONTRACTOR's email transmissions shall display a warning banner stating that data is confidential, systems activities are monitored and logged for administrative and security purposes, systems use is for authorized users only, and that users are directed to log off the system if they do not agree with these requirements.
- B. CONTRACTOR shall institute compliant password management policies and procedures, which shall include but not be limited to procedures for creating,

changing, and safeguarding passwords. CONTRACTOR shall establish guidelines for creating passwords and ensuring that passwords expire and are changed at least once every 90 days.

- C. Any Electronic Health Records (EHRs) maintained by CONTRACTOR that contain PHI or PII for clients served through this Agreement shall contain a warning banner regarding the PHI or PII contained within the EHR. CONTRACTOR's that utilize an EHR shall maintain all parts of the clinical record that are not stored in the EHR, including but not limited to the following examples of client signed documents: discharge plans, informing materials, and health questionnaire.
- D. CONTRACTOR entering data into any county electronic systems shall ensure that staff are trained to enter and maintain data within this system.

3. BUSINESS ASSOCIATE AGREEMENT (BAA)

- A. CONTRACTOR may perform or assist COUNTY in the performance of certain health care administrative duties that involve the use and/or disclosure of client identifying information as defined by HIPAA. For these duties, the CONTRACTOR shall be a Business Associate of the COUNTY and shall comply with the applicable provisions set forth in the HIPAA BAA, which must be signed and attached as an exhibit to this agreement.
- B. CONTRACTOR shall follow all requirements listed within the BAA and shall comply with all applicable COUNTY policies, state laws and regulations and federal laws pertaining to breaches of confidentiality. CONTRACTOR agrees to hold the COUNTY harmless for any breaches or violations.

Article 12. CLIENT RIGHTS

CONTRACTOR shall take all appropriate steps to fully protect clients' rights, as specified in Welfare and Institutions Code Sections 5325 et seq; Title 9 California Code of Regulations (CCR), Sections 861, 862, 883, 884; Title 22 CCR, Sections 72453 and 72527; and 42 C.F.R. § 438.100.

Article 13. RIGHT TO MONITOR

- 1. COUNTY or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Auditor General, shall have absolute right

to review and audit all records, books, papers, documents, corporate minutes, financial records, staff information, client records, other pertinent items as requested, and shall have absolute right to monitor the performance of CONTRACTOR in the delivery of services provided under this Contract. Full cooperation shall be given by the CONTRACTOR in any auditing or monitoring conducted, according to this agreement.

2. CONTRACTOR shall make all of its premises, physical facilities, equipment, books, records, documents, contracts, computers, or other electronic systems pertaining to Medi-Cal enrollees, Medi-Cal-related activities, services, and activities furnished under the terms of this Contract, or determinations of amounts payable available at any time for inspection, examination, or copying by County, the State of California or any subdivision or appointee thereof, CMS, U.S. Department of Health and Human Services (HHS) Office of Inspector General, the United States Comptroller General or their designees, and other authorized federal and state agencies. This audit right will exist for at least ten years from the final date of the Agreement period or in the event the Contractor has been notified that an audit or investigation of this Agreement has commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later (42 CFR §438.230(c)(3)(I)-(ii)).
3. The COUNTY, DHCS, CMS, or the HHS Office of Inspector General may inspect, evaluate, and audit the Contractor at any time if there is a reasonable possibility of fraud or similar risk. The Department's inspection shall occur at the CONTRACTOR's place of business, premises, or physical facilities (42 CFR §438.230(c)(3)(iv)).
4. CONTRACTOR shall cooperate with COUNTY in the implementation, monitoring and evaluation of this Agreement and comply with any and all reporting requirements established by COUNTY. Should COUNTY identify an issue or receive notification of a complaint or potential/actual/suspected violation of requirements, COUNTY may audit, monitor, and/or request information from CONTRACTOR to ensure compliance with laws, regulations, and requirements, as applicable.
5. COUNTY reserves the right to place CONTRACTOR on probationary status, as referenced in the Probationary Status Article, should CONTRACTOR fail to meet performance requirements; including, but not limited to violations such as high disallowance rates, failure to report incidents and changes as contractually required,

failure to correct issues, inappropriate invoicing, untimely and inaccurate data entry, not meeting performance outcomes expectations, and violations issued directly from the State. Additionally, CONTRACTOR may be subject to Probationary Status or termination if contract monitoring and auditing corrective actions are not resolved within specified timeframes.

6. CONTRACTOR shall retain all records and documents originated or prepared pursuant to CONTRACTOR's performance under this Contract, including client grievance and appeal records, and the data, information and documentation specified in 42 C.F.R. parts 438.604, 438.606, 438.608, and 438.610 for a period of no less than ten years from the term end date of this Agreement or until such time as the matter under audit or investigation has been resolved. Records and documents include but are not limited to all physical and electronic records and documents originated or prepared pursuant to CONTRACTOR's or subcontractor's performance under this Agreement including working papers, reports, financial records and documents of account, client records, prescription files, subcontracts, and any other documentation pertaining to covered services and other related services for clients.
7. CONTRACTOR shall maintain all records and management books pertaining to service delivery and demonstrate accountability for contract performance and maintain all fiscal, statistical, and management books and records pertaining to the program. Records should include, but not be limited to, monthly summary sheets, sign-in sheets, and other primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must also comply with the Code of Federal Regulations (CFR), Title II, Subtitle A, Chapter 11, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
8. All records shall be complete and current and comply with all Agreement requirements. Failure to maintain acceptable records per the preceding requirements shall be considered grounds for withholding of payments for billings submitted and for termination of Agreement.

9. CONTRACTOR shall maintain client and community service records in compliance with all regulations set forth by local, state, and federal requirements, laws and regulations, and provide access to clinical records by COUNTY staff.
10. CONTRACTOR shall comply with Medical Records/Protected Health Information Article regarding relinquishing or maintaining medical records.
11. CONTRACTOR shall agree to maintain and retain all appropriate service and financial records for a period of at least ten years from the date of final payment, the final date of the contract period, final settlement, or until audit findings are resolved, whichever is later.
12. In the event the Agreement is terminated, ends its designated term or CONTRACTOR ceases operation of its business, CONTRACTOR shall deliver or make available to COUNTY all financial records that may have been accumulated by Contractor or subcontractor under this Agreement, whether completed, partially completed or in progress within seven calendar days of said termination/end date.
13. CONTRACTOR shall provide all reasonable facilities and assistance for the safety and convenience of the County's representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner that will not unduly delay the work of CONTRACTOR.
14. COUNTY has the discretion to revoke full or partial provisions of the Agreement, delegated activities or obligations, or application of other remedies permitted by state or federal law when the COUNTY or DHCS determines CONTRACTOR has not performed satisfactorily.

Article 14. SITE INSPECTION

1. Without limiting any other provision related to inspections or audits otherwise set forth in this Agreement, CONTRACTOR shall permit authorized COUNTY, state, and/or federal agency(ies), through any authorized representative, the right to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract support activities and the premises which it is being performed. CONTRACTOR shall provide all reasonable assistance for the safety and convenience of the authorized representative in

the performance of their duties. All inspections and evaluations shall be made in a manner that will not unduly delay the work.

EXHIBIT E

MEDI-CAL OUTPATIENT RATES, PER BILLABLE MINUTE

Psychiatrist	\$21.45
Psychiatric Nurse Practitioner, Clinical Nurse Specialist	\$10.74
Physician Assistant	\$9.69
Registered Nurse	\$8.77
Licensed Psychiatric Technician	\$4.98
Licensed Vocational Nurse	\$4.61
Psychologist (Licensed or Waivered)	\$6.26
LPHA (MFT, LCSW, LPCC, OT) or LPHA (MFT, LCSW, LPCC, OT) (Licensed or Waivered)	\$5.69
Mental Health Rehab Specialist	\$4.37
Alcohol and Drug Counselor (Registered and Certified)	\$4.37
Other Qualified Providers - Other Designated MH Staff that Bill Medi-Cal (inc. Certified Peer Professional)	\$4.21