

**COUNTY OF MENDOCINO
STANDARD SERVICES AGREEMENT**

This Agreement, dated as of _____, is by and between the COUNTY OF MENDOCINO, hereinafter referred to as the "COUNTY", and **ORTNER Management Group** hereinafter referred to as the "CONTRACTOR".

WITNESSETH

WHEREAS, pursuant to Government Code Section 31000, COUNTY may retain independent contractors to perform special services to or for COUNTY or any department thereof; and,

WHEREAS, the COUNTY intends to maintain a comprehensive Mental Health Plan, in compliance with all applicable laws, rules and regulations and in conformance with guidelines issued by the California State Department of Health Care Services (DHCS); and,

WHEREAS, COUNTY desires to obtain CONTRACTOR to provide and/or arrange for the provisions of the Mendocino County's Mental Health Plan (MHP) specialty mental health services to Mendocino County's adults over the age of 21 ("Services"); and,

WHEREAS, CONTRACTOR is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to COUNTY.

NOW, THEREFORE it is agreed that COUNTY does hereby retain CONTRACTOR to provide the services described in Exhibit "A", and CONTRACTOR accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

Exhibit A	Definition of Services
Exhibit B	Payment Terms
Exhibit C	Insurance Requirements
Exhibit D	Assurance of Compliance with Nondiscrimination
Appendix A	Certification Regarding Debarment, Suspension, and other Responsibility Matters - lower tier covered transactions
Addendum A	Medi-Cal Data Privacy and Security Agreement
Addendum B	Current Mendocino County's Mental Health Plan } <small>Not attached. Original on file at Mendocino County BHRS. Copy provided separately to Contractor.</small>

The term of this Agreement shall be from July 1, 2013 through June 30, 2019.

The compensation payable to CONTRACTOR hereunder shall not exceed Six Million, Seven Hundred Forty Three Thousand, Three Hundred Forty Dollars (\$6,743,340) for

the first fiscal year of the agreement term, July 1, 2013 through June 30, 2014. A formula establishing a base matchable allocation for the remaining fiscal years is located in Exhibit B.

In addition to the compensation for the first fiscal year, the CONTRACTOR will receive compensation that shall not exceed Seventy-Nine Thousand, Seven Hundred Fifty Four Dollars (\$79,754) for the term between June 1, 2013 through June 30, 2013.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COUNTY OF MENDOCINO

By _____
Dan Hamburg, Chair and/or
John Pinches, Vice Chair
Board of Supervisors

Date: _____

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By _____
Deputy

I hereby certify that according to the provisions of Government Code Section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By _____
Deputy

Date: _____

CONTRACTOR/COMPANY NAME

By _____
Signature

Printed Name: _____

Title: _____

Date: _____

NAME AND ADDRESS OF CONTRACTOR:

Ortner Management Group
1525 Plumas Ct., Suite C
Yuba City, CA 95991
Phone: (530) 751-9901

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

HEALTH AND HUMAN SERVICES AGENCY

By _____
TOM PINIZZOTTO, HHSA Assistant Director,
Health Services

Date: _____

Budgeted: Yes No

Budget Unit: 4050

Line Item (Acct String): 86-3280

Org/Object Code: MH

Grant: Yes No

Grant No.: _____

INSURANCE REVIEW:

RISK MANAGER

By _____
KRISTIN McMENOMEY, Director
General Services Agency

Date: _____

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

Thomas R. Parker, County Counsel

By _____

Date: _____

EXECUTIVE OFFICE REVIEW:

APPROVAL RECOMMENDED

By _____
Carmel J. Angelo, Chief Executive Officer

Date: _____

Fiscal Review:

By: _____
Deputy CEO/Fiscal Date

Signatory Authority: \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; **\$50,001+ Board of Supervisors**

Exception to Bid Process Required/Completed **Exception #:** n/a

GENERAL TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONTRACTOR is an Independent Contractor. CONTRACTOR is not the agent or employee of the COUNTY in any capacity whatsoever, and COUNTY shall not be liable for any acts or omissions by CONTRACTOR nor for any obligations or liabilities incurred by CONTRACTOR.

CONTRACTOR shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONTRACTOR shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold County harmless from any and all liability which COUNTY may incur because of CONTRACTOR's failure to pay such amounts.

In carrying out the work contemplated herein, CONTRACTOR shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of COUNTY.

CONTRACTOR does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with all applicable federal, state and County laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in his/her field and that the sole interest of COUNTY is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the County agency concerned.

Notwithstanding the foregoing, if the COUNTY determines that pursuant to state and federal law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY may upon two (2) week's written notice to CONTRACTOR, withhold from payments to CONTRACTOR hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever including damages to property and injuries to, or death of persons, reasonable attorney's fees, expert fees and court costs occurring or resulting, or alleged to be occurring or resulting, to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connections with the CONTRACTOR'S performance or its obligations under this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting, or alleged to be occurring or resulting, to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of its obligations under this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.
3. **INSURANCE AND BOND:** CONTRACTOR shall at all times during the term of the Agreement with the COUNTY maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONTRACTOR shall provide Workers' Compensation insurance, as applicable, at CONTRACTOR's own cost and expense and further, neither the CONTRACTOR nor its carrier shall be entitled to recover from COUNTY any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.
5. **CONFORMITY WITH LAW AND SAFETY:**
 - a. In performing services under this Agreement, CONTRACTOR shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability, fines, penalties and consequences from any of CONTRACTOR's failures to comply with such laws, ordinances, codes and regulations.
 - b. **Accidents:** If a death, serious personal injury or substantial property damage occurs in connection with CONTRACTOR's performance of this Agreement, CONTRACTOR shall immediately notify Mendocino County Risk Manager's Office by telephone. CONTRACTOR shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address

of the injured or deceased person(s); (2) name and address of CONTRACTOR's sub-contractor, if any; (3) name and address of CONTRACTOR's liability insurance carrier; and (4) a detailed description of the accident and whether any of COUNTY's equipment, tools, material, or staff were involved.

- c. CONTRACTOR further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the COUNTY the opportunity to review and inspect such evidence, including the scene of the accident.
6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONTRACTOR as provided in Exhibit "B" hereto as funding permits.
7. TRAVEL EXPENSES: CONTRACTOR shall not be allowed or paid travel expenses unless set forth in this Agreement.
8. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONTRACTOR.
9. OWNERSHIP OF DOCUMENTS: CONTRACTOR hereby agrees to provide to a private, not-for-profit, successor and if there is none then assigns the COUNTY and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the COUNTY, the CONTRACTOR, the CONTRACTOR's subcontractors or third parties at the request of the CONTRACTOR (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONTRACTOR shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONTRACTOR agrees to take such further steps as may be reasonably requested by COUNTY to implement the aforesaid assignment. If for any reason said assignment is not effective, CONTRACTOR hereby grants the COUNTY and any assignee of the COUNTY an express royalty – free license to retain and use said Documents and Materials. The COUNTY's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONTRACTOR's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

CONTRACTOR shall pay all royalties and license fees which may be due for any patented or copyrighted materials, methods or systems selected by the

CONTRACTOR and incorporated into the work as set forth in Exhibit "A", and shall defend, indemnify and hold the COUNTY harmless from any claims for infringement of patent or copyright arising out of such selection.

The COUNTY's rights under this Paragraph 9 shall not extend to any computer software used to create such Documents and Materials.

10. CONFIDENTIALITY: CONTRACTOR agrees to require its employees to comply with the provisions of Section 10850 of the Welfare and Institutions Code and Division 19000 of the State of California, Department of Social Services, Manual of Policies and Procedures, to assure that:
 - a. All applications and records concerning an individual, made or kept by any public officer or agency in connection with the administration of any provision of the Welfare and Institutions Code relating to any form of public social services for which grants-in-aid are received by this State from the Federal Government shall be confidential and shall not be open to examination for any purpose not directly connected with the administration of such public social services.
 - b. No person shall publish or disclose, or use or permit, or cause to be published, disclosed or used, any confidential information pertaining to an applicant or recipient.

Contractor agrees to inform all its employees, agents, and partners of the above provisions and that any person who knowingly or intentionally violates the provisions of said State law is guilty of a misdemeanor.

11. MONITORING: CONTRACTOR shall cooperate fully with any utilization review committee established by the COUNTY for the purpose of monitoring the accomplishments and effectiveness of CONTRACTOR and specific services provided to individuals.
12. COORDINATION OF COMMUNICATION:

All information between the CONTRACTOR, Mendocino County BHRS, and the Mendocino County Mental Health Advisory Board regarding all aspects of program services shall be coordinated through the BHRS Director or designee. Copies of external fiscal or program correspondence between CONTRACTOR and the State and Federal governments and local boards or agencies concerning CONTRACTOR's program shall be sent concurrently to BHRS. CONTRACTOR will provide BHRS with reasonable notice of any on-site audits, reviews, or visits conducted by agencies such as the DHCS.
13. GRIEVANCE PROCEDURE: CONTRACTOR agrees to provide a system through which recipients of service shall have the opportunity to express and have considered their views, grievances and complaints regarding the delivery of

services. This system shall include notification to the recipients of their right to a state hearing.

14. ABUSE REPORTING REQUIREMENTS:

a. CHILD ABUSE REPORTING REQUIREMENT: CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are reported to a child protective agency as defined in Penal Code Section 11165(k). This responsibility shall include:

(1) A requirement that all employees, consultants, or agents performing services under this agreement who are required by Penal Code Section 11166, to report child abuse or neglect, sign a statement that he or she knows of the reporting requirements and shall comply with them.

(2) Establishing procedures to ensure reporting even when employees, consultants, or agents who are not required to report child abuse under Penal Code 11166, gain knowledge of, or reasonably suspect that a child has been a victim of abuse or neglect.

b. ADULT ABUSE REPORTING REQUIREMENT: CONTRACTOR shall ensure that all known or suspected instances of elder abuse as defined in Welfare and Institutions Code 15610 are reported to Adult Protective Services. This responsibility shall include:

(1) A requirement that all employees, consultants, or agents performing services under this agreement who are required by Welfare and Institutions Code Section 15630 and 15632, to report adult abuse or neglect, sign a statement that he or she knows of the reporting requirements and shall comply with them.

(2) Establishing procedures to ensure reporting even when employees, consultants, or agents who are not required to report adult abuse under Welfare and Institutions Code Section 15630 and 15632, gain knowledge of, or reasonably suspect that an adult has been a victim of abuse or neglect.

15. HIPAA COMPLIANCE: CONTRACTOR agrees to comply with the applicable regulations for the Health Insurance Portability and Accountability Act (HIPAA) and shall hold the COUNTY harmless from any sanctions received by the CONTRACTOR, to the extent permitted by law, for breach of these regulations. CONTRACTOR also agrees: patients to whom services are rendered are third-party beneficiaries of this section; to prohibit any unauthorized disclosures or use of protected information; to put in place appropriate safeguards ensuring only permitted uses and disclosures; to immediately report to COUNTY reports of any

unauthorized uses or disclosures; ensure that sub-contractors of CONTRACTOR agree to the provisions of this section; to consent to patient access to their own health information; to make protected information available to the Federal Department of Health and Human Services as well as all internal compliance policies and procedures; to provide for the destruction of protected information upon agreement termination unless it must be retained to comply with another provision of law; and to ensure appropriate correction or amendment of records. A failure by CONTRACTOR to adhere to these provisions shall result in agreement termination.

16. ELIGIBILITY FOR SERVICES: The COUNTY shall determine eligibility for receiving services, but that the CONTRACTOR determines who meets those criteria under this agreement.
17. CONFLICT OF INTEREST: The CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement.
18. NOTICES: All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Facsimile transmission: When sent by facsimile to the facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that, (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To COUNTY: COUNTY OF MENDOCINO
Behavioral Health and Recovery Services
1120 S. Dora Street
Ukiah, CA 95482
Attn: Bev Rae

To CONTRACTOR: Ortner Management Group
1525 Plumas Ct., Suite C
Yuba City, CA 95991
Attn: Mr. Tom Ortner

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

19. USE OF COUNTY PROPERTY: CONTRACTOR shall not use County property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
20. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS:
CONTRACTOR certifies that it will comply with all federal and state laws pertaining to equal employment opportunity and that it shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, age, sex, national origin, ancestry, marital status, political affiliation or physical or mental condition, in matters pertaining to recruitment, hiring, training, upgrading, transfer, compensation or termination.
 - a. CONTRACTOR shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - b. CONTRACTOR shall, if requested to so do by the COUNTY, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.

- c. If requested to do so by the COUNTY, CONTRACTOR shall provide the COUNTY with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.
 - d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
 - e. The CONTRACTOR shall include the provisions set forth in paragraphs a through d (above) in each of its subcontracts.
21. **NONDISCRIMINATION IN STATE AND FEDERALLY ASSISTED PROGRAMS FOR RECIPIENTS OF MENDOCINO COUNTY HEALTH & HUMAN SERVICES AGENCY:** If applicable, under this agreement, the CONTRACTOR provides assistance or services to any applicant, client, participant or service recipient, hereinafter referred to as "recipient" of the Mendocino County Health & Human Services Agency, the CONTRACTOR shall administer said assistance or service in compliance with the provisions of Exhibit D "Assurance of Compliance with the Mendocino County Health & Human Services Agency Nondiscrimination in State and Federally Assisted Programs" form and shall complete and submit to the COUNTY said form prior to providing said assistance or service under this agreement. CONTRACTOR shall not charge recipients for the use of interpreters and shall insure that recipients covered under the provisions of Exhibit D are not denied or delayed in receiving assistance or services available to the other recipients under this agreement.
22. **DRUG-FREE WORKPLACE:** CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY's policy of maintaining a drug-free workplace. Neither CONTRACTOR nor CONTRACTOR's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR, within five days thereafter, shall notify the head of the County department/agency for which the agreement services are performed. Violation of this provision shall constitute a material breach of this Agreement.
23. **ENERGY CONSERVATION:** CONTRACTOR agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
24. **COMPLIANCE WITH LICENSING REQUIREMENTS:** CONTRACTOR shall comply with all necessary licensing requirements and shall obtain appropriate licenses and display the same in a location that is reasonably conspicuous, as well as file copies of same with the County Executive Office.

25. **AUDITS; ACCESS TO RECORDS:** The CONTRACTOR shall make available to the COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the COUNTY, and shall furnish to the COUNTY, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

AUDIT REQUIREMENTS:

CONTRACTOR will comply with all audit requirements pursuant to the DHCS Guidelines including but not limited to; The State Department of Health Care Services Program Oversight and Compliance Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Services, Medi-Cal Title IX, the Mental Health Plan, and all state and federal program obligations. Contractor will be responsible for Medi-Cal Chart Audit exceptions. CONTRACTOR will file timely corrective action plans, appeal requests, and other compliance requirements on behalf of the County and shall ensure that the County remains in good standing with the DHCS.

CONTRACTOR agrees to be subject to, and accept responsibility for audits provided by COUNTY, State or Federal agencies and will accept responsibility for receiving, replying to and/or complying with any audit exceptions by appropriate COUNTY, State or Federal audit agencies occurring as a result of its performance of this Agreement. CONTRACTOR also agrees to be financially liable for audit exceptions due to inadequate documentation as per medical necessity documentation requirements. CONTRACTOR also agrees to pay, or make arrangements to pay, to the COUNTY within sixty (60) days of demand by COUNTY the full amount of the COUNTY'S obligation, including penalties, if any, to the State and/or Federal government resulting from any audit exceptions, to the extent such are attributable to the CONTRACTOR'S failure to perform properly any of its objectives under this Agreement. If CONTRACTOR fails to reimburse the COUNTY within the COUNTY approved time period, the COUNTY may offset the unpaid amount against any sums due from the COUNTY to CONTRACTOR pursuant to this Agreement or obligation

The CONTRACTOR shall maintain full and adequate records in accordance with County requirements to show the actual costs incurred by the CONTRACTOR in the performance of this Agreement. If such books and records are not kept and maintained by CONTRACTOR within the County of Mendocino, California, CONTRACTOR shall, upon request of the COUNTY, make such books and records available to the COUNTY for inspection at a location within County or CONTRACTOR shall pay to the COUNTY the reasonable, and necessary costs incurred by the COUNTY in inspecting CONTRACTOR'S books and records, including, but not limited to, travel, lodging and subsistence costs. CONTRACTOR shall provide such assistance as may be reasonably required in the course of such

inspection. The COUNTY further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the COUNTY, and the CONTRACTOR shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after the COUNTY makes the final or last payment or within four (4) years after any pending issues between the COUNTY and CONTRACTOR with respect to this Agreement are closed, whichever is later.

RECORDS INSPECTION AND MAINTENANCE:

The DHCS, the County and appropriate federal agencies, and their duly authorized agents, shall have the right to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed and to audit and inspect any books and records of the Contractor which pertain to services performed and determination of amount payable under this Agreement at any reasonable time.

CONTRACTOR will maintain appropriate clinical, statistical records for a period of at least seven years, and financial records as required by law or through the completion of an audit.

26. **DOCUMENTS AND MATERIALS:** CONTRACTOR shall maintain and make available to COUNTY for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 9 of this Agreement. CONTRACTOR's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by COUNTY), and CONTRACTOR shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following the COUNTY's last payment to CONTRACTOR under this Agreement.
27. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
28. **TERMINATION:** The COUNTY has and reserves the right to suspend, terminate or abandon the execution of any work by the CONTRACTOR without cause at any time upon giving to the CONTRACTOR 90 days prior written notice. In the event that the COUNTY should abandon, terminate or suspend the CONTRACTOR's work, the CONTRACTOR shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable per fiscal year to CONTRACTOR for its services outlined in Exhibit A shall not exceed the negotiated amount for each fiscal year as outlined in Exhibit B for services

provided hereunder prior to the effective date of said suspension, termination or abandonment or lack of funding.

29. **NON APPROPRIATION:** If COUNTY should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the services set forth in this Agreement, or other means of performing the same functions of such services, COUNTY may unilaterally terminate this Agreement only upon thirty (30) days written notice to CONTRACTOR. Upon termination, COUNTY shall remit payment for all products and services delivered to COUNTY and all expenses incurred by CONTRACTOR prior to CONTRACTOR'S receipt of the termination notice.
30. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
31. **WAIVER:** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
32. **ADVERTISING OR PUBLICITY:** CONTRACTOR shall not use the name of County, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of COUNTY in each instance.
33. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between COUNTY and CONTRACTOR relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties.
34. **HEADINGS:** Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
35. **MODIFICATION OF AGREEMENT:** This Agreement may be supplemented, amended or modified only by the mutual agreement of the parties. No

supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.

36. **ASSURANCE OF PERFORMANCE:** If at any time the COUNTY has good objective cause to believe CONTRACTOR may not be adequately performing its obligations under this Agreement or that CONTRACTOR may fail to complete the Services as required by this Agreement, COUNTY may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to COUNTY, to correct the observed deficiencies in CONTRACTOR's performance. CONTRACTOR shall provide such written assurances and written plan within thirty (30) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
37. **SUBCONTRACTING/ASSIGNMENT:** CONTRACTOR shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without the COUNTY's prior written approval.
 - a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
 - b. CONTRACTOR shall provide COUNTY with a quarterly updated list of all subcontractors. CONTRACTOR shall not substitute subcontractors without COUNTY's prior written approval.
 - c. CONTRACTOR shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONTRACTOR and its subcontractors.
38. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 9), and Conflict of Interest (Paragraph 16), shall survive termination or expiration for two (2) years.
39. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
40. **PATENT AND COPYRIGHT INDEMNITY:** CONTRACTOR represents that it knows of no allegations, claims, or threatened claims that the materials, services, hardware or software ("CONTRACTOR Products") provided to COUNTY under

EXHIBIT A

DEFINITION OF SERVICES

CONTRACTOR agrees to provide and/or arrange for the provision of the Mendocino County's Mental Health Plan (MHP) specialty mental health services to Medi-Cal beneficiaries of Mendocino County within the Scope of Services defined in this contract.

CONTRACTOR agrees to provide MHP services to adults over the age of 21.

1. Objectives for the Quality Management Program:

CONTRACTOR will facilitate the improvement processes that most affect client outcomes. To this end, the CONTRACTOR will work towards:

- a. Improving the appropriateness and effectiveness of its services and outcomes
- b. Preventing or eliminating barriers to effective care
- c. Resolving identified service delivery problems
- d. Taking effective action when improvement is required or desired
- e. Maximizing the use of quality related data to identify trends and opportunities for improvement, such as beneficiary satisfaction survey data, complaint/grievance/fair hearing data, survey recommendations, utilization management data, Quality Improvement (QI) special studies, and Performance Improvement Projects (PIP)
- f. Maximizing coordination, collaboration and communication among the network of providers to assure:
 - i. Providers meet state standards for timely access to care and services taking into account urgency of need for service
 - ii. Mechanisms are established to assure ongoing compliance
 - iii. Corrective action is taken if there is a failure to comply
- g. Assuring that relevant cultural and linguistic standards of care are incorporated into service delivery
- h. Assuring that identified issues are tracked over time
- i. Ongoing monitoring of the accessibility of services as evidenced by:
 - i. Timeliness of routine mental health appointments
 - ii. Timeliness of services for urgent conditions
 - iii. Access to after-hours care
 - iv. Responsiveness of the 24/7 toll-free number

2. Provide a Quality Management Program:

CONTRACTOR will provide a quality management program (QMP).

Exhibit A – Page 2

The QMP describes the CONTRACTOR'S approach for compliance, quality assurance and improving performance, including the necessary mechanisms and processes. The QMP addresses the design, measurement, assessment and improvement approach for quality client care and organizational functions. The CONTRACTOR's QMP will:

- a. Collaboration and coordination among clients, Mendocino County Behavioral Health and Recovery Services (BHRS), network providers, and CONTRACTOR
- b. Collection and use of client feedback and measurement of outcomes for improvement
- c. Prioritization of areas selected for improvement
- d. Maintenance efforts for the stability of these functions
- e. Assessment of provider competence and performance, including peer review, when appropriate
- f. Provide sufficient resources and training for the QM activities
- g. The requirement that all providers, services, beneficiaries, family members and other interested stakeholders determined to be appropriate, participate in QI activities
- h. The provision of adequate information management systems to facilitate the collection, management and analysis of data needed for monitoring, evaluation and improvement
- i. The provision that members of the Quality Council participate in the planning, design, and execution of the QI Program, including policy setting and program planning
- j. The requirement that the QI activities meet the requirements as specified by the State Department of Health Care Services (DHCS) and Specialty Mental Health Services requirements
- k. The provision of necessary resources to assure the delivery of culturally competent specialty mental health services
- l. Manage service delivery utilizing a comprehensive Electronic Health Record (EHR)
- m. Utilize data to show client outcomes and performance indicators over time

3. Provide a Quality Leadership Committee:

CONTRACTOR will be responsible to facilitate/organize a quality leadership committee consisting of administrative officers from BHRS, CONTRACTOR and others as needed or recommend by the director.

The Quality Leadership Committee will provide oversight to the Quality Council, approve policy and system changes, and review outcomes of Performance Improvement Plan (PIP). Summary reports are prepared for members with data and information concerning the QI functions measured. Identification and review of the performance of key indicators over time allows the leadership committee members

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to track success of improvement efforts and provides appropriate direction as needed.

4. Provide a Quality Council:

CONTRACTOR will provide a quality council. The Quality Council focus is on the proactive collection, analysis and reporting of quality of mental health care along with the development of systematic improvement efforts. The Quality Council recommends policy decisions, implements specific review and evaluation activities, and ensures follow-up of QI processes. Minutes of quarterly meetings are maintained reflecting all decisions and actions taken. This council functions in a guidance and consulting capacity to the CONTRACTOR and CONTRACTOR's Governing Body. It is responsible for ensuring that all QI activities are continuous and effective in improving delivery.

The Quality Council oversees the following:

- a. Utilization Management (UM): CONTRACTOR's Chief Medical Officer and Compliance Officer monitor UM activities and report the results of such monitoring to the Quality Council including analysis of over and under utilization and consumer complaints or grievances
- b. Provider Relations: CONTRACTOR's Communications Officer and Compliance Officer monitor all provider quality information such as provider satisfaction surveys, provider profiles and provider chart audit outcomes
- c. Client Services: CONTRACTOR's Compliance Officer aggregates reports of complaints and grievances along with client satisfaction survey outcome and develops and implements the action plans
- d. Risk Management: All adverse events are reviewed and analyzed. Action plans are developed by CONTRACTOR's Compliance Officer and reviewed by the Quality Council.
- e. Quality of Care: Quality of care outcome studies are prepared by CONTRACTOR's Compliance Officer and presented to the Quality Council to assure that effective performance improvement actions are taken.

5. Develop a Quality Management Process:

CONTRACTOR will use Level of Care Utilization System (LOCUS) as the evaluative tool for Quality Management. LOCUS provides an objective; criteria based evaluation of client needs at any juncture along the Continuum of Care (CoC). A CoC refers to the range of services available within the health care sector, and to some extent, outside it. This tested tool is used as an adjunct to clinical judgment when evaluating a client during a crisis contact and/or at specific junctures during treatment whether the client is in residential care, inpatient care or outpatient care. It can also be used by the client and clinical staff to evaluate clinical outcomes during treatment.

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6. Provide a Quality Improvement Program:

The CONTRACTOR will provide a quality improvement program. The CONTRACTOR's QI program coordinates quality improvement activities throughout the CoC. The QI Program is designed to provide QI oversight functions for contracted providers with a focus on continuous improvements in service delivery. The QI program also assures periodic assessment of client care and satisfaction. Contracted providers are expected to use the results of beneficiary/family satisfaction survey outcomes required by the External Quality Review Organization (EQRO) State clinical audits to continuously improve services. The QI Program focus areas are categorized as follows:

- a. Service delivery capacity
- b. Service delivery system and meaningful clinical issues
- c. Service accessibility
- d. Continuity of care and coordination of care
- e. Beneficiary satisfaction
- f. Clinical and fiscal outcomes

The Annual Work Plan required by the Mental Health Plan identifies key factors for QI/UM activities. The CONTRACTOR will develop and/or revise and implement the Annual Work Plan in collaboration and coordination with Mendocino County BHRS.

A minimum of two PIPs are conducted annually, one clinical and one non-clinical. These PIPs measure performance using objective quality indicators and demonstrate planning for increasing or sustaining improvement.

CONTRACTOR's QI program is client focused in the context of wellness and recovery. Mechanisms are in place to monitor appropriate and timely intervention of occurrences that are potentially high risk. Corrective action plans may include modification of the structures and/or processes, education of providers and/or clients, the development of a performance improvement team, and/or other measures as appropriate.

The Quality Improvement Plan, required by the Mental Health Plan, will be developed and/or revised and implemented by the CONTRACTOR in collaboration and coordination with Mendocino County BHRS.

The Plan, Do, Check, Act cycle is the model used in evaluating performance and when implementing a new process. This consists of a logical sequence of four repetitive steps assuring continuous learning and improvement. By implementing a continuous quality improvement model we use data to identify opportunities for improvement and monitor effective interventions to assure stable processes.

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7. Provide a Utilization Management Program:

CONTRACTOR will provide a utilization management program (UM). UM provides guidelines to assure that each client receives the right services and supports at the right time and in the right amount for as long as the service is needed. UM focuses on identifying whether the service is medically necessary, clinically appropriate and provided at the least restrictive level.

All authorizations for outpatient and inpatient services require weekly consultation, review and final approval from the Mendocino County BHRS Director or designee.

CONTRACTOR will collect data regarding over-utilization, under-utilization, or otherwise inappropriate utilization of resources as utilization can have a direct impact on both the quality and clinical risks associated with care delivery.

UM is aligned with care management in collecting data including, not limited to:

- a. Coordination with primary care and substance abuse for the appropriate setting and level of care
- b. Tracking of utilization patterns and trends
- c. Coordination across settings to assure continuity and timely intervention
- d. Monitoring of post care outcome measures to assess effectiveness of care and service

8. Provide Compliance:

CONTRACTOR will provide a compliance program, in coordination with County, and meet all Federal and State requirements. All clinical documentation is expected to meet Medi-Cal (Title IX) standards and Early Periodic Screening, Diagnosis, and Treatment (EPSDT) requirements. Internal systems will be employed to monitor strict compliance with all requirements to meet standards and regulations with service authorizations, service delivery, documentation, and billing.

9. Provide Cultural Competence:

CONTRACTOR will provide cultural competence. The CONTRACTOR will provide an Ethnic Services Coordinator to manage all cultural competence requirements. The CONTRACTOR will coordinate with Mendocino County BHRS to comply with annual cultural competency training for its staff and for the staff of each of the network providers. The CONTRACTOR will develop and revise the Cultural Competency Plan in collaboration and coordination with Mendocino County BHRS and stake holders. Additionally, the CONTRACTOR will utilize industry experts to augment annual training for target populations in Mendocino County.

Areas of focus in the implementation of the cultural competence plan include, not limited to, elimination of the disparities in service delivery to special populations (Latino and Native American clients).

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10. Assure Consumer Rights:

The screening of a consumer for a treatment or service program shall not result in the consumer being deprived of any rights, privileges, or benefits, which are guaranteed to individuals by state or federal law. Services will be provided in a safe, sanitary, least restrictive and humane environment. All consumers have the right to be treated with dignity and respect. CONTRACTOR will work with the Patient's Rights Advocate and Ombudsman contracted by Mendocino County BHRS to assure proper client interactions and interventions.

11. Maintain Client Records:

CONTRACTOR will maintain client records. The CONTRACTOR will identify a compliance officer that is responsible for maintaining the integrity of the clients' health care information. Records are organized in a systematic fashion and stored according to licensing/regulatory standards. Individual and aggregate records are accessible to clinicians, the Quality Management process and Mendocino County BHRS. Records are released to proper authorities, individuals and others with an appropriately signed Release of Information (ROI). All CONTRACTORS and SUBCONTRACTORS will be required to comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations, state and federal laws, and other Mendocino County BHRS requirements for client confidentiality and record security.

12. Provide Access to Quality Care with an Access System:

CONTRACTOR will provide access to quality care with an access system. CONTRACTOR will be responsible for the creation of an Access System in collaboration with the BHRS director.

The Access System's primary role is to receive all treatment requests for community mental health services made by clients, their families, county agencies, community providers or law enforcement.

CONTRACTOR's access team determines where clients will get services, eligibility for services, medical necessity, hospitalization placement, and coordinate 24 hour care placements, authorize payments for services and review utilization of services. When Mendocino County adult residents over 21 years of age contact the Access System for assistance they will have their calls immediately fielded to avoid delays or long waits for mental health service regardless of where they live within Mendocino County, without regard to their financial ability, and in compliance with Mendocino County BHRS rules and regulations for services. The Access System will determine benefit eligibility and document medical necessity, link clients with appropriate care providers, coordinate 24-hour care placements, authorize payment for services and review utilization of services.

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The scope of the Access System includes, but is not limited to:

- a. Toll free telephone access for mental health issues and emergencies
- b. Prompt access to screening, assessment, and triage. The CONTRACTOR will monitor the amount of time from initial request for services to first billable visit. This data will be analyzed and findings reported on a monthly basis to the Mental Health Board and Quality Improvement Committee.
- c. Client intakes and eligibility determinations
- d. Appropriate service referrals and authorizations within a Continuum of Care (CoC) appropriate to client's mental health needs
- e. Care manager assignments
- f. Transport coordination
- g. Coordination with primary care and/or substance abuse needs
- h. Crisis intervention and stabilization
- i. Emergency response to hospital emergency rooms and other community locations
- j. 24-hour care authorizations for services

Client access into services can occur at multiple entry points. These entry points include multiple Federally Qualified Healthcare Centers (FQHC), Rural Health Clinics, several Indian Health Clinics, three Hospital Emergency Rooms and two Access Centers. Locations for these entry points will be offered at multiple sites within Mendocino County. These locations will provide defined outpatient services and have direct access to crisis services, psychiatric emergency services, multiple 24-hour care mental health referral/placement sites, substance abuse linkages and primary care support. Each location will be staffed by qualified mental health clinicians and care managers. Two strategic locations will operate 24 hours/day and seven days/week.

- a. Community Clinics within the system network will provide assessments, medication management, brief therapies, coordinated care management and integration with substance abuse and primary health needs.
- b. Hospital Emergency Rooms are destination points for 5150 (5150 is a section of the California Welfare and Institution Code (specifically, the Lanterman-Petris-Short Act or "LPS") which allows a qualified officer or clinician to involuntarily confine a person deemed to have a mental disorder that makes them a danger to him or herself, and/or others and/or gravely disabled. When used as a term, 5150 can informally refer to the person being confined or the declaration itself or as in "someone was 5150'd") assessments that have medical problems, provide medical treatment for comorbid conditions and provide appropriate medical clearances for mental health placements.
- c. Access Centers provide urgent mental health assessments and referrals; supportive care management services; substance abuse links; integration with primary care; crisis intervention and stabilization services; emergency mental health services when there is a danger to self, others or grave disability; and emergency room response services.

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CONTRACTOR will operate with a “no wrong door” access approach to all services. No wrong door access means that community members in need of services can be presented at any contracted Mendocino County mental health service program and receive help or services. More importantly the client will be engaged and assisted immediately to meet his/her needs.

13. Provide an Adult System of Care:

- a. Mental Health Services Act (MHSA): The MHSA program will continue to be planned, updated and administered by the Mendocino County BHRS Department. Mendocino County BHRS expects that CONTRACTOR will be involved in the stakeholders planning process and will manage the implementation of the MHSA approved plan. CONTRACTOR will integrate the MHSA programs into core programs in the System of Care by organizing and contracting with providers to initiate Full Service Partnerships (FSP) and by managing and monitoring other MHSA programs and services including prevention programs, innovation programs, care management, housing support programs, community services and supports, workforce education and training.
- b. Drop-in Centers: County BHRS/HHSA believes in wellness and recovery and concomitantly will provide prevention and support programs through drop-in centers. Subcontractors will operate three to five days per week, including some weekends, to serve the Severely Mentally Ill (SMI) population. Services at these sites will include, but not limited to, client advocacy, assertive care management, illness prevention programs, peer-to-peer counseling, senior peer counseling, peer support programs, and transportation services.
- c. FSP: The CONTRACTOR will authorize the FSP benefit for qualified SMI clients upon consultation and approval from the Mendocino County BHRS Director or designee. This service will respond to clients’ needs and will support their efforts toward wellness and recovery. Services may include treatment, wrap-around services, vocational training and housing support.
- d. Care Management: CONTRACTOR will provide assertive Care Management in a coordinated effort with local agencies, multiple network providers and authorize treatment reach out to SMI clients.

CONTRACTOR will encourage utilization to local mental health subcontract providers to provide assertive care management services to support the SMI population in two drop-in center locations

These agencies will provide client advocacy, outreach services, coordinate local mental health and medical care, provide interagency information and communication, arrange or provide local service transports as well as discharge transports from 24-hour care placements, and maintain each client’s care management record.

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- e. Access/Crisis Services: CONTRACTOR will be responsible for operating two Access Centers under contract by local providers in Ukiah and Fort Bragg. Services will include, not limited to;
- i. Toll free telephone access for mental health issues and emergencies
 - ii. Prompt access to screening and assessment; client intakes and eligibility determinations
 - iii. Appropriate client service referrals within a CoC appropriate to consumer's mental health needs
 - iv. Care manager assignments
 - v. Transport coordination
 - vi. Coordination with primary care and co-occurring needs
 - vii. Crisis intervention and stabilization
 - viii. Coordination with law enforcement
 - ix. Emergency response to hospital emergency rooms
 - x. Obtaining 24-hour care service authorizations

All urgent care needs related to medication management, routine visits, emergent conditions, and nonemergency crisis situations will be assessed, treated, referred to a local clinic, and discharged to home or family unless they have a medical or psychiatric emergency or a supportive care or placement need.

Medical needs will be referred to a primary care clinic site within the System of Care network for assessment and treatment. Medical emergencies will be referred to the appropriate emergency service or to the nearest hospital emergency room. Continued monitoring will occur through an assigned care manager.

Psychiatric emergencies will be assessed and referred to the appropriate level of the multi-tiered crisis service. Dispositions to crisis or 24-hour care services will be based on medically necessary interventions centered on client safety and rapid stabilization of the crisis episode.

CONTRACTOR will be responsible to provide a multi-tiered crisis service to Mendocino County residents over 21 years of age operated from the 24/7 Access Centers. The Crisis Service's goals are:

- xi. Provide emergency assessments, appropriate emergency services/referrals and a safe environment
- xii. Divert individuals from unnecessary presentations at local hospital emergency rooms
- xiii. Minimize the time involvement of emergency rooms and local law enforcement with each incident.

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Individuals may be self-referred, family-referred, referred by law enforcement, Mendocino County agency referred or referred by community-based mental health or medical professionals. Each individual shall be provided the least restrictive intervention possible. Assessments at every level of care will determine the individual's need for additional services. COUNTY expects that each crisis call will be responded to promptly, individuals who are determined to have a life-threatening or 5150 designation would receive the highest priority.

CONTRACTOR will be expected to provide the following emergency service/ levels of care:

- xiv. Crisis prevention and intervention
 - xv. Crisis stabilization/urgent care
 - xvi. Respite care
 - xvii. Psychiatric Emergency Services (PES)
- f. Crisis Prevention/Intervention: CONTRACTOR will provide Crisis Prevention/Intervention Service receives self-referrals and referrals from community mental health agencies/providers, healthcare providers, law enforcement, family members, friends, neighbors, landlords, or community members concerned about the welfare of an individual who appears to be in a mental health crisis. Referrals are made through an advertised toll-free phone number directed to the Access Center, which operates 24 hours/day and 7 days/week. CONTRACTOR shall provide a brief screening or assessment will be conducted by phone or in person at the Access Center and an appropriate disposition made to respond to the crisis situation. CONTRACTOR's staff shall be trained to manage the crisis call or intervention and to resolve problems and/or situations with the least restrictive crisis response. Criteria used in assessing the situation include deterioration of the mental health status or an increase in mental illness symptoms, along with:
- i. Acute emotional Distress
 - ii. Thoughts of suicide or wanting to hurt oneself
 - iii. Thoughts of harm to others
 - iv. Physical aggression toward others
 - v. Refusal of psychiatric or medical care because of impaired insight or judgment
 - vi. Grave disability

CONTRACTOR will upon completion of the assessment, brief crisis interventions will be provided to resolve the crisis or diminish the symptoms so that the client can return home. If the crisis intervention is not successful, then CONTRACTOR shall make arrangements to transition the individual to the appropriate level of care. This care may include another level of crisis

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care, drug/alcohol services, medical care or other appropriate services in the integrated System of Care.

- g. Crisis Stabilization/Urgent Care: CONTRACTOR will provide Crisis Stabilization. Crisis stabilization is an emergency behavioral healthcare alternative to higher cost emergency room services and inpatient hospitalizations. Because persons with a psychiatric or addiction disorder may not show visible signs of injury or illness, they often suffer extreme waiting times when competing for the attention of emergency room staff treating other critically ill patients or waiting for a bed. The Access Center provides persons with an emerging or acute behavioral health problem prompt response and effective support in a confidential environment. It is intended for persons who do not meet the 5150 criteria and who may need up to 23 hours of direct supervision and intervention for their crisis problem in a therapeutic environment. Clients will have prompt access to mental health and/or medical clinicians to deal with emergent acute problems, and/or referral assistance for a broad range of other community services as needed. A multi-disciplinary team of nurses, psychiatrists, and other behavioral health professionals will provide assessments to determine the appropriate level of intervention. Team members will provide a safe environment and therapeutic support for stabilization of the crisis. A range of interventions will be available and may include medications, information and referral/linkage, crisis counseling, a short “respite” from situational stressors or focus on basic needs for food, a shower and sleep. Access to the service is available by self-referral for adults, family referrals; and referrals by law enforcement, mental health and other health care professionals. Additional support may be provided by primary care physicians for health needs. Service authorizations are provided by CONTRACTOR. Crisis Stabilization Services may include the following based on individual needs:
- i. Psychiatric evaluation/referral
 - ii. Psychosocial assessment
 - iii. Health history and assessment
 - iv. Medical referral
 - v. Medication management
 - vi. Individual counseling
 - vii. Education on psychiatric and addiction disorders
 - viii. Education on professional and self-help alternatives
 - ix. Referral for supportive care management following crisis resolution
 - x. Referral to other mental health or community services as needed
- h. Respite Care Services:

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CONTRACTOR will offer Respite Care Services. Respite Care Services offer safe, temporary relief for adults who are experiencing a nonthreatening but difficult crisis situation, and for their care-givers. Respite programs provide short-term and time-limited breaks for mentally ill adults in need of temporary housing relief, without which emotional distress and situational trauma might increase, precipitating a need for more intensive services. It also operates as a support to unpaid caregivers of adults with a mental health diagnosis in order to support and maintain the care-giving relationship. Respite Care may be provided at a licensed community care facility or through temporary housing in a shelter, transitional housing sites, or a local motel and is available 24 hours/day and 7 days/week. On occasion this service may be an alternative to costly higher levels of care, and avoids potential emergency room visits and law enforcement involvement. Respite care is accessed by referral and authorized by CONTRACTOR.

- i. Psychiatric Emergency Service (PES):
CONTRACTOR will be responsible for PES. The 24/7 PES represents the highest level of care in the multi-tiered system of crisis services. This service will respond to the referrals from each of the crisis services listed above, as well as, from the client or their family members, mental health providers, health providers, law enforcement or emergency rooms. Services will be managed from the two identified Access Centers. Initial contact will be made by phone to the Access Center to determine whether the client will be transported to the Access Center or to the nearest emergency room. If there is no medical problem and the client can be clinically managed without restraint, then the client will be directed to an Access Center in either Ukiah or Fort Bragg for crisis assessment and triage. Clients will be seen by licensed, qualified and/or waived clinicians immediately upon arrival at the Access Center. Post-assessment mental health treatment may include crisis interventions, 23-hour stabilization services, respite care, or 5150 placement (5150 placement is commonly referred to as a 72 hour hold). The individual may also be assessed by medical personnel at the Center location when there is a medical issue. The mental health professional may then make a referral to a specific level of care in the integrated mental health System of Care. If a medical problem is assessed, then a referral would be made to the appropriate level of medical care. In each case care is provided in a safe, secure and confidential environment.

Licensed qualified and/or waived clinicians will respond to the local emergency rooms within 20 minutes in Ukiah and Fort Bragg and within 45 minutes or less to Willits to perform the assessment for a 5150 placement.

- j. Outreach/Mobile PES:
CONTRACTOR will be available to provide outreach/mobile PES as appropriate and in coordination with law enforcement. CONTRACTOR will develop a pilot protocol in collaboration with law enforcement defining roles,

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expectations and data collection. It is expected that outreach/mobile PES will not be appropriate for all PES encounters. The pilot protocol will be effective upon consultation and approval from the BHRS Director or designee.

k. Inpatient Services:

CONTRACTOR will be responsible for Inpatient Services. Voluntary and involuntary inpatient hospitalizations are provided for adult clients 21 years of age or older when medical necessity has been determined. Service authorizations will be completed by CONTRACTOR prior to admission except in certain emergency situations. Qualified inpatient providers include North Valley Behavioral Health, St. Helena Hospital, Woodland Memorial Hospital, Aurora Behavioral Healthcare and Marin General Hospital. Individual providers in this group offer specialty inpatient services including general psychiatric and medical/psychiatric care. Lengths of stay are expected to range from three to seven days. Consultants are required to be available at each site for an integrated primary/consultative medical care service. CONTRACTOR will continue to monitor inpatient care and coordinate local medical and mental health continued care with local care managers upon discharge.

l. Mental Health Rehabilitation Center Service (MHRC):

CONTRACTOR will be responsible for providing access to MHRC. This service will be provided by the Sequoia Psychiatric Treatment Center. This service is an alternative to some inpatient admissions, a step-down service from inpatient services, a court-ordered placement site for persons incompetent to stand trial, a short-term placement for difficult to place clients, and a moderate-term placement for clients with persistent behavioral problems. The MHRC is a locked facility and accepts voluntary clients, Lanterman-Petris-Short Act (LPS) conservatees and court-ordered placements. Lengths of stay are expected to be one to three months, but may be less or longer depending on medical necessity. Services will be authorized by CONTRACTOR prior to admission.

m. Intensive Residential Care (IRC):

CONTRACTOR will provide IRC. The service is available to SMI and other clients who are either voluntary or LPS conserved and who are low functioning, difficult to place or have mild to moderate behavioral problems. Clients may be admitted with medical issues that can be treated on an outpatient basis. Clients who need regular nursing care or who require seclusion or physical interventions are ineligible. IRCs provides multiple levels of care in a safe and secure 24-hour care residential environment designed to prepare clients for personal responsibility and a return to community-based living. Lengths of stay are expected to be from three to twelve months. Services will be authorized by CONTRACTOR prior to admission.

n. Community Living Center:

CONTRACTOR is expected to provide to community living center services. This service will be provided by CONTRACTOR located at two in-county sites

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in Ukiah and Fort Bragg. It represents a step-down program from an IRC or other 24-hour care placements and is based on a “wellness and recovery” model. Clients are prepared for activities of daily living, medication self-administration, personal responsibility and self-management, community integration, and independence. Expected lengths of stay are one to six months. Clients with severe disability may be placed longer. Services will be authorized by CONTRACTOR prior to admission.

o. Outpatient Services:

CONTRACTOR shall provide outpatient services. These services shall be provided in many locations throughout Mendocino County by FQHC, Rural Health Clinics, Indian Health Clinics and other contracted providers. These clinics will perform mental health assessments, LPS re-assessments, co-occurring assessments, coordinated care management services, medication management, therapy services and coordinated healthcare services. All sites will offer services by appointment and many locations allow walk-in appointments. Services may also be provided by CONTRACTOR to clients located at the Mendocino County Jail except for treatment services already provided and funded by California Forensic Medical Group (CFMG) who have contracts with Mendocino County to manage health and mental care for the jail and services funded by Assembly Bill 109 law enforcement realignment funds (AB 109).

p. Forensic Services:

CONTRACTOR is expected to establish a formal liaison with those agencies in the community that are primarily engaged with mental health care recipients who are actively connected to forensic, as well as public guardian services, in order to be consistent with public safety and the needs of the individual. The CONTRACTOR Medical Officer or his/her designee will meet regularly in order to problem solve for specific clients on an individual basis with the following offices, but not limited to the following:

- i. Thursday 11 o'clock Court Calendar (see 14)
- ii. Mendocino County Office of the Public Guardian
- iii. Mendocino County Jail and Sheriff
- iv. City Police Departments
- v. CFMG Quarterly QA meetings
- vi. Law Enforcement Executive Committee (County E Meeting) monthly meetings
- vii. Office of the Public Defender
- viii. Mendocino County Probation Office
- ix. Mendocino County Superior Court

A representative of the Mendocino County BHRS Department shall participate in any interagency deliberation or meeting.

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- q. Housing Services:
CONTRACTOR will provide supportive housing services. Supportive housing services will be planned with existing housing providers within three County locations Ukiah, Willits and Fort Bragg. Financial aid and care management support will be provided to qualified clients placed in the homeless shelter as well as to those placed in transitional or permanent housing.
- r. Transportation Service:
CONTRACTOR will responsible for Transportation services. CONTRACTOR will coordinate transportation for clients for admission to authorized services or placement sites, transfers between placement sites and discharges from placement sites back to the community. This service will be provided through a coordinated effort by care managers with the local ambulance company, local care managers, and members of the provider network and transportation Contractors.

14. Thursday 11 AM Court Calendar:

CONTRACTOR will provide and/or arrange for the provision of care management, medications and outpatient services to participants of the Thursday 11 AM Court Calendar. In addition, CONTRACTOR will collaborate and coordinate with the multi agency Thursday 11 AM Court Calendar planning group.

15. Provide Administrative Services:

CONTRACTOR will fully cooperate with the Mendocino County BHRS Department to coordinate and/or consolidate existing administrative functions. The consolidation of administration functions will be reviewed quarterly with the expectation that as consolidation increases, there will be additional resources available for treatment services. COUNTY will maintain certain functions including, not limited to, fiscal management, patient billing, and quality management; and perform continuous oversight of the CONTRACTOR and the contract. CONTRACTOR will provide the following administrative services to complete the mental health management structure for Mendocino County:

- a. Client eligibility verification
- b. Medical necessity determination
- c. Service authorization
- d. Utilization management
- e. Care management technology
- f. Quality/outcome management
- g. Compliance management integration
- h. Grievance process management
- i. Clinician/agency credentialing
- j. Medi-Cal billing preparation
- k. Program system/data reports
- l. Provider network development
- m. Provider contracting
- n. Provider management/relations

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- o. MHSA program/services management
- p. Provider fiscal planning and budget monitoring
- q. Provider cost reporting
- r. Mendocino County BHRS/CONTRACTOR functions, systems and committee integration
- s. Mendocino County BHRS reporting/coordination/communication
- t. Mendocino County BHRS interagency coordination/communication
- u. Mendocino County Mental Health Board, National Alliance on Mental Illness (NAMI), stakeholder relations
- v. Community relations

Contracts with the network providers will be developed, negotiated and managed by CONTRACTOR. A CONTRACTOR's representative will consult with Mendocino County Counsel regarding requirements and safeguards necessary for inclusion into each network provider agreement. CONTRACTOR will be responsible for contract management and is the point of contact between network providers.

CONTRACTOR will also maintain regular and routine communication with the Director of Mendocino County BHRS to report progress, solve problems, coordinate resources, provide information and maintain relationships.

16. Provide Monthly, Quarterly and Annual Reporting:

CONTRACTOR will provide reports.

CONTRACTOR will fully cooperate with Mendocino County BHRS and promptly provide all information pertaining to any aspect of the Mental Health Plan when requested. CONTRACTOR will provide Mendocino County BHRS with information and reports as required, including, not limited to, the following information:

- a. Annual Mental Health Plan and budget
- b. Annual program report
- c. Annual cost report
- d. Monthly program report to Mendocino County Mental Health Advisory Board
- e. Monthly and quarterly claim submissions; no more than one quarter in arrears
- f. Any other data or costs reports, as requested
- g. Mendocino County during the term of this agreement and with input from CONTRACTOR may develop reporting instruments to facilitate evaluation and monitoring. Upon implementation of these reporting instruments, OMG shall comply with the established requirements.
- h. Tracking Access Log
- i. Grievances and Appeal Log
- j. Notice of Action (NOA) Log
- k. Quarterly Training Log

CONTRACTOR shall monitor monthly and prepare a quarterly report showing Short-Doyle/Medi-Cal System revenue estimates versus current revenues received. Through the reconciliation process, CONTRACTOR shall promptly reimburse

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County for any payments made by County to CONTRACTOR for which Short-Doyle/Medi-Cal System billings were prepared and which were thereafter disallowed, in whole or in part by the DHCS or County quality assurance clinical audits within thirty days of final agreement of all parties to the audit.

CONTRACTOR will submit a bi-weekly invoice packet, separating all billing on a bi-weekly basis, concurrently providing reporting for performance indicators on a bi-weekly basis to the COUNTY. The COUNTY will provide the report templates to the CONTRACTOR. These performance indicators, submitted in electronic form, include, but may not be limited to:

- a. Report on utilization funds compared to Plan of Services
- b. Monthly evaluation of Office of Inspector General excluded list of all CONTRACTORS' staff.
- c. Timeliness of Access Report with backup information from date of call was FIRST received, referred to as Initial Contact, to FIRST day of BILLABLE service provided.
- d. Notice of Action Report (NOA) submission for all Notices of Actions provided to recipients for all reasons as stated in the Medi-Cal Eligibility Procedures Manual per CMS guidelines
- e. Written verification that services reimbursed by Medi-Cal were furnished to the beneficiaries.
- f. Implementation and periodic utilization of an agreed upon performance outcome measure submitted as part of the authorization and treatment processes for the delivery of Medi-Cal services (e.g. LOCUS).
- g. Include a monthly closing summary of all cases closed which includes the name of the client, date of birth, chart number and the effective close date.
- h. Point of Authorization Reports for the month tracking the following:
 - i. Initial Authorizations
 - ii. Closings with Reason Codes and/or Outcomes
 - iii. Authorizations By Diagnosis Codes and by amount of service type authorized
 - iv. Recidivism Tracking Report of all client re-entry into Mental Health Service Provision
 - v. For Child and Adolescent Services a Child and Adolescent Needs and Strengths (CANS) Assessments Scores will be requested for all Authorizations of Treatment
 - vi. For Adult Services Provided the Level of Care Utilization System (LOCUS) assessment tool will be utilized and required for submission to the COUNTY for outcome measurement.
- i. The COUNTY reserves the right to add performance indicators to the submission packet by informing the CONTRACTOR of new indicator requirements by letter from the Behavioral Health and Recovery Services Director of the County of Mendocino. The CONTRACTOR agrees to submit

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all performance indicators to the COUNTY within thirty (30) days of receipt of the letter from the COUNTY.

17. Technical Assistance and Training:

CONTRACTOR agrees to be subject to oversight reviews within each sub-heading:

a. Programmatic:

CONTRACTOR agrees to be subject to oversight reviews of programmatic service provision that satisfy State Department of Health Care Services, Program Oversight and Compliance Reviews and External Quality Reviews. These reviews evaluate the following but not limited to:

- i. Access
- ii. Point of Authorization
- iii. Beneficiary protection
- iv. Target population service provision
- v. Interface with physical health care
- vi. Program integrity
- vii. Quality improvement
- viii. Service provision
- ix. Data management
- x. Penetration rates and approved claim dollars per beneficiary
- xi. Process barriers
- xii. Race/ethnicity penetration rates

b. Financial

CONTRACTOR agrees to allow COUNTY to audit all records relating to the General Ledger including backup documentation on all journals, registers, vouchers, contracts, tax reports, payroll and disbursement records, including programs for storing and receiving data.

COUNTY will provide Technical Assistance and Training to ensure that CONTRACTOR complies with all components of Medi-Cal, Medicare, MHP and DHCS oversight requirements, including not limited to:

- i. Certified public expenditures
- ii. Funding, reporting and contract requirements
- iii. 5150 Certification
- iv. Invoice training
- v. Medi-Cal match training
- vi. Medi-Cal services training
- vii. Medical necessity training
- viii. All Local, State and Federal laws, codes and regulations related to the provision of Medi-Cal services
- ix. Full Service Partnership
- x. Mandated reporting
- xi. Documentation training and supervisory documentation review and compliance to regulations
- xii. Redwood Coast Regional Centers

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18. Provide Contractor Services:

CONTRACTOR acknowledges, and understands all current requirement of the California State Department of Health Care Services (DHCS) for the provision of mental health services. Such requirements include the following agreements, but are not limited to:

- a. The County Mental Health Plan Performance Agreement,
- b. The Medi-Cal Services Agreement,
- c. The Managed Care Services Agreement,
- d. The Mental Health Services Act Agreement.

CONTRACTOR will meet the standards of said agreements as well as all successor agreements between the County and DHCS during the term of this Agreement.

19. Conservatorship Investigations and Involuntary Detention:

CONTRACTOR will collaborate and develop a Memorandum of Understanding (MOU) with the COUNTY's Public Guardian office. COUNTY BHRS Director will review and approve the MOU.

CONTRACTOR will provide or arrange for the provision of mental health services to persons within Mendocino County pursuant to the Lanterman-Petris-Short Act (Welfare and Institutions Code section 5350, *et seq.*), and shall recommend to the County's Public Guardian's Office, as necessary, the establishment of conservatorships pursuant to said provisions. CONTRACTOR's staff is designated to secure comprehensive evaluation and intensive treatment at locked facilities designated for such purposes.

CONTRACTOR will provide or arrange for the provision of initial and annual renewal documentation for all clients conserved.

20. Program Policies, Procedures and Protocols:

CONTRACTOR's current program policies, procedures and protocols, as related to the MHP and client services and as shown in Exhibit A shall be reviewed and revised to reflect the requirements set forth in the Mendocino County's Mental Health Plan.

21. Seventy-Two Hour Detention (5150) Training:

BHRS will provide 5150 training to all CONTRACTOR staff and necessary providers who will be conducting 5150 assessments. All personnel conducting 5150 assessments need to be certified by the BHRS director. This training is conducted yearly to meet state requirements and will need to be recertified yearly.

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22. Health Care Reform:

CONTRACTOR will collaborate with BHRS to participate, upon request, in the planning, coordination and implementation of the following Health Care Reform elements, including, not limited to:

- a. Health systems service integration including, not limited to, primary care and behavioral health (mental health and substance abuse) services
- b. CONTRACTOR will manage the implementation of the California Institute of Mental Health (CIMH) Health Care Process Improvement Project (PIP), including development and implementation of a MOU (elements to include, not limited to, bi-directional referrals, sharing of data, and regularly scheduled case conferences)
- c. Establishment of the “Medical Home”
- d. Medi-Cal Expansion
 - i. Outreach and engagement to facilitate client enrollment and maintenance of benefits
- e. Collaboration with BHRS and Partnership Health Plan (PHP) in the implementation and follow-up on the Partnership Health Plan/Mental Health Memorandum of Understanding
- f. Clinical and Fiscal Outcomes
 - i. Monitor and measure the achievement of quality clinical and fiscal outcomes while reducing costs through the management and delivery of integrative care

23. Communication Plan:

All communications with Media, including, not limited to, press releases, interviews, articles, etc..., will be managed by the COUNTY. Upon request from the COUNTY, the CONTRACTOR will be available to participate in media publications and/or events.

CONTRACTOR will collaborate with the COUNTY in the development of a specific communication plan including, an immediate short term plan announcing the award of the contract, interviews and feature stories about the transition of services, etc... and a long term plan including, not limited to, periodic updates, features stories, special events, (e.g. Mental Health Awareness Month, announcement and stories on new programs/services, series on mental health informational/educational articles, etc...)

24. Transition Phase:

The transition phase will consist of transferring specific administrative, fiscal, clinical services and programs, and management of care functions from the COUNTY to CONTRACTOR. These functions and services will be transition as agreed upon and prioritize by BHRS director and

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CONTRACTOR to meet immediate needs (within 30 days or less of the effective date of the contract) and short term needs (within 90 days or less of the effective date of the contract).

The timeline for meeting immediate and short term needs will be within 30 days or less of the effective date of the contract and includes, not limited to, the following elements:

- a. Communication Plan
- b. Client census review and reassignments (as appropriate)
- c. Annual Work Plan
- d. Quality Improvement Plan
- e. Establish of the target/priority service population
- f. Revision of Clinical Training Manuals (including Provider handbook)
- g. Access
- h. 24/7 Psychiatric Emergency Services (PES)/Crisis Services
- i. 72 hour detention/5150 training
- j. Medication Management Support Services
- k. Notice of actions (NOA)
- l. Point of authorization (POA)
- m. Utilization Review (concurrent and retro active reviews)
- n. Routine outpatient services
- o. Review and revisions of policies, procedures and protocols
- p. Mental Health Service Act Plan
- q. EQRO Requirements

The timeline for meeting short term needs will be within 90 days or less of the effective date of the contract and include, not limited to, the following elements:

- a. Finalization of housing plan (permanent, transitional, respite, etc...)
- b. Client Satisfaction Survey Outcomes
- c. Medi-Cal site certifications and re-certifications
- d. CIMH Health Care Reform
- e. Integrated Care
- f. Documentation Accountability
- g. MHSA Innovation and Workforce Education and Training Plans
- h. MHSA Allocation
- i. Contracts/Network development
- j. Overview of fiscal commitment/responsibilities to local, state, and federal funding streams
- k. Ongoing implementation and monitoring of DHCS System Review recommendations

EXHIBIT B
PAYMENT TERMS

COUNTY will pay CONTRACTOR as per the following instructions:

1. The COUNTY will negotiate with the CONTRACTOR a base matchable allocation, effective only during the term of this agreement and subject to increase, decrease, or no change upon quarterly re-negotiation. The term base matchable allocation is used to define the allocation received from the State to provide all the required match for medically necessary Medi-Cal specialty mental health services. These services will be provided as listed in the Mendocino County Mental Health Plan and the California Mental Health Services Act Plan. The funding sources listed are from Realignment 2011 (i.e. Managed Care Allocation, EPSDT), Mental Health Services Act Plan (MHSA) and other additional Non-Federal funding the State or other organizations collect to provide these services.)
2. The COUNTY will distribute the allocated amounts of ALL funding sources in regards to the Mental Health Plan.
3. CONTRACTOR will provide a Plan of Services for evaluation purposes, for each year, to the COUNTY including expected budgeted components and justification for approval by the COUNTY.
4. COUNTY will pay CONTRACTOR, on a monthly basis on the fifth working day of each month, the match allocation amount negotiated at a rate as follows:
 - b. First Fiscal Year of the term of this agreement the rate setting, from first month to last month of the first year, will be distributed as follows:
 - i. 22% for the FIRST Month
 - ii. 18% for the SECOND Month
 - iii. 15% for the THIRD Month
 - iv. 12% for the FOURTH Month
 - v. 8% for the FIFTH Month
 - vi. 6% for the SIXTH Month
 - vii. 4% for the SEVENTH Month
 - viii. Then 4% for EACH Month remaining until the conclusion of the first year.
 - c. The remaining outside reimbursement will be distributed as received from the normal claiming process. Contract Maximum is dependant on maximizing revenue by at least 65% of the Certified Public Expenditure (CPE) Matchable distribution.

EXHIBIT C

INSURANCE REQUIREMENTS

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law.

CONTRACTOR agrees to indemnify and hold harmless COUNTY, its elected or appointed officials, employees or volunteers against any claims, actions, or demands against them, or any of them, and against any damages, liabilities or expenses, including costs of defense and attorney's fees, for personal injury or death, or for the loss or damage to the property, or any or all of them, to the extent arising out of the performance of this Agreement by CONTRACTOR.

CONTRACTOR affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self insurance in accordance with the provisions of the Code and CONTRACTOR further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONTRACTOR shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of CONTRACTOR'S and subcontractors' employees.

CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing malpractice insurance coverage for CONTRACTOR and his employee(s) in an amount, which is no less than \$1,000,000 in a form acceptable to the COUNTY.

CONTRACTOR shall furnish to COUNTY certificates of insurance with Automobile Liability/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

EXHIBIT D
CONTRACTOR ASSURANCE OF COMPLIANCE WITH
THE MENDOCINO COUNTY
HEALTH & HUMAN SERVICES AGENCY

**NONDISCRIMINATION IN STATE
AND FEDERALLY ASSISTED PROGRAMS**

NAME OF CONTRACTOR Ortner Management Group

HEREBY AGREES THAT it will comply with Title VI and VII of the Civil Rights Act of 1964 as amended; Section 504 of the Rehabilitation Act of 1973 as amended; the Age Discrimination Act of 1975 as amended; the Food Stamp Act of 1977, as amended and in particular section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code section 11135-11139.5, as amended; California Government Code section 12940 (c), (h) (1), (i), and (j); California Government Code section 4450; Title 22, California Code of Regulations section 98000 – 98413; Title 24 of the California Code of Regulations, Section 3105A(e); the Dymally-Alatorre Bilingual Services Act (California Government Code Section 7290-7299.8); Section 1808 of the Removal of Barriers to Interethnic Adoption Act of 1996; and other applicable federal and state laws, as well as their implementing regulations [including 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91, 7 CFR Part 15, and 28 CFR Part 42], by ensuring that employment practices and the administration of public assistance and social services programs are nondiscriminatory, to the effect that no person shall because of ethnic group identification, age, sex, sexual orientation, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed or political belief be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state financial assistance; and HEREBY GIVE ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and THE CONTRACTOR HEREBY GIVES ASSURANCE THAT administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

BY ACCEPTING THIS ASSURANCE, CONTRACTOR agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws, rules and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code section 10605, or Government Code section 11135-11139.5, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

THIS ASSURANCE is binding on CONTRACTOR directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

Date
1525 Plumas Ct., Suite C, Yuba City, CA 95991
Address of CONTRACTOR

CONTRACTOR Signature

Appendix A

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, and OTHER RESPONSIBILITY MATTERS LOWER TIER COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

- (1) The primary principal certifies to the best of its knowledge and belief, that it and its principals:
 - (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment tendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsifications or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification, and
 - (d) Have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the primary principal is unable to certify to any of the statements in this certification, such principal shall attach an explanation.

_____	Ortner Management Group
(Type Name)	(Organization Name)
_____	1525 Plumas Court, Ste. C
(Title)	Yuba City, CA 95993
_____	(Organization Address)
(Signature)	_____
	(Date)

Addendum A

Medi-Cal Data Privacy and Security Agreement

The California Department of Health Care Services (DHCS) and the County of Mendocino Health and Human Services Agency (MC-HHSA) have entered into a Medi-Cal Data Privacy and Security Agreement in order to ensure the privacy and security of Medi-Cal Personally Identifiable Information (PII).

Medi-Cal PII is information directly obtained in the course of performing an administrative function on behalf of Medi-Cal, such as determining Medi-Cal eligibility or conducting IHSS operations, that can be used alone, or in conjunction with any other information, to identify a specific individual. PII includes any information that can be used to search for or identify individuals, or can be used to access their files, such as name, social security number, date of birth, driver's license number or identification number. PII may be electronic or paper.

AGREEMENTS

NOW THEREFORE, County and the Contractor mutually agree as follows:

I. Privacy and Confidentiality

- A. Contractors may use or disclose Medi-Cal PII only to perform functions, activities or services directly related to the administration of the Medi-Cal program in accordance with Welfare and Institutions Code section 14100.2 and 42 Code of Federal Regulations section 431.300 et.seq, or as required by law.

Disclosures which are required by law, such as a court order, or which are made with the explicit written authorization of the Medi-Cal client, are allowable. Any other use or disclosure of Medi-Cal PII requires the express approval in writing of DHCS. Contractor shall not duplicate, disseminate or disclose Medi-Cal PII except as allowed in the Agreement.

- B. Access to Medi-Cal PII shall be restricted to only contractor personnel who need the Medi-Cal PII to perform their official duties in connection with the administration of the Medi-Cal program.
- C. Contractor and/or their personnel who access, disclose or use Medi-Cal PII in a manner or for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions contained in applicable Federal and State statutes.

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II. Employee Training and Discipline

Contractor agrees to advise its personnel who have access to Medi-Cal PII of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in applicable Federal and State laws. Contractor shall:

- A. Train and use reasonable measures to ensure compliance with the requirements of this Agreement by their personnel who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII; and take corrective action against such personnel who intentionally violate any provisions of this Agreement, up to and including by termination of employment. New employees will receive privacy and security awareness training from Contractor within 30 days of employment and receive regular reminders throughout their employment. This information will be recorded in employee records with dates of each training/reminder. These records are to be retained and available for inspection for a period of three years after completion of the training/reminders.

III. Management Oversight and Monitoring

The Contractor agrees to:

- A. Establish and maintain ongoing management oversight and quality assurance for monitoring workforce compliance with the privacy and security safeguards in this Agreement when using or disclosing Medi-Cal PII and ensure that ongoing management oversight includes periodic self-assessments.

IV. Confidentiality Statement

Contractor agrees to ensure that all contractor personnel who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII sign a confidentiality statement. The statement shall include at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement shall be signed by the Contractor and their personnel prior to access to Medi-Cal PII.

V. Physical Security

Contractor shall ensure that Medi-Cal PII is used and stored in an area that is physically safe from access by unauthorized persons during working hours and non-working hours. Contractor agrees to safeguard Medi-Cal PII from loss, theft or inadvertent disclosure and, therefore, agrees to:

- A. Secure all areas of Contractor facilities where personnel assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII. The Contractor shall ensure that these secure areas are only accessed by authorized individuals with properly coded key cards, authorized door keys or access authorization; and access to premises is by official identification.
- B. Ensure that there are security guards or a monitored alarm system with or without security cameras 24 hours a day, 7 days a week at Contractor facilities and leased facilities where a large volume of Medi-Cal PII is stored.

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- C. Issue Contractor personnel who assist in the administration of the Medi-Cal program identification badges and require County Workers to wear the identification badges at facilities where Medi-Cal PII is stored or used.
- D. Store paper records with Medi-Cal PII in locked spaces, such as locked file cabinets, locked file rooms, locked desks or locked offices in facilities which are multi-use (meaning that there are personnel other than contractor personnel using common areas that are not securely segregated from each other.) The contractor shall have policies which indicate that Contractor and their personnel are not to leave records with Medi-Cal PII unattended at any time in vehicles or airplanes and not to check such records in baggage on commercial airlines.
- E. Use all reasonable measures to prevent non-authorized personnel and visitors from having access to, control of, or viewing Medi-Cal PII.

VI. Computer Security Safeguards

The Contractor agrees to comply with the general computer security safeguards, system security controls, and audit controls in this section. In order to comply with the following general computer security safeguards, the Contractor agrees to:

- A. Encrypt portable computer devices, such as laptops and notebook computers that process and/or store Medi-Cal PII, with a solution using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution. One source of recommended solutions is specified on the California Strategic Sourced Initiative (CSSI) located at the following link: www.pd.dgs.ca.gov/masters/EncryptionSoftware.html. The Contractor shall use an encryption solution that is full-disk unless otherwise approved by DHCS.
- B. Encrypt workstations where Medi-Cal PII is stored using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- C. Ensure that only the minimum necessary amount of Medi-Cal PII is downloaded to a laptop or hard drive when absolutely necessary for current business purposes.
- D. Encrypt all electronic files that contain Medi-Cal PII when the file is stored on any removable media type device (i.e. USB thumb drives, floppies, CD/DVD, etc.) using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- E. Ensure that all emails sent outside the Contractor's e-mail environment that include Medi-Cal PII are sent via an encrypted method using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- F. Ensure that all workstations, laptops and other systems that process and/or store Medi-Cal PII have a commercial third-party anti-virus software solution and are updated when a new anti-virus definition/software release is available.

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- G. Ensure that all workstations, laptops and other systems that process and/or store Medi-Cal PII have current security patches applied and up-to-date.
- H. Ensure that all Medi-Cal PII is wiped from systems when the data is no longer legally required. The Contractor shall ensure that the wipe method conforms to Department of Defense standards for data destruction.
- I. Ensure that any remote access to Medi-Cal PII is established over an encrypted session protocol using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI. The Contractor shall ensure that all remote access is limited to minimum necessary and least privilege principles.

VII. System Security Controls

In order to comply with the following system security controls, the Contractor agrees to:

- J. Ensure that all Contractor systems containing Medi-Cal PII provide an automatic timeout after no more than 20 minutes of inactivity.
- K. Ensure that all Contractor systems containing Medi-Cal PII display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only. User shall be directed to log off the system if they do not agree with these requirements.
- L. Ensure that all Contractor systems containing Medi-Cal PII log successes and failures of user authentication and authorizations granted. The system shall log all data changes and system accesses conducted by all users (including all levels of users, system administrators, developers, and auditors). The system shall have the capability to record data access for specified users when requested by authorized management personnel. A log of all system changes shall be maintained and be available for review by authorized management personnel.
- M. Ensure that all Contractor systems containing Medi-Cal PII use role based access controls for all user authentication, enforcing the principle of least privilege.
- N. Ensure that all Contractor data transmissions over networks outside of the Contractor's control are encrypted end-to-end using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI, when transmitting Medi-Cal PII. The Contractor shall encrypt Medi-Cal PII at the minimum of 128 bit AES or 3DES (Triple DES) if AES is unavailable.
- O. Ensure that all Contractor systems that are accessible via the Internet or store Medi-Cal PII actively use either a comprehensive third-party real-time host based intrusion detection and prevention program or be protected at the perimeter by a network based IDS/IPS solution.

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VIII. Audit Controls

P. Contractor agrees to an annual system security review by the County to assure that systems processing and/or storing Medi-Cal PII are secure. This includes audits and keeping records for a period of at least three (3) years. A routine procedure for system review to catch unauthorized access to Medi-Cal PII shall be established by the Contractor.

IX. Paper Document Controls

In order to comply with the following paper document controls, the Contractor agrees to:

A. Dispose of Medi-Cal PII in paper form through confidential means, such as cross cut shredding and pulverizing.

B. Not remove Medi-Cal PII from the premises of the Contractor except for identified routine business purposes or with express written permission of DHCS.

C. Not leave faxes containing Medi-Cal PII unattended and keep fax machines in secure areas. The Contractor shall ensure that faxes contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Contractor personnel shall verify fax numbers with the intended recipient before sending.

D. Use a secure, bonded courier with signature of receipt when sending large volumes of Medi-Cal PII. The Contractor shall ensure that disks and other transportable media sent through the mail are encrypted using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.

X. Notification and Investigation of Breaches

The Contractor agrees to:

A. Notify John Martire, Chief Welfare Investigator, at 467-5856.

XI. Assessments and Reviews

In order to enforce this Agreement and ensure compliance with its provisions, the Contractor agrees to inspections of its facilities, systems, books and records, with reasonable notice from the County, in order to perform assessments and reviews.

XII. Assistance in Litigation or Administrative Proceedings

In the event of litigation or administrative proceedings involving DHCS based upon claimed violations, the Contractor shall make all reasonable effort to make itself and its personnel who assist in the administration of the Medi-Cal program and using or disclosing Medi-Cal PII available to DHCS at no cost to DHCS to testify as witnesses.

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Signature Page

Contractor Name (printed)

Contractor Signature

Contractor Title

Contractor's Agency Name

Date