

**COUNTY OF MONTEREY  
MENTAL HEALTH SERVICES AGREEMENT**

Contract Number: A -12682

COUNTY Department Contract Representative:

Ray Bullick, Director of Health  
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **BENJAMIN MACASAET dba NEW HORIZON I ADULT RESIDENTIAL FACILITY** (hereinafter "CONTRACTOR").

**RECITALS**

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

**I. SERVICES TO BE PROVIDED**

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: community-based living that provides a normalizing experience for adults with severe psychiatric disabilities.

**II. EXHIBITS**

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION

EXHIBIT B: PAYMENT AND BILLING PROVISIONS

- EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
- EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
- EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
- EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
- EXHIBIT G: MONTHLY CENSUS AND INVOICE FORM
- EXHIBIT H: MONTHLY ACTIVITIES SCHEDULE

### III. PAYMENT BY COUNTY

- A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Provisional Rates or at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit I, Budget and Expenditure Report, if made part of this Agreement.
- B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

### IV. TERM AND TERMINATION

- A. Term. This Agreement shall be effective **July 1, 2015** and shall remain in effect until **June 30, 2018**.
- B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.
- C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:
  - 1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;
  - 2. CONTRACTOR'S failure to abide by Grievance decisions;
  - 3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit Annual Reports, Provider's Certification, and accompanying audited financial statement, CONTRACTOR'S Year-End Cost Report Settlement and/or other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit J;
5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period.
6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;
7. CONTRACTOR loses its licensure or certification;
8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;
9. Breach by CONTRACTOR of any confidentiality obligation;
10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);
11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;
12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;
13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or
14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

- D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.
- E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:
1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;
  2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;
  3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;
  4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section VIII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XI to this Agreement, professional liability insurance described in Section XII to this Agreement, annual reports and cost report settlement described in Section XIV and in accordance with Exhibit J to this Agreement, and access to and audit of records described in Section XV to this Agreement, and in accordance with all applicable laws; and
  5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

**V. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS**

- A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act, California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB) Circular Nos. A-122 and 133, the Cost Reporting/Data Collection (CR/DC) Manual, and the Mental Health policies issued by the County of Monterey.
- B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

**VI. CONTRACT MONITORING AND QUALITY CONTROL**

- A. The Federal, State and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timelines of services performed under this Agreement.
- B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.
- C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting, as stipulated in the Cost Reporting/Data Collection ("CR/DC") manual, are subject to special review and audit.
- D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

## VII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

- A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.
- B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.
- C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.
- D. Exclusion from Participation in Federal Health Care Program or State Equivalent.
1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.
  2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).
    - a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I

and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

- b. The OIG list is currently found at the following web address: <http://exclusions.oig.hhs.gov>. The S&I list is currently found at the following web address: <http://www.medi-cal.ca.gov/references.asp>.

## **VIII. PATIENT RIGHTS**

- A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).
- B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

## **IX. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION**

- A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.
- B. CONTRACTOR shall retain clinical records for a minimum of seven (7) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than seven (7) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.
- C. CONTRACTOR shall comply with the Confidentiality of Patient Information requirements set forth in Exhibit C and incorporated by reference as if fully set forth herein.

## **X. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE**

- A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.
- B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.
- C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

## **XI. 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, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses 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 this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.



## XII. INSURANCE

- A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

- B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.
- C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:
1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
  2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence if maximum estimated reimbursement obligation by COUNTY to CONTRACTOR under this Agreement is over \$100,000 or of not less than \$500,000 per occurrence if maximum estimated reimbursement obligation by COUNTY to CONTRACTOR under this Agreement is \$100,000 and less.
  3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.
  4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or

profession regulated by the California Business and Professional Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

- D. Other Insurance Requirements, All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section III (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section IV.

### **XIII. BUDGET AND EXPENDITURE REPORT**

- A. CONTRACTOR shall submit, as requested by the COUNTY, the Budget and Expenditure Report provided as Exhibit I, if made part of this Agreement, identifying CONTRACTOR'S allowable costs and program revenues. COUNTY shall identify program revenues for COUNTY funds, and CONTRACTOR shall identify allowable costs and other program revenues as defined in Exhibit B, Section VI, paragraph B of this Agreement, if applicable. The budget shall be the basis for payment reimbursements, cost settlement activities, and audits.
- B. CONTRACTOR shall submit an electronic copy of the Six-(6) Month and the Year-to-Date Budget and Expenditure report by February 15 and by the date specified by the COUNTY, respectively, to the COUNTY using Exhibit I as the template format. The report shall include data related to the actual costs incurred, revenues earned, and the number of actual clients served by each funded program.

### **XIV. PREPARATION OF ANNUAL REPORT(S) AND CONTRACTOR'S YEAR-END COST REPORT SETTLEMENT**

- A. Annual Report(s) and CONTRACTOR'S Year-End Cost Report Settlement. CONTRACTOR shall submit by COUNTY'S required deadlines the following, as it pertains to this Agreement:
  - 1. State Cost Report.
  - 2. Annual Mental Health Services Act (MHSA) Revenue and Expenditure Reports.
  - 3. Annual Report(s), as applicable and required by the COUNTY.
  - 4. CONTRACTOR'S Year-End Cost Report Settlement in accordance with the terms and conditions set forth in Exhibit J, if made part of this Agreement.

Such Annual Reports, numbered (1) through (3) above, and such cost report settlement, numbered (4) above, shall be prepared in accordance with generally

accepted accounting principles and Federal, State and COUNTY reimbursement requirements using forms, templates and instructions provided by the COUNTY.

- B. Preparation and Submission of Annual Report(s) and CONTRACTOR'S Year-End Cost Report Settlement in Response to Termination or Cancellation of Agreement. If this Agreement is terminated or canceled prior to June 30th of any fiscal year, CONTRACTOR shall prepare and submit to COUNTY an Annual Report(s) and CONTRACTOR'S Year-End Cost Report Settlement with the COUNTY for services/activities rendered during the fiscal year(s) for which the CONTRACTOR'S applicable Report(s) is (are) outstanding and shall adhere to the terms and conditions set forth in Exhibit J, if made part of this Agreement. If Exhibit J is not a part of this Agreement, CONTRACTOR shall prepare and submit to COUNTY a cost report and any applicable reports as requested by the COUNTY.
- C. Non-submission of Annual Report(s) and CONTRACTOR'S Year-End Cost Report Settlement. Failure to submit the Annual Report(s) and/or the CONTRACTOR'S Year-End Cost Report Settlement, described in Section XIV (A), within thirty (30) calendar days after COUNTY'S applicable due date(s) is a breach of this Agreement, which entitles COUNTY, in its sole and absolute discretion, to (1) disallow claim(s) for payment for services/activities rendered during the fiscal year(s) for which the CONTRACTOR'S applicable Report(s) is (are) outstanding, (2) withhold payment(s) for reimbursements payable pursuant to Section III (A) to CONTRACTOR for the current fiscal year by COUNTY to CONTRACTOR, and/or (3) terminate this Agreement pursuant to Section IV. CONTRACTOR shall comply with Annual Report(s) and CONTRACTOR'S Year-End Cost Report Settlement requirements as set forth in Exhibit J, if Exhibit J is made part of this Agreement.
- D. Cost Report Training. CONTRACTOR shall attend a one-time mandatory cost report training provided by the COUNTY. COUNTY shall provide further training as needed and as required in accordance with changes in the State cost report requirements. CONTRACTOR shall adhere to cost report training requirements and shall comply in accordance with Exhibit J, Section III, if made part of this Agreement.

## **XV. ACCESS TO AND AUDIT OF RECORDS**

- A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

- B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of seven (7) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, CONTRACTOR'S Year-End Cost Report Settlement, State Cost Report Settlement, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.
- C. Overpayment. If the results of any audit, CONTRACTOR'S Year-End Cost Report Settlement, or State Cost Report Settlement shows that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit J, if made part of this Agreement.
- D. Responsibility for Audit and/or Cost Report Settlement Exceptions. Any and all audit and/or Cost Report Settlement exceptions by COUNTY or any Federal or State agency resulting from an audit and/or Cost Report Settlement of CONTRACTOR'S performance of this Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.
- E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.
- F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law.

## XVI. NON-DISCRIMINATION

- A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, national origin, ancestry, mental or physical handicap, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In

addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

- B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.
- C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.
- D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:
1. California Code of Regulations, Title 9, §§ 526, 527;
  2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
  3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
  4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
  5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;

6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

- E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.
- F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.
- G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.
- H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.
- I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

## **XVII. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY**

- A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.
- B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.
- C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

## **XVIII. DRUG FREE WORKPLACE**

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

- A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.
- B. Establishing a drug-free awareness program to inform employees about all of the following:
  - 1. The dangers of drug abuse in the workplace;
  - 2. The person's or organization's policy of maintaining a drug-free workplace;
  - 3. Any available drug counseling, rehabilitation, and employees assistance programs;
  - 4. The penalties that may be imposed upon employees for drug abuse violations;
  - 5. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a



condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

#### **XIX. INDEPENDENT CONTRACTOR**

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

#### **XX. SUBCONTRACTING**

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

#### **XXI. GENERAL PROVISIONS**

- A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.
- B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

- C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.
- D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.
- E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.
- G. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.
- H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.
- M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

- N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.
- O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.
- Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

## **XXII. NOTICES AND DESIGNATED LIAISONS**

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

**COUNTY OF MONTEREY**  
Behavioral Health Director  
Department of Health  
1270 Natividad Road  
Salinas, CA 93906  
(831) 755-4509

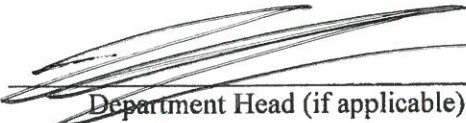
**CONTRACTOR**  
Benjamin Macasaet  
New Horizon I Adult Residential Facility  
Facility Administrator  
1121 E. Laurel Drive  
Salinas, CA 93906  
(831) 758-2139

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: \_\_\_\_\_  
Contracts/Purchasing Officer

Date: \_\_\_\_\_

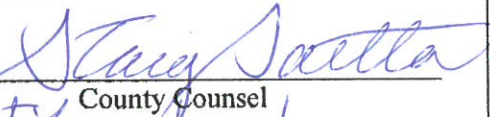
By:  \_\_\_\_\_  
Department Head (if applicable)

Date: 4-27-15

By: \_\_\_\_\_  
Board of Supervisors (if applicable)

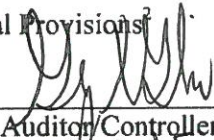
Date: \_\_\_\_\_

Approved as to Form <sup>1</sup>

By:  \_\_\_\_\_  
Deputy County Counsel

Date: 3/26/15

Approved as to Fiscal Provisions<sup>2</sup>

By:  \_\_\_\_\_  
Auditor/Controller

Date: 3-26-15

Approved as to Liability Provisions<sup>3</sup>

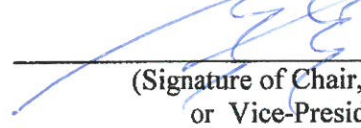
By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_

CONTRACTOR

**BENJAMIN MACASAET**  
**DBA NEW HORIZON I ADULT**  
**RESIDENTIAL FACILITY**

By: \_\_\_\_\_  
Contractor's Business Name\*

By:  \_\_\_\_\_  
(Signature of Chair, President,  
or Vice-President)\*

OWNER  
Name and Title

Date: 03/06/15

By: \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary,  
CFO, Treasurer or Asst. Treasurer)\*

\_\_\_\_\_  
Name and Title

Date: \_\_\_\_\_

County Board of Supervisors' Agreement Number: \_\_\_\_\_

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

<sup>1</sup>Approval by County Counsel is required; if Agreement is \$100,000 and less approval by County Counsel is required only when modifications are made to any of the Agreement's standardized terms and conditions

<sup>2</sup>Approval by Auditor-Controller is required

<sup>3</sup>Approval by Risk Management is necessary only if changes are made in Sections XI or XII

**EXHIBIT A:  
PROGRAM DESCRIPTION**

---

**I. IDENTIFICATION OF PROVIDER**

Benjamin Macasaet  
dba New Horizon I Adult Residential Facility  
1121 E. Laurel Drive  
Salinas, CA 93906

**II. CERTIFICATION/TYPE OF FACILITY LICENSE**

Monterey County Behavioral Health Bureau (MCBHB) has developed a residential care registry of Monterey County clients in the program. To be eligible for the monthly supplemental rate, a facility must provide a Monthly Census identified as Exhibit G of this Agreement and a Monthly Activities Schedule identified as Exhibit H of this Agreement.

The facility must show current evidence of meeting all licensing requirements for Community Care facilities authorized by the State Department of Social Services to provide care and supervision to mentally disordered adults, as defined in Section 1502 of the Health and Safety Code. The facility must retain ongoing licensure and be in full compliance with licensing regulations. Any complaints received by the CONTRACTOR pertaining to services performed pursuant to this Agreement must be referred in a timely manner to MCBHB.

**III. PROGRAM GOALS and OBJECTIVES**

In order to receive a payment for the care of mentally ill clients who are enrolled clients of MCBHB, a residential care facility must be licensed by the State of California Community Care Licensing and must provide services that will accomplish the following goals and objectives:

**GOAL #1**

**For clients who require the management of behavioral problems, the facility will provide a level of supervision and intensive interaction that is consistent with each client's needs as outlined in the client's individualized care plan.**

Objectives:

- 1a. The facility will participate with the MCBHB Case Manager, the client and others in the development of an individualized needs assessment and care plan for each client within the first thirty (30) days of placement and retain a signed copy of the documented results in a client chart that is retained in the facility.

- 1b. The facility will work cooperatively with the staff and programs of the MCBHB to accomplish each client's individualized treatment plan and will document significant ongoing problems and/or progress.
- 1c. The facility will attempt to reasonably manage those crisis situations so as to avoid psychiatric hospitalization. The goal will be to reduce each client's need for acute psychiatric services.
- 1d. The facility will work cooperatively with and provide information to the MCBHB Case Manager and medical staff to facilitate the evaluation of those clients deemed to require re-admission.

## **GOAL #2**

**The facility will assist clients to become more responsible to take medications as prescribed by their treating physician.**

### Objectives:

- 2a. Facility staff will transport the clients and/or monitor clients visits for psychiatric treatment at MCBHB.
- 2b. Facility staff will attend scheduled medication evaluation and planning appointments and work with MCBHB staff when medications are changed.
- 2c. The facility will store and dispense medication in an approved and effective manner, following State guidelines.
- 2d. The facility will maintain a current, updated record of the daily dispensing of medication, recording changes in dosages and types and recording the effects of medication administration.

## **GOAL #3**

**The facility will encourage clients to use treatment services and develop continuing support systems.**

### Objectives:

- 3a. The facility will provide transportation for clients to attend services and programs as outlined in each client's individual care plan.
- 3b. The facility will educate and encourage clients to use the services of the MCBHB Adult Services Programs and other specialized services identified in each client's individualized care plan.

- 3c. Facility staff will cooperate with the MCBHB Case Manager and the staff of specialized services identified in each client's individualized care plan. The facility operator will meet regularly with MCBHB staff in ensure service coordination.
- 3d. The facility will document in each client's folder client attendance at community programs.

#### **GOAL #4**

**The facility will encourage clients' use of leisure time in a constructive manner.**

Objectives:

- 4a. The facility will post, on a monthly basis, information about programs, groups and activities that are provided by community agencies for the general and specialized needs and interest of clients.
- 4b. The facility will encourage clients to develop regular daily activities or routines.
- 4c. The facility will post, on a monthly basis, the activities that the facility will provide for clients to supplement those provided by community agencies.
- 4d. The facility will document in each client's folder client attendance at the monthly activities.

#### **GOAL #5**

**The facility will encourage clients to maintain an acceptable level of personal hygiene and grooming, as well as physical and dental health.**

Objectives:

- 5a. Facility staff will encourage, track, monitor, and reinforce the maintenance by clients of an acceptable level of personal hygiene and grooming, as well as teach self-care when needed.
- 5b. The facility will provide adequate supplies and materials to accomplish this goal.
- 5c. The facility will ensure that clients receive an annual medical evaluation and dental check-up and will record the dates and results of both services in each client's folder.
- 5d. The facility will monitor to ensure that clients follow up on any established plan to care for any identified medical and dental problems, and will record these actions in the client's folder.

## **GOAL #6**

**The facility will provide services in a manner that reflects an understanding of the specialized needs of the seriously mentally ill.**

Objectives:

- 6a. The facility will ensure that all administrative staff and staff responsible for the supervision of clients receive a minimum of twenty (20) hours of specialized training approved by the Behavioral Health Bureau.
- 6b. The facility will document and maintain a record of each staff person's attendance at approved training programs.

## **GOAL #7**

**The facility will allow the staff of the Behavioral Health Bureau access to the facility, to the extent authorized by law.**

Objective:

The facility will work with the staff of the Behavioral Health Bureau to conduct client assessments, monitor care, provide consultation, conduct record reviews and evaluate the results of the services.

## **IV. TREATMENT SERVICES**

MCBHB will provide case management services to all clients. Clients who receive services will be assessed and monitored by the MCBHB Case Management staff. A copy of the completed assessment will be reviewed annually. The Behavioral Health Program Manager must approve the assessment for admittance and continuance of the client in the supplemental rate program. This procedure will be used to assist in the determination of the functional ability and programmatic needs of the clients, and the appropriate placement in facilities providing supplemental services. If there are more clients eligible for the program than funding permits, eligible clients will be placed on a waiting list for future admission as vacancies permit.



**EXHIBIT B:  
PAYMENT AND BILLING PROVISIONS**

---

**I. PAYMENT TYPE**

COUNTY shall pay CONTRACTOR the net negotiated rate amount not to exceed **twelve dollars and fifty-cents (\$12.50) per client per day** for services authorized pursuant to Exhibit A.

**II. PAYMENT AUTHORIZATION FOR SERVICES**

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

**III. PAYMENT RATE**

The chart below illustrates payment rate and total maximum liability for services provided at 1121 E. Laurel Drive located in Salinas, CA for **FY 2012-13 thru FY 2014-15**.

<b>Fiscal Year Period</b>	<b>Cost/Client</b>	<b>Bed Days</b>	<b>Estimated No. of Clients</b>	<b>Annual Total</b>
July 1, 2015 - June 30, 2016	\$12.50	365	33	\$150,563.00
July 1, 2016 - June 30, 2017	\$12.50	365	33	\$150,563.00
July 1, 2017 - June 30, 2018	\$12.50	365	33	\$150,563.00
<b>TOTAL MAXIMUM COUNTY OBLIGATION</b>				<b>\$451,689.00</b>

**IV. PAYMENT CONDITIONS**

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Monthly Census and Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30<sup>th</sup>) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Monthly Census and Invoice Form with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@co.monterey.ca.us

- B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.
- C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.
- D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.
- E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.
- E. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

**V. MAXIMUM OBLIGATION OF COUNTY**

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **\$451,689.00** for services rendered under this Agreement.

B. Maximum Annual Liability:

<b>FISCAL YEAR LIABILITY</b>	<b>AMOUNT</b>
July 1, 2015 to June 30, 2016	<b>\$150,563.00</b>
July 1, 2016 to June 30, 2017	<b>\$150,563.00</b>
July 1, 2017 to June 30, 2018	<b>\$150,563.00</b>
<b>TOTAL MAXIMUM LIABILITY</b>	<b>\$451,689.00</b>

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY’S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY’S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

**VI. BILLING AND PAYMENT LIMITATIONS**

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY’S claims processing information system reports, remittance advices, and billing system data.

**VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS**

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State’s Budget Act.

- B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.
- C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.
- D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

#### **VIII. AUTHORITY TO ACT FOR THE COUNTY**

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

**EXHIBIT C:  
CONFIDENTIALITY OF PATIENT INFORMATION**

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq.*, 14100.2, and 10850, *et seq.*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 *et seq.*

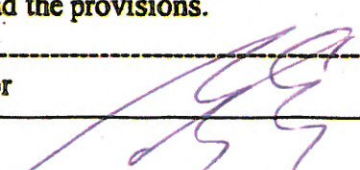
“Patient information” or “confidential information” includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, “patient information” or “confidential information” includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of \$10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

Contractor's Name	<b>BENJAMIN MACASAET DBA NEW HORIZON I ADULT RESIDENTIAL FACILITY</b>	
Name of Designee	Benjamin Macasaet	
Title of Designee	Facility Administrator	
I certify that I have read the provisions.		
Signature of Contractor		Date <u>3 / 29 / 15</u>
Title of Contractor:		

**EXHIBIT D:  
ASSURANCE OF COMPLIANCE WITH  
SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED**

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

- A.  Employs fewer than fifteen persons;  
 B.  Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Name		<b>BENJAMIN MACASAET DBA NEW HORIZON I ADULT RESIDENTIAL FACILITY</b>	
Name of Designee		Benjamin Macasaet	
Title of Designee		Facility Administrator	
Street	1121 E. Laurel Drive		
City	Salinas	State	CA
		Zip	93905
IRS Employer Identification Number		383776195	
I certify that the above information is complete and correct to the best of my knowledge and belief.			
Signature of Contractor		Date <u>3 / 6 / 15</u>	
Title of Contractor: Owner/Administrator of New Horizon I ARF			

*Ben Macasaet dba New Horizon I Adult Residential Facility  
July 1, 2015 through June 30, 2018*

**EXHIBIT E:**  
**ASSURANCE OF COMPLIANCE WITH**  
**MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY**

---

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

**Organizations in a Culturally Competent Service System Promote:**

**Quality Improvement**

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

**Collaboration**

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

**Access**

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

**Cultural Competent Services:**

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Triqui and other languages spoken of Monterey County residents).

### **Definitions for Cultural Competency**

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

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

*“Cultural Competence” is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.*

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

*[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.*

(Cross, Bazron, Dennis & Issacs, 1989)

*The ability to work effectively with culturally diverse clients and communities.*

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County’s Health Department – Behavioral Health’s Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Triqui, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.
2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.



3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.
4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.
5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).
6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.
7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.
8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

*By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.*

**BENJAMIN MACASAET DBA NEW HORIZON I  
ADULT RESIDENTIAL FACILITY**

Contractor (Organization Name)

BENJAMIN O. MACASAET  
Name of Authorized Representative (printed)

CONTRACTOR

Title of Authorized Representative

[Signature]  
Signature of Authorized Representative

Date

03/06/15

## EXHIBIT F:

### BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”), effective **July 1, 2015** (“Effective Date”), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department (“Covered Entity”) and **Benjamin Macasaet dba New Horizon I Adult Residential Facility** (“Business Associate”) (each a “Party” and collectively the “Parties”).

Business Associate provides certain services for Covered Entity (“Services”) that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity (“PHI”). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the “Privacy Rule”), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the “Security Rule”), under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations (“HITECH”). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* (“CMIA”), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 (“Red Flag Rules”). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information (“EPHI”), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

#### 1. Definitions

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

#### 2. Permitted Uses And Disclosures Of PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or

disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

### **3. Responsibilities Of The Parties With Respect To PHI**

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. §164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

#### **4. Terms And Termination**

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

#### **5. Miscellaneous**

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant

provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Benjamin Macasaet, Facility Administrator  
New Horizons I Adult Residential Facility  
1121 E. Laurel Drive  
Salinas, CA 93906  
Tel: (831) 758-2139

If to Covered Entity, to:

Behavioral Health Director  
Department of Health  
1270 Natividad Road  
Salinas, CA 93906  
Tel: (831) 755-4509

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense,

penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

**COUNTY OF MONTEREY, ON BEHALF OF  
THE HEALTH DEPARTMENT**

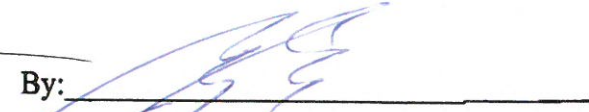
**[BUSINESS ASSOCIATE]  
BENJAMIN MACASAET dba NEW HORIZON I  
ADULT RESIDENTIAL FACILITY**

By: 

Print Name: Arty Bullide

Title: Director of Health

Date: 4-27-15

By: 

Print Name: BENJAMIN Q. MACASAET

Title: Facility Administrator

Date: 03/06/15





**EXHIBIT H: MONTHLY ACTIVITIES SCHEDULE**

PROVIDER: BENJAMIN MACASAET DBA NEW HORIZON I ADULT RESIDENTIAL FACILITY

MONTH OF: \_\_\_\_\_

FY: \_\_\_\_\_

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: A 15-119

May 19, 2015

**Introduced:** 5/13/2015

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

Ratify execution by the Director of Health of the Memorandum of Understanding (“MOU”) between the Monterey County Health Department, Behavioral Health Bureau (“BHB”) and Salinas Union High School District for the provision of therapeutic services by BHB to Salinas UHSD students for the Fiscal Year 2014-2015, County’s costs to be reimbursed by a mix of funding dollars from Salinas UHSD (for a maximum liability of \$120,000), Medi-Cal and Mental Health Services Act (“MHSA”).

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

Ratify execution by the Director of Health of the Memorandum of Understanding (“MOU”) between the Monterey County Health Department, Behavioral Health Bureau (“BHB”) and Salinas Union High School District for the provision of therapeutic services by BHB to Salinas UHSD students for the Fiscal Year 2014-2015, County’s costs to be reimbursed by a mix of funding dollars from Salinas UHSD (for a maximum liability of \$120,000), Medi-Cal and Mental Health Services Act (“MHSA”).

### SUMMARY/DISCUSSION:

The demand for mental health services in the community continues to increase and therapeutic services in the school districts are crucial in meeting the ever increasing demands for mental health services, particularly in school districts with a high degree of violence. It is well documented that students who receive early treatment can be prevented from requiring special education services for social emotional problems and even higher levels of service such as a residential placement facility. Additionally, students who are treated early do better in school and go on to be more productive members of society. To address the need for these services in the schools, the Monterey County Health Department Behavioral Health Bureau (“MCBH”) has partnered with school districts in Monterey County to provide Psychiatric Social Workers (“PSW”) for the provision of therapeutic services.

On March 17, 2015, the Monterey County Board of Supervisors approved the standard MOU template used to partner with school districts in Monterey County and approved the delegation of authority to the Director of Health to execute the standard MOU, retroactive to July 1, 2014. Pursuant to the approved standard MOU template, MCBH staff will provide treatment to students identified as having trouble with their educational goals due to social, emotional or behavioral needs. MCBH staff has been working with Salinas Union High School District (“SUHSD”) for over ten months on assessing behavioral health services needed and developing

language for standard MOU template in concert with the entity's Counsel.

MCBH seeks the Board of Supervisors approval to ratify and authorize the Director of Health to execute the MOU with SUHSD retroactive to July 1, 2014 as services have been rendered in this school district since November of the current FY 2014-15 school year. The MOU with SUHSD is being presented to the Board for approval much later than anticipated due to lengthier than expected negotiations.

This work supports the following Monterey County Health Department 2011-2015 strategic plan initiative: 1) Empower the community to improve health through programs, policies, and activities; and 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one or more of the ten essential public health services, specifically: 4) Mobilize community partnerships and action to identify and solve health problems; and 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

The standard template MOU contains a 30-day "without cause" provision (Section 9, a), which provides that either the County or school district may cancel the MOU.

OTHER AGENCY INVOLVEMENT:

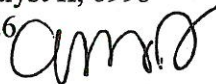
County Counsel, Auditor-Controller, and Risk Management have reviewed and approved these MOUs as to legal form, fiscal provisions, and insurance requirements, respectively. A copy of the MOU is on file with Clerk of the Board.

FINANCING:

There are sufficient appropriations and revenues in the MCBH (4000-HEA012-8410) FY 2014-15 Adopted Budget. The costs for these services are funded by a mix of school reimbursement, Medi-Cal and Mental Health Services Act (MHSA) dollars. The school district has agreed to provide more than one half of MCBH's cost for provision of services. MCBH will bill Medi-Cal for services rendered to Medi-Cal eligible students that meet medically necessary criteria. In addition, there is funding available through the Mental Health Services Act for outreach and engagement for students not currently covered by Medi-Cal. The level of SUHSD financial support for FY 14-15 is \$120,000 (\$40,000 for 3 FTE's). There will be no impact to the County General Fund associated with this request.

Prepared by: Sarah Trueblood, Management Analyst II, 8996

Approved by: Ray Bullick, Director of Health, 4526



Attachment:

MOU is on file with the Clerk of the Board

---



## Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

**Agreement No.: A-12699**

Upon motion of Supervisor Parker, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors hereby:

Ratified execution by the Director of Health of the Memorandum of Understanding ("MOU") between the Monterey County Health Department, Behavioral Health Bureau ("BHB") and Salinas Union High School District for the provision of therapeutic services by BHB to Salinas UHSD students for the Fiscal Year 2014-2015, County's costs to be reimbursed by a mix of funding dollars from Salinas UHSD (for a maximum liability of \$120,000), Medi-Cal and Mental Health Services Act ("MHSA").

**PASSED AND ADOPTED** on this 19th day of May 2015, by the following vote, to wit:

**AYES:** Supervisors Armenta, Phillips, Salinas, Parker and Potter

**NOES:** None

**ABSENT:** None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on May 19, 2015.

Dated: May 20, 2015  
File ID: A 15-119

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By *Janise Hancock*  
Deputy

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
COUNTY OF MONTEREY HEALTH DEPARTMENT, BEHAVIORAL HEALTH  
BUREAU  
AND  
SALINAS UNION HIGH SCHOOL DISTRICT**

This MOU is developed and entered into effective the 1st day of November 2014, which date is enumerated for purposes of reference only, by and between the Monterey County Health Department, Behavioral Health Bureau (hereinafter referred to as “County”) and Salinas Union School District (hereinafter referred to as “District” or “School District”), together referred to as “Parties” and singularly as “Party.”

**RECITALS:**

WHEREAS, the School District is the recipient of Local Control Funding Formula (LCFF) funds due to changes in the 2013–14 budget package which replaced the previous K–12 finance system with the new LCFF;

WHEREAS, the School District is required to develop a Local Control and Accountability Plan (LCAP) and has identified in that plan the need to provide therapeutic services to students who require such service;

WHEREAS, the County provides behavioral health services through the Health Department’s Behavioral Health Bureau and is committed to assisting schools in Monterey County with the provision of therapeutic services to students that require them;

WHEREAS, the School District has requested assistance from the County for the provision of therapeutic services to students who are enrolled in the School District and who require therapeutic services; and

NOW THEREFORE, This Memorandum of Understanding (“MOU”) is created for the purpose of setting forth the terms and conditions under which the County and the District will collaborate to ensure provision of therapeutic services to the students of the District.

**1. Term of MOU**

This MOU shall be in full force commencing November 1, 2014 and ending June 30, 2015, unless terminated or amended pursuant to this MOU.

**2. Services and Responsibilities of the County**

a. The County will assign to District 3 Full Time Equivalent (“FTE”) therapists (“Therapists”) for the provision of therapeutic behavioral health services (“Therapeutic Services”) for students in School District. Therapeutic Services shall include, but are not limited to, individual therapy, group therapy, family therapy, parent and/or teacher consultation, treatment planning, and the provision of classroom observation, teacher training, parent education, and referrals for crisis intervention as needed. The County and Staff shall maintain the files and all documents relating to any Therapeutic Services

provided by Staff to a student pursuant to this MOU. The County and Staff shall respond to any requests from a student or his/her parent or guardian regarding such services, files, or documents.

b. The County ensures that the Therapists ("Staff") that it assigns to the District will perform the scope of activities and services required to fulfill the therapeutic services needed by the District's students. The Staff shall be employees of the County, and the County shall pay all salaries and expenses owed to the Staff related to the Staff's services for the District pursuant to this MOU. The District's only financial obligation to the County or Staff shall be the payments to County described in Section 4, below.

c. The County will manage and monitor the status of therapeutic services provided in the District and will report data required by the District and which conforms to the Confidentiality of Patient Information Certification included as Exhibit A to this MOU.

d. The County will provide a portion or all of the furniture necessary in order to appropriately equip the Staff with the appropriate furniture needed. The furniture will be owned and maintained by the County.

e. The County will provide and service the IT needs of the Staff assigned to work in the District.

f. The County shall designate a program manager or designee who will oversee and be the point of contact for the District for any and all issues associated with the services to be provided by the County under this MOU.

g. If either Party is ever audited, the other Party will provide assistance as may be helpful or necessary.

h. The County shall be solely responsible for managing, monitoring, and overseeing Staff in the provision of Therapeutic Services, including the scheduling of Therapeutic Services, at the District.

### **3. Services and Responsibilities of the District**

a. The District agrees to provide office and/or meeting space and any equipment necessary (other than the equipment provided by County, above) for the implementation of services provided by Staff.

b. The District agrees to compensate the County for the services provided by the Therapists at a rate of \$120,000 per County fiscal year as outlined in Section 4, Payment Provisions, of this MOU.

c. The District will assign a District manager or designee to serve as the point of contact for the County for any all issues associated with this MOU.

d. The District agrees to meet as needed with the designated County designee and/or County team assigned to work in the District to ensure appropriate, efficient and effective implementation of the services rendered by County personnel.

**4. Payment Provisions**

a. Subject to the limitations set forth herein, School District shall pay County \$120,000.00 for the provision of County's services during the term of this Agreement and in accordance with the following schedule:

Period	FTE Total	Maximum Annual Amount
November 1, 2014-June 30, 2015	3 FTEs @ \$40,000 each	\$120,000 --1 <sup>st</sup> semiannual payment of \$60,000.00 shall be invoiced on or about January 31, 2015. --2 <sup>nd</sup> semiannual payment of \$60,000.00 shall be invoiced on or about June 30, 2015.

b. The County shall prepare and submit its invoice for the requested amount, as described in Section (a) above, along with such other information pertinent to the invoice, and submit to the School District at the following address:

Salinas Union High School District  
431 W. Alisal St.  
Salinas, CA 93901

School District shall pay the County's invoice in the requested amount within 30 days of receiving the County's invoice.

c. If for any reason this MOU is canceled, the School District's maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

d. As an exception to Section (c) above with respect to the Survival of Obligations after Termination, School District shall continue to remain obligated under this MOU with regard to payment for services that are required to be rendered after termination.

**5. Exhibits**

The following attached exhibits are incorporated herein by reference and constitute as a part of this Memorandum of Understanding:

- EXHIBIT A: CONFIDENTIALITY OF PATIENT INFORMATION CERTIFICATION (executed by County and District)
- EXHIBIT B: COUNTY INSURANCE
- EXHIBIT C: SCHOOL DISTRICT INSURANCE



## **6. Screening**

The Parties shall comply with applicable laws, regulations, and District policies related to criminal records checks, fingerprinting, and tuberculosis vaccinations.

## **7. Maintenance and confidentiality of patient information**

a. The County shall maintain clinical records for each recipient of service in compliance with all state and federal requirements and Exhibit A. Such records shall include a description of all services provided by the County in sufficient detail to make possible all evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes. The County shall retain clinical records for a minimum of seven (7) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than seven years.

b. The County and District shall comply with the confidentiality requirements set forth in Exhibit A and incorporated by reference as if fully set forth herein.

## **8. Modification**

This MOU may be modified only by an instrument in writing signed by the County and the District.

## **9. Termination**

a. **Termination Without Cause.** A Party may cancel this MOU at any time upon thirty (30) calendar days of written notice.

b. **Termination With Cause.** Either Party may terminate this Agreement upon the material breach of this Agreement by the other Party by giving the other party fifteen (15) days' prior written notice of such breach. If such breach is not cured by the breaching party within fifteen (15) days of receipt of this notice, this Agreement shall terminate at the end of such fifteen (15) day period.

## **10. Assignment**

This MOU may not be assigned without the prior written consent of the Parties.

## **11. General Provisions**

a. All work described herein shall be performed in accordance with applicable Federal, State and local laws and regulations.

b. **Non-discrimination.** During the performance of this Agreement, the Parties shall not unlawfully discriminate against any person because of race, religion, color, sex, national origin, ancestry, mental or physical handicap, medical condition, marital status, age (over 40), or sexual orientation, either in the Parties' employment practices

or in the furnishing of services to recipients. The Parties shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, School District's facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

- c. **Third Party Rights.** Nothing in this MOU shall be construed to give any rights, benefits, or obligations to anyone other than School District and The County.
- d. **Independent Contractor.** The County shall act as an independent contractor in the performance of the duties hereunder, and no officer, employee or agent of the County under this MOU shall be deemed to be an officer, employee or agent of the District in carrying out the duties of this MOU. Nothing in this MOU shall create any of the rights, powers, privileges or immunities of an employee of the District.
- e. The County's obligations with regard to any personnel it retains, employs, or contracts with shall include paying all federal and state withholding taxes applicable to employees and complying with federal and state wage-hour obligations (including overtime), workers' compensation obligations, unemployment insurance obligations, and other applicable taxes and contributions to government mandated employment related insurance and similar programs.

## **12. Mutual Indemnification**

- a. The District shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage rising out of, or in connection with, performance of this MOU by The District and/or its agents, employees or Collaborators, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this MOU to provide the broadest possible coverage for the County. The District shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which The District is obligated to indemnify, defend and hold harmless the County under this MOU.
- b. County shall indemnify, defend, and hold harmless the District, its officers, agent and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this MOU by the County and/or its agents, employees or Collaborators, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the District. It is the intent of the parties to this MOU to provide the broadest possible coverage for the District. The County shall reimburse the District for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the County is obligated to indemnify, defend and hold harmless the District under this MOU.

**13. Insurance**

**a. County Insurance**

The County shall secure and maintain the insurance coverage or self-insurance described in Exhibit B, a copy of which is attached hereto and incorporated herein by this reference.

**b. School District Insurance**

School District shall secure and maintain the insurance coverage or self-insurance described in Exhibit C, a copy of which is attached hereto and incorporated herein by this reference.

**14. Cultural Competency and Linguistic Accessibility**

a. The Staff shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by Department of Mental Health regulations and policies and other applicable laws. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this MOU in cross-cultural situations. Specifically, the Staff's provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

b. The District shall provide linguistically accessible services to assure access to services by all eligible individuals as required by Department of Mental Health regulations and policies and other applicable laws. Specifically, the District shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

c. For the purposes of this section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes, provides the opportunity for and facilitates their use.

**15. Notices**

Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to School District, to:

Salinas Union High School District  
431 W. Alisal St.  
Salinas, CA 93901

Attn: Tim Vanoli, Superintendent  
Tel: 831-796-7010  
Fax: 831-796-7005

If to The County, to:

Monterey County Health Department,  
1270 Natividad Road, Salinas, CA 93906  
Attn: Ray Bullick, Health Director  
Tel: 831-755-4526  
Fax: 831-755-4797

This MOU constitutes the entire MOU between the parties and supersedes all previous communications, representations or MOUs regarding this subject, whether written, or oral, between the parties.

Consent to the terms of this MOU is indicated by the authorized signatures affixed and dated below.

**This space is left blank, intentionally.**

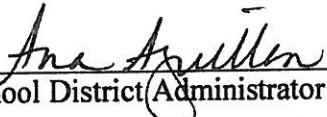
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written below.  
MONTEREY COUNTY

SALINAS UNIFIED HIGH SCHOOL DISTRICT

By:   
School District Authorized Representative

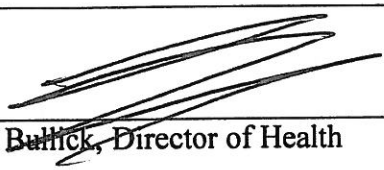
Dan Burns, Associate Superintendent  
Printed Name and Title

Dated: December 10, 2014

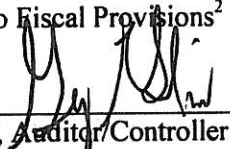
By:   
School District Administrator

Ana Aguillon, Interim Manager, Bus Svcs/CBO  
Printed Name and Title

Dated: 12/11/14

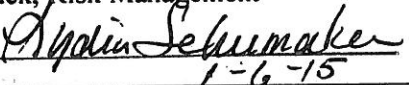
  
Ray Bullock, Director of Health

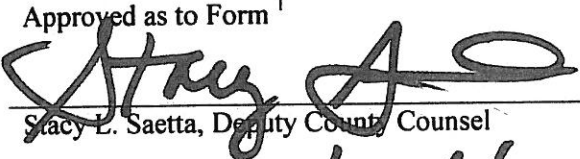
Dated: 3-26-15

Approved as to Fiscal Provisions<sup>2</sup>  
  
Gary Giboney, Auditor/Controller

Dated: 12-22-14

Approved as to Liability Provisions<sup>3</sup>  
COUNTY OF MONTEREY  
APPROVED AS TO INDEMNITY/  
INSURANCE LANGUAGE  
Steve Mauck, Risk Management

By:   
Dated: 1-6-15

Approved as to Form<sup>1</sup>  
  
Stacy L. Saetta, Deputy County Counsel

Dated: 12/22/14

Approved as to Content  
Wayne Clark, Behavioral Health Bureau Chief

Dated:

<sup>1</sup>Approval by County Counsel is required, if Agreement is \$100,000 and less approval by County Counsel is required only when modifications are made to any of the Agreement's standardized terms and conditions  
<sup>2</sup>Approval by Auditor-Controller is required  
<sup>3</sup>Approval by Risk Management is necessary only if changes are made in Sections XI or

## EXHIBIT A

### CONFIDENTIALITY OF PATIENT INFORMATION CERTIFICATION

**Confidentiality of Patient Information and Records.** All Patient Information is confidential. The Parties shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all applicable state and federal law relating to confidentiality of patient records and patient information, including but not limited to: the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and Part 164, Subparts A and D (the "Breach Notification Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"); the federal Confidentiality of Alcohol and Drug Abuse Patient Records under 42 U.S.C. § 290dd-2 and 42 C.F.R. Part 2 (the "Part 2 Regulations"); the Lanterman-Petris-Short Act ("LPS"), California Welfare and Institutions Code §§5328, *et seq.*; California substance abuse laws at California Health & Safety Code §11812 and 11845.5; Medi-Cal laws at 45 C.F.R. § 205.50, 42 C.F.R. § 431.300 *et seq.*, and California Welfare and Institutions Code § 10850, *et seq.*; the Confidentiality of Medical Information Act ("CMIA"), California Civil Code §§56.00 *et seq.*; California laws governing HIV/AIDS records at California Health & Safety Code § 120975; and California Civil Code §1798.29

"Patient Information" includes any individually identifying information related to a patient/recipient of behavioral health services, including, but not limited to, name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "Patient Information" includes all health information the Parties have obtained about a patient/recipient of services, including the mere fact that patient is receiving alcohol or drug treatment from the County or has been referred to an alcohol or drug treatment program by the County, whether or not a documentary record of such information exists.

**Ownership of Data.** All Patient Information created or received by the County in connection with the provision of behavioral health services under this Agreement shall be and remain the property of the County and the County shall retain exclusive rights and ownership thereto. Such information shall be referred to henceforth as "County Data".

**Use and Disclosure of Information.** In relation to the services being provided by the County pursuant to this MOU, the District may require access to County Data regarding the progress of students receiving the therapeutic services. The County shall disclose County Data to District solely as set forth below. The County may provide County Data to District pursuant to a valid authorization for such disclosure from the patient/recipient of the Services or his or her legally authorized representative, or as required by law. The County also may provide County Data that has been de-identified in accordance with 45 C.F.R. § 164.514 to District as necessary in connection with its performance of Services under this Agreement.

District shall use County Data or Patient Information obtained from contact with patients/recipients of Services and complainants (including anonymized data) only for the purpose(s) for which use or disclosure was authorized and shall implement appropriate safeguards to maintain the confidentiality of such information and to prevent further use or disclosure. District acknowledges that County Data regarding a patient whose records are subject to the Part 2 Regulations may not be re-disclosed to another entity without specific

authorization from the patient or his/her legally authorized representative for such re-disclosure. In addition, District shall obtain the County's prior written consent to any disclosure of County Data, except as required by law. The County, through the Behavioral Health Director, shall have access to any Patient Information obtained by District in connection with its performance under this Agreement.

The Parties shall not disclose Patient Information, including the identities of patients/recipients of service, to other parties without proper authorization for such disclosure or as authorized by law.

In relation to the services being provided by County pursuant to this MOU, the County may also require access to District records and information, including but not limited to "education records" relating to the students receiving the therapeutic services ("District Data"). The County will use District Data only for the purpose of fulfilling its duties under this MOU and will not share such data (including anonymized data) with, or disclose it to, any third party without the prior written consent of the District, except as required by law and except to third party contractors retained by the County to provide services related to this MOU.

The County will provide access to District Data to its employees, subcontractors and third party contractors who need to access the data to fulfill the County obligations under this MOU. The County will ensure that employees and subcontractors who perform work under this MOU are bound to strict obligations of confidentiality no less rigorous than those set forth herein. If the County will have access to "education records" for the District's students as defined under the Family Educational Rights and Privacy Act (FERPA), the County acknowledges that for the purposes of this MOU it will be designated as a "school official" with "legitimate educational interests" in the District education records, as those terms have been defined under FERPA and its implementing regulations, and the County agrees to abide by the FERPA limitations and requirements imposed on school officials. The County shall train Staff and all of its responsible employees on how to comply with those responsibilities imposed by FERPA, through this MOU, which are applicable to the County, Staff, and County's employees. Vendor will use the education records only for the purpose of fulfilling its duties under this MOU for District's and the students' benefit, and will not share such data with or disclose it to any third party except as provided for in this MOU, required by law, or authorized in writing by the District.

If the District receives a subpoena, warrant, or other legal order, demand, including requests pursuant to the California Public Records Act (Gov. Code, §§ 6250, *et seq.*) ("requests") or requests seeking County Data, the District may advise the requesting party that the documents are not in the District's possession and that all requests should be directed to the County. The District shall respond to any such requests seeking District Data.

Upon termination or expiration of this MOU, the County will return or securely destroy District Data as directed by the District. Transfer to the District or a third party designated by the District shall occur within a reasonable period of time, and without significant interruption in service. In the event that the District requests destruction of District Data, the County agrees to securely destroy all data in its possession and in the possession of any subcontractors or agents to which the County might have transferred District Data. The County agrees to provide certification of data destruction to the District upon request.

District shall return or securely destroy County Data as directed by the County. Transfer to the County or a third party designated by the party shall occur within a reasonable period of time, and without significant interruption in service. In the even that County requires destruction of

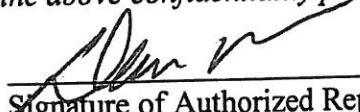
County Data, District agrees to securely destroy all data in its possession and in the possession of any subcontractors or agents to which the District may have transferred County Data. District agrees to provide certification of data destruction to County upon request.

**Penalty for Unauthorized Disclosure.** The Parties understand that disclosure of Patient Information in violation of law may subject the party releasing the information to civil and/or criminal fines, penalties, and damages.

**Duty to Warn.** The Parties understand that persons providing services under this MOU may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

**Dissemination of these Confidentiality Provisions.** The Parties shall inform all of their officers, employees, and agents providing services hereunder of these provisions.

*By my signature below, as the authorized representative of the District, I certify acceptance and understanding for myself and the District of the above confidentiality provisions.*

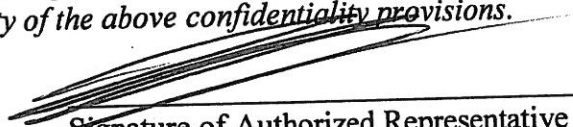
  
\_\_\_\_\_  
Signature of Authorized Representative

Dan Burns  
Name of Authorized Representative (printed)

Date: December 10, 2014

Associate Superintendent  
Title of Authorized Representative

*By my signature below, as the authorized representative of the County, I certify acceptance and understanding for myself and the County of the above confidentiality provisions.*

  
\_\_\_\_\_  
Signature of Authorized Representative

Ray Bullide  
Name of Authorized Representative (printed)

Date: 3-26-15

Director of Health  
Title of Authorized Representative



## Exhibit B

### COUNTY INSURANCE

The County certifies that it maintains a program of insurance and self-insurance that covers its activities in connection with this MOU as follows:

1. Professional Liability Insurance or self-insurance with financially-owned and reputable companies with limits of one million dollars (\$1,000,000) per claim and a general aggregate of three million dollars (\$3,000,000). If such insurance is written on a claims-made form, it shall continue for three (3) years following termination of this MOU. The insurance shall have a retroactive date prior to coinciding with the effective date of this MOU. In the event that a claims-made policy is canceled or non-renewed, then The County shall obtain extended reporting (tail) coverage for the remainder of the three (3) year period.
2. Commercial General Liability Self-Insurance. The County shall maintain self-insurance with a self-insured retention of one million dollar (\$1,000,000) and coverage of five million dollars (\$5,000,000) in the aggregate.
3. Worker's Compensation Insurance in a form and amount covering The County's full liability as required by law under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.

The coverage referred to in Section 2 above shall be **documented with a letter of self-insurance provided by the County of Monterey**. Such a provision shall only apply, however, in proportion to and to the extent of the negligent acts or omissions of The County, its officers agents, and/or employees. The County upon execution of this MOU, shall furnish School District with Certificates of Insurance or **Letter of Self-Insurance** evidencing compliance with all requirements. Certificates shall further provide for thirty (30) days advance written notice to School District of any modification, change or cancellation of any of the above insurance coverages.

## Exhibit C

### SCHOOL DISTRICT INSURANCE

School District certifies that it maintains a program of insurance and self-insurance that covers its activities in connection with this MOU as follows:

1. Professional Liability Insurance or self-insurance with financially-owned and reputable companies with limits of one million dollars (\$1,000,000) per claim and a general aggregate of three million dollars (\$3,000,000). If such insurance is written on a claims-made form, it shall continue for three (3) years following termination of this MOU. The insurance shall have a retroactive date prior to coinciding with the effective date of this MOU. In the event that a claims-made policy is canceled or non-renewed, then School District shall obtain extended reporting (tail) coverage for the remainder of the three (3) year period.
2. Commercial General Liability Self-Insurance. School District shall maintain self-insurance with a self-insured retention of one million dollar (\$1,000,000) and coverage of five million dollars (\$5,000,000) in the aggregate.
3. Worker's Compensation Insurance in a form and amount covering School District's full liability as required by law under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.

The coverage referred to in Section 2 above shall be endorsed to include the County as an additional insured. Such a provision shall only apply, however, in proportion to and to the extent of the negligent acts or omissions of School District, its officers, agents, and/or employees. School District, upon execution of this MOU, shall furnish the County with Certificates of Insurance evidencing compliance with all requirements. Certificates shall further provide for thirty (30) days advance written notice to the County of any modification, change, or cancellation of any of the above insurance coverages.