

AMENDMENT NO. 1 TO MENTAL HEALTH SERVICES AGREEMENT A-12729
BY AND BETWEEN
COUNTY OF MONTEREY AND THE VILLAGE PROJECT, INC.

THIS AMENDMENT NO. 1 is made to AGREEMENT A-12729 for the provision of mental health outreach, engagement and counseling services to unserved/underserved Monterey County residents and their families by and between **THE VILLAGE PROJECT, INC.** hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to extend the term for one additional fiscal year, revise the Payment and Billing Provisions, Business Associate Agreement, Cost Reimbursement Invoice Form and Revenue and Expenditure Report, and increase the total maximum amount of the AGREEMENT.

NOW THEREFORE, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. EXHIBIT B-1 PAYMENT AND BILLING PROVISIONS replaces EXHIBIT B. All references in the Agreement to EXHIBIT B shall be construed to refer to EXHIBIT B-1.
2. EXHIBIT F-1 BUSINESS ASSOCIATE AGREEMENT replaces EXHIBIT F. All references in the Agreement to EXHIBIT F shall be construed to refer to EXHIBIT F-1.
3. EXHIBIT G-1 COST REIMBURSEMENT INVOICE FORM replaces EXHIBIT G. All references in the Agreement to EXHIBIT G shall be construed to refer to EXHIBIT G-1.
4. EXHIBIT H-1 REVENUE AND EXPENDITURE REPORT replaces EXHIBIT H. All references in the Agreement to EXHIBIT H shall be construed to refer to EXHIBIT H-1.
5. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
6. This Amendment is effective July 1, 2015.
7. A copy of the AMENDMENT shall be attached to the original AGREEMENT executed by the County on June 24, 2014.

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Amendment No. 1 to Agreement A-12729 as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: 7/1/15

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form¹

By: _____
County Counsel

Date: 6/2/15

Approved as to Fiscal Provisions²

By: _____
Auditor/Controller

Date: 6/2/15

Approved as to Liability Provisions³

By: _____
Risk Management

Date: _____

CONTRACTOR

THE VILLAGE PROJECT, INC.

By: _____
Contractor's Business Name*

By: Bert Johnson Jr.
(Signature of Chair, President,
or Vice-President)*

VICE CHAIR BERT JOHNSON JR.
Name and Title

Date: 5/22/15

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

LaVerne Baker Leyva, Asst. Secretary
Name and Title

Date: 5/27/15

*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.

¹Approval 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

²Approval by Auditor-Controller is required

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

EXHIBIT B-1: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Negotiated Rate and Provisional Rate up to the maximum annual contract amount.

II. PAYMENT RATES

A. Cash Flow Advance Services (MHSA-Funded Program)

Service	Estimated Number of Individuals Served	FY 2014-15 Monthly Cash Flow Advance Maximum Amount	FY 2015-16 Monthly Cash Flow Advance Maximum Amount
Outreach and Engagement	Four (4) presentations to community groups	\$26,280	\$27,331
Mental Health Counseling	40 to 50; (at least 50% new/previously unserved clients)		
Annual Maximum County Obligation:		\$315,360	\$327,972

B. Provisional Rate Services (AB 109-Funded Program)

Service	Mode	SFC	FY 2014-15 Estimated Service Units/Hours	FY 2014-15 UOS Rate	FY 2014-15 Estimated Revenues	FY 2015-16 Estimated Service Units/Hours	FY 2015-16 UOS Rate	FY 2015-16 Estimated Revenues
Case Management	15	01	624	\$65.52	\$40,884	624	\$68.14	\$42,520
Mental Health Services	15	45						
Collateral Services	15	45						
Annual Maximum County Obligation:					\$40,884			\$42,520

III. PAYMENT CONDITIONS

- A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act ("MHSA"), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the COUNTY'S Maximum Allowances (CMA), which is based on the most recent State's Schedule of Maximum Allowances (SMA) as established by the State's Department of Mental Health. The SMA Schedule shall be used until COUNTY establishes the COUNTY'S rate Schedule of Maximum Allowances. CONTRACTOR shall be responsible for costs that exceed applicable CMAs. In no case shall payments to CONTRACTOR exceed CMAs. In addition to the CMA limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section II. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section IV.

- B. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.
- C. 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 the Cost Reimbursement 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 (30th) day of the month for each cash flow advance payment. See Section II, above, for maximum monthly 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. In the event the back-up documentation does not fully justify the amount of the prior month's payment, COUNTY shall reconcile the subsequent month's Cash Flow Advance payment.

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

MCHDBHFinance@co.monterey.ca.us

- D. 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.
- E. 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.
- F. 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.
- G. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.
- H. 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.

IV. 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 **\$726,736** for services rendered under this Agreement.

B. Maximum Annual Liability:

Fiscal Year	Cash Flow Advance (1/12th Payments) MHSA PEI Services	Provisional Rate AB 109 Services	Totals by FY
FY 2014-15	\$315,360	\$40,884	\$356,244
FY 2015-16	\$327,972	\$42,520	\$370,492
Totals	\$643,332	\$83,404	
Total Agreement Maximum Amount:			\$726,736

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.

V. BILLING AND PAYMENT LIMITATIONS

A. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal and Healthy Families claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.

- B. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.
- C. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.
- D. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.
- E. 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, State adjudication of Medi-Cal claims, and billing system data.

VI. 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.

VII. 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."

(The remainder of this page is left intentionally blank)

EXHIBIT F-1: 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 **The Village Project, Inc.** (“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:
Melvin T. Mason, LCSW
Executive Director
The Village Project, Inc.
P.O. Box 127
Seaside, CA 93955
Tele: (831) 392-1500
FAX: (831) 392-1501

If to Covered Entity, to:
Ray Bullick
Director of Health
1270 Natividad Rd.
Salinas, CA 93906
Tele: (831) 755-4526
FAX: (831) 755-4980

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.

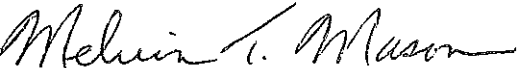
5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and 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**

THE VILLAGE PROJECT, INC.

By: 

By: 

Print Name: Roy Bullide

Print Name: MELVIN T. MASON, LCSW

Print Title: Director of Health

Print Title: EXECUTIVE DIRECTOR

Date: 7/14/15

Date: 5-22-2015

BAA-Health Department Revised 12/12/2014

EXHIBIT G-1: Behavioral Health Cost Reimbursement Invoice

Invoice Number:

County PO No.:

Invoice Period:

Final Invoice: (Check if Yes) ☐

BH Control Number

Contractor: The Village Project, Inc.

Address Line 1 1069 Broadway, Suites 201 & 202

Address Line 2 Mailing: P.O. Box 127, Seaside, CA 93955

Tel. No.:

Fax No.:

Contract Term: July 1, 2015 - June 30, 2016

BH Division: Mental Health Services

Service Description	Rates of Payment - FY 2015-16	Total Annual Contract Amount FY 2015-16	Dollar Amount Requested this Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% Remaining of Total Contract Amount
Community Partnership: African-American Counseling Services	Cash Flow Advance at \$27,331 maximum amount per month for MHSA Funded Services	\$327,972.00			\$327,972.00	100%
AB 109 Services	Provisional Rate Services: 624 UOS at \$68.14 per hour	\$42,520.00			\$42,520.00	100%
TOTALS		\$370,492.00			\$370,492.00	

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____

Date: _____

Title: _____

Telephone: _____

Send to:
MCHDBHFinance@co.monterey.ca.us

Behavioral Health Authorization for Payment

Authorized Signatory _____ Date _____

Monterey County Mental Health Services Agreement
The Village Project, Inc.
Amendment No. 1 to Agreement A-12729
July 1, 2014 - June 30, 2016

EXHIBIT H-1: REVENUE AND EXPENDITURE REPORT

The Village Project, Inc.				
REVENUE AND EXPENDITURE SUMMARY				
For Monterey County - Behavioral Health				
PROGRAM:	MHSA Funded Counseling Services			
		Actual FY 13-14	Budget FY 14-15	Proposed Budget FY 15-16
A. PROGRAM REVENUES				
Requested Monterey County Funds		\$ 234,000.00	\$ 315,360.00	327,974.40
Other Program Revenues				
TOTAL PROGRAM REVENUES (equals Allowable Program Expenditures)				
B. ALLOWABLE PROGRAM EXPENDITURES - Allowable Expenditures for the services provided in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories listed below.				
1 Program Expenditures				
2	Salaries and wages	\$116,976.00	\$182,957.20	183,542.80
3	Payroll taxes	\$9,883.41	\$10,000.00	10,354.00
4	Employee benefits	\$12,990.02	\$16,606.35	24,371.60
5	Workers Compensation	\$4,632.00	\$4,000.00	4,500.00
6	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)			
7	Temporary Staffing			
8	Flexible Client Spending (please provide supporting documents)			
9	Client Transportation Costs and staff mileage	\$600.81	\$700.00	\$600.00
10	Employee Travel and Conference	\$71.00	\$560.00	600.00
11	Staff Training	\$270.00	\$500.00	500.00
12	Communication Costs	\$8,171.02	\$7,700.00	8,000.00
13	Rent/Utilities	\$50,456.25	\$58,036.45	58,950.00
14	Cleaning and Janitorial	\$7,200.00	\$7,200.00	7,200.00
15	Insurance and Indemnity	\$3,297.60	\$1,700.00	5,096.00
16	Maintenance and Repairs - Buildings	\$340.00	\$500.00	700.00
17	Maintenance and Repairs - Equipment		\$200.00	560.00
18	Printing and Publications	\$465.11	\$1,500.00	1,000.00
19	Memberships, Subscriptions and Dues	\$555.04	\$600.00	700.00
20	Office Supplies	\$5,247.41	\$3,500.00	3500.00

21	Postage and Mailing	\$1,388.30	\$2,300.00	1500.00
22	Legal Services (when required for the administration of the County Programs)			
23	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133))	\$6,000.00	\$6,000.00	6000.00
24	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County)	\$5,160.00	\$9,300.00	2,000.00
25	Rent and Leases - building and improvements			
26	Rent and Leases - equipment			
27	Taxes and assessments	\$296.03		\$300.00
28	Interest in Bonds			
29	Interest in Other Long-term debts			
30	Other interest and finance charges			
31	Advertising (for recruitment of program personnel, procurement of services and disposal of surplus assets)		\$1,500.00	1,500.00
32	Office Furniture			\$6,500.00
33	Total Program Expenditures	\$234,000.00	\$315,360.00	327,974.40
34 Administrative Expenditures - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided. The allocation base must be auditable and supported by information kept by the CONTRACTOR.				
35	Salaries and wages (please include personnel and contract administration)			
36	Payroll taxes			
37	Employee benefits			
38	Workers Compensation			
39	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)			
40	Transportation, Travel, Training and Conferences			
41	Data Processing (Computers & Technology)			
42	Utilities (Telephone & Communications)			
43	Cleaning and Janitorial			
44	Insurance and Indemnity			
45	Maintenance and Repairs - Buildings			
46	Maintenance and Repairs - Equipment			
47	Memberships, Subscriptions and Dues			
48	Office Supplies			
49	Postage and Mailing			
50	Legal Services (when required for the administration of the County Programs)			
51	Other Professional and Specialized Services (allowable with prior specific approval from Monterey County)			

Monterey County Mental Health Services Agreement
The Village Project, Inc.
Amendment No. 1 to Agreement A-12729
July 1, 2014 – June 30, 2016

52	Rent and Leases - building and improvements			
53	Rent and Leases - equipment			
54	Taxes and assessments			
55	Interest in Bonds			
56	Interest in Other Long-term debts			
57	Other Interest and finance charges			
58	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			
59	Miscellaneous (please provide details)			
60	Total Administrative Expenditures	-	-	-
61	Depreciation Expense			
62	OTHERS - must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.			
63	Total Allowable Program Expenditures	234,000.00	315,360.00	327,974.40
We hereby certify to the best of my knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.				
Mei Mason	4/8/2015			
Executive Director's Signature		Finance Director's Signature		Date
Supplemental Schedule of Salaries and Wages - Direct Services				
TITLE OF POSITION		Hourly wage / Annual Salary		
Executive Director/Clinical Director		\$60,000.00		
Therapist		\$55,000.00		
Therapist/Part-Time				
Office Manager		\$42,566.40		
Office Assistant/Part-time		\$24,976.00		
Office Aide/Part- time				
Total		\$182,542.40		

The Village Project, Inc.

REVENUE AND EXPENDITURE SUMMARY

For Monterey County - Behavioral Health

PROGRAM:	AB 109 Counseling Services			
		Actual FY 13-14	Budget FY 2014-15	Requested Budget FY 15-16
A. PROGRAM REVENUES				
Requested Monterey County Funds		\$ 9,516	\$ 40,884	42,520
Other Program Revenues				
TOTAL PROGRAM REVENUES (equals Allowable Program Expenditures)				
B. ALLOWABLE PROGRAM EXPENDITURES - Allowable Expenditures for the services provided in accordance with requirements contained in this Agreement. Expenditures should be reported within the cost categories listed below.				
1 Program Expenditures				
2	Salaries and wages		18,120.00	18,120.00
3	Payroll taxes		1,820.18	1,820.18
4	Employee benefits			
5	Workers Compensation		503.73	503.73
6	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)			
7	Temporary Staffing			
8	Flexible Client Spending (please provide supporting documents)			
9	Client Transportation Costs and staff mileage			
10	Employee Travel and Conference			
11	Staff Training			
12	Communication Costs		2,925.11	2,925.11
13	Utilities/Rent	\$732.00	13,193.00	14,828.70
14	Cleaning and Janitorial		2400	2400
15	Insurance and Indemnity			
16	Maintenance and Repairs - Buildings		\$90.00	\$90.00
17	Maintenance and Repairs - Equipment		80.20	80.20
18	Printing and Publications		756.71	756.71
19	Memberships, Subscriptions and Dues		118.30	118.30
20	Office Supplies		563.82	563.82
21	Postage and Mailing		313.25	313.25
22	Legal Services (when required for the administration of the County Programs)			

Monterey County Mental Health Services Agreement

The Village Project, Inc.

Amendment No. 1 to Agreement A-12729

July 1, 2014 – June 30, 2016

23	Audit Costs and Related Services (Audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133))				
24	Other Professional and Consultant Services (allowable with prior specific approval from Monterey County)				
25	Rent and Leases - building and improvements				
26	Rent and Leases - equipment				
27	Taxes and assessments				
28	Interest in Bonds				
29	Interest in Other Long-term debts				
30	Other interest and finance charges				
31	Advertising (for recruitment of program personnel, procurement of services and disposal of surplus assets)				
32	Miscellaneous (please provide details)				
33	Total Program Expenditures	\$732.00	\$40,884.30	\$42,520.00	
34	Administrative Expenditures - the allocation base must reasonably reflect the level of service received by the County from the program/activity and there must be a direct causal relationship between the allocation based used and the service provided. The allocation base must be auditable and supported by information kept by the CONTRACTOR.				
35	Salaries and wages (please include personnel and contract administration)				
36	Payroll taxes				
37	Employee benefits				
38	Workers Compensation				
39	Severance Pay (if required by law, employer-employee agreement or established written policy or associated with County's loss of funding)				
40	Transportation, Travel, Training and Conferences				
41	Data Processing (Computers & Technology)				
42	Utilities (Telephone & Communications)				
43	Cleaning and Janitorial				
44	Insurance and Indemnity				
45	Maintenance and Repairs - Buildings				
46	Maintenance and Repairs - Equipment				
47	Memberships, Subscriptions and Dues				
48	Office Supplies				
49	Postage and Mailing				
50	Legal Services (when required for the administration of the County Programs)				
51	Other Professional and Specialized Services (allowable with prior specific approval from Monterey County)				
52	Rent and Leases - building and improvements				
53	Rent and Leases - equipment				

54	Taxes and assessments			
55	Interest in Bonds			
56	Interest in Other Long-term debts			
57	Other interest and finance charges			
58	Advertising (for recruitment of admin personnel, procurement of services and disposal of surplus assets)			
59	Miscellaneous (please provide details)			
60	Total Administrative Expenditures	-	-	-
61	Depreciation Expense			42,520.00
62	OTHERS - must be authorized by the County and/or not prohibited under Federal, State or local law or regulations.			
63	Total Allowable Program Expenditures	732.00	40,884.30	85,040.00
We hereby certify to the best of my knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to (Contractor's Name) accounting records, and that all Monterey County funds received for the purposes of this program were spent in accordance with the Contract's program requirements, the Agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.				
Mel Mason		4/8/2015		
Executive Director's Signature		Date		