

**AMENDMENT No. 2 TO PROFESSIONAL SERVICES AGREEMENT
COUNTY OF MONTEREY AND ACTION COUNCIL OF MONTEREY COUNTY**

THIS AMENDMENT is made to the Professional Services Agreement for program implementation assistance for Behavioral Health Bureau programs, by and between **ACTION COUNCIL OF MONTEREY COUNTY**, 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, increase the total maximum amount of the AGREEMENT and amend the Business Associate Agreement.

WHEREAS, the County and CONTRACTOR amended the AGREEMENT previously on July 1, 2013 via Amendment No. 1.

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

1. Paragraph 2, "PAYMENTS BY COUNTY" shall be amended by removing "*The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$74,818*" and replacing it with, "*The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$134,480*"

2. Paragraph 3, "TERM OF AGREEMENT" shall be amended by removing "*The term of this Agreement is from August 13, 2012 to June 30, 2014, unless sooner terminated pursuant to the terms of this Agreement*" and replacing it with "*The term of this Agreement is from August 13, 2012 to June 30, 2015, unless sooner terminated pursuant to the terms of this Agreement.*"

3. EXHIBIT A-2 replaces EXHIBIT A. All references in the Agreement to EXHIBIT A shall be construed to refer to EXHIBIT A-2.

4. EXHIBIT B-2 replaces EXHIBIT B. All references in the Agreement to EXHIBIT B shall be construed to refer to EXHIBIT B-2.

5. EXHIBIT D-1 replaces EXHIBIT D. All references in the Agreement to EXHIBIT D shall be construed to refer to EXHIBIT D-1.

6. This Amendment is effective July 1, 2014.

7. 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.

8. A copy of the AMENDMENT shall be attached to the original AGREEMENT executed by the County on August 8, 2012.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Amendment No. 2 as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

**ACTION COUNCIL OF
MONTEREY COUNTY**

By: _____
Contracts/Purchasing Manager

Date: _____

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form ¹

By: *Stan D'Amico*
Deputy County Counsel

Date: 5/30/14

Approved as to Fiscal Provisions ²

By: *[Signature]*
Auditor/Controller

Date: 5/30/14

Approved as to Liability Provisions ³

By: _____
Risk Management

Date: _____

Contractor's Business Name*

By: *Patricia L. Herro*
(Signature of Chair, President, or Vice-President)*

Patricia L. Herro - Chair
Name and Title

Date: May 16, 2014

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

Wendy Labiviere, Treasurer
Name and Title

Date: May 16, 2014

*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 ²Approval by Auditor-Controller is required
³Approval by Risk Management is necessary only if changes are made in Section XI or XII of Agreement

EXHIBIT A-2
SCOPE OF SERVICES/PAYMENT PROVISIONS

I. IDENTIFICATION OF PROVIDER

The Action Council of Monterey County
295 Main Street, Suite 300
Salinas, CA 93901
Telephone: 831-783-1244
FAX: 831-783-1276

Contact Person: Larry Imwalle, Executive Director

II. SERVICE NARRATIVE

CONTRACTOR shall provide program implementation assistance at the direction of the Behavioral Health Director, or his/her designee, for the following Behavioral Health programs:

A. PROGRAM ONE: CHILDREN'S MENTAL HEALTH SERVICES

and **PROGRAM TWO: TRANSITION AGE YOUTH MENTAL HEALTH SERVICES**

1. CONTRACTOR will be reimbursed for expenditures incurred to implement program services such as: stipends and incentives to youth and family members/caregivers for participation in program policy and planning activities; enrollment fees for youth, family and community members to attend trainings and other events; travel expenses to trainings at locations in and out of Monterey County; meals and refreshments for families and youth who participate in support groups and other activities; expenses to engage youth in recreational, leisure and social activities; retention of qualified individuals to provide trainings, social marketing services and other professional services; translation services; childcare services; purchase of supplies for program-related activities.
2. CONTRACTOR will be reimbursed for one-time or occasional expenditures made for goods and/or services, which have been identified in the youth's service plan, to assist youth and families to function in their home, school and community. Examples of appropriate expenditures include: clothing; transportation (public or personal/private auto); educational and/or vocational; extra-curricular activities; food products (meals or groceries), or other expenses pre-approved as per Monterey County Behavioral Health Flex Fund Use Policy and Procedures.

B. PROGRAM THREE: MENTAL HEALTH PLANNING & IMPLEMENTATION

CONTRACTOR will provide planning, system development, and implementation support, including the administration of contracts, processing of invoices and payments to subcontractors who provide training, social marketing services and other required

professional services, such as translation/interpretation, childcare. CONTRACTOR may provide such training itself in lieu of a subcontractor.

C. PROGRAM FOUR: PREVENTION & EARLY INTERVENTION (PEI) PROGRAM IMPLEMENTATION

CONTRACTOR will provide implementation support, including the administration of contracts, processing of invoices and payments to SUBCONTRACTORS who provide training, social marketing services, mental health awareness event coordination and other required professional services, such as translation/interpretation, childcare. CONTRACTOR may provide such training itself in lieu of a SUBCONTRACTOR.

D. PROGRAM FIVE: WORKFORCE EDUCATION & TRAINING (WET) PROGRAM IMPLEMENTATION

CONTRACTOR will provide planning, system development, and implementation support, including the administration of contracts, processing of invoices and payments to SUBCONTRACTORS who provide training; miscellaneous educational expenses; space rental; social marketing services; stipends and incentives; enrollment fees for youth/family/community members to attend trainings and other events; travel expenses for trainings at locations in and outside of Monterey County; meals and refreshments for families and youth who participate in support groups and other activities; and other required professional services, such as translation/interpretation, childcare. CONTRACTOR may provide such training itself in lieu of a SUBCONTRACTOR.

E. PROGRAM SIX: INNOVATION (INN) PROGRAM IMPLEMENTATION

CONTRACTOR will provide planning, system development, and implementation support, including the administration of contracts, processing of invoices and payments to SUBCONTRACTORS who provide training; miscellaneous educational expenses; space rental; social marketing services; stipends and incentives; enrollment fees for youth/family/community members to attend trainings and other events; travel expenses for trainings at locations in and outside of Monterey County; meals and refreshments for families and youth who participate in support groups and other activities; and other required professional services, such as translation/interpretation, childcare. CONTRACTOR may provide such training itself in lieu of a SUBCONTRACTOR.

III. REPORTING REQUIREMENTS

As these Programs are distinct and each one has its own funding source, or sources, each request for reimbursement will include program information and purpose of expenditure in order to assure accurate reporting to the County and other granting agencies.

IV. UPDATES

Behavioral Health will provide to the CONTRACTOR an updated list of Programs as needed.

V. CONTRACT MONITOR

Wayne Clark, Ph D., Director
Behavioral Health Bureau
Monterey County Health Department
1270 Natividad Road, Salinas, CA 93906
(831) 755-4509
Or his Designee

(The remainder of this page intentionally left blank)

EXHIBIT B-2
PAYMENT PROVISIONS, CONTINUED

- A. COUNTY shall authorize services performed and expenditures to be reimbursed under all categories as determined by funding availability, timelines, program requirements and implementation needs, and at a rate that is mutually agreed upon in advance of the provision of services, provided the Agreement does not exceed the established maximum of **\$ 134,480.**
- B. CONTRACTOR shall also be reimbursed for actual costs associated with sub-contracting with pre-approved individuals as necessary provided the Agreement does not exceed the established maximum of **\$ 134,480.**
- C. All invoices for reimbursement by COUNTY to CONTRACTOR shall also include a fifteen percent (15%) administrative fee. The administrative fee is for performing and executing the responsibilities identified in this contract.
- D. CONTRACTOR shall submit to the COUNTY an invoice on a form acceptable to COUNTY no later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the COUNTY may require. The Health Department shall certify the invoice, either in the requested amount or in such other amount as the COUNTY approves in conformity with this Agreement, and shall promptly submit such invoice to the COUNTY Auditor-Controller. The Auditor shall pay the certified amount within 30 days of receiving the certified invoice.
- E. The process for reimbursement of funds is outlined below. The CONTRACTOR will submit invoices to the COUNTY on a monthly basis. The COUNTY and CONTRACTOR will review and certify the invoices as outlined in Exhibit A-2, Scope of Services.
- F. 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
- G. 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.

- H. 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.
- I. 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.
- J. 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.
- K. 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.

II. 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 **\$134,480** for services rendered under this Agreement.
- B. Maximum Annual Liability:

PROGRAM	BUDGET BY PROGRAM	10% ADMIN FEE	FY 2012-13 MAX. AMOUNT
1: Children's Mental Health	0	0	0
2. TAY Mental Health	\$500	\$50	\$550
3: Mental Health Planning & Implementation	\$0	\$0	\$0
3: PEI Program Implementation	\$9,467	\$501	\$10,268
4: WET Implementation	\$3,700	\$370	\$4,070
5: INN Implementation	\$0	\$0	\$0
TOTAL MAXIMUM ANNUAL LIABILITY			\$14,888

PROGRAM	BUDGET BY PROGRAM	10% ADMIN FEE	FY 2013-14 MAX. AMOUNT
1: Children's Mental Health	\$5,000	\$500	\$5,500
2. TAY Mental Health	\$4,000	\$400	\$4,400
3: Mental Health Planning & Implementation	\$1,500	\$150	\$1,650
3: PEI Program Implementation	\$29,500	\$2,950	\$32,450
4: WET Implementation	\$12,663	\$1,266	\$13,930
5: INN Implementation	\$1,818	\$182	\$2,000
TOTAL MAXIMUM ANNUAL LIABILITY			\$59,930

PROGRAM	BUDGET BY PROGRAM	15% ADMIN FEE	FY 2014-15 MAX. AMOUNT
1: Children's Mental Health	\$4,780	\$717	\$5,497
2. TAY Mental Health	\$3,800	\$570	\$4,370
3: Mental Health Planning & Implementation	\$1,360	\$204	\$1,564
3: PEI Program Implementation	\$28,200	\$4,230	\$32,430
4: WET Implementation	\$12,000	\$1,800	\$13,800
5: INN Implementation	\$1,740	\$261	\$2,001
TOTAL MAXIMUM ANNUAL LIABILITY			\$59,662

- 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.

EXHIBIT D-1:
BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”), effective July 1, 2014 (“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 Action Council of Monterey County (“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 five (5) business 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) upon twenty (20) business days' prior written request, 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's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within twenty (20) business 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) business 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) business 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 twenty (20) business 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 twenty (20) business 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) business 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; and

(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 five (5) business 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) business 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:

Larry Imwalle, Executive Director
295 Main Street, Suite 300
Salinas, CA 93901
Tele: 831-783-1244
FAX: 831-783-1276

If to Covered Entity, to:

Wayne W. Clark, PhD.
Behavioral Health Director
1270 Natividad Road,
Salinas, CA 93906
Tele: (831) 755-4509
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. The parties agree that Section 8 of the Agreement between the Parties shall control in the event of a claim, loss, or material breach of this Agreement by either Party.

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.

[ACTION COUNCIL OF MONTEREY COUNTY]

[COUNTY OF MONTEREY]

By: _____

By: _____

Print Name: Larry Imwalle

Print Name: _____

Print Title: Executive Director

Print Title: _____

Date: 5/20/14

Date: _____