

September 29, 2026

Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

**PROPOSED MEMORANDUM OF UNDERSTANDING WITH KERN COUNTY
NETWORK FOR CHILDREN FOR THE COORDINATION OF
SENATE BILL 163 WRAPAROUND SERVICES PLAN
(Fiscal Impact: None)**

The Department of Human Services (DHS) is requesting Board approval to enter into a Memorandum of Understanding (MOU) with the Kern County Network for Children (KCNC) for the coordination of Senate Bill (SB) 163 Wraparound Services Plan. The term of this agreement is October 1, 2026 through June 30, 2027. There is no General Fund cost.

In January 2003, Kern County's Wraparound Planning Team, consisting of KCNC, various community participants, and the County Departments of Human Services, Mental Health, Probation and Public Health Services, convened to create a Wraparound Service Plan for the implementation of SB 163 services. The County of Kern SB 163 Wraparound Services Plan provides for interagency and interdepartmental cooperation in the issuance of comprehensive services for children in or at risk of placement in a Short Term Residential Therapeutic Program. The services enable the children to remain in or return to the home of their birth or foster parents.

In 1992, the Kern County Board of Supervisors recognized that KCNC promised to be the vehicle the County needed to effect service delivery changes and improve the condition of children and families in Kern County. Therefore, the Board of Supervisors approved that the County of Kern enter into a Joint Powers Agreement (JPA) with Kern County Superintendent of Schools for the purpose of creating a JPA in support of KCNC. KCNC continues to provide leadership and support to a system of Community collaboratives throughout Kern County that have created integrated service delivery systems designed to specifically meet the needs of their community's children and families. This includes support necessary for SB 163 Wraparound program services.

This MOU has been reviewed and approved as to form by the Office of County Counsel. The County Administrative Office has reviewed and concurs with our recommendation.

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Therefore, IT IS RECOMMENDED that your Board approve the proposed Memorandum of Understanding with Kern County Network for Children for the coordination of Senate Bill 163 Wraparound Services Plan and authorize the Chairman to sign.

Sincerely,

A handwritten signature in blue ink that reads "Lito Morillo". The signature is stylized with a large, cursive "L" and "M".

Lito Morillo
Director

cc: CAO

**MEMORANDUM OF UNDERSTANDING
FOR
THE COORDINATION OF SB163 WRAPAROUND SERVICES**
Independent Contractor
(COUNTY – Kern County Network for Children)

THIS MEMORANDUM OF UNDERSTANDING (“**MOU**”) is made and entered into on _____ (“**Execution Date**”), by and between the COUNTY OF KERN, a political subdivision of the State of California (“**County**”), as represented by the Department of Human Services (“**DHS**”), Kern Behavioral Health and Recovery Services (“**Kern BHRS**”), the Kern County Probation Department (“**KCPD**”), the Kern County Public Health Services Department (“**Public Health**”) all departments of the County of Kern, and the Kern County Network for Children (“**KCNC**”), whose principal place of business is at 1300 17th Street, Bakersfield, CA 93301. County/Department and Contractor are referred to individually as a “**Party**” and collectively as the “**Parties**”.

WHEREAS:

- a. Government Code Sections 31000 and 53060 permit the County Board of Supervisors to contract for the furnishing of special services with individuals specially trained, experienced, and competent to perform those services; and
- b. Senate Bill 163 of 1997 allows counties to use existing County and State foster care dollars to provide comprehensive services for children in or at-risk of placement in a Short Term Residential Therapeutic Program (“**STRTP**”); and
- c. In January of 2003, Kern County’s Wraparound Planning Team (consisting of KCNC, various community participants, Kern County Superintendent of Schools, and the County departments of DHS, Kern BHRS, KCPD and Public Health), participated in the creation of and SB 163 Wraparound Services Plan for the implementation of SB 163 Wraparound Services in the County of Kern; and
- d. DHS has been designated by the California Department of Social Services (“**CDSS**”) as having the responsibility to administer funds made available for SB 163 Wraparound Services, and
- e. It is to the mutual benefit of the parties to enter into an MOU to memorialize the terms of their cooperative agreement hereunder.

NOW, THEREFORE, IT IS AGREED between the Parties as follows:

1. TERM

This MOU shall commence on October 1, 2026 and shall remain in effect until June 30, 2027, unless sooner terminated as provided for in this Agreement.

2. RESPONSIBILITIES OF KCNC

KCNC shall assume responsibility for providing the following services:

- A. Provide leadership and support to Accredited KCNC community collaboratives throughout Kern County that have created integrated service delivery systems

designed to specifically meet the needs of their community's children and families;
and

- B. Provide the support necessary for SB 163 Wraparound services and other key initiatives designed to improve outcomes for children and families to succeed; and

3. RESPONSIBILITIES OF DHS

DHS shall assume responsibility for providing the following services:

- A. Contract with a qualified provider(s) for SB 163 Wraparound services; and
- B. Review claims for payment on a monthly basis and ensure that funds are expended in accordance with the terms of the Agreement with the Wraparound services provider; and
- C. In conjunction with the Special Multi-Agency Resource Team (“**SMART**”), be responsible for monitoring the quality of Wraparound services in the following key areas:
 - 1. Cost Effectiveness
 - 2. Family Functioning
 - 3. Prevention of placements in more restrictive environments
 - 4. Improvement of emotional and behavioral adjustments, school attendance, and academic performance.
 - 5. Parent/Caregiver satisfaction
 - 6. Family and child goal attainment
 - 7. Compliance with SB 163 State Standards

4. JOINT RESPONSIBILITIES

- A. All parties to this MOU acknowledge the following:
 - 1. As defined by SB 163, youth that meet the following selection criteria will be considered as eligible for Wraparound services:
 - a. Be a Dependent or Ward of Juvenile Court or Adoption Assistance Program Services within Kern County.
 - b. Be under the age of nineteen (19) years.
 - c. Be placed in or at-risk of placement in an STRTP as determined by SMART.
 - d. Have an approved or potential place to reside in the community with a parent/guardian, relative caregiver, non-related caregiver or foster parent who has agreed to participate in Wraparound services.
 - 2. Children referred for Wraparound services will exhibit one (1) of more problem behaviors, including but not limited to, the following:
 - a. Frequent Running Away
 - b. Sexualized Behavior
 - c. Post-traumatic Stress Disorder

- d. Aggressive/Assaultive Behavior
- e. Oppositional/Defiant Behavior
- f. Multiple Placements
- g. One or More Hospitalizations in Mental Health Facility
- h. Substance Use Disorder
- i. Fire Starter
- j. Minor Criminal Behavior
- k. School Truancy Problems
- l. Beyond Control of Parents and/or Primary Care Adults
- m. Intensified Services Have Been Provided
- n. Mild Developmental Disorder Not Recognized by a Regional Center

B. All parties to this MOU shall assume responsibility for providing the following:

1. With the exception of KCNC, appoint one (1) member of its supervisory staff to participate in SMART to provide the following:
 - a. Evaluate highest-risk youths who are likely to require a congregate care setting and/or high cost multi-agency involvement in the immediate future if intensive intervention should occur.
 - b. Oversee and monitor the quality of services provided to youth placed in a STRTP, including those youth receiving SB 163 Wraparound services.
 - c. Ensure that existing resources are available and fully utilized to meet the needs of high-risk youths.
 - d. Develop and modify system policy to remove system barriers to service delivery, further enhance services to families, and ensure their preferences and cultural needs are addressed.
 - e. Serve as cross-agency gatekeepers for eligibility for SB163 Wraparound services.
 - f. Serve as the Interagency Placement Committee working together to provide the most comprehensive culturally appropriate continuum of care for all out-of-home placement children or children at risk of out-of-home placement that require or are at-risk of requiring a STRTP placement.
 - g. Work to ensure that services are in place, so children can experience the least restrictive placement option that is appropriate to meet their needs.
 - h. Ensure that education, health, mental health, probation, social services, and community-based services are coordinated and designed to meet the needs of high-risk youths.
 - i. In conjunction with DHS, be responsible for monitoring the quality of Wraparound services in the following key areas:
 - 1) Family functioning
 - 2) Prevention of placements in more restrictive environments

- 3) Improvement of emotional and behavioral adjustments, school
 - 4) Attendance and academic performance
 - 5) Compliance with SB 163 State standards
 - j. Discuss system barriers, issues that may be negatively affecting the quality of services provided, and the progress of initiatives such as SB163 Wraparound services that are designed to specially meet the needs of children who are currently placed in or at-risk of being placed in in a STRTP.
2. Appoint one (1) member of its administrative staff to participate in Administrative Technical Assistance Committee (ATAC) and work with the Community Collaborative Coordinators to provide the following services:
 - a. Discuss issues related to integrated services delivery
 - b. Discuss community needs
 - c. Identify policy issues that need to be addressed to improve outcomes
 - d. Discuss best practices and family-centered, strength-based principals
 - e. Identify gaps and prevent any duplication of services throughout Kern County
 - f. Build and strengthen partnerships among agencies that serve Kern County's children and families
- C. DHS and KCPD shall make referrals for Wraparound services to the SMART committee; and
- D. DHS and KCPD, prior to referral of children for Wraparound services, shall consult with the youth and family members and/or potential caretakers about the possibility of participating in Wraparound services and determine if they are sufficiently committed to fully participate in Wraparound services should they be selected, and gain their consent to participate should they be selected; and
- E. DHS, Kern BHRS, KCPD and Public Health shall ensure that staff involved in the referral, administration, and implementation of Wraparound services will attend all trainings required by the CDSS and fully comply with SB 163 State standards.

5. COMPENSATION

The services conducted pursuant to the terms and conditions of this MOU shall be performed without payment of any monetary consideration by any party, one to the other.

6. REPRESENTATIONS

All parties to this MOU make the following representations which are agreed to be material to and form a part of the inducement for this MOU:

- A. All parties to this MOU have the expertise, support staff, and facilities necessary to provide the services described in the MOU; and
- B. KCNC does not have any actual or potential interests adverse to County, nor does KCNC represent a person or firm with an interest adverse to County with reference to the subject of this MOU; and

- C. All parties to this MOU shall diligently provide all required services in a timely and professional manner in accordance with the terms and conditions stated in this MOU.

7. NEGATION OF PARTNERSHIP

In the performance of the services under this MOU, KCNC shall be, and acknowledges that KCNC is in fact and law, an independent contractor and not an agent or employee of County. KCNC has and retains the right to exercise full supervision and control over the manner and methods of providing services to County under this MOU. KCNC retains full supervision and control over the employment, direction, compensation and discharge of all persons assisting KCNC in the provision of services under this MOU. With respect to KCNC employees, if any, KCNC shall be solely responsible for payment of wages, benefits and other compensation, compliance with all occupational safety, welfare and civil rights laws, tax withholding and payment of employment taxes whether federal, State or local, and compliance with any and all other laws regulating employment.

8. IMMIGRATION REFORM AND CONTROL ACT

KCNC acknowledges that KCNC, and all subcontractors hired by KCNC to perform services under this Agreement, are aware of and understand the Immigration Reform and Control Act ("IRCA"). KCNC is and shall remain in compliance with IRCA and shall ensure that any subcontractors hired by KCNC to perform services under this Agreement are in compliance with IRCA. In addition, KCNC agrees to indemnify, defend and hold harmless the County, its agents, officers and employees, from any liability, damages or causes of action arising out of or relating to any claims that KCNC's employees, or the employees of any subcontractors hired by KCNC, are not authorized to work in the United States for KCNC or its subcontractors and/or any other claims based upon alleged IRCA violations committed by KCNC or KCNC's subcontractors.

9. INDEMNIFICATION

All parties to this MOU agree to indemnify, defend, and hold harmless the other Party and their officers, agents and employees from any and all claims, demands, judgments, damages, costs, liabilities or losses arising from, or in any way relating to, their respective acts or omissions, and the acts or omissions of their officers, agents, and employees, under this MOU.

10. INSURANCE

Contractor, in order to protect County and its board members, officials, agents, officers, and employees against all claims and liability for death, injury, loss, and damage as a result of Contractor's actions in connection with the performance of Contractor's obligations, as required in this Agreement, shall secure and maintain insurance as described below. Contractor shall not perform any work under this Agreement until Contractor has obtained all insurance required under this section and the required certificates of insurance and all required endorsements have been filed with the County's authorized insurance representative. Receipt of evidence of insurance that does not comply with all applicable insurance requirements shall not constitute a waiver of the insurance requirements set forth herein. The required documents must be signed by the authorized representative of the insurance company shown on the certificate. Upon request, Contractor shall supply proof that such person is an authorized representative thereof, and is authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions

shown thereon. The Contractor shall promptly deliver the County's authorized insurance representative a certificate of insurance, and all required endorsements, with respect to each renewal policy, as necessary to demonstrate the maintenance of the required insurance coverage for the term specified herein. Such certificates and endorsements shall be delivered to the County's authorized representative prior to the expiration date of any policy and bear a notation evidencing payment of the premium thereof if so requested. Contractor shall immediately pay any deductibles and self-insured retentions under all required insurance policies upon the submission of any claim by Contractor or County as an additional insured.

- A. Workers' Compensation and Employers Liability Insurance Requirement. In the event Contractor has employees who may perform any services pursuant to this Agreement, Contractor shall submit written proof that Contractor is insured against liability for workers' compensation in accordance with the provisions of Section 3700 of the California Labor Code.

Contractor shall require any sub-contractors to provide workers' compensation for all of the subcontractors' employees, unless the sub-contractors' employees are covered by the insurance afforded by Contractor. If any class of employees engaged in work or services performed under this Agreement is not covered by California Labor Code section 3700, Contractor shall provide and/or require each sub-contractor to provide adequate insurance for the coverage of employees not otherwise covered.

Contractor shall also maintain employer's liability insurance with limits of one million dollars (\$1,000,000) for bodily injury or disease.

- B. Liability Insurance Requirements:

- 1) Contractor shall maintain in full force and effect, at all times during the term of this Agreement, the following insurance:

- a) Commercial General Liability Insurance including, but not limited to, Contractual Liability Insurance (specifically concerning the indemnity provisions of this Agreement with the County), Products-Completed Operations Hazard, Personal Injury (including bodily injury and death), and Property Damage for liability arising out of Contractor's performance of work under this Agreement. The Commercial General Liability insurance shall contain no exclusions or limitation for independent contractors working on the behalf of the named insured. Contractor shall maintain the Products-Completed Operations Hazard coverage for the longest period allowed by law following termination of this Agreement. The amount of said insurance coverage required by this Agreement shall be the policy limits, which shall be at least one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) aggregate.

If the Commercial General Liability policy is not endorsed to include affirmative coverage for sexual abuse or molestation, Consultant shall obtain and maintain a policy covering sexual abuse or molestation. The amount of said insurance coverage required by this Agreement shall be the policy limits, which shall be at least one

million dollars (\$1,000,000) per occurrence or claim and two million dollars (\$2,000,000) aggregate.

- b) Automobile Liability Insurance against claims of Personal Injury (including bodily injury and death) and Property Damage covering any vehicle and/or all owned, leased, hired and non-owned vehicles used in the performance of services pursuant to this Agreement with coverage equal to the policy limits, which shall be at least one million (\$1,000,000) each occurrence.
 - c) Professional Liability (Errors and Omissions) Insurance, for liability arising out of, or in connection with, the performance of all required services under this Agreement, with coverage equal to the policy limits, which shall not be less than one million (\$1,000,000) per occurrence and two million (\$2,000,000) aggregate.
 - d) Cyber Liability Insurance/Technology Professional Liability Insurance, for liability arising out of, or in connection with, the performance of all required services under this Agreement, involving access to personal and or confidential information, software or technology services where a data breach or exposure to personal and or confidential information could impact the County, coverage shall be equal to the policy limits, which shall not be less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate. Coverage shall respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.
- 2) The Commercial General Liability and Automobile liability Insurance required in this sub-paragraph B. shall include an endorsement naming the County and County's board members, officials, officers, agents and employees as additional insureds for liability arising out of this Agreement and any operations related thereto. Said endorsement shall be provided using one of the following three options: (i) on ISO form CG 20 10 11 85; or (ii) on ISO form CG 20 37 10 01 plus either ISO form CG 20 10 10 01 or CG 20 33 10 01; or (iii) on such other forms which provide coverage at least equal to or better than form CG 20 10 11 85.
 - 3) The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide

all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance or self-insurance maintained by the County, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss.

- 4) Contractor shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein, and Contractor shall ensure that the County is an additional insured on insurance required from subcontractors.
- 5) Any self-insured retentions in excess of \$100,000 must be declared on the Certificate of Insurance or other documentation provided to County and must be approved by the County Risk Manager.
- 6) If any of the insurance coverages required under this Agreement is written on a claims-made basis, Contractor, at Contractor's option, shall either (i) maintain said coverage for at least three years following the termination of this Agreement with coverage extending back to the effective date of this Agreement; (ii) purchase an extended reporting period of not less than three years following the termination of this Agreement; or (iii) acquire a full prior acts provision on any renewal or replacement policy.

- C. **All insurance afforded by Contractor pursuant to this Agreement shall be primary to and not contributing to all insurance or self-insurance maintained by the County. An endorsement shall be provided on all policies, except professional liability/errors and omissions, which shall waive any right of recovery (waiver of subrogation) against the County.**
- D. All insurance shall be issued by a company or companies admitted to do business in California and listed in the current "Best's Key Rating Guide" publication with a minimum rating of A-; VII. Any exception to these requirements must be approved by the County Risk Manager.
- E. If Contractor is, or becomes during the term of this Agreement, self-insured or a member of a self-insurance pool, Contractor shall provide coverage equivalent to the insurance coverages and endorsements required above. The County will not accept such coverage unless the County determines, in its sole discretion and by written acceptance, that the coverage proposed to be provided by Contractor is equivalent to the above-required coverages.
- F. Insurance coverages in the minimum amounts set forth herein shall not be construed to relieve Contractor for any liability, whether within, outside, or in excess of such coverage, and regardless of solvency or insolvency of the insurer that issues the coverage; nor shall it preclude the County from taking such other actions as are available to it under any other provision of this Agreement or otherwise in law.
- G. Failure by Contractor to maintain all such insurance in effect at all times required by this Agreement shall be a material breach of this Agreement by Contractor. County, at its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County shall deduct from

sums due to Contractor any premiums and associated costs advanced or paid by County for such insurance. If the balance of monies obligated to Contractor pursuant to this Agreement are insufficient to reimburse County for the premiums and any associated costs, Contractor agrees to reimburse County for the premiums and pay for all costs associated with the purchase of said insurance. Any failure by County to take this alternative action shall not relieve Contractor of its obligation to obtain and maintain the insurance coverages required by this Agreement.

- H. Cancellation of Insurance -- The above stated insurance coverages required to be maintained by Contractor shall be maintained until the completion of all of Contractor's obligations under this Agreement except as otherwise indicated herein. Each insurance policy supplied by the Contractor shall not be suspended, voided, cancelled or reduced in coverage or in limits except after ten (10) days written notice by Contractor in the case of non-payment of premiums, or thirty (30) days written notice in all other cases. This notice requirement does not waive the insurance requirements stated herein. Contractor shall immediately obtain replacement coverage for any insurance policy that is terminated, canceled, non-renewed, or whose policy limits have been exhausted or upon insolvency of the insurer that issued the policy.

11. CONTRACT DISPUTE

Should a dispute arise between KCNC and County relating to performance under this MOU, KCNC will, prior to exercising any other remedy which may be available, provide County with written notice of the particulars of the dispute within 30 calendar days of the dispute. County will meet with KCNC, review the factors in the dispute, and recommend a means of resolving the dispute before a written response is given to KCNC. County will provide a written response to KCNC within 30 days of receipt of KCNC written notice.

12. TERMINATION

All parties may terminate their responsibility within this MOU with or without cause, upon thirty (30) days prior written notice to the other party. In the event of termination of this MOU for any reason, all other parties shall have no further obligation to the terminating party with respect to this MOU.

13. NOTICES

Notices to be given by one Party to the other under this MOU shall be given in writing by personal delivery, by certified mail, return receipt requested, or express delivery service at the addresses specified below. Notices delivered personally shall be deemed received upon receipt; mailed or expressed notices shall be deemed received four days after deposit. A Party may change the address to which notice is to be given by giving notice as provided above.

Notice to County shall be addressed as follows:

Director
Kern County Department of Human Services
P.O. Box 511
Bakersfield, CA 93302

Notice to KCNC shall be addressed as follows:

Executive Director
Kern County Network for Children
1300 17th Street
Bakersfield, CA 93301

Notice to Kern BHRS shall be addressed as follows:

Director
Kern Behavioral Health and Recovery Services
P.O. Box 1000
Bakersfield, CA 93302

Notice to KCPD shall be addressed as follows:

Chief Probation Officer
Kern County Probation Department
P.O. Box 3309
Bakersfield, CA 93385

Notice to Public Health shall be addressed as follows:

Director
Kern County Public Health Department
1800 Mount Vernon Avenue, 3rd Floor
Bakersfield, CA 93306-3302

Nothing in this MOU shall be construed to prevent or render ineffective delivery of notices required or permitted under this MOU by personal service.

14. SOLE AGREEMENT

This document, including all attachments hereto, contains the entire agreement between the Parties relating to the services, rights, obligations, and covenants contained herein and assumed by the Parties respectively. No inducements, representations, or promises have been made, other than those recited in this MOU. No oral promise, modification, change, or inducement shall be effective or given any force or effect.

15. AUTHORITY TO BIND COUNTY

It is understood that KCNC, in KCNC's performance of any and all duties under this MOU, has no authority to bind County to any agreements or undertakings.

16. MODIFICATION OF MOU

This MOU may be modified in writing only, signed by the parties in interest at the time of the modification.

17. CONFIDENTIALITY

No Party to this Agreement shall, without the written consent of the other Party, communicate confidential information, designated in writing or identified in this Agreement

as such, to any third party and shall protect such information from inadvertent disclosure to any third party in the same manner that they protect their own confidential information, unless such disclosure is required in response to a validly issued subpoena or other process of law. Upon completion of this Agreement, the provisions of this paragraph shall continue to survive.

- A. During the term of this Agreement, Parties may receive or create certain confidential health or medical information ("Protected Health Information" or "**PHI**"). This PHI is subject to protection under State and federal law, including the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("**HIPAA**"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("**the HITECH Act**"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services ("**HIPAA Regulations**") and other applicable laws. The Parties represent that the Parties have in place policies and procedures that will adequately safeguard any PHI the Parties receive or create, and the Parties specifically agree, on behalf of themselves, the Parties' subcontractors and agents, to safeguard and protect the confidentiality of PHI consistent with applicable law, including currently effective provisions of HIPAA, the HITECH Act, and the HIPAA Regulations.
- B. For purposes of this section, PHI means any information, whether oral or recorded in any form or medium: (a) that relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual, and (b) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- C. The Parties acknowledge that State and federal laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide for procedures to ensure compliance with such developments. The Parties hereto specifically agree to take such action as is necessary to implement the requirements of HIPAA, the HITECH Act, and HIPAA Regulations and other applicable laws relating to the security or confidentiality of PHI. The Parties understand and agree that the Parties must provide, when requested, written evidence that the Parties are in compliance with the HITECH Act, and applicable HIPAA Regulations.
- D. Notwithstanding any other provision of this Agreement, the Parties may terminate this Agreement upon twenty (20) days' notice in the event: (a) the Parties do not promptly provide written evidence of compliance with the HITECH Act, and applicable HIPAA Regulations, or (b) the Parties become aware that the Parties or any of the Parties' subcontractors or agents discloses PHI in a manner that is not authorized by the Parties or by applicable law.
- E. During the term of this Agreement, the contractor agrees to abide by the Information Exchange Agreement between the Social Security Administration ("**SSA**") and the California Department of Health Care Services "**DHCS**"), the Computer Matching and Privacy Protection Act Agreement between the Social Security Administration and the Health and Human Services Agency of California, the Electronic Information Exchange Security Requirement and Procedures for State and Local Agencies Exchanging Electronic Information with the Social Security Administration-Technical Systems Security Requirements ("**TSSR**"), and the Computer Matching Agreement between the Department of Homeland Security United States Citizenship and Immigration Services and the California Department of Health Care Services.

These documents contain sensitive material and the Contractor agrees not to post these documents in a public viewing area including any public Internet site. Contractor agrees to abide by all relevant requirements in the National Institute of Standards and Technology (“**NIST**”) Special Publications (“**SP**”) 800-122 and 800-53 (<https://www.nist.gov/>), and the Memorandums of Understanding that the County has with DHCS and CDSS regarding all Personal Identifiable Information (“**PII**”).

CONTRACTOR RESPONSIBILITIES

- 1) Contractor will provide a list of all employees who will have access to SSA data to the County prior to County giving Contractor access to such data. See **Exhibit “A”**.
- 2) Contractor and their staff will be required to complete an initial and annual confidentiality training. Each staff member, who handles SSA information, will sign a non-disclosure agreement stating they are aware of the requirements to maintain the confidentiality and non-disclosure of any SSA related information that is used by them to complete their daily duties and any sanctions and penalties that can follow any wrongful disclosure of PII/PHI information will be the responsibility of the Contractor. Contractor will maintain the non-disclosure statements for their employees for the required five years as stated in the TSSR and NIST guidelines. Additionally, if requested, Contractor will provide proof of such training to the Department as required by the MOUs.
- 3) Contractor agrees to allow the County to complete periodic onsite reviews of their facility to ensure that the following steps meet SSA’s requirements:
 - a) Safeguards for sensitive information;
 - b) Technological safeguards on computer(s) that have access to SSA-provided information;
 - c) Security controls and measures to prevent, detect, and resolve unauthorized access to, use of, and re-disclosure of SSA-provided information, and;
 - d) Continuous monitoring of the Contractor’s or agent’s network and infrastructure and assets.
 - e) Compliance with all applicable TSSR and NIST guidelines.
- 4) Contractor will maintain records of all PII and PHI exchanges under this contract for a period of five years and will provide such records upon request to the County for evidentiary purposes.
- 5) Contractor agrees no PII or PHI record will be stored outside the Contractor’s information system without approval by County. Contractor will physically control and securely store information system media, both paper and digital, based on the highest Federal Information Processing Standard (“**FIPS**”) 199 security category of the information recorded on the media. Contractor will restrict the pickup, receipt, transfer, and delivery of such media to authorized personnel.

- 6) Contractor is required to encrypt any PHI/PII information prior to transmission to the County as outlined in the TSSR and NIST guidelines. If encryption is not available, Contractor will work with County on alternate methods to receive any PII/PHI documents.
- 7) Contractor is required to report any breach or loss of PII/PHI within 24 hours to the appropriate County Security Officers. See **Exhibit "A"**.
- 8) Contractor will institute a destruction policy for the handling of all PII/PHI information including shredding, burning, and pulverizing of records to avoid any accidental disclosure of such information along with purging and sanitizing digital media using approved equipment, techniques, and procedures. Contractor will track, document, and verify media sanitization actions.
- 9) Contractor and their employees who wrongfully disclose PII/PHI information are subject to criminal and civil sanctions including but not limited to suspension of all access to PII information provided by the County, jail time, and court actions by the person(s) whose information was disclosed.

COUNTY RESPONSIBILITIES

- 1) County will provide Contractor with training materials which the Contractor will use to assist in completing their initial and annual training. See **Exhibit "A"** for access instructions.
- 2) County will provide Contractor access to the TSSR guidelines and the Memorandums of Understanding with DHCS and CDSS to assist them in meeting the requirements for maintaining confidentiality of all PII/PHI records. See **Exhibit "A"** for access instructions.
- 3) County will maintain records of all Contractor's and employees who handle PII/PHI as part of their daily duties and will only give access to SSA provided information as outlined in this Agreement.
- 4) If necessary, County will request records for evidentiary purposes when needed from the Contractor.
- 5) County agrees to provide a copy of their Breach Reporting Incident Policy to the Contractor along with contact names and telephone numbers for all County Privacy Officers.

18. BUSINESS ASSOCIATE ADDENDUM

Each Party agrees to execute the Business Associate Addendum attached hereto as **Exhibit "B"**, which covers obligations under HIPAA and HITECH, so that County may comply with its obligations under the HIPAA laws and Regulations.

19. COMPLIANCE WITH LAW

KCNC shall observe and comply with all applicable County, State and federal laws, ordinances, rules, and regulations now in effect or hereafter enacted, each of which are hereby made a part hereof and incorporated herein by reference.

20. CAPTIONS AND INTERPRETATION

Paragraph headings in this MOU are used solely for convenience, and shall be wholly disregarded in the construction of this MOU.

No provision of this MOU shall be interpreted for or against a Party because that Party or its legal representative drafted such provision, and this MOU shall be construed as if jointly prepared by the Parties.

21. TIME OF ESSENCE

Time is hereby expressly declared to be of the essence of this MOU and of each and every provision hereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this MOU.

22. COUNTERPARTS

This MOU may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

23. NONDISCRIMINATION

Neither Contractor, nor any officer, agent, employee, servant or subcontractor of Contractor, shall discriminate in the treatment or employment of any individual or groups of individuals on the grounds of age, sex, color, disability, national origin, race, marital status, sexual orientation, religion, political affiliation, or any other classification protected by law, either directly, indirectly or through contractual or other arrangements as described in CDSS Manual of Policies and Procedures, Chapter 21. Contractor will further adhere to all mandated requirements as described in the CDSS Manual of Policies and Procedures, Chapter 21, including but not limited to, Section 21-117 Staff Development and Training. A copy of CDSS Manual of Policies and Procedures, Chapter 21 can be found at: www.cdss.ca.gov/inforesources/civil-rights.

Contractor understands and acknowledges that its assurance is given in consideration of and for the purpose of receiving compensation for service as provided in this Agreement, which compensation is funded through federal and State assistance. In the event County is subject to any fiscal sanction or other legal remedies as a result of Contractor's failure to comply with the requirements of this section, Contractor shall indemnify and hold harmless County from any such fiscal sanction or other legal remedy imposed against County as provided in the indemnification provisions of this Agreement. Contractor shall participate in and pay County's costs incurred in County's defense in any judicial or administrative hearing or process to determine where a violation of this section has occurred.

Contractor acknowledges that the County, as a recipient of such funding, is obligated to comply with State and federal requirements regarding nondiscrimination, as evidenced by form CR-50, Assurance of Compliance, (**Exhibit "C"**). By signing this Agreement, Contractor, as a recipient of such funding through the County, shall be equally bound to comply with each and every requirement set forth therein.

24. AUDIT, INSPECTION, AND RETENTION OF RECORDS

KCNC agrees to maintain and make available to County accurate books and records relative to all its activities under this MOU. KCNC shall permit County to audit, examine and make excerpts and transcripts from such records, and to conduct audits or reviews of all invoices, materials, records of personnel, or other data related to all other matters covered by this MOU. KCNC shall maintain such data and records in an accessible location and condition for a period of not less than five years from the date of final payment under this MOU, or until after the conclusion of any fiscal audit, whichever occurs last. The State of California and/or any federal agency having an interest in the subject of this MOU shall have the same rights conferred upon County herein.

25. NON-COLLUSION COVENANT

KCNC represents and agrees that it has in no way entered into any contingent fee arrangement with any firm or person concerning the obtaining of this MOU with County. KCNC has received from County no incentive or special payments or considerations related to the provision of services under this MOU.

26. NO THIRD PARTY BENEFICIARIES

It is expressly understood and agreed that the enforcement of these terms and conditions and all rights of action relating to such enforcement shall be strictly reserved to County and KCNC. Nothing contained in this MOU shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of County and KCNC that any such person or entity, other than County or KCNC, receiving services or benefits under this MOU shall be deemed an incidental beneficiary only.

27. POLITICAL OR RELIGIOUS ACTIVITY

No person performing any service or providing any goods designated under this Agreement shall participate in any political or religious activity on County time or in any manner involving the use of county property or expenditure of public funds nor conveying the implication of County endorsement or support for a candidate for local, state, or federal office.

Notwithstanding the foregoing, nothing in this Agreement shall be construed to unlawfully limit an individual's Constitutional rights. Accordingly, the limitations contained in this section are for the sole purpose of preventing proselytizing and politicking while engaged in the performance of services under this Agreement.

28. SIGNATURE AUTHORITY

Each Party represents that they have full power and authority to enter into and perform this MOU, and the person signing this MOU on behalf of each Party has been properly authorized and empowered to enter into this MOU.

29. EXHIBITS

Each Exhibit attached to this Agreement is incorporated into this Agreement by reference.

[Remainder of this page is intentionally left blank.]

The Parties have executed this MOU on the Execution Date.

Dated: _____

COUNTY OF KERN

By _____

Chairman, Board of Supervisors
"County"

Dated: 9/4/2026

Kern County Network for Children

DocuSigned by:

By Tom Corson
05278DEAD75A444
Thomas Corson, Executive Director
"Contractor"

Dated: 9/8/2026

APPROVED AS TO CONTENT:

Kern County Department of Human Services

DocuSigned by:

By Lito Morillo
17974CC5A27C0405
Lito Morillo, Director

Dated: 9/8/2026

Kern Behavioral Health and Recovery Services

DocuSigned by:

By Alison Burrowes
16D69161AA64473
Alison D. Burrowes, Director

Dated: 9/8/2026

Kern County Public Health Services Department

DocuSigned by:

By Brynn Carrigan
CE023B55E7934CC
Brynn Carrigan, Director

Dated: 9/8/2026

Kern County Probation Department

Signed by:

By Elaine D. Moore
E919AC79AB67446
Elaine D. Moore, Chief Probation Officer

Dated: 9/4/2026

APPROVED AS TO FORM:

Office of the County Counsel

DocuSigned by:

By Andrew Hamilton
101EF005A9DE48B
Andrew Hamilton, Deputy County Counsel
Counsel for Department of Human Services

Dated: 9/8/2026

Signed by:

By Kyle Holmes
6945C7CDD29A448
Kyle W. Holmes, Deputy County Counsel
Counsel for Kern BHRS

Dated: 9/8/2026

DocuSigned by:

By Stephanie Bouey
EE84D7D4E6FB46B
Stephanie Bouey, Deputy County Counsel
for Kern County Public Health

Dated: 9/8/2026

Signed by:

By Kathleen Rivera
E1D4B5268E6846D
Kathleen Rivera, Chief Deputy County Counsel
for Kern County Probation

Exhibit "A"

The Department of Human Services (DHS) entered into a Memorandum of Understanding with the California Department of Healthcare Services (DHCS), effective September 1, 2024, and with the California Department of Social Services (CDSS), effective October 1, 2024, regarding the protection of Personally Identifiable Information (PII) that we share with our Contractors. The definition of PII covered by these MOUs refers to "specific information about an individual used to trace that individual's identity. Information such as his/her name, Social Security number (SSN), date and place of birth, mother's maiden name or biometric records, alone, or when combined with other personal or identifying information is linkable or linked to a specific individual's medical, educational, financial, and employment information."

DHS' agreements with these entities require DHS to provide a copy or access to both MOUs as well as the Technical System Security Requirements (TSSRs) and the National Institute of Standards and Technology (NIST) to each Contractor. DHS is required to inform Contractors of the specific information that applies to those who receive and send PII information and will provide training materials to assist the Contractors in initial and annual training requirements. Information to obtain copies of the confidential MOUs and security documents, as well as training materials, via secure file transfer, will be provided upon request by contacting BAAContracts@kerndhs.com. **You may not post any of the MOUs or the TSSR/NIST documents in a public place as specified by the Social Security Administration.**

Below are highlights of requirements outlined in the Agreement. This is not a comprehensive list, so please ensure you are familiar with responsibilities outlined in the Agreement relating to PII.

- All Contractors must provide the Department of Human Services with a list of their employees who will have access to PII information exchanged under its Agreement. Please send listing to BAAContracts@kerndhs.com.
- If there is a data breach of your technical system or any loss of PII information by you or your staff, this must be immediately reported to the Department of Human Services Security Officers. You must work with the Department's Security Officers to determine if the breach is reportable to the State and provide evidence and a report of how the loss occurred, if requested.
- It is important to note that any PII violation carries civil and criminal sanctions for Contractors as well as employees if the SSA information is used in a manner or purpose not authorized under your Agreement with the County. Additionally, violations may result in a suspension of all SSA related documents being provided to the Contractor.

The Department of Human Services is committed to protecting all PII information that is shared with Contractors and trust Contractors share in this commitment.

Department of Human Services Security Officers:

- Technology Services Manager (661-334-3432) BAAContracts@kerndhs.com
- Human Resources Manager (661-633-7373) BAAContracts@kerndhs.com

Exhibit "B"

BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum ("Addendum") supplements and is made a part of the contract ("Contract") by and between County of Kern, by and through the Department of Human Services ("CE") and Kern County Network for Children ("BA").

RECITALS

- A. CE wishes to disclose certain information, some of which may constitute Protected Health Information ("PHI") (defined below), to BA pursuant to the terms of the Contract.
- B. CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Contract in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "HIPAA Regulations") and other applicable laws.
- C. As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and contained in this Addendum.

In consideration of the mutual promises below and the exchange of information pursuant to this Addendum, the parties agree as follows:

1. Definitions

Catch-all definition:

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

Specific definitions:

- (a) Business Associate. "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the name of the Business Associate listed above.
- (b) Covered Entity. "Covered Entity" or "CE" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the Kern County Department of Human Services.
- (c) HIPAA Rules. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

- (d) **Electronic Health Record** shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.
- (e) **Privacy Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164 (Subparts A and E).

2. **Obligations and Activities of Business Associate**

Business Associate agrees to:

- (a) Not use or disclose protected health information other than as permitted or required by the Agreement or as required by law;
- (b) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by the Agreement;
- (c) Report to covered entity any use or disclosure of protected health information not provided for by the Agreement of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR 164.410, and any security incident of which it becomes aware;
- (d) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information;
- (e) Make available protected health information in a designated record set to the "covered entity" as necessary to satisfy covered entity's obligations under 45 CFR 164.524;
- (f) Make any amendment(s) to protected health information in a designated record set as directed or agreed to by the covered entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy covered entity's obligations under 45 CFR 164.526;
- (g) Maintain and make available the information required to provide an accounting of disclosures to the "covered entity" as necessary to satisfy covered entity's obligations under 45 CFR 164.528;
- (h) To the extent the business associate is to carry out one or more of covered entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the covered entity in the performance of such obligation(s); and
- (i) Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

Permitted Uses and Disclosures by Business Associate

- (a) Business associate may only use or disclose protected health information as necessary to perform the services set forth in the attached Agreement

- (b) Business associate may use or disclose protected health information as required by law.
- (c) Business associate agrees to make uses and disclosures and requests for protected health information consistent with covered entity's minimum necessary policies and procedures.
- (d) Business associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by covered entity except for the specific uses and disclosures set forth below.
- (e) Business associate may use protected health information for the proper management and administration of the business associate or to carry out the legal responsibilities of the business associate.
- (f) Business associate may disclose protected health information for the proper management and administration of business associate or to carry out the legal responsibilities of the business associate, provided the disclosures are required by law, or business associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies business associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (g) Business associate may provide data aggregation services relating to the health care operations of the covered entity.

Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

- (a) Covered entity shall notify business associate of any limitation(s) in the notice of privacy practices of covered entity under 45 CFR 164.520, to the extent that such limitation may affect business associate's use or disclosure of protected health information.
- (b) Covered entity shall notify business associate of any changes in, or revocation of, the permission by an individual to use or disclose his or her protected health information, to the extent that such changes may affect business associate's use or disclosure of protected health information.
- (c) Covered entity shall notify business associate of any restriction on the use or disclosure of protected health information that covered entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect business associate's use or disclosure of protected health information.
- (d) **Reporting of Improper Access, Use or Disclosure.** BA shall report to CE in writing of any access, use or disclosure of Protected Information not permitted by the Contract and Addendum, and any Breach of Unsecured PHI of which it becomes aware without unreasonable delay and in no case later than 10 calendar days after discovery [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)].
- (e) **Business Associate's Agents.** BA shall ensure that any agents, including

subcontractors, to whom it provides Protected Information, agree in writing to the same restrictions and conditions that apply to BA with respect to such PHI and implement the safeguards required by paragraph (c) above with respect to Electronic PHI [45 C.F.R. § 164.504(e)(2)(ii)(D); 45 C.F.R. § 164.308(b)]. BA shall implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation (see 45 C.F.R. §§ 164.530(f) and 164.530(e)(1)).

- (f) **Amendment of PHI.** If applicable within ten (10) days of receipt of a request from CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, BA or its agents or subcontractors shall make such Protected Information available to CE for amendment and incorporate any such amendment to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If any individual requests an amendment of Protected Information directly from BA or its agents or subcontractors, BA must notify CE in writing within five (5) days of the request. Any approval or denial of amendment of Protected Information maintained by BA or its agents or subcontractors shall be the responsibility of CE [45 C.F.R. Section 164.504(e)(2)(ii)(F)].
- (g) **Accounting Rights.** Within ten (10) days of notice by CE of a request for an accounting of disclosures of Protected Information BA and its agents or subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935(c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents or subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that BA maintains an electronic health record and is subject to this requirement. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. In the event that the request for an accounting is delivered directly to BA or its agents or subcontractors, BA shall within five (5) days of a request forward it to CE in writing. It shall be CE's responsibility to prepare and deliver any such accounting requested. BA shall not disclose any Protected Information except as set forth in Sections 2.b. of this Addendum [45 C.F.R. Sections 164.504(e)(2)(ii)(G) and 165.528]. The provisions of this subparagraph shall survive the termination of this Agreement.
- (h) **Governmental Access to Records.** BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining BA's compliance with the Privacy Rule [45 C.F.R. Section 164.504(e)(2)(ii)(H)]. BA shall provide to CE a copy of any Protected Information that BA provides to the Secretary concurrently with providing such Protected Information to the Secretary.
- (i) **Data Ownership.** BA acknowledges that BA has no ownership rights with respect

to the Protected Information.

- (j) **Notification of Breach.** During the term of the Contract, BA shall notify CE within twenty-four (24) hours of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI of which BA becomes aware and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations. BA shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.
- (k) **Breach Pattern or Practice by Covered Entity.** Pursuant to 42 U.S.C. Section 17934(b), if the BA knows of a pattern of activity or practice of the CE that constitutes a material breach or violation of the CE's obligations under the Contract or Addendum or other arrangement, the BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the BA must terminate the Contract or other arrangement if feasible, or if termination is not feasible, report the problem to the Secretary of DHHS. BA shall provide written notice to CE of any pattern of activity or practice of the CE that BA believes constitutes a material breach or violation of the CE's obligations under the Contract or Addendum or other arrangement within five (5) days of discovery and shall meet with CE to discuss and shall attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.
- (l) **Audits, Inspection and Enforcement.** Within ten (10) days of a written request by CE, BA and its agents or subcontractors shall allow CE to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this Addendum for the purpose of determining whether BA has complied with this Addendum; provided, however, that (i) BA and CE shall mutually agree in advance upon the scope, timing and location of such an inspection. (ii) CE shall protect the confidentiality of all confidential and proprietary information of BA to which CE has access during the course of such inspection; and (iii) CE shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties. If requested by BA. The fact that CE inspects, or fails to inspect, or has the right to inspect, BA's facilities, systems, books, records, agreements, policies and procedures does not relieve BA of its responsibility to comply with this Addendum, nor does CE's (i) failure to detect or (ii) detection, but failure to notify BA or require BA's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of County's enforcement rights under the Contract or Addendum, BA shall notify CE within ten (10) days of learning that BA has become the subject of an audit, compliance review, or complaint investigation by the Office for Civil Rights.

3. Termination

- (a) **Material Breach.** A breach by BA of any provision of this Addendum, as determined by CE, shall constitute a material breach of the Contract and shall provide grounds for immediate termination of the Contract, any provision in the Contract to the contrary notwithstanding. [45 C.F.R. Section 164.504(e)(2)(iii)].
- (b) **Judicial or Administrative Proceedings.** CE may terminate the Contract, effective immediately, if (i) BA is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or

privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.

(c) Obligations of Business Associate Upon Termination.

Upon termination of this Agreement for any reason, business associate, with respect to protected health information received from covered entity, or created, maintained, or received by business associate on behalf of covered entity, shall:

1. Retain only that protected health information which is necessary for business associate to continue its proper management and administration or to carry out its legal responsibilities;
2. Return to covered entity the remaining protected health information that the business associate still maintains in any form;
3. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as business associate retains the protected health information;
4. Not use or disclose the protected health information retained by business associate other than for the purposes for which such protected health information was retained and subject to the same conditions set out in this Agreement above which applied prior to termination; and
5. Return to covered entity or, if agreed to by covered entity, destroy the protected health information retained by business associate when it is no longer needed by business associate for its proper management and administration or to carry out its legal responsibilities.

4. **Indemnification**

BA agrees to indemnify, defend and hold harmless CE and CE's agents, board members, elected and appointed officials and officers, employees, volunteers and authorized representatives from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees of County Counsel and counsel retained by CE, expert fees, costs of staff time, and investigation costs) of whatever kind or nature, which arise out of or are in any way connected with any negligent act or omission of BA or BA's officers, agents, employees, independent BAS, sub-contractor of any tier, or authorized representatives. Without limiting the generality of the foregoing, the same shall include injury or death to any person or persons; damage to any property, regardless of where located, including the property of CE; and any workers' compensation claim or suit arising from or connected with any services performed pursuant to this Agreement on behalf of BA by any person or entity.

5. **Disclaimer**

CE makes no warranty or representation that compliance by BA with this Addendum, HIPAA, the HITECH Act, or the HIPAA Regulations will be adequate or satisfactory for BA's own purposes. BA is solely responsible for all decisions made by BA regarding the safeguarding of PHI.

6. **Certification**

To the extent that CE determines that such examination is necessary to comply with CE's legal obligations pursuant to HIPAA relating to certification of its security practices, CE or its authorized agents or contractors, may, at CE's expense, examine BA's facilities, systems, procedures and records as may be necessary for such agents or contractors to certify to CE the extent to which BA's security safeguards comply with HIPAA, the HITECH Act, the HIPAA Regulations or this Addendum.

7. Amendment

a. **Amendment to Comply with Law.** The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Contract or Addendum may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule and other applicable laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule or other applicable laws. CE may terminate the Contract upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Contract or Addendum when requested by CE pursuant to this Section or (ii) BA does not enter into an amendment to the Contract or Addendum providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

8. Assistance in Litigation or Administrative Proceedings

BA shall make itself, and any subcontractors, employees or agents assisting BA in the performance of its obligations under the Contract or Addendum, available to CE, at no cost to County, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against County, its directors, officers or employees based upon a claimed violation of HIPAA, the HITECH Act, The Privacy Rule, the Security Rule, or other laws relating to security and privacy, except where BA or its subcontractor, employee or agent is a named adverse party.

9. No Third-Party Beneficiaries

Nothing express or implied in the Contract or Addendum is intended to confer, nor shall anything herein confer, upon any person other than County, BA and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

10. Effect on Contract

Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Contract shall remain in force and effect.

11. Interpretation

The provisions of this Addendum shall prevail over any provisions in the Contract that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the Contract shall be interpreted as broadly as necessary to implement and comply with

HIPAA, the HITECH Act, the Privacy Rule and the Security Rule. The parties agree that any ambiguity in this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

Exhibit "C"

**VENDOR ASSURANCE OF COMPLIANCE WITH
THE KERN COUNTY DEPARTMENT OF HUMAN SERVICES
NONDISCRIMINATION IN STATE AND FEDERALLY ASSISTED
PROGRAMS**

NAME OF VENDOR/RECIPIENT Kern County Network for Children

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

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

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

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