

**COUNTY OF KERN
BEHAVIORAL HEALTH &
RECOVERY SERVICES**

**REQUEST FOR PROPOSAL TO PROVIDE
BAKERSFIELD CONSUMER FAMILY LEARNING
CENTER**

DUE September 9, 2024

TIME Before 11:00 a.m.

COUNTY OF KERN

BEHAVIORAL HEALTH & RECOVERY SERVICES

Request for Proposal to Provide: Bakersfield Consumer Family Learning Center.

The County of Kern is seeking qualified Agencies to provide Bakersfield Consumer Family Learning Center services at 2001 28th Street, Bakersfield, CA. Proposers are specifically directed not to contact any County personnel, other than the Contact Person indicated below, for any purpose related to this RFP. **Unauthorized contact of any County personnel may be cause for rejection of a vendor’s proposal.** All inquiries concerning this RFP should be directed to the following Contact Person:

Kern County Behavioral Health & Recovery Services
Jewelle Scales
2001 – 28th Street
Bakersfield, CA 93301
Email: jscales@kernbhhrs.org

Envelopes containing the Proposals are to be marked:

PROPOSAL: Bakersfield Consumer Family Learning Center

The following dates are set forth for information and planning purposes only. These dates may be changed by County upon notice to prospective proposers:

Issuance Date August 8, 2024
Pre-Proposal Meeting August 29, 2024
Proposal Due Date September 9, 2024
Proposal Due Time Before 11:00 a.m.

Postmark date will not constitute timely delivery. Responses received after the above time **will not** be considered. Proposers are solely responsible for ensuring timely receipt of their Proposals. If hand delivery is planned to our offices, please be aware that delays through building security protocol should be planned for by the proposer since timely receipt of all Proposals is required.

TABLE OF CONTENTS

	PAGE NUMBER
I. GENERAL INFORMATION	
A. Project Background and Description	4
B. Services Required of Successful Proposer	6
C. Services Provided by the County	6
D. Selection Process	6
E. Solicitation Caveat	10
F. Time	11
G. Standard County Agreement	11
H. Insurance Requirements	11
I. Modifications to Scope of Work	14
J. News Releases	14
K. Statutes and Rules	15
L. Background Review	15
M. Organizational Conflict of Interest	15
II. PROPOSAL INFORMATION AND REQUIREMENTS	
A. General Instructions	15
B. Business Address	16
C. Corrections and Addenda	16
D. Proposal Format and Contents	16
E. Disposition of Proposals and Proprietary Data	22
F. Post RFP Issuance	23
G. Proposal Submission	23
H. Withdrawal and Submission of Modified Proposal	24
SCOPE OF WORK SPECIFICATIONS AND REQUIREMENTS	25
Exhibit A – Description Of Standards and Services	
AGREEMENT FOR PROFESSIONAL SERVICES	33
Exhibit B – Professional Services Agreements	

I. GENERAL INFORMATION

A. Project Background

Kern County spans 8,161 square miles in the San Joaquin Valley of California. The County is divided into eleven (11) Geographic Service Areas for serving individuals needing mental health care. The Kern County Behavioral Health and Recovery Services (BHRS) administration office is located in Bakersfield, California, the county seat, in the southern region of the San Joaquin Valley.

The Department operates under the directorship of Ms. Alison Burrowes, MA LCSW and is governed by the five (5) members of the Kern County Board of Supervisors (BOS). The Department strives to promote its mission statement, "Working together to achieve hope, healing, and a meaningful life in the community".

The Department consists of various Systems of Care to serve specific client populations. The Clinical Plan Services Division primarily serves individuals who receive mental health services through the BHRS System of Care contracted provider network.

The Department's goal is to ensure the citizens of Kern County afflicted with behavioral health disorders are provided with services and resources necessary for their treatment and recovery. The Department utilizes the services of contracted providers for behavioral health treatment services for adults and minors in most geographic areas throughout Kern County.

Based on a January 2, 2022 report issued by the Department of Finance, Kern County's population is 909,813. The California Economic Forecast report indicated the County would continue to attract new residents over the forecast horizon and the growth of population will modestly accelerate.

This Request for Proposal (RFP) is seeking qualified Agencies to operate the Consumer Family Learning Center (CFLC). The purpose of the CFLC is to provide a safe, welcoming environment for adults with behavioral health lived experience, either as consumers of behavioral health services, or as family members of consumers. The CFLC will provide peer services that support members in identifying goals for their lives; empower members through connectedness; and show by example that people do recover. Outcomes for successful operation of the CFLC focus on the number of duplicated individuals served, level of member/consumer satisfaction, and number and types of services and activities provided. The CFLC provides services in both English and Spanish.

The CFLC will provide members with social and educational skill building activities that promote wellness, inspire hope, and enrich their lives. CFLC staff have lived experience in behavioral health recovery as a consumer or family member. CFLC staff share their recovery experiences and engage members in working toward the members' personal recovery goals. CFLC services include but are not limited to: wellness, recovery, and support groups; activities for socialization; independent living skills and/or wellness classes (both in person and virtual); arts and crafts; music; physical activity; outreach to community-based organizations.

Qualified Agencies shall have the ability to modify service delivery to align with a Clubhouse model, with adequate notice and partnership from County.

The Department expects to spend approximately seven hundred fifty thousand dollars (\$750,000) over the term of the contract for these services. One Agreement will be negotiated between BHRS and the prospective service provider and approved by the Kern County Board of Supervisors prior to service delivery. Services shall begin on April 1, 2025.

Additionally, the successful proposer will be required to comply with the following prior to proceeding with performing the provisions of the contract:

1. Disclosure of Ownership: provide disclosures of ownership and control. A Disclosure of Ownership form will be provided to the successful contractor by BHRS once a contract is awarded.
2. Screening for Ineligible and Suspended Employees and Entities (Exclusions): evidence that the contractor is not identified on the List of Excluded Individuals/Entities (LEIE), the General Services Administration Excluded Parties List System (SAM-EPLS), the DHCS Medi-Cal List of Suspended or Ineligible Providers nor the Social Security Administration's Death Master File (SSA DMF), and that the contractor will not employ individuals or contract with individuals or vendors that are excluded from participation in Federal health care programs. Additionally, BHRS has a process in place to verify the accuracy of new and current (prior to contracting with and periodically) providers and contractors in the National Plan and Provider Enumeration System (NPPES).
3. Credentialing Requirements: evidence that the assigned staff to perform the services under the provisions of the signed contract as a result of this RFP are:
 - Qualified in accordance with current legal, professional, and technical standards and are appropriately licensed, registered, waived and/or certified.
 - Must be in good standing with the Medicaid/Medi-Cal programs.
 - Any staff excluded from participation in Federal health care programs, including Medicare or Medicaid/Medi-Cal, may not participate in performing the provisions of the signed contract as a result of this RFP.
4. Pre-Award Risk Assessment: this form is an evaluation of the proposer's history, performance, financial status, and the management systems of the organization. This tool allows BHRS to determine if adequate systems are in place to appropriately account for allowable and unallowable costs, documentation of expenditures, allocation of costs, cash management, and internal controls.
5. W-9: a completed W-9 form identifying the business entity, federal tax classification and tax identification number (either SSN or EIN).
6. Corporate Compliance: evidence of a comprehensive Corporate Compliance Program that includes auditing, monitoring, and reporting methods designed to guard against fraud, waste, and abuse.
7. Credentialing, Exclusion Reporting and Corporate Compliance Form (CECC): a form to be completed by the successful contractor regarding credentialing, exclusion reporting and corporate compliance program.

8. Insurance Certificate: evidence of insurance as required by the County of Kern that includes all necessary endorsement forms and language to perform the provisions of the contract.
9. Political-Religious Activity:

A. No person performing any service or providing any goods designated under this Contract 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.

B. Notwithstanding the foregoing, nothing in this Contract 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 Contract.

B. Services Required of Successful Proposer

BHRS has developed the attached [Exhibit A, Description and Standards of Services](#) which fully describes the scope of work and services required; deliverables; benchmark requirements; and our anticipated timeline for the start and completion of this project.

Proposer will be expected to review the Exhibit to understand the expected outcome, what the desired goals and objectives are, what specific problems and challenges need to be solved in order to achieve the required end result. [Detailed description is available in Exhibit A, Description and Standards of Services.](#)

C. Services Provided by the County

The County will provide a Contact Person as a primary contact, who will arrange for staff assistance by other County staff as may be required. County will also provide whatever information as it may be available. County will also be available to meet and discuss project requirements and development at key times in the process. County will provide the facility for the CFLC including utilities.

D. Selection Process

1. **All Proposals received by the specified deadline will be reviewed by a County Evaluation Committee.** After the initial scoring, the Evaluation Committee may select those firms deemed most qualified for this project for further evaluation. Interviews of these selected firms may be conducted as part of the final selection process. Proposers are advised that the County, at its option, may award a contract strictly on the basis of the initial Proposals, and not create a short list of Proposals for further consideration. The firm selected by the Evaluation Committee will be recommended to the Board of Supervisors for this project, but the Board is not bound to accept the recommendation or award the project to the recommended firm.
2. If one or more of the proposers is a local vendor as defined herein, said proposer(s) shall be entitled to a local vendor preference as herein described, provided: (i) said proposer(s) achieved a score of at least seventy percent (70%) during the initial scoring phase by the

Evaluation Committee; and (ii) they were included in the short list of proposers for further consideration by the Evaluation Committee, if the Evaluation Committee elected to create a short list of Proposals.

All local vendors meeting the above stated criteria shall have their final evaluation score increased by five percent (5%) for purposes of determining the Evaluation Committee's final selection for recommendation to the Board of Supervisors.

A local vendor is defined as a proposer who:

- (a) Has had a fixed office or distribution point located in and having a street address within the county for at least six (6) months immediately prior to the issuance of the request for competitive bids by the purchasing agent
- (b) Holds any required business license by the county or a city within the county; and
- (c) Employs at least one (1) full-time or two (2) part-time employees whose primary residence is located within Kern County, or if the business has no employees shall be at least fifty percent (50%) owned by one or more persons whose primary residence is located within Kern County.

All local vendors with a Local Employee Ratio of 50% or higher will receive an additional 2% score increase, and those with a ratio of 100% will receive a 3% increase to their score. (Rev 11/19)

- (d) Will credit all sales taxes generated pursuant to the contract awarded as a result of the application of this local vendor preference to its business location in Kern County.

This local vendor preference shall not apply to any contracts funded in whole or in part with federal or state funds which do not allow the use of local preferences, or any other contracts which are statutorily or otherwise precluded from the use of local preferences during the selection process.

At-Risk Employer Preference

Per County Ordinance 2.38.132, the At-Risk Employer preference will be implemented. This ordinance provides a preference to local vendors who are also at-risk employers. If there is a tie for the low bid and both bidders are local vendors but one of the bidders is also an at-risk employer, the contract shall be awarded to the low bidder that is also the at-risk employer. In the event local vendors are allowed to submit a new bid equal to or less than the out of county low bidder, and there is a tie for the low bid and one of the responsible low bidders is also an at-risk employer, the local vendor who is also an at-risk employer will be awarded the contract.

To qualify as an "At-Risk Employer," Vendor shall state below that you have provided gainful employment to "at-risk" individuals residing in Kern County for at least one (1) year prior to submitting this bid; and you continue to provide gainful employment to 'at-risk' individuals. "At-Risk Individuals" are defined in County Ordinance 2.38.132 as those individuals who have been incarcerated within the last five (5) years and/or have been convicted of a misdemeanor or felony within the last five (5) years and/or are youth in foster care.

Vendor has employed at least one (1) at-risk individual residing in the County of Kern for at least one year prior to submitting a bid for this project and continues to provide gainful employment to at-risk individuals residing in the County of Kern.

3. The following is a list of general criteria that will be used by the Evaluation Committee in determining its recommendation to the Board of Supervisors. (Please note that the Evaluation Committee may consider other additional information they deem relevant in determining a recommendation to the Board of Supervisors and may give each of the criteria considered as little or as much weight as they consider appropriate.)

(a) Proposer's understanding of the RFP requirements and end result.

- Does proposal show comprehension of the scope of services and match Exhibit A requirements?
- Does proposal address all requested objectives & deliverables?
- Does proposal offer specific solutions that address problems & our desired objectives?

(b) Proposer's proposed approach to tasks.

- Does the approach show innovative or advanced techniques
- Does the approach make sense for this project?
- Does the proposal clearly define deliverables? Are they measurable and realistic?
- Are there any apparent discrepancies or omissions in proposal?
- Is the proposed transition or milestone implementation plans feasible?

(c) Proposer's experience in similar projects.

- Does proposer have a proven track record with similar projects?
- Has proposer completed relevant or similar projects? What was the length of time performing services for these relevant projects?
- What is the overall exposure/experience of the proposer with government sector projects?
- Does proposal provide types, number & duration of current and previous contracts?

(d) Fee OR proposed rates.

- Has proposer revealed and described all costs? Are there any hidden costs?
- How does the proposer implement cost control techniques? Are there any escalation clauses included?
- Does proposer list prior contracts that were conducted on time and within budget?
- Does proposal state length of time for firm pricing?

(e) Estimated completion date(s) or required start date

- Does proposal describe transition start up tasks & time and/or milestone steps to negotiate contract, set up staffing/equipment requirements and begin services?
- Does proposal address any time frames mandated by law?
- Does proposal address the length of time to complete one-time services?

- Does proposal describe in detail each project phase and the time needed for completion?
 - Does the proposal benchmark critical events in the completion of the project?
- (f) Client references.
- Are proposer's referenced projects similar in size & scope?
 - Do references report any negative aspects with their experience with proposer?
 - Do references report proposer's capabilities in problem solving during project?
 - Do references indicate successful billing/invoicing processes?
 - How did the reference award previous business to the proposer?
- (g) Qualifications of proposer's staff for the project.
- Does proposer offer a combination of experience, education, licensing, certification & background undertaking with similar projects relevant to our needs?
 - Is the technical experience of proposer's personnel specific to the needs detailed in Exhibit A?
 - Does proposer's response address productivity and utilization of staff/management assignments?
- (h) Any other factors the Evaluation Committee deems relevant, for example:
- Does proposal offer technology advances included in work approach?
 - How feasible is the transition plan/milestone steps of proposer's plan?
 - Other
4. The County reserves the right to reject any and all Proposals and to waive informalities and irregularities in any Proposals received. Absence of required information may render a Proposal non-responsive, in the sole discretion of the County, resulting in rejection of the Proposal.
 5. The County may, during the evaluation process, request from any proposer additional information which the County deems necessary to determine the proposer's ability to perform the required services. If such information is requested, the Proposer shall be permitted five (5) working days to submit the information requested.
 6. An error in the Proposal may cause the rejection of that Proposal; however, the County may, in its sole discretion, retain the Proposal and make any corrections it deems appropriate. In determining if a correction will be made, the County will consider the conformance of the Proposal to the format and content required by the RFP, and any unusual complexity of the format and content required by the RFP. If the proposer's intent is clearly established based on review of the complete Proposal submittal, the County may, at its sole option, correct an error based on that established content. The County may also correct obvious clerical errors. The County may also request clarification from a proposer on any item in a Proposal that County believes to be in error and make corrections accordingly.
 7. The County reserves the right to select the Proposal which in its sole judgment best meets the needs of the County. The recommendation by the Evaluation Committee, and the final selection of a proposer by the Board of Supervisors, shall be based on any information and criteria the Evaluation Committee and Board consider relevant,

which may include criteria not listed in paragraph 2 above. **The lowest proposed cost is *not* the sole criterion for recommending a contract award.**

8. All proposers responding to this RFP will be notified of their selection or non-selection in writing.
 - a. **All proposers shall have seven (7) calendar days from the date of the written notice to submit any additional information not previously submitted to the County representative for final consideration.**
 - b. **Proposers may request a debrief during the same seven (7) daytime period. No extension will be given.**
9. The County representative will notify the proposers in writing of the date the Department's recommendation is placed on the Board of Supervisors' agenda.
10. County employees will not participate in the selection process when those employees have a relationship with a person or business entity submitting a Proposal which would subject those employees to the prohibition of Section 87100 of the Government Code. Any person or business entity submitting a Proposal who has such a relationship with a County employee who may be involved in the selection process shall advise the County of the name of the County employee in the Proposal.
11. Any person or business entity which engages in practices which might result in unlawful activity relating to the selection process including, but not limited to, kickbacks or other unlawful consideration paid to County employees, will be disqualified from the selection process.
12. The process, procedures and evaluation criteria used by County in developing and issuing this RFP and evaluating the Proposals received for purposes of making a recommendation to the Board of Supervisors shall be determined in the sole discretion of the County. Potential proposers shall have no rights whatsoever regarding the processes and procedures used by the County relating to this RFP or the manner in which a proposer is selected by the Board of Supervisors, provided their decisions are not arbitrary and capricious, and there is some reasonable basis for the selection(s) made.

E. Solicitation Caveat

The issuance of this solicitation does not constitute an award commitment on the part of the County, and the County shall not pay for costs incurred in the preparation or submission of Proposals. **The County reserves the right to reject any or all Proposals or portions thereof if the County determines that it is in the best interest of the County to do so.**

Failure to furnish all information requested or to follow the format requested herein, or the submission of false information, may disqualify the proposer, in the sole discretion of the County. The County may waive **any** deviation in a Proposal. The County's waiver of a deviation shall in no way modify the RFP requirements nor excuse the successful proposer from full compliance with any resultant agreement requirements or obligations.

F. Time

Time and the time limits stated in this RFP are of the essence of this Request for Proposal.

G. Standard Agreement for Professional Services

No agreement with the County is in effect until a contract has been signed by both parties. Attached to this RFP as **Exhibit "B" is the Sample Standard Agreement For Professional Services** which is in substantially the form the successful proposer will be expected to sign. The final agreement may include the contents of the RFP, any addenda to this RFP, portions of the successful proposer's Proposal and any other modifications determined by the County to be necessary prior to its execution by the parties.

Until such time as the Evaluation Committee has completed its deliberative process and the matter has been set for consideration before the Board of Supervisors, the agreement and all documents and materials relating thereto, the negotiation and execution thereof, including, without limitation, the existence of the Agreement and the negotiations taking place between the parties, shall be confidential.

The **Sample Standard Agreement for Professional Services** is included in this RFP is for informational purposes and should not be returned with a Proposal; however, the Proposal shall include a statement that the proposer has reviewed the **Standard Agreement for Professional Services** and either:

- i) will agree to and accept the **Sample Standard Agreement for Professional Services** contained therein if selected, or
- ii) indicate those specific provisions of the **Sample Standard Agreement for Professional Services** to which the proposer takes exception and why. Raising of significant exceptions in a Proposal, as determined in the sole discretion of the County, may be cause for rejection of the Consultant's Proposal.

The selected Consultant will be required to execute an agreement with the County for the services requested **within 30 calendar days** of the award. If agreement on the terms and conditions of the contract that are acceptable to the County including, but not limited to, compensation, cannot be achieved within that timeframe, the County reserves the right to continue negotiations or to award the bid to another Consultant and begin negotiations with that Consultant.

Consultant must identify and provide contact information in their Proposal of the individual within their organization who is authorized to negotiate the terms and conditions of any agreement between Consultant and County.

H. Insurance Requirements

Vendor, 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 Vendor's actions in connection with the performance of Vendor's obligations, as required in this Agreement, shall secure and maintain insurance as described below.

Vendor shall not perform any work under this Agreement until Vendor 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, Vendor 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 Vendor shall promptly deliver to 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 insurance representative prior to the expiration date of any policy and bear a notation evidencing payment of the premium thereof if so requested. Vendor shall immediately pay any deductibles and self-insured retentions under all required insurance policies upon the submission of any claim by Vendor or County as an additional insured.

a. Workers' Compensation and Employers Liability Insurance Requirement:

In the event Vendor has employees who may perform any services pursuant to this Agreement, Vendor shall submit written proof that Vendor is insured against liability for workers' compensation in accordance with the provisions of section 3700 of the California Labor Code.

Vendor 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 Vendor. If any class of employees engaged in work or services performed under this Agreement is not covered by California Labor Code section 3700, Vendor shall provide and/or require each sub-contractor to provide adequate insurance for the coverage of employees not otherwise covered.

Vendor 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) Vendor 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 Vendor'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. Vendor 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.**

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

(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) 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.

(4) If any of the insurance coverages required under this Agreement is written on a claims-made basis, Vendor, at Vendor's option, shall either (i) maintain said coverage for at least three (3) 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 (3) years following the termination of this Agreement; or (iii) acquire a full prior acts provision on any renewal or replacement policy.

c. Cancellation of Insurance -- The above stated insurance coverages required to be maintained by Vendor shall be maintained until the completion of all of Vendor's obligations under this Agreement except as otherwise indicated herein. Each insurance policy supplied by the Vendor shall not be suspended, voided, cancelled or reduced in coverage or in limits except after ten (10) days written notice by Vendor 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. Vendor 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.

- 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 Vendor is, or becomes during the term of this Agreement, self-insured or a member of a self-insurance pool, Vendor 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 Vendor is equivalent to the above-required coverages.
- f. All insurance afforded by Vendor 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. A waiver of right of recovery (waiver of subrogation) is only required on Workers' Compensation policies when a vendor's personnel deliver or perform services for the County while on County property.
- g. Insurance coverages in the minimum amounts set forth herein shall not be construed to relieve Vendor 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.
- h. Failure by Vendor to maintain all such insurance in effect at all times required by this Agreement shall be a material breach of this Agreement by Vendor. County, at its sole option, may terminate this Agreement and obtain damages from Vendor resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Vendor, County shall deduct from sums due to Vendor any premiums and associated costs advanced or paid by County for such insurance.

If the balance of monies obligated to Vendor pursuant to this Agreement are insufficient to reimburse County for the premiums and any associated costs, Vendor 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 Vendor of its obligation to obtain and maintain the insurance coverages required by this Agreement.

I. Modifications to Scope of Work

In the event that sufficient funds do not become available to complete all the services identified in this RFP, the scope of services may be amended, as determined in the sole discretion of the County. The County may also, from time-to-time, request changes in and/or additions to the services to be provided by the successful proposer. Such changes, including any increase or decrease in compensation, which are mutually agreed upon by and between the County and the successful proposer, shall be incorporated into the contract prior to execution of the contract, and by written amendments thereto after execution.

J. News Releases

News releases pertaining to any award resulting from this RFP may not be made without prior written approval of the **Director of Kern County Behavioral Health & Recovery Services**.

K. Compensation

Compensation shall be agreed upon by County and Vendor to be included in the final agreement for services.

L. Statutes and Rules

The terms and conditions of this RFP, and the resulting consulting services and activities performed by the successful proposer, shall conform to all applicable statutes, rules and regulations of the federal government, the State of California and the County of Kern.

M. Background Review

The County reserves the right to conduct a background inquiry of each proposer that may include collection of appropriate criminal history information, contractual and business associations and practices, employment histories, reputation in the business community and financial condition. By submitting a Proposal to the County, the proposer consents to such an inquiry and agrees to make available to the County such books and records the County deems necessary to conduct the review.

N. Organizational Conflict of Interest

Contractor warrants, to the best of its knowledge, that neither Contractor nor its officers, agents or employees presently has any consulting or contractual arrangement with any firm or organization that would give rise to an organizational conflict of interest with respect to the work to be performed under this Agreement.

Neither Contractor nor its officers, agents or employees shall enter into any contractual arrangement that would give rise to any potential conflict of interest, without first obtaining County's prior written approval before entering the agreement. If any organizational conflict of interest is discovered by Contractor relating to this Agreement, Contractor shall immediately notify County, and attempt to present a suitable mitigation plan.

County may, at its sole discretion, terminate this agreement in the event that Contractor has any actual or potential organizational conflict of interest. As used in this paragraph, "**Organization conflict of interest**" means any relationship whereby Contractor has present or planned interests related to the work to be performed under this Agreement which: (1) May diminish its capacity to give impartial, technically sound, objective assistance and advice or may otherwise result in a biased work product, or (2) may result in its being given an unfair advantage.

II. PROPOSAL INFORMATION AND REQUIREMENTS

A. General Instructions

To receive consideration, Proposals shall be made in accordance with the following general instructions:

1. The completed Proposal shall be without alterations or erasures. Errors may be crossed out and corrections printed in ink or typed adjacent and must be initialed in ink by an authorized representative of the proposer.
2. No oral, telephonic, telegraphic, e-mailed, or faxed Proposals will be considered.
3. The submission of a Proposal shall be an indication that the proposer has investigated and satisfied him/herself as to the selection process to be used by the County, the conditions to be encountered, the character, quality, and scope of the work to be performed, and the requirements of the County.
4. **All Proposals shall remain firm for one hundred and eighty (180) days from the Proposal submission deadline.**

B. Business Address

Proposers shall furnish their business street address. Any communications directed either to the address so given, or to the address listed on the sealed Proposal container and deposited in the U.S. Postal Service by Certified Mail, shall constitute a legal service thereof upon the proposer.

C. Corrections and Addenda

If a proposer discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, the proposer shall immediately notify the Contact Person of such error in writing and request clarification or modification of the document. Modifications will be made by addenda as indicated below to all parties in receipt of this RFP.

If a proposer fails to notify the Contact Person prior to the date fixed for submission of Proposals of a known error in the RFP, or an error that reasonably should have been known, the proposer shall submit a Proposal at their own risk, and if the proposer is awarded a contract they shall not be entitled to additional compensation or time by reason of the error or its subsequent correction.

Addenda issued by the County interpreting or changing any of the items in this RFP, including all modifications thereof, shall be incorporated in the Proposal. The proposer shall sign and date the Addenda Cover Sheet and submit same with the Proposal.

Any oral communication by the County's designated Contact Person or any other County staff member concerning this RFP is not binding on the County and shall in no way modify this RFP or the obligations of the County or any proposers.

D. Proposal Format and Contents

For ease of review and to facilitate evaluation, the Proposals for this project should not exceed **25 pages** in length and be **organized and presented in the order requested as follows:**

1. Cover Page:

Clearly indicate the RFP project title and the name of the firm on the cover page. For example:

**Request For Proposals For Bee Keeping Services
Submitted By: John Doe Organization
James Smith, Chief Operating Officer**

2. Introduction (1 single space page)

Include a letter of introduction about your organization signed by an authorized representative of the firm.

In your introductory statement please include the following language at the end of your introductory statement.

“The undersigned certifies that all statements in the Proposal are true and correct; and that any material false statement contained in this proposal shall entitle Kern County to pursue any and all remedies authorized by law and/or declare any contract made as a result thereof, to be void.”

3. Corporate/Agency Profile (1/2 single space page):

Provide specific information concerning the firm in this section, including all of the following:

- The legal name, address and telephone number of your company
- The type of entity (sole proprietorship, partnership, or corporation and whether public or private).
- Whether you are a local Kern County vendor as defined in section I.D.2. of this RFP (provide the street address of the local office).
- The name and telephone number of the person(s) in your company authorized to execute the proposed contract.

4. Organization’s Qualifications and Experience:

Section 4A (1-2 single space pages):

This section is designed to establish the proposer as an organization with the qualifications and experience to operate the program, or provide the services, as specified in the RFP’s scope of work, **Exhibit A, Description and Standards of Services**.

In this section, the proposer must provide specific information concerning the organization’s qualifications and experience (e.g., skill sets, contractor licensing, certifications etc.) in the services specified in the RFP’s scope of work, **Exhibit A, Description and Standards of Services**, preferably within the State of California.

Please include the following headers of information in this section (in this order):

Header #1: The number of staff (key and non-key) involved in providing services

Header #2: Number of years the organization has been providing services

Header #3: Skill sets that organization uses in providing services

Header #4: Contractor licensing, if applicable

Header #5: Certifications, if applicable

Header #6: Examples of completed projects

Header #7: Financial statements (balance sheet and Dun & Bradstreet credit rating acceptable)

How to obtain Dun & Bradstreet (D&B) credit scores

- The first step on how to get a D&B rating is to create a D-U-N-S number — which you can request online. In some cases, you might find that your number has already been created for you based on searches by your suppliers, clients or lenders.
- Once the D-U-N-S number is created, you can establish your business credit file and sign up for CreditSignal, which alerts you when there are changes to your score.
- Full reports are behind a paywall, which requires you to sign up for one of the packages.

Section 4B:

Documentation of Satisfactory Past Performance/References

Provide a minimum of three (3) reference letters for similar services rendered (must be within the last twelve (12) months on the reference **company's letterhead**).

Each reference shall include a current point of contact and a phone number.

Each reference letter must have all the following information:

- Date of the original contract;
- End date of the contract;
- Services rendered;
- Names, addresses, email and telephone numbers of contact persons within client agencies for whom the services have been provided.

Note: Organizations will lose points if the references are not on the company's letterhead, providing the reference.

Section 4C:

Provide a list of all organizations with current contact information including email, to which you have provided similar services over the last two years but are not currently working for. Please indicate why you are not currently providing services to said organization(s).

5. Credentials/Resumes:

Of critical importance is the composition of the team proposed to provide services on this project. Credentials and resumes of the person(s) responsible for administering or providing the services must be provided.

In this section, include the following information:

An organizational chart displaying all the key personnel assigned to the project and/or delivery of services. **(1 page)**

Resumes of all key personnel assigned to the project and/or delivery of services as designated in the organizational chart.

Training certifications of all key personnel assigned to the project and/or delivery of services as designated in the organizational chart.

A summary of the statement of qualifications for each key personnel assigned to the project and/or delivery of services, in the organizational chart, to include the following **(2 to 3 single pages)**:

- General Experience as it relates to the project and/or delivery of services
- Education as it relates to the project and/or delivery of services
- Training as it relates to the project and/or delivery of services
- Credentials as it relates to the project and/or delivery of services

List consultant firms, if any, that you plan to use for this project and their relevant experience.

6. Project Approach, Work Schedule, Transition Plan and Technology Requirements:

Note: As your organization drafts this section of the proposal, please answer each statement and ensure that your responses are no longer than 250 words.

- a. Provide a detailed description of the project approach proposed by your organization to perform all required services as specified in the RFP's scope of work.
- b. Provide a detailed description of the methodology proposed by your organization to perform all required services as specified in the RFP's scope of work.
- c. Identify the deliverables that will be produced as specified in the RFP's scope of work, Exhibit A – Description and Standards Of Services.
- d. Describe the actions that will be performed by your organization in order to comply and meet required benchmarks, performance standards and quality assurance measures.

- e. Describe your organization's approach and/or methodology that will be used to address obstructions, constraints, or roadblocks that may occur in providing services.
- f. Describe how your organization's Business and Work Environment will assist with the delivery of services as specified in the RFP's scope of work.
- g. Include specific details with regard to a work schedule describing how your organization will implement the services as specified in the RFP's scope of work by April 1, 2025.
- h. Detail and describe security clearance and information technology requirements that your organization has in place to ensure HIPAA compliance.
- i. Specify all software and computer technology that is anticipated to be used in rendering the services as specified in the RFP's scope of work.

Note: Do not include brochures and advertisements in your Proposal.

7. Cost of Service:

The Proposal shall clearly state all of the costs associated with the project, broken down by category of products and services, and all on-going costs for recommended/required products/services such as maintenance.

Note: Please use a budget template that reflects the abovementioned information. The department does not have a specific template.

The budget presented in this RFP is an estimate only. Awarding a contract as a result of this RFP is in no way guaranteeing that the County accepts and approves the submitted budget. The actual budget for each contract will depend on available funding at the time of contract award.

As a general rule, the County prefers a set price or hourly rate for the entire term of any contract. Price escalators such as the **Consumer Price Index** may also have a detrimental impact on the proposer's score determined by the Evaluation Committee and are disfavored by Kern County.

The project costs should include all expenses that will be charged to the County including but not limited to costs for shipping, insurance, communications, documentation reproduction, travel, taxes, etc. **Failure to not clearly identify all costs associated with the Proposal may be cause for rejection of the Consultant's Proposal.**

Note: Please use a budget template that reflects the abovementioned information. The department does not have a specific template.

8. Insurance:

The selected proposer will be required to obtain, as a condition of the award of a contract, and **the Proposal shall state that the proposer will obtain the insurance as required in the attached agreement.**

All insurance shall be issued consistent with the final Agreement with County. Insurance coverage at a minimum must be provided by a company or companies listed in the current "Best's Key Rating Guide" publication with a minimum of A-, VII rating, or in special circumstances, as pre-approved by the Risk Management Division of the Office of County Counsel. The selected proposer shall file with the Contact Person a Certificate(s) of Insurance stating the required coverages are in effect.

9. Additional Information:

- a. Include any additional information and options that you feel may be advantageous to the County. Label options clearly and specify all costs and fees associated with each option.
- b. Include any other information you believe to be pertinent but not required.
- c. Attachments & Appendixes must be a part of the proposal and not sent as separate documents.

10. Confidential Information:

Proposers are cautioned that because the County is a public entity, materials designated as "confidential" may nevertheless be subject to disclosure. Proposers are advised that the County does not wish to receive confidential or proprietary information and that proposers are not to supply such information except when it is absolutely necessary.

IF CONFIDENTIAL INFORMATION IS SUBMITTED:

a. ALL CONFIDENTIAL INFORMATION MUST BE STAMPED WITH A "CONFIDENTIAL" WATERMARK AND PLACED IN A SEPARATE TABBED SECTION #9 OF THE RFP MARKED "CONFIDENTIAL".

b. Any documents labeled "CONFIDENTIAL" shall include the following statement signed and placed on the first page of the CONFIDENTIAL material:

"_____ (legal name of proposer) shall indemnify, defend and hold harmless the County of Kern, its officers, agents and employees from and against any request, action or proceeding of any nature and any damages or liability of any nature, specifically including attorneys' fees awarded under the California Public Records Act (Government Code §6250 et seq.) arising out of, concerning or in any way involving any materials or information in this Proposal that (legal name of proposer) has labeled as confidential, proprietary or otherwise not subject to disclosure as a public record."

By: _____ Date: _____

Confidential information as discussed in this section II.D.9 may include:

Technical Information

- a. Any trade secret, know-how, invention, software program, application, documentation, schematic, procedure, contract, information, knowledge, data, process, technique, design, drawing, program, formula or test data, work in progress, engineering,

manufacturing, marketing, financial, sales, supplier, customer, employee, investor, or business information;

- b. Any non-public business information, including, without limitation, personnel data; correspondence with governmental agencies; historical customer information and data; historical cost information such as budgets and operating expenses and capital costs; and projected capital additions and operating cost information;

Financial Information

- a. Financial statements, business plans, strategic plans, proprietary market information, analyses, compilations and any other strategic, competitively sensitive or proprietary information shared between the parties as a result of the discussions contemplated by this Agreement;

Business Development-Related Information

- a. All trade secrets or proprietary information protected as intellectual property that relates to the business of the Vendor and is not generally available to the public, or generally known in the industry;
- b. Customers' identities and requirements, customer lists, suppliers' identities and products, pricing information, product price discount information, manufacturing processes and procedures, new product research, financial information not generally available to the public; and
- c. Any techniques, know how, processes or combinations thereof, or compilations of information, records, and specifications, utilized or owned by the vendor regarding business development, marketing, pricing, business methods, strategies, financial or other analyses, policies or business opportunities.

E. Disposition of Proposals and Proprietary Data

All materials submitted in response to this RFP become the property of the County. Any and all Proposals received by the County shall be subject to public disclosure and inspection, except to the extent the proposer designates trade secrets or other proprietary data to be confidential, after the Evaluation Committee has completed its deliberative process and either the proposer has been informed that they are not the vendor selected by the Evaluation Committee for recommendation to the Board of Supervisors, or the matter has been set for consideration before the Board of Supervisors, whichever comes first.

Material designated as proprietary or confidential shall accompany the Proposal and each page shall be clearly marked and readily separable from the Proposal in order to facilitate public inspection of the non-confidential portion of the Proposal. Prices, makes, and models or catalog numbers of the items offered, deliverables, and terms of payment shall be publicly available regardless of any designation to the contrary. The County will endeavor to restrict distribution of material designated as confidential or proprietary to only those individuals involved in the review and analysis of the Proposals.

F. Post RFP Issuance

1. Questions

- a. Before pre-proposal meeting: Questions may be submitted by email to: jscales@kernbhrs.org. **No phone calls please, only written responses will be accepted.**
- b. After pre-proposal meeting: **An addendum will be issued with written responses to those questions where the answers may change the scope of services detailed in Exhibit "A.** Questions with content about the RFP process, where to mail response or other information not related to Exhibit "A" may be answered by the Project Facilitator as they are received.
- c. Subsequent to addenda: Questions received subsequent to the issuance of addenda and within the last week prior to the due date and time **may** be answered. **The County will accommodate these last-minute questions but will not guarantee that they will be answered if not submitted timely.**

2. Pre-Proposal Meeting

A Pre-Proposal meeting has been set for **August 29, 2024 at 10:00 a.m.** The meeting will be held via **Microsoft Teams Meeting**. All interested parties who may have questions or wish to participate in the pre-proposal meeting must email their contact information to jscales@kernbhrs.org. **The contact information must include:**

- **Organization name**
- **Name of the individual attending**
- **Phone number of the individual attending**
- **Email address of the individual attending**

3. Purpose Of Pre-Proposal Meeting

The purpose of the conference is to permit proposers an opportunity to ask questions and/or provide feedback to County staff on specifics of this RFP.

Preliminary answers may be given at the Pre-Proposal meeting. However, these responses are only preliminary and **will not be final until they are provided as an addendum to the RFP.**

While some input obtained at the meeting may be incorporated into the RFP via addenda, **remarks and explanations made at the meeting shall not change the provisions of the final RFP.** All interested parties who may have questions are urged to attend.

G. Proposal Submission

The proposer shall **submit one (1) written copy of the Proposal and one (1) copy on thumb drive.** The thumb drive (virus free) must be a standard Microsoft Windows (Word, Adobe, Excel etc.) compatible format readable by the County; using word processing software that is Windows based, preferably Microsoft Word. Proposer agrees to be fully responsible for any damage caused by any materials submitted to County. Please submit all Proposals to:

REQUEST FOR PROPOSAL FOR:
BAKERSFIELD CONSUMER FAMILY LEARNING CENTER
1115 Truxtun Ave., 3rd Floor
Bakersfield, CA 93301
Telephone (661) 868-3000

Proposals may be delivered in person, by courier service or by mail to the address indicated above. **ALL PROPOSALS MUST BE SEALED AND RECEIVED BEFORE 11:00 A.M. on September 9, 2024** at the above office and address. Proposals submitted after the above deadline will not be accepted. It is strongly suggested that any proposers intending to hand deliver a proposal on the last day for submission arrive at the General Services Division third floor main lobby at least ten (10) minutes prior to the proposal receipt deadline to receive a “test” time stamp to validate the official current time. The time stamp clock in the main lobby of General Services will be the official time. Any Proposal received at or after 11:00 a.m. will be returned unopened.

Only one (1) Proposal may be submitted from each proposer. For purposes of this RFP, a proposer is defined to include a parent corporation of the proposer and any other subsidiary of that parent corporation. If a proposer submits more than one (1) Proposal, all Proposals from that proposer shall be rejected.

RFP Proposals are not publicly opened.

H. Withdrawal and Submission of Modified Proposal

A proposer may withdraw a Proposal at any time prior to the submission deadline by submitting a written notification of withdrawal signed by the proposer or his/her authorized agent. The proposer must, in person, retrieve the entire sealed submission package. Another Proposal may be submitted prior to the deadline. A Proposal may not be changed after the designated deadline for submission of Proposals.

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EXHIBIT A – DESCRIPTION AND STANDARDS OF SERVICES

CONSUMER FAMILY LEARNING CENTER SERVICES

The Consumer Family Learning Center (CFLC) is funded by the Mental Health Services Act (MHSA) Prevention and Early Intervention (P&EI) component of MHSA funding, through Kern County Behavioral Health & Recovery Services (BHRS). Contractor shall comply with all MHSA regulations and requirements

Contractor shall ensure the CFLC provides a safe, welcoming environment for adults with behavioral health lived experience, either as consumers of behavioral health services, or as family members of consumers. Services are primarily peer-led, and are designed to:

- Support members in identifying their own goals for their lives,
- Empower members through connectedness and active participation to achieve their goals,
- And show by example that people do recover.

Outcomes for successful operation of the CFLC focus on: the number of duplicated individuals served; level of member/consumer satisfaction; and the number and types of services and activities provided, as described below.

A. INDIVIDUALS SERVED

Contractor shall serve at least the following number of members, consumers, and/or family members and support persons at the Learning Center:

1. Unduplicated members and consumers served per fiscal year:
 - a. At least sixty (60) unduplicated new consumers, including family members and support persons, who have not previously been counted as “new” to the Learning Center in the prior three (3) years.
2. Duplicated count of members and consumers per fiscal year:
 - a. At least four thousand (4,000) duplicated participants in services, events, and/or activities.

B. NUMBER OF ACTIVITIES AND EVENTS

Contractor shall provide at least the following number of activities and events at the Learning Center:

1. Per week, a minimum of twenty (20) unique activities (individual peer services, groups, events, excursions, etc.), of which at least five (5) shall be provided in Spanish.
2. Per quarter, at least one (1) outreach and education activity.
3. Per quarter, at least one (1) group or event for family members and support persons.
4. The number and variety of activities may be reduced when the Learning Center is closed due to meetings, special events, trainings, declared disasters, and other circumstances.

C. LOCATION AND HOURS OF OPERATION

- a. Contractor shall provide recovery-focused, peer-led services and events at the BHRS facility located at 2001 28th Street, South Tower first floor Consumer Family Learning Center. Contractor shall enter into and comply with a Kern County Site Use Agreement that will govern Contractor's use of this facility.
- b. Hours of Operation shall be Monday-Saturday, 10:00 am-7:00 pm.

D. SERVICES

1. English and Spanish-language services shall be provided virtually and in person, including but not limited to:
 - a. Peer Engagement: Peer Support Specialist-led activities and coaching to encourage and support members to participate in behavioral health treatment and recovery. Engagement may include supporting members in their transitions between levels of care and in developing their own recovery goals and processes.
 - b. Peer Led Educational Skill Building Groups: a supportive environment in which members learn coping mechanisms and problem-solving skills in order to help them achieve desired outcomes. These groups promote skill building for the beneficiaries in the areas of socialization, recovery, self-sufficiency, self-advocacy, development of natural supports, and maintenance of skills learned in other support services.
 - c. Peer Led Therapeutic Activity: a structured non-clinical activity provided by a Peer Support Specialist to promote recovery, wellness, self-advocacy, relationship enhancement, development of natural supports, self-awareness and values, and the maintenance of community living skills to support the beneficiary's treatment to attain and maintain recovery within their communities. These activities may include, but are not limited to, advocacy on behalf of the member; promotion of self-advocacy; and resource navigation.
 - d. De-escalation of members, consumers and guests, when safe and appropriate.
2. English and Spanish-language educational classes including but not limited to:
 - a. Activities of Daily Living
 - b. Employment skills
 - c. Computer skills
 - d. Cooking
 - e. Art
 - f. Exercise
3. Transportation to and from the CFLC and/or off-site CFLC activities, for members and guests (adults only).

- a. Transportation may be provided from hubs in the community and/or may include door-to-door service, to be determined at the discretion of Contractor.
- b. Transportation services may be suspended during declared emergencies affecting the CFLC, for example, pandemics, earthquakes, fires, etc.

4. Linkage to Services

- a. Homeless individuals seeking shelter and basic necessities shall be provided voluntary linkage to a variety of resources as indicated, including but not limited to the organizations providing services to the homeless, medical treatment, and/or their existing Kern County BHRS System of Care treatment team.
 - i. The CFLC is not intended for use as a drop-in center for homeless individuals.
 - ii. The CFLC is intended for individuals who are actively working on their own behavioral health recovery or that of a family member.
- b. Members and consumers needing a higher level of care than the services provided by the CFLC may be provided warm linkage to services in the Kern County BHRS System of Care.

E. ACTIVITIES

Contractor shall provide activities and events, with participation from members and consumers in selecting the specific activities and events to be offered. Activities and events may include but are not limited to:

- 1. Collaborative events with partner organizations such as:
 - a. Community-based behavioral health providers, including Kern County BHRS System of Care treatment teams
 - b. Faith-based organizations
 - c. Community-based “pantry” events
 - d. Sober living environments
 - e. Alcoholics Anonymous
 - f. Al Anon Family Groups
 - g. Narcotics Anonymous
 - h. Healthcare organizations
 - i. Law enforcement
 - j. Rotary clubs

2. Use of the CFLC facility for wellness-related activities by partner organizations and agencies for the purpose of increasing awareness of the CFLC and reducing stigma related to behavioral health.
3. Excursions within Kern County
4. Forums
5. Socialization events
6. Promotional and awareness events: Contractor shall designate funds to promote and create awareness of the CFLC in Bakersfield. Promotion and awareness campaigns may include print, radio, television, websites, social media, etc., in English and Spanish.

F. CFLC ADVISORY BOARD

Contractor shall form and operate a peer-led Advisory Board comprised of CFLC members and family members / support persons. The CFLC Advisory Board shall:

1. Meet approximately twice per month, virtually and/or in person.
2. Receive training provided by Contractor on how to be an effective Board.
3. Encourage members and guests to adhere to the CFLC Membership Agreement guidelines and expectations.
4. Provide input on CFLC improvements needed, and on the selection of groups, classes, and activities.

G. STAFFING REQUIREMENTS

1. Contractor shall ensure that at least two (2) staff are present at the CFLC during all hours of operation, not including days the CFLC is closed due to meetings, special events, trainings, and other circumstances.
2. CFLC staff shall have lived experience in behavioral health recovery.
3. At least fifty percent (50%) of CFLC staff will be certified Medi-Cal Peer Support Specialists.
 - a. Contractor shall require and arrange for peer staff to complete Medi-Cal Peer Support Specialist training, at the sole cost of the Contractor. Peer Support Specialist Training shall be provided by a vendor that has been approved by CalMHSA for the statewide Medi-Cal Peer Support Certification program.
 - b. Contractor shall ensure certification is maintained as required by the California Statewide Medi-Cal Peer Support Specialist Training and Certification Program.
 - c. Supervisor/s of Peer Support Specialists shall complete supervisor training provided by a training vendor that has been approved by CalMHSA for the statewide Peer Support Certification program.

- d. Peer Code of Ethics: Contractor shall ensure that CFLC Peer Support Staff adopt and adhere to the DHCS Medi-Cal Code of Ethics for Peer Support Specialists in California.
4. Bilingual English/Spanish staff are preferred.
5. Contractor shall require and arrange for CFLC staff to be trained in crisis de-escalation skills.
 - a. Contractor shall implement a “hands off” nonviolent crisis intervention approach for the CFLC.
 - b. CFLC staff shall be trained in crisis intervention skills, de-escalation techniques, and hands-off approaches to crisis response.
6. CFLC staff shall be trained in the provision of trauma-informed engagement, outreach, and wellness activities.

H. VOLUNTEERS

1. Contractor shall make efforts to host a volunteer program for individuals with lived experience in behavioral health recovery, as consumers or family members, to gain work experience and/or complete placement requirements related to degrees and/or licensure.
2. Contractor shall ensure that all volunteers receive the same background checks, mandatory trainings, supervision, and performance evaluations as other staff. Volunteers shall be required to comply with all law and regulations that apply to staff.

I. REQUIRED MEETINGS

Contractor shall be required to attend Learning Center collaborative planning meetings as required by the appointed Kern County BHRS Administrator or designee, no more frequently than quarterly. Meeting location may rotate amongst Learning Center sites (Bakersfield, Tehachapi, Ridgecrest), and/or may be conducted virtually. Attendees shall include at least the Learning Center staff and volunteers, and at least one (1) member of the Learning Center’s advisory board, where possible.

J. SATISFACTION SURVEYS

Contractor shall develop a survey to measure member and family member/support person satisfaction. Contractor shall administer the survey to members and family members/support persons twice annually. Contractor may use other mechanisms in addition to surveys to collect and report satisfaction. Surveys shall collect at least the following self-reported member and family member/support person data, as appropriate:

1. Satisfaction with CFLC overall
2. Satisfaction with activities provided by the CFLC
3. Member self-reported wellness, and whether wellness has improved due to CFLC participation
4. Family member / support person report of member’s wellness, and whether the member’s wellness has improved due to CFLC participation, in the opinion of the family member / support person

5. Suggestions for improvement of the CFLC

K. REPORTING REQUIREMENTS

Contractor shall provide documentation of CFLC activities to the appointed BHRS Administrator as follows:

1. Documentation of Services in the Electronic Health Record
 - a. Contractor shall record all billable services and non-billable contacts in the County Electronic Health Record (EHR) no later than the end of the following business day.
 - b. CFLC staff shall be required to attend Kern County BHRS Electronic Health Record documentation training.
2. Development and distribution of a monthly calendar of activities in English and Spanish.
 - a. The monthly calendar of events must be submitted to Kern County BHRS no later than fourteen (14) business days prior to the beginning of the month. The calendar shall include at least the following:
 - Activities for the month
 - Description of all activities
 - Whether activities are conducted virtually or in person
 - Contact information for pre-registration
 - Center name, address, and open hours
 - Crisis information phone numbers, including 988, Contractor’s after-hours crisis line, Kern County BHRS Crisis Hotline, Suicide Prevention Hotline, and Kern County BHRS Substance Use Division Access Line.
 - The statement that the CFLC “is funded by the Mental Health Services Act through BHRS.”
3. Submission of monthly flow data reports no later than five (5) business days following the end of the reporting month. Reports shall include but not be limited to:
 - a. The type of unique activities provided, and the number of sessions of each unique activity;
 - b. The number of duplicated participants for each unique activity;
 - c. The fiscal year-to-date number of duplicated participants;
 - d. The unduplicated number of new members who have signed membership agreements and are actively participating at the CFLC.

- e. The number and type of outreach and education activities, and the number of duplicated participants for each activity.
 - f. The number and type of activities occurring outside of normal business hours (8:00am-5:00pm, M-F), and the number of duplicated participants for each activity.
 - g. The number of formal volunteers and of volunteer hours.
4. Monthly submission of CFLC Member Advisory Board minutes, agendas, and sign-in sheets.
 5. Twice annual submission of Satisfaction Survey results.

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EXHIBIT B – SAMPLE AGREEMENT FOR PROFESSIONAL SERVICES

NOTE: PLEASE BE READY TO EXECUTE AN AGREEMENT SIMILAR TO THIS BY APRIL 1, 2025

Kern County Agreement No. _____

AGREEMENT FOR PROFESSIONAL SERVICES

(COUNTY OF KERN – CONTRACTOR NAME)

FY 2025 – 2026

AGREEMENT FOR PROFESSIONAL SERVICES

(COUNTY OF KERN – CONTRACTOR NAME)

(CONSUMER FAMILY LEARNING CENTER SERVICES)

THIS AGREEMENT is made and entered into on _____, by and between the County of Kern (“County”), a political subdivision of the State of California, as represented by the Behavioral Health and Recovery Services Department (“County”, “KernBHRS” or “Department”), and <<CONTRACTOR NAME>> (“Contractor”), a «LegalStatus», [whose principle place of business is] [with its principal place of business] located at <<Street Address>>, <<City>>, <<State>>, <<Zip>>.

WITNESSETH:

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 and experienced and competent to perform those services.

B. The Department requires a Consumer Family Learning Center (CFLC) located in Bakersfield, CA that provides a safe, welcoming environment for adults of diverse ethnic, racial, and social backgrounds with behavioral health lived experience, either as consumers of behavioral health services, or as family members of consumers. This Center will provide peer services that support members in identifying goals for their lives; empower members through connectedness; and show by example that people do recover.

C. County desires to engage Contractor to provide said services and Contractor, by reason of Contractor’s qualifications, experience, and facilities for doing the type of work herein contemplated, has offered to provide the required services in accordance with the terms set forth herein.

NOW, THEREFORE, IT IS AGREED between the parties hereto as follows:

1. TERM

This agreement shall commence on April 1, 2025 and shall remain in effect through June 30, 20XX, unless sooner terminated as hereinafter provided.

2. MODIFICATIONS OF AGREEMENT

Material changes to this agreement may be modified in writing only, signed by the parties in interest at the time of the modification.

3. STANDARDS OF SERVICE

A. Contractor shall provide the services and adhere to the standards of service described in **Exhibit A, “Description and Standards of Services,”** which is attached hereto and made a part hereof. Failure to comply with the standards of service shall be deemed a material breach of this agreement and may result in termination of the agreement.

B. Contractor shall comply with all applicable regulations set forth by the California Department of Health Care Services (DHCS) and any other applicable governing bodies. By this reference, those regulations are made a part of this agreement. Additionally, County requires Contractor to provide proof of adherence to specific administrative and ethical principles in order to be eligible to contract with County. These principles are included in [Exhibit B, “Additional Administrative and Ethical Requirements,”](#) which is attached hereto and made a part hereof. Failure to comply with all applicable regulations and principles shall be deemed a material breach of this agreement and may result in termination of the agreement.

C. Contractor shall not be required to provide, reimburse for, or provide coverage of, a counseling or referral service if Contractor objects to the service on moral or religious grounds. ([Section 1932\(b\)\(3\)\(B\)\(i\) of the Social Security Act, 42 Code of Federal Regulations \(“CFR”\) § 438.10\(g\)\(2\)\(ii\)\(A\)](#) and [438.102\(a\)\(2\).](#)) If there are any referrals to services or counseling that Contractor will not provide, Contractor shall inform KernBHRS prior to the execution of this agreement or at least thirty (30) days prior to the effective date during the performance of this agreement. Contractor shall provide the same information to potential beneficiaries before and during enrollment and to beneficiaries at least thirty (30) days prior to the effective date of the policy for any particular service.

4. COMPENSATION TO CONTRACTOR:

A. No funds paid to Contractor through this agreement shall be utilized to compensate employees of the Contractor for overtime or compensatory time off, except to the extent that Contractor is required to pay for overtime or compensatory time off, pursuant to the [Fair Labor Standards Act of 1938, 29 United States Code \(USC\) Section 201,](#) et seq., or applicable state law.

B. Payments to Contractor shall be made only upon KernBHRS’s receipt of a County of Kern Claim for Payment form, [Exhibit M “Claim for Payment”](#) which is attached hereto and made a part hereof. Such claim shall be submitted to KernBHRS within twenty-five (25) calendar days following the end of the month in which services are provided. Contractor’s Claim for Payment submitted beyond the twenty-five (25) day period may be accepted at KernBHRS’s sole discretion. However, such claims must be filed no later than **four (4) months** following the month that services are rendered.

C. This agreement is subject to County’s annual appropriation process. In the event that funds representing Contractor’s compensation and reimbursement for expenses of the services provided pursuant to this agreement are not appropriated within the approved County budget in any fiscal year, this agreement shall be deemed terminated and shall be of no further force or effect as of the date County’s budget is approved. County will provide Contractor with thirty (30) days’ prior notice of any such action.

D. Contractor shall be liable for and accountable to County for any and all program funds improperly expended under this agreement by Contractor or any officer, employee, agent, or representative thereof, whether or not such officer, employee, agent, or representative was acting within the scope of his or her employment. County will notify Contractor in writing of any findings supporting a determination of such improper expenditure and notify Contractor about such findings. Contractor shall reimburse County the amount of any such improper expenditure upon demand, but such demand shall be subject to the paragraph of this agreement entitled **“DISPUTE AND ISSUE RESOLUTION.”** If such amounts are unsuccessfully disputed, the Prime Interest Rate as published in the Wall Street Journal will accrue from the first (1st) business day of repayment demand.

E. No payment shall be made to Contractor if Contractor has any federal, state, or county liens outstanding. Should County discover a record of an outstanding lien, County shall immediately notify

Contractor about the lien record, immediately investigate the circumstances, and determine a course of action within thirty (30) days of discovery. The Department may consider a repayment arrangement between Contractor and the lien-maker as reasonably satisfying this agreement stipulation. Contractor shall provide to County, within fifteen (15) days of request, a copy of the repayment arrangement document(s), the name of the contact person with the lien-maker agency that can verify the repayment arrangement, and a written statement explaining what resources Contractor is using to accomplish the repayment.

F. County will periodically evaluate Contractor's program costs for the purpose of assessing the reasonableness of County's payments for services provided. Contractor will be provided reasonable notice if additional contractual and/or service delivery issues are to be reviewed. Contractor is expected to prepare necessary reports and other material to adequately explain Contractor's use of funds as specified in **Exhibit C** of this agreement. County may prescribe specific report formats and data content as deemed necessary at the sole discretion of County.

G. It is the intent of County not to make payments that exceed actual cost. Actual cost is the reasonable and necessary cost that provides a direct or indirect benefit to the specific County programs under this agreement, and which can be verified by original supporting documentation. In all instances, the cost guidelines set forth in **Exhibit E, "Cost Guidelines,"** shall apply. When payments are found to be in excess of cost, adjustments to subsequent payments shall be made such that estimated total payments for the agreement term do not exceed estimated total cost or the maximum sum set forth in **Exhibit C**, whichever is lower.

H. Monitoring and other reviews may be conducted by DHCS or other governing bodies in accordance with regulations in effect during this agreement. County will recoup payments for all claims disallowed from Contractor. Upon receiving notification of disallowed claims, County will send a demand notice to Contractor. Contractor shall reimburse County within thirty (30) days of the date of the demand notice. If disallowed claims are not paid to County within thirty (30) days of the date of the demand notice, County may exercise the option to withhold payments from Contractor until such time as payment is received in full. For all cases, County amounts withheld from Contractor shall be considered as payments to Contractor.

I. The maximum indirect cost rate allowable for this agreement is twenty percent (20%) of direct payroll and benefits. Should Contractor have significant subcontractor expense, County may include the cost of the subcontractor in the basis for the calculation of the maximum indirect rate payable. Contractor shall be reimbursed the lower of actual indirect rate or twenty percent (20%) of direct payroll and benefits.

5. PROGRAM DIRECTION, FISCAL AUDIT, INSPECTION, AND RETENTION OF RECORDS

A. County's mental health services program administrator, as defined in [Welfare and Institutions Code Section 5607](#), shall be the Director of KernBHRIS. Contractor's services pursuant to this agreement shall be provided and performed under the Director's general guidance or his/her designated representative. It shall be Contractor's responsibility to determine the specific means and methodology for accomplishing the services required under this agreement.

B. Contractor agrees to maintain and make available to County all of its premises, physical facilities, documents, contracts, computers, other electronic systems, accurate books, and records relative to all activities of the organization, including client information, information related to Medi-Cal enrollees, Medi-Cal related activities and information included in personnel records, limited to that needed for the verification of credentialing, experience, background and payroll testing. Review of the organization's

personnel files shall be subject to applicable confidentiality laws. Contractor shall maintain such data and records in an accessible location and condition for a minimum of ten (10) years after the close of the fiscal year in which services are rendered or until all audit issues are resolved, whichever is later, in accordance with [42 CFR 438.3\(h\)](#), [42 CFR 438.3\(u\)](#), and [Welfare and Institutions Code, Section 14124.1](#). The State of California and/or any federal agency having an interest in the subject of this agreement shall have the same rights conferred upon County herein.

C. KernBHRS, DHCS, Centers for Medicare/Medicaid Services (“CMS”), or the Health and Human Services (“HHS”) Inspector General may inspect, evaluate, and audit Contractor at any time if there is a reasonable possibility of fraud or similar risk. The inspection shall occur at Contractor’s place of business, premises, or physical facilities. Contractor shall make all of its books and records available, in a form maintained in accordance with general standards, applicable to such books or recordkeeping, for a term of at least ten (10) years from the close of the fiscal year in which the subcontract was in effect. Contractor will need to contact County to ensure the time period for retaining these records has been exceeded before record destruction occurs. Contractor shall inform KernBHRS of all scheduled and unscheduled audits that occur at Contractor’s place of business related to the services in this agreement and provide copies of all results and reports to KernBHRS. Additionally, Contractor shall provide all results and/or audit reports to KernBHRS.

D. Contractor shall permit County to audit, examine, and make excerpts and transcripts from such records; and to conduct audits, reviews, and monitoring of Medi-Cal and financial records; and all other data related to matters covered by this agreement. At County’s discretion, County may request that Contractor deliver by mail or electronic transmission to County, a copy of Contractor’s accounting records prior to an on-site audit by County. Failure by Contractor to allow review 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, or County may exercise the option to withhold payments from Contractor until such time as all required documents are made available. Further, as one component of Medi-Cal records review and financial monitoring, Contractor may be required, at the sole option of County, to complete a Corrective Action Plan. County may exercise the option to withhold payments from the Contractor until such time as County accepts the Corrective Action Plan.

6. FISCAL AUDIT REQUIREMENT

A. If Contractor receives any federal awards over **SEVEN HUNDRED FIFTY THOUSAND (\$750,000) DOLLARS** or grosses more than **TWO MILLION (\$2,000,000) DOLLARS** in revenues annually, then Contractor, at Contractor’s expense, is required to submit an independent audit report of its financial statements no later than nine (9) months after the close of Contractor’s fiscal year. The audit report shall be performed by a Certified Public Accountant (CPA) licensed to perform attestations in the state of California. The independent audit shall be conducted in conformity with [Public Law 98-502](#), [the Federal Single Audit Act of 1984](#), [the Single Audit Act Amendments of 1996](#), [OMB Circular A-133](#), [2 CFR Part 200](#) and [CFR 48 subpart 31.2](#), [the American Institute of Certified Public Accountants](#), and/or [Government Auditing Standards](#), as applicable.

1. If a cost report is not required, then audited financial statements are not needed.

B. [FOR NONPROFIT ORGANIZATIONS] In addition to the basic financial statements, the independent audit shall include a Statement of Functional Expenses. The Statement of Functional Expenses shall include a breakout of all Department expenses with each program identified separately. Contractor shall provide a supplemental schedule to the Statement of Functional Expenses that breaks

out all Department expenses for each program. If Contractor provides services to other County departments, then each department shall have a separate categorization. The expenses charged to County programs under the terms of this agreement as shown in Contractor's financial records must correlate with the costs claimed by Contractor in the annual cost reports.

1. The independent auditor engaged by Contractor shall be required by Contractor to prepare a description of Contractor's methods used to allocate costs to the various programs included in the Statement of Functional Expense.

2. If the complete audit report is not submitted to County by the due date, County may exercise the option to withhold payments from Contractor until the audit report has been provided.

C. Failure to submit the independent audit within the timeframe stipulated in **Paragraph 6.A.** may result in sanctions such as withholding of payments, corrective action notices, or any other actions deemed necessary to prompt and ensure contract and performance compliance.

D. The independent auditor engaged by Contractor to conduct the independent audit shall be instructed and authorized by Contractor to send a copy of the audited financial statements and the management letter to the Director of KernBHRS or his/her designee. KernBHRS will then forward reports to the Kern County Auditor Controller County Clerk's Office and to the State of California. Should the independent auditor prepare any other reports about Contractor's performance, internal control, adherence to applicable laws, rules and regulations, or any other matters, such other reports shall also be copied to the Director of KernBHRS or his/her designee.

7. COST REPORT SUBMISSION

A. Contractor shall be required to submit a **Mental Health** cost report on or before **September 30** after the close of the County fiscal year. The cost report shall be prepared in the format required by County and by the State of California. The costs reported shall be in compliance with [Public Law 98-502](#), the [Federal Single Audit Act of 1984](#), and the [Single Audit Act Amendments of 1996](#), [Office of Management and Budget \(OMB\) Circular A-133](#), [2 CFR Part 200](#) and [CFR 48 subpart 31.2](#), as applicable. Compensation for services rendered subsequent to **September 30** shall be withheld from Contractor until the cost report has been delivered. If applicable, the contractor shall work with the KernBHRS staff to properly represent any profit made from the operations of this agreement on the Mental Health cost report.

B. If Contractor fails to submit a complete annual cost report(s) and documents listed in **7.G.** by such due date, then County may, at its sole discretion, assess a late penalty of **ONE HUNDRED DOLLARS (\$100.00)** for each day that the complete annual cost report(s) is (are) not submitted. The late penalty shall be assessed separately on each outstanding annual cost report. The late penalty shall commence on the ninety second (92nd) day following either the end of the applicable fiscal year or the expiration date of this agreement, whichever comes first, and shall continue thereafter up to the one hundred eighty first (181st) day.

C. Such failure to submit a complete annual cost report(s) may result in County's withholding any further payments to Contractor under this or any other agreement at the sole discretion of County until the complete annual cost report(s) is (are) submitted.

D. In the event Contractor does not submit a complete annual cost report(s) by the one hundred eighty first (181st) day, then all amounts paid to the contractor for the agreement will be repayable to the county.

E. Should County delay providing to Contractor the necessary cost report data maintained by County, the beginning date of the late penalty will be changed, at the sole discretion of County, to extend the beginning date in order to reasonably accommodate for the delay.

F. Requests to extend the deadline of cost report submission must be made in writing to the Department's Finance Manager.

G. Contractor may use unaudited financial statements as the basis of cost information for completion of the cost report. Contractor shall forward a copy of the unaudited financial statements to County along with the completed cost report and any work papers necessary to support the amounts reported. Unaudited financial statements include, but are not limited to, trial balance and general ledger detail.

H. At County's discretion, Contractor may be required to attend cost report training before the cost report due date. County staff will provide training. The training may be a group presentation or provided on an individual basis.

8. COST REPORT SETTLEMENT

The annual cost report establishes state and federal liability to the Department for services represented in the cost report. The settlement process begins with the submission of the Department's cost report to the state, following the close of the fiscal year.

A. Definitions and Timing

1. Initial Cost Settlement: Settlement calculation which takes place after receipt of Contractor's audited financial statements, as required in "**Paragraph 6 Fiscal Audit Requirement, Subparagraph A**" of this agreement. County will compare the unaudited financial statements to audited financial statements. County will utilize the audited financial statements for settlement calculations. County will use the information in Contractor's financial records to compare with the cost report in order to accommodate for any difference in the fiscal year used by County versus Contractor's fiscal year. Upon conclusion of such review, County will issue a draft report to Contractor. Contractor shall be given thirty (30) days to respond to the draft report. County will review Contractor's response before issuing the final report. Contractor may dispute the final report by following the procedures included in the paragraph entitled in this agreement, "**DISPUTE AND ISSUE RESOLUTION.**"

2. State Reconciliation Cost Settlement: Settlement calculation takes place after the Department has received the interim settlement from the State. Approximately fifteen (15) months following the close of the fiscal year, the State issues an Interim Settlement to the Department based on approved units of service, marking the starting point at which the Department can calculate the State Reconciliation Cost Settlement which will determine the cost settlement between the Department and its providers.

3. State Audited Cost Settlement: Settlement calculation takes place after the State has audited the Department. The State Audited Cost Settlement, based on the state audits, cannot be made between the Department and Contractor until the State has completed its cost report audit of the Department and any contractors selected by the State, which typically occurs three (3) years subsequent to the Interim Settlement from the State.

4. Settlement Calculation Methodology: The calculation of the cost report settlement follows the same process that the state agencies use.

B. For Medi-Cal and Indigent/Unfunded Services:

1. The Department will reimburse Contractor's actual cost incurred in the provision of services as specified in **Exhibit A**, to the maximum extent possible, as County determines, allowing for certain constraints. The maximum amount payable is contractually limited to the total funding of all revenue sources as displayed in **Exhibit C** of this agreement.

2. Further, the maximum amount of discretionary funding payable is limited to the total discretionary funding listed in **Exhibit C**. Discretionary funding is allotted to the Department principally from state and federal sources and is annually capped. This cap has implications for Medi-Cal services. Federal Financial Participation (FFP) is unavailable if matching state or local funds are not available. Consequently, if Contractor claims actual Medi-Cal services that exceed the total match and discretionary funding available to Contractor according to **Exhibit C**, the state will recoup such excess FFP, and it will not be available to Contractor. The Department will pay for excess Medi-Cal services to the extent that discretionary funding allows. This may impact the funding that is made available for services to indigent and uninsured individuals, insofar as discretionary funding is diverted to FFP match.

C. For Categorically Funded Services: The Department will reimburse actual program costs up to the maximum allowable limits stated in **Exhibit C**.

1. Maximum reimbursement for this agreement is Contractor's actual costs, amounts listed for each funding source delineated in **Exhibit C**, as well as the agreement's total funding in the aggregate.

2. Cost settlements as defined in **Paragraph 8, sub-paragraphs A. through C.** of this agreement will be determined for each funding source specified in **Exhibit C**, which lists the maximum funds available for each funding source.

3. All payments made to Contractor during the term of this agreement are considered to be interim payments. Disregarding the total interim reimbursement, final reimbursement will be settled to the lower of actual cost, per Contractor's annual cost report, or maximum funding, per **Exhibit C**.

4. In the event that Contractor has multiple agreements with the Department, all agreements will be taken in aggregate for the purpose of County's settlement-to-cost calculations.

5. Upon completion of the cost report settlement calculations as defined in **Paragraph 8 sub-paragraphs A through C** of this agreement, if Contractor's reimbursable cost exceeds the total of all interim payments made to Contractor by Department, the remaining reimbursement owed to Contractor will be immediately paid to Contractor by Department.

6. Upon completion of the cost report settlement calculations, if the total of all interim payments made to Contractor by Department exceeds Contractor's reimbursable cost, Department will immediately begin withholding payments for contracted services, such that the entire amount due is fully repaid within no more than twelve (12) months.

7. Department will pursue resolution of any disagreement between Department and Contractor coincident with the withholding.

8. In the event the Contractor's and County's agreement terminates prior to full collection of settlement amounts due, the remaining unpaid balance will be immediately due. The Department will

pursue any and all collection efforts necessary for recoupment of settlement amounts due to Department.

9. Contractor will be notified in a timely manner of any adjustments that state auditors make to its cost report. If Contractor wishes to appeal the state audit adjustments, it must do so within the permitted time period, and in the manner permitted for such appeal as stipulated by the Department of Health Care Services. Contractor shall forward such appeal to County with sufficient time to permit County to forward such appeal to the appropriate state authorities all within the permitted time period. County shall have no liability for Contractor's failure to comply with state time frames.

9. FINANCIAL PROVISIONS

Medicare Part B services to dually eligible Medi-Cal and Medicare clients.

A. If Contractor provides any services that the KernBHRS Director determines qualify as Medicare Part B services under this agreement and which are provided to a client eligible for both Medi-Cal and Medicare, then County shall reimburse Contractor only for such services in arrears, and only to the extent of the actual federal Medicare payments made by the federal government to County for such Medicare Part B services furnished to eligible Medicare beneficiaries. Contractor must be certified to provide Medicare services.

B. Such reimbursement to Contractor shall be made only with federal Medicare funds, which are not included as a part of the Maximum Contract Amount set forth in **Exhibit C** of this agreement, which is attached hereto and made a part hereof. Such reimbursement is paid by County to Contractor solely in County's capacity as the fiscal intermediary for such Medicare Part B services.

C. Notwithstanding any other provision of this agreement, if Medicare Part B services are provided hereunder, such services shall comply with, and be compensated in accordance with, all applicable federal reimbursement requirements.

D. If Medicare Part B services are provided under this agreement, County will serve as the fiscal intermediary for claiming and reimbursement for Medicare Part B services and will act on Contractor's behalf with the federal government regarding claiming reimbursement for Medicare Part B services.

E. Contractor shall be solely liable and responsible for all data and information submitted by Contractor to County in support of all claims for Medicare Part B services submitted by County on Contractor's behalf to the federal government and for any subsequent federal approvals or denials of such claims that may be based on data and information submitted by Contractor.

F. Notwithstanding any other provision of this agreement, Contractor shall hold County harmless from any and all such federal denials and/or any and all federal audit disallowances for such Medicare Part B services.

G. Notwithstanding any other provision of this agreement, Contractor shall be totally liable and responsible for the accuracy of all data and information on all claims for Medicare Part B services which Contractor inputs into the Department's Information Technology System (ITS).

H. On Contractor's behalf, County shall submit a claim for Medicare Part B services reimbursement only for those services entered by Contractor into ITS. Contractor shall comply with all written instructions from County and/or the federal government regarding Medicare Part B services claiming and documentation.

I. County may modify the claiming system for Medicare Part B services at any time in order to comply with changes in, or interpretations of, federal laws, rules, regulations, manuals, guidelines, and directives. When reasonably possible, County shall notify Contractor in writing of any such modification and the reason for the modification thirty (30) days prior to the implementation of the modification.

10. RECOVERY FROM OTHER SOURCES OR PROVIDERS

A. Contractor shall recover the value of covered services rendered to beneficiaries whenever the beneficiaries are covered for the same services, either fully or partially, under any other state or federal medical care program or under other contractual or legal entitlement including, but not limited to, a private group or indemnification program, but excluding instances of the tort liability of a third party or casualty liability insurance.

B. The monies recovered are retained by the Contractor. However, Contractor's claims for FFP for services provided to beneficiaries under this agreement shall be reduced by the amount recovered.

C. Contractor shall maintain accurate records of monies recovered from other sources.

D. Nothing in this section supersedes Contractor's obligation to follow federal requirements for claiming FFP for services provided to beneficiaries with other coverage under this agreement.

11. FINANCIAL SOLVENCY

Contractor shall maintain adequate provisions against the risk of insolvency.

12. TAX INFORMATION REPORTING

A. Contractor shall submit its signed IRS form W-9, "Request for Taxpayer Identification Number and Certification," or Social Security Number, whichever is applicable, to facilitate appropriate fiscal management and reporting, and to ensure compensation is paid to the proper party. A new W-9 will need to be completed every five (5) years.

B. Upon County's request, Contractor shall provide County with certain documents relating to Contractor's employee income tax withholding. These documents shall include, but not be limited to:

1. A copy of Contractor's federal and state quarterly income tax withholding returns, i.e., federal form 941 and state Form DE-9 or their equivalents.

2. A copy of a receipt for or other proof of payment of, each employee's federal and state income tax withholding, whether such payments are made on a monthly or quarterly basis.

13. COMPLIANCE WITH LAW

A. Contractor 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, including, but not limited to, [CCR Title 9, Chapter 11, Section 1810.436\(a\)\(1-5\)](#) and [42 CFR § 438.230\(c\)\(2\)](#), and [42 CFR § 438.3\(d\)\(3\)\(4\)](#) which provide that:

i. Medi-Cal beneficiaries shall receive the same level of care as provided to all other clients; and

- ii. Contractor shall not, on the basis of health status or need for health care services, discriminate against individuals, including but not limited to, Medi-Cal eligible individuals who require an assessment or meet medical necessity criteria for specialty mental health services (SMHS) or substance use disorder services (SUD) and
- iii. Contractor shall not discriminate against individuals, including but not limited to Medi-Cal eligible individuals who require an assessment or meet medical necessity criteria for SMHS or SUD services on the basis of race, color, national origin, sex, sexual orientation, gender identity, or disability and will not use any policy or practice that has the effect of discriminating on the basis of race, color, or national origin, sex, sexual orientation gender identity, or disability; and
- iv. Medi-Cal beneficiaries shall not be discriminated against in any manner; and
- v. Rates charged for Medi-Cal beneficiaries shall be the same or less than rates charged to beneficiaries of other programs or private pay individuals; and
- vi. The rate paid is considered to be payment in full, subject to third party liability and beneficiary share-of-cost for the specialty mental health or substance use disorder services provided; and
- vii. Contractor shall make all records, program compliance, and beneficiary complaints available for authorized review and fiscal audit whenever requested to do so by county, state, or federal authorities; and
- viii. Contractor shall adhere to [Title XIX of the Social Security Act](#) and conform to all other applicable federal and state statutes and regulations.

14. FINANCIAL AND STATISTICAL RECORDS

A. Contractor shall maintain and preserve all fiscal records, documents, and correspondence related to this agreement for a minimum period of ten (10) years after the close of the fiscal year in which services are rendered, or ten (10) years after final payment is made (Medi-Cal or MHSA), or until all audit issues are resolved, whichever is latest.

B. Contractor shall maintain all financial, statistical, or accounting records associated with the provision of each type of service described in **Exhibit A** of this agreement, necessary to support the costs claimed pursuant to this agreement or any other federal or state reimbursement claim report forms. Moreover, Contractor shall maintain all statistical data necessary to support the allocation of such cost among programs or types of programs and/or among payers; shall maintain auditable records, in accordance with generally accepted accounting principles, reflecting the methods and calculations used to make such allocations; and shall maintain such other statistical data as shall be necessary to satisfy the requirements of state and federal law.

C. Contractor shall make any and all records, whether fiscal or other, generated pursuant to this agreement available for County's inspection. At County's discretion, County may request that Contractor deliver by mail or electronic transmission to County, a copy of Contractor's accounting records prior to an on-site audit by County. The State of California and/or federal agency having an interest in the subject of this agreement shall have the same rights conferred upon County herein.

15. MEDICAL RECORDS MANAGEMENT

A. Contractor shall retain all medical treatment records for a period of at least ten (10) years after the client is discharged. If the client is a minor, the medical treatment records shall be retained for at least one (1) year after the minor attains the age of twenty-one (21), and no less than ten (10) years following discharge. Retention and destruction of medical records are subject to the provisions of [Health & Safety Code Section 1457](#); [Title 22 CCR 75343](#), [70751](#), and [72543](#). Such medical records shall be shredded before disposal or may be disposed of in any other commercially practicable fashion, which assures the confidentiality of the clients.

B. Contractor shall obtain written approval for the destruction of the medical records from its Board of Directors. In the absence of a Board of Directors, the President or sole proprietor shall provide written approval for the medical record destruction.

C. A log shall be maintained which shall include, for each record destroyed, at least the following information on the client: name; chart number; date of birth; social security number; gender; treatment dates; and the date of destruction. The log of records destroyed shall also include the written authorization of the destruction and shall be maintained in such a format and location as to be readily available for purposes of monitoring contractual performance, as well as to provide information in response to legally authorized inquiries.

D. Contractor shall be authorized and charged with the responsibility of determining when records may be destroyed pursuant to this agreement and in compliance with applicable law.

E. Contractor shall make any and all records, whether medical or other, generated pursuant to this agreement available for inspection by County. At County's discretion, County may request that Contractor deliver by mail or electronic transmission to County, a copy of Contractor's accounting records prior to an on-site audit by County. The state of California and/or federal agency having an interest in the subject of this agreement shall have the same rights conferred upon County herein.

16. ADDITIONAL PROVISIONS

A. Books and Records - Contractor shall maintain such books and records as are necessary to disclose how Contractor discharged its obligations under this agreement. These books and records shall identify the quantity of covered services provided under this agreement, the quality of those services, the manner and amount of payment made for those services, the beneficiaries who received covered services, the manner in which Contractor administered the provision of specialty mental health services or substance use disorder services, and the cost thereof.

Such books and records shall include, but are not limited to, all physical records originated or prepared pursuant to performance under this agreement including working papers, reports submitted to the Department, financial records, all medical and treatment records, medical charts and prescription files, and other documentation pertaining to services rendered to beneficiaries.

These books and records shall be maintained for a minimum of ten (10) years after the final payment is made and all pending matters closed, or, in the event Contractor has been notified that the Department, DHCS, HHS, or the Comptroller General of the United States, or their duly authorized representatives, have commenced an audit or investigation of the agreement, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later.

Contractor shall include in any subcontract for a sum in excess of Ten Thousand Dollars (\$10,000), which utilizes state funds a provision that states: "The contracting parties shall be subject to the

examination and audit of the Department or Auditor General for a period of ten (10) years after final payment under contract ([Government Code § 8546.7](#))." Contractor shall also be subject to the examination and audit of the Department and the State Auditor General for a period of ten (10) years after final payment under contract ([Government Code § 8546.7](#)).

B. Transfer of Care - Prior to the termination or expiration of this agreement, and upon request by the Department, Contractor shall assist the state in the orderly transfer of mental health or substance use disorder care for beneficiaries in Kern County. In doing this, Contractor shall make available to the Department copies of medical records, patient files, and any other pertinent information, including information maintained by any subcontractor that is necessary for efficient case management of beneficiaries, as determined by the Department. Costs of reproduction shall be borne by the Department. In no circumstances shall a beneficiary be billed for this service.

C. Department Memos, DHCS Letters and Information Notices, and Requirements From State Contract Agreements - Contractor shall comply with all policy memos issued by the Department. Contractor shall also comply with DHCS Letters and Information Notices issued to all Mental Health Plans as defined in [California Code title 9, § 1810.226](#), County Alcohol and Drug Administrators, Substance Use Disorder ("SUD") state plans and DMC-ODS plan, as such DHCS Letters and Information Notices remain in effect unless amended, repealed, or readopted by the Department. DHCS Letters and Information Notices shall provide specific details of procedures established for performance of contract terms when procedures not covered in this agreement are determined to be necessary for performance under this agreement but are not intended to change the basis and general terms of the agreement.

1. Contractor shall permit county to audit and monitor compliance with such regulations. Contractor may be required, at the sole option of the county, to complete a Corrective Action Plan. County may exercise the option to withhold payments from the Contractor until such time as County accepts the Corrective Action Plan".

17. BENEFICIARY HANDBOOK

Contractor shall provide the KernBHRS Beneficiary Handbook to enrollees (and upon request) who are first accessing specialty mental health services or substance use disorder services. The Beneficiary Handbook may be made available in hard copy, electronically through the KernBHRS public website, or through the provider website.

18. BENEFICIARY RIGHT TO GRIEVANCE, APPEAL, AND FAIR HEARINGS

Contractor is to provide all Medi-Cal beneficiaries who access specialty mental health or substance use disorder services with information on their rights and a process to file a grievance, appeal, or expedited appeal, and a State Fair Hearing as outlined in KernBHRS Policy 10.1.3.

19. GRIEVANCES AND APPEALS

A. Contractor shall notify beneficiaries or beneficiaries' representatives of KernBHRS's grievance and appeal system which includes the grievance process and the appeal or expedited appeal processes.

B. Any grievances shall be reported as directed by the Patients' Rights Office following DHCS guidelines. Per DHCS, "Plan shall establish, implement, and maintain a grievance and appeal system to ensure the receipt, review, and resolution of grievance and appeals. The Grievance and Appeal

system shall operate in accordance with all applicable federal regulations and plan contract requirements”.

C. KernBHRS currently employs the Grievance and Appeal Web Application or (Grievance Management web application) to report and respond to any grievance and appeal. As such, contract facilities should enter any verbalized information pertaining to any grievance and appeal into the above-named application. Any grievance or appeal forms submitted by a beneficiary or beneficiaries’ representative must be sealed and mailed to the Patients’ Rights Office within one (1) business day. Any Grievances or Appeals reported verbally by a beneficiary or beneficiaries’ representative must be reported to the Patients’ Rights Office by submitting the grievance or appeal through the same portal within one (1) business day of receiving this information from the beneficiary. Contractor shall not subject a beneficiary to discrimination or any other penalty for filing a grievance, appeal, or expedited appeal.

E. Grievance and Appeal informational posters and forms shall be displayed in a central location. Inpatient facilities shall also display informational posters and forms next to the lock box.

20. NOTICE OF ADVERSE BENEFIT DETERMINATION

A. Contractor shall comply with KernBHRS policy and procedure number 10.1.9. Contractor shall provide a beneficiary with a Notice of Adverse Benefit Determination (NOABD) under the following circumstances:

- i. The denial or limited authorization of a requested service, including determinations based on the type or level of service, requirements for medical necessity, appropriateness, setting, or effectiveness of a covered benefit. ([42 CFR § 438.400\(b\)\(1\).](#))
- ii. The reduction, suspension, or termination of a previously authorized service. ([42 CFR § 438.400\(b\)\(2\).](#))
- iii. The denial, in whole or in part, of payment for a service. ([42 CFR § 438.400\(b\)\(3\).](#))
- iv. The failure to provide services in a timely manner, as defined by the Department. ([42 CFR § 438.400\(b\)\(4\).](#))
- v. The failure of the Contractor to act within the timeframes provided in [42 CFR §438.408\(b\)\(1\) and \(2\)](#) regarding the standard resolution of grievances and appeals. ([42 CFR § 438.400\(b\)\(5\).](#))
- vi. The denial of a beneficiary’s request to dispute a financial liability, including cost sharing, copayments, premiums, deductibles, coinsurance, and other beneficiary financial liabilities. ([42 CFR § 438.400\(b\)\(7\).](#))

B. Contractor shall give beneficiaries timely and adequate notice of an adverse benefit determination in writing and shall meet the language and format requirements of [42 CFR Part 438.10](#) ([42 CFR § 438.404\(a\)](#); [42 CFR § 438.10](#)) and [DHCS Information Notice 18-010E](#). The NOABD shall contain the items specified in [42 CFR Part 438.404 \(b\)](#) and [California Code of Regulations, Title 9, Section 1850.212](#).

C. When the denial or modification involves a request from a provider for continued Contractor payment authorization of a specialty mental health or DMC-ODS service or when Contractor reduces or terminates a previously approved Contractor payment authorization, notice shall be provided in

accordance with [California Code of Regulations, Title 22, Section 51014.1. \(Cal. Code Regs., tit. 9, § 1850.210\(a\)\(1\).\)](#)

D. An NOABD is not required when a denial is a non-binding verbal description to a provider of the specialty mental health services that may be approved by Contractor [\(Cal. Code Regs., tit. 9, § 1850.210\(a\)\(2\).\)](#)

E. Except as provided in Subparagraph F below, an NOABD is not required when the denial or modification is a denial or modification of a request for Contractor payment authorization for a specialty mental health or DMC-ODS service that has already been provided to the beneficiary. [\(Cal. Code Regs., tit. 9, § 1850.210\(a\)\(4\).\)](#)

F. An NOABD is required when Contractor denies or modifies a payment authorization request for a SMH or DMC-ODS service that has already been provided to the beneficiary when the denial or modification is a result of post-service, prepayment determination by the Contractor that the service was not medically necessary or otherwise was not a service covered by Contractor [\(Cal. Code Regs., tit. 9, § 1850.210\(b\).\)](#)

G. County shall deny Contractor's payment authorization request and provide the beneficiary with an NOABD when Contractor does not have sufficient information to approve or modify, or deny on the merits, a Contractor payment authorization request from a provider within the timeframes required by [Cal. Code Regs., tit. 9, §§ 1820.220 or 1830.215. \(Cal. Code Regs., tit. 9, § 1850.210\(c\).\)](#)

H. Contractor shall provide the beneficiary with an NOABD if Contractor fails to notify the affected parties of a resolution of a grievance within ninety (90) calendar days of an appeal decision within thirty (30) days, or of an expedited appeal decision within seventy-two (72) hours. If the timeframe for a grievance, appeal, or expedited appeal decision is extended pursuant to sections [1850.206, 1850.207, or 1850.208 of Title 9 of the California Code of Regulations](#) and the Contractor failed to notify the affected parties of its decision within the extension period, the Contractor shall provide the beneficiary with an NOABD. [\(42 CFR § 438.408.\)](#)

I. Contractor shall provide a beneficiary with an NOABD when Contractor determines that the medical necessity criteria in sections [1830.205\(b\)\(1\),\(b\)\(2\),\(b\)\(3\)\(C\), or 1830.210\(a\) of Title 9 of the California Code of Regulations](#) have not been met and that the beneficiary is not entitled to any specialty mental health services from Contractor. The NOABD shall, at the election of the Contractor, be hand-delivered to the beneficiary on the date of the Adverse Benefit Determination or mailed to the beneficiary in accordance with [Cal. Code Regs., tit. 9, § 1850.210\(f\)\(1\)](#), and shall specify the information contained in [Cal. Code Regs., tit. 9, § 1850.212\(b\). \(Cal. Code Regs., tit. 9, § 1850.210\(g\).\)](#)

J. For the purpose of this paragraph, each reference to a Medi-Cal managed care plan in [Cal. Code Regs., tit. 22, § 51014.1](#), shall mean the Contractor. [\(Cal. Code Regs., tit. 9, § 1850.210\(h\).\)](#)

K. For the purposes of this paragraph, "medical service," as used in [Cal. Code Regs., tit. 22, § 51014.1](#), shall mean SMH services that are subject to prior authorization by a Contractor pursuant to [Cal. Code Regs., tit. 9, §§ 1820.100 and 1830.100. \(Cal. Code Regs., tit. 9, § 1850.210\(i\).\)](#)

L. Contractor shall complete all NOABDs via the NOABD Application. The Department will engage in quarterly reviews to ensure compliance with this regulation. [Cal. Code Regs., tit. 9, § 1850.210\(j\).\)](#)

M. Contractor shall allow the State to engage in reviews of Contractor's records pertaining to an NOABD so the Department may ensure that Contractor is notifying beneficiaries in a timely manner.

21. FAIR HEARINGS

State "Fair Hearing" means the State hearing provided to beneficiaries pursuant to [Sections 50951 and 50953 of Title 22 of the California Code of Regulations](#) and [Section 1810.216.6 of Title 9 of the California Code of Regulations 1810.216.6](#):

A. If a beneficiary requests a State Fair Hearing, the Department shall grant the request. ([42 CFR § 431.220\(a\)\(5\)](#).) The right to a State Fair Hearing, how to obtain a hearing, and representation rules at a hearing must be explained to the beneficiary and provider by Contractor in its notice of decision or NOABD. ([42 CFR § 431.206\(b\)](#); [42 CFR § 431.228\(b\)](#).) Beneficiaries and providers shall also be informed of the following:

- i. A beneficiary may request a State Fair Hearing only after receiving notice that the Contractor is upholding the adverse benefit determination. ([42 CFR § 438.408\(f\)\(1\)](#).)
- ii. If Contractor fails to adhere to notice and timing requirements under § 438.408, the beneficiary is deemed to have exhausted the Contractor's appeals process, and the beneficiary may initiate a state fair hearing. ([42 CFR 438.408\(f\)\(1\)\(i\)](#); [42 CFR 438.402\(c\)\(1\)\(i\)\(A\)](#).)
- iii. The contractor may request a State Fair Hearing only if the Department permits Contractor to act as the beneficiary's authorized representative. ([42 CFR § 438.402\(c\)\(1\)\(ii\)](#).)

22. ADVANCE DIRECTIVES

For purposes of this agreement, advance directive means a written instruction, such as a living will or durable power of attorney for health care, recognized under California law, relating to the provision of health care when the individual is incapacitated. ([42 CFR § 489.100](#).)

A. Contractor shall maintain written policies and procedures on advance directives that include a description of applicable California law. ([42 CFR §§ and 438.3\(j\)\(1\)-\(3\), 422.128](#)). Any written materials prepared by Contractor for beneficiaries shall be updated to reflect changes in state laws governing advance directives as soon as possible, but no later than ninety (90) days after the effective date of the change. ([42 CFR § 438.3\(j\)\(4\)](#).)

B. Contractor shall provide adult beneficiaries with the written information on advance directives. ([42 CFR § 438.3\(j\)\(3\)](#).)

C. Contractor shall not condition the provision of care or otherwise discriminate against an individual based on whether or not the individual has executed an advance directive. ([42 CFR §§ 422.128\(b\)\(1\)\(ii\)\(F\), 438.3\(j\)](#).)

D. Contractor shall educate staff concerning its policies and procedures on advance directives. ([42 CFR §§ 422.128\(b\)\(1\)\(ii\)\(H\), 438.3\(j\)](#).)

23. NOTICES

A. All notices required or provided for in this agreement shall be provided to the parties at the following addresses, by personal delivery or deposit in the U.S. Mail, postage prepaid, registered or certified mail, addressed as specified below. Notices delivered personally shall be deemed received upon

receipt; mailed or expressed notices shall be deemed received five (5) business days after deposit. A party may change the address to which notice is to be given by giving notice as provided below.

1. To County:

Kern Behavioral Health and Recovery Services
Attn: Director
PO Box 1000
Bakersfield, CA 93302-1000

cc: Contracts Management

2. To Contractor:

Signature Person
CONTRACTOR
Street Address
City, State ZIP

B. County requires Contractor to notify County thirty (30) days prior to any change in name, legal business status, corporate address, service site address, or Contractor’s signatory power that occurs during the term of this agreement. At its option, County may choose to acknowledge a notice of these specific changes without a written amendment to the agreement.

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

24. MANDATORY MEETINGS

Contractor is required to participate in a monthly provider meeting and other meetings that the KernBHRS Administrator may call. Meetings may be held at Contractor’s site, at a County location, or through video conferencing as the KernBHRS Administrator determines. Meeting attendees must be familiar with and well-versed in the requirements of this agreement. Failure to comply with this requirement may lead to termination of the agreement.

25. CULTURAL COMPETENCE

Contractor shall comply with Cultural Competence requirements set forth by County, in accordance with [Welfare and Institutions Code Section 5600.2](#) and [CCR Title 9 Section 1810.410](#). Contractor shall participate in the Department’s efforts to promote the delivery of services in a culturally and linguistically competent manner to all enrollees, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation, or gender identity. Failure to comply with the following requirements may result in sanctions such as withholding of payments, corrective action notices, or any other actions deemed necessary to ensure contract and performance compliance (i.e., DHCS 10-02 and 10-17 and the Federal CLAS standards).

A. No later than thirty (30) days after the beginning date of the agreement, Contractor must use the provided cultural competence plan template and submit its agency’s annual cultural competence plan to the Department’s Ethnic Services Manager via the Cultural Competence email address CulturalCompetence@KernBHRS.org.

B. Contractor must submit its agency's Bilingual Quarterly Report prior to the fifteenth (15th) of the month following the close of the calendar quarter to their System of Care Administrator.

C. Contractor understands that its staff must receive at least six (6) hours of cultural competence training each year. Training that is not provided through the Department must have the pre-approval of the Department's Ethnic Services Manager. Department's Ethnic Services Manager via the Cultural Competence email address CulturalCompetence@KernBHRS.org. If Contractor has Board of Behavioral Sciences or similar authorization to provide continuing education units for training it provides, it may submit proof of such authorization to the Department's Ethnic Services Manager in lieu of obtaining training pre-approval.

D. KernBHRS will monitor Contractor's attendance of required Cultural Competence trainings through the Relias training system if Contractor utilizes this program. If Contractor does not utilize Relias, Contractor will need to develop an internal tracking mechanism to monitor their staff's attendance. This tracking system should be available for County to review at any time to ensure that these required trainings are being completed.

26. TRANSLATION AND INTERPRETATION SERVICES

A. Contractor shall make translation and interpretation services available for beneficiaries, as needed. Pursuant to [WIC Section 14029.91\(a\)\(1\)\(C\)](#), Contractor shall not require a beneficiary with limited English proficiency to provide his or her own interpreter or rely on a staff member who does not meet the qualifications described in [WIC 14029.91\(a\)\(1\)\(B\)](#).

B. Contractor shall not rely on an adult or minor child accompanying the limited-English-proficient beneficiary to interpret or facilitate communication except under the circumstances described in [WIC Section 14029.91 \(a\)\(1\)\(D\)](#).

C. Contractor shall not require a beneficiary with limited English proficiency to accept language assistance services, pursuant to [45 CFR Section 92.201](#).

D. Contractor shall notify its beneficiaries that oral interpretation is available for any language and written translation is available in prevalent languages to individuals whose primary language is not English. This may include, but is not limited to, qualified interpreters and information written in other languages.

E. Contractor shall notify its beneficiaries that auxiliary aids and services are available upon request and at no cost for beneficiaries with disabilities to help them communicate better. These aids and services may include qualified sign language interpreters and written information in other formats.

27. NON-DISCRIMINATION AND FAITHFUL PERFORMANCE

A. The parties mutually agree to abide by all federal, state, and local laws including, but not limited to, all laws respecting employment discrimination. Each party further agrees to fully and faithfully perform all covenants and portions of this agreement, and to take no action that may be inimical to the other party's faithful performance hereof.

B. Contractor shall provide services that incorporate the racial and ethnic values and beliefs of the client and shall deliver such services in a manner which meets the needs of the client and their families' lifestyles whenever possible.

C. Contractor shall have in place written policies regarding nondiscrimination on the basis of race, color, creed, etc., and shall include nondiscrimination and compliance provisions in all subcontracts. Contractor and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from discrimination and harassment.

28. EMERGENCY AND DISASTER PREPARATION AND RESPONSE

A. Contractor shall develop and maintain an emergency response plan specific to each service delivery site. Plans shall be updated annually and submitted to the KernBHRS Director or his or her designee within sixty (60) days of the execution of this agreement. Contractor shall provide, at each service delivery site, annual training to its employees regarding the provisions of Contractor's plan. Failure to develop an emergency response plan, and train staff on the provisions of the plan, may result in sanctions such as withholding of payments, corrective action notices, or any other actions deemed necessary to prompt and ensure contract and performance compliance.

B. Upon request, Contractor shall expeditiously provide any additional information necessary to aid the County in planning to serve clients prior to an imminent man-made or natural disaster.

C. In the event of a declared local, state, or federal disaster, and while providing requested disaster behavioral health services, Contractor shall complete all necessary documentation required to support County's reimbursement claims.

29. PUBLIC ANNOUNCEMENTS AND LITERATURE

A. In public announcements and literature distributed by Contractor for the purpose of apprising clients and the general public of the nature of its treatment services, Contractor shall clearly indicate that the County of Kern funds the services that Contractor provides under this agreement.

B. Contractor shall provide all written materials for potential beneficiaries and beneficiaries in a font size no smaller than twelve (12) point. ([42 CFR 438.10\(d\)\(6\)\(ii\).](#))

C. Contractor shall ensure its written materials are available in alternative formats, including large print, upon request of the potential beneficiary or beneficiary at no cost. Large print means printed in a font size no smaller than eighteen (18) point. ([42 CFR § 438.10\(d\)\(3\)](#))

D. Contractor shall make its written materials that are critical to obtaining services, including, at a minimum, provider directories, beneficiary handbooks, appeal and grievance notices, denial and termination notices, and Contractor's mental health and/or substance use education materials, available in the prevalent non-English languages in the county. ([42 CFR § 438.10\(d\)\(3\).](#))

E. Contractor shall include language taglines in the top sixteen (16) non-English languages in the state, as well as large print, explaining the availability of written translation or oral interpretation to understand the information provided. ([42 CFR § 438.10\(d\)\(2\).](#))

F. Contractor shall include language taglines in the top sixteen (16) non-English languages in the state, as well as large print, explaining the availability of the toll-free and Teletypewriter Telephone/Text Telephone (TTY/TDY) telephone number of Contractor's member/customer service unit. ([42 CFR § 438.10\(d\)\(3\).](#))

G. Contractor shall notify beneficiaries that written translation is available in prevalent non-English languages free of cost and shall notify beneficiaries how to access those materials. ([42 C.F.R. § 438.10\(d\)\(5\)\(i\), \(iii\)](#); [Cal. Code Regs., Title. 9, § 1810.410\(e\)\(4\).](#))

H. Contractor shall make auxiliary aids and services available upon request and free of charge to each beneficiary. (Contractor shall also notify beneficiaries of how to access these services. ([42 CFR § 438.10\(d\)\(5\)\(ii\)-\(iii\).](#)) [42 CFR § 438.10\(d\)\(3\)-\(4\).](#)) Contractor shall also notify beneficiaries of how to access these services. ([42 CFR § 438.10\(d\)\(5\)\(ii\)-\(iii\).](#))

I. Contractor shall make oral interpretation and auxiliary aids, such as TTY/TDY and American Sign Language (ASL), available and free of charge for any language. ([42 CFR § 438.10\(d\)\(2\), \(4\)-\(5\).](#)) Contractor shall notify beneficiaries that the service is available and of how to access those services. ([42 CFR § 438.10\(d\)\(5\)\(i\), \(iii\).](#))

30. NETWORK ADEQUACY CERTIFICATION

A. Contractor shall ensure that all services covered under this agreement are available and accessible to beneficiaries in a manner that complies with KernBHRS policy and procedure 5.1.12, Timeliness of Access to Services, [42 CFR 438.68](#), and [Welfare and Institutions Code \(WIC\) Section 14197 Services](#) will be available to Medi-Cal beneficiaries that are no less than the hours of operation during which the contractor offers services to non-Medi-Cal beneficiaries. If Contractor serves only Medi-Cal beneficiaries, Contractor shall ensure hours of operation are consistent with the needs of the beneficiaries in the geographic area. Contractor shall provide evidence that they are able to stay in compliance with these standards within the prescribed time frame.

B. Contractor shall submit to the KernBHRS Quality Improvement Division (“QID”) Administrator or designee all requested information necessary to certify the adequacy of the network. Contractor shall enter the needed information into the Network Adequacy Certification Tool (NACT) within the specified time frames. Information may include, but is not limited to, the names of individual rendering providers, caseload size, bilingual certification, and specialized training of rendering providers. The information should be accurate and complete and will be published in the Provider Directory. This information shall be provided to the Quality Improvement Division (QID) Administrator or their designee when any changes occur and shall be reviewed and certified on a monthly basis. The monthly review will ensure the accuracy of previously submitted information even if no changes have occurred during the month. In addition, the information will be submitted to the Department of Healthcare Services as evidence of network capacity and availability.

31. NATIONAL PROVIDER IDENTIFICATION

Contractor shall comply with the National Provider Identification (NPI) system and will provide the Department with the NPI numbers for all staff providing direct health care or clinical services.

Contractor shall comply with all guidelines and requirements set forth in [Exhibit I, “Program Integrity Requirements,”](#) attached hereto.

32. ACCREDITATION

Contractor shall inform KernBHRS if it has been accredited by a private independent accrediting entity. Contractor shall authorize the accrediting agency to provide KernBHRS with a copy of its most recent accreditation review, including: the accreditation status, survey type, and level, review results including recommended actions or improvements, corrective action plans, summaries of findings, and the

accreditation expiration date. Contractor shall submit the information to the System of Care Administrator and the QID Administrator at the time of accreditation, and every new accreditation period thereafter.

33. CREDENTIALING

County and/or its delegated third-party vendor, shall establish and conduct a provider Credentialing Program for credentialing and re-credentialing of contractor and sub-contractors. Contractor has two (2) options to satisfy the Credentialing and Re-Credentialing requirements listed in [Exhibit K, “Credentialing and Re-Credentialing Requirements,”](#) of this agreement. The options are as follows:

Option 1:

Contractor shall complete the Credentialing and Re-Credentialing process for all employees that are licensed, waived, or registered mental health providers and licensed, registered, or certified Alcohol or Other Drug Counselors at the time of hire and during the increments outlined in **Exhibit K**. County will audit these efforts annually to ensure compliance with this requirement. Non-adherence to the Credentialing and Re-Credentialing requirements will result in County issuing a plan of correction to Contractor to address this issue immediately. Serial plans of corrections in this area will result in Contractor no longer having the ability to Credential or Re-Credential their own staff and this task will be then managed by County. Contractors will need to complete an attestation indicating that all new hires have been credentialed before services completed by that employee can be entered into the EHR.

Option 2:

KernBHRS will complete the Credentialing and Re-Credentialing for Contractor. In order for County to complete this task, Contractor shall provide the necessary information for all employees that are licensed, waived, or registered mental health providers and licensed, registered, or certified Alcohol or Other Drug Counselors at the time of hire and during the increments outlined in **Exhibit K**.

Regardless of the option chosen by Contractor, any employees who are licensed, waived, or registered mental health providers and licensed, registered, or certified Alcohol or Other Drug Counselors who are not credentialed will not be allowed to provide Medi-Cal reimbursable services nor participate in the plan’s provider network.

34. EXCLUSION REPORTING

Contractor shall not knowingly have a relationship with any individual or entity who is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in any of such programs by any federal agency or by any department, agency, or political subdivision of the state.

Contractor shall comply with all guidelines and requirements set forth in [Exhibit I “Program Integrity Requirements,”](#) pertaining to exclusion reporting.

35. SERVICE VERIFICATION

Contractor shall comply with the requirements pertaining to services verification contained in [Exhibit I, “Program Integrity Requirements,”](#) attached herein.

36. REPORTING UNUSUAL OCCURRENCES

A. Contractor shall comply with KernBHRS policy 11.1.1, Unusual Occurrence Reporting (UOR). Contractor shall utilize the Unusual Occurrence Reporting application referenced in KernBHRS policy 11.1.1. No other variations of reporting will be accepted.

An unusual occurrence is any event or situation that has occurred at a service site or in the field that may have caused, or has the potential to cause, physical or psychological harm to clients who are receiving services from KernBHRS or contracted providers. This definition also applies to visitors (i.e., individuals who are not directly receiving behavioral health services). An unusual occurrence that takes place in any type of work capacity must be reported.

In addition, an Unusual Occurrence report is required when:

1. A client may have injured a staff member, another client, or visitor;
2. A client makes a serious threat to harm another person;
3. There is a suspected violation of professional licensure and/or ethics.
4. There is an unauthorized/inappropriate release of PHI, PI, and/or PII; and/or
5. There is the possibility of threat or legal action and/or negative media attention for the department.

B. Principles: Unusual occurrences shall include but not be limited to:

1. Death other than by suicide;
2. Death by suspected or known suicide;
3. Suicide attempt requiring Emergency Medical Treatment (EMT);
4. Suicide threat with intent or plan;
5. Tarasoff Report, i.e., client makes a threat to harm another person;
6. Aggressive/Threatening or destructive behaviors;
7. Intentional injury (not suicide attempt) requiring EMT;
8. Seclusion, restraint, or emergency manual/chemical containment;
9. Client or visitor in possession of a weapon at the treatment site;
10. Client unintentionally injured another client or visitor at a KernBHRS site or work-related site;
11. Client injured in a vehicular accident during treatment activities;
12. Slip, trips, falls, non-serious accidents not requiring immediate medical attention;
13. Natural disaster, environmental hazard or biohazard exposure while at treatment site;

14. Medication prescription and/or administration errors;
15. Medical health incident requiring immediate/urgent medical attention;
15. Client exposed to communicable disease while at treatment site;
16. Client exposed to infections (BBP, OPIM) while at treatment site;
17. Allegations of neglect, verbal, physical, sexual assault of client/visitor as reported;
18. Client/visitor is a victim of physical, sexual or verbal assault as observed / witnessed by staff;
19. Client/visitor is a perpetrator of physical, sexual, or verbal assault as observed / witnessed by staff;
20. Unauthorized/inappropriate access, use, disclosure or storage of PHI, PI, and/or PII;
21. PHI, PI, and/or PII compromised due to inadequate security measures or theft;
22. Allegations of unethical relationships, behaviors, or other unprofessional conduct or licensure violation by staff;
23. Observation and/or information regarding questionable or inappropriate staff behavior related to client or visitor's care;
24. Possibility or threat of legal action and/or negative media attention;
25. Client at PEC longer than 23:59 hours;
26. AWOL from facility, elopement, or wandering;
27. Unauthorized use and/or possession of legal or illegal substances; and
28. Allegations of client/visitor's property loss as reported.

C. County retains the right to independently investigate unusual occurrences with the cooperation of Contractor.

37. CONFLICT OF INTEREST

A. Contractor shall comply with the conflict of interest safeguards described in [42 CFR Part 438.58](#) and the prohibitions described in Section 1902(a)(4)(C) of the Act. ([42 CFR § 438.3\(f\)\(2\).](#))

B. Contractor's officers and employees shall not have a financial interest in this agreement, or a subcontract of this agreement made by them in their official capacity, or by anybody or board of which they are members unless the interest is remote. ([Gov. Code §§ 1090, 1091; 42 CFR § 438.3\(f\)\(2\).](#))

C. Contractor shall not utilize in the performance of this agreement any state or county officer or employee in the state or county civil service or other appointed state or county official unless the employment, activity, or enterprise is required as a condition of the officer or employee's regular state or county employment. ([Pub. Con. Code § 10410; 42 CFR § 438.3\(f\)\(2\).](#)) Contractor shall submit

documentation to KernBHRS of employees (current and former state and county employees) who may present a conflict of interest.

D. The parties to this agreement have read and are aware of the provisions of [Section 1090, et seq.](#), and [Section 87100, et seq.](#), of the Government Code relating to conflict of interest of public officers and employees. Contractor agrees that it is unaware of any financial or economic interest of any public officer or employee of County relating to this agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this agreement, County may immediately terminate this agreement by giving written notice thereof. Contractor shall comply with the requirements of [Government Code Section 87100, et seq.](#), during the term of this agreement.

38. DISCLOSURE OF OWNERSHIP AND CONTROL INTEREST STATEMENT

Contractor shall comply with the requirements pertaining to the Disclosure of Ownership and Control Interest Statement contained in [Exhibit I, "Program Integrity Requirements,"](#) and submit to County the "[Disclosure of Ownership and Control Interest Statement,](#)" included herein as [Exhibit J.](#)

39. TECHNOLOGY REQUIREMENTS

A. Contractor shall make reports as required by Director, Director's designee, or state regarding Contractor's activities and operations as they relate to Contractor's performance under this agreement as specified in their Exhibit A.

1. Based on programmatic requirements, as specified in Exhibit A, Contractor shall enter information into the KernBHRS electronic health record.
2. Contractor shall provide any billing services, which are not part of the entry of clinical documentation using direct data entry as specified in Exhibit A.
3. Contractor's staff shall be trained by the Department in the operation, procedures, policies, and all related uses of the KernBHRS electronic health record. In exceptional circumstances, the KernBHRS Administrator may authorize or direct Contractor to provide some or all elements of KernBHRS electronic health record training internally. The Technology Services Manager, or designee, must approve any requests for a contractor to provide any KernBHRS electronic health record training. Staff who have not been trained will not be provided with a username and will not have access to the KernBHRS electronic health record system.
4. Prior to the training, Contractor's staff are to show proof of current Information Privacy and Information Security training completion. Staff who do not provide proof of current Information Privacy and Information Security training will be trained on use of the KernBHRS electronic health record but will not be provided with their username until Information Privacy and Information Security training is completed and verification submitted. The Director, or Director's designee, shall endeavor to provide as much advance notice as possible of required data or other information to be reported, but in no event shall such notice be less than fifteen (15) working days.
5. Contractor's staff who are required to be credentialed will not receive their user identification login for the **KernBHRS electronic health record** until KernBHRS receives the appropriate attestation from Contractor that all credentialing elements have been completed for each staff person. This attestation should be sent to Credentialing@kernbhhs.org. KernBHRS Credentialing team will submit this form for all of Contractor's staff for whom KernBHRS completes the credentialing process.

6. Withholding of Payments for Non-submission of ITS and Other Information:

County may withhold a maximum of ten percent (10%) of any monthly claim for payment, if any data, periodic evaluation data, as described herein, or other information is not submitted by Contractor to KernBHRS within the time limits of submission as prescribed in this agreement or as specified by the Director, or Director's designee, from time to time; or if any ITS data, periodic evaluation data, or other information is incomplete, incorrect, or is not completed in accordance with the requirements of this agreement or as specified by the Director, or Director's designee. The Director or Director's designee shall endeavor to provide as much advance notice of required data as possible, but in no event shall such notice be less than fifteen (15) working days.

40. HIPAA/HITECH COMPLIANCE

E. Contractor is a Business Associate under the federal [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.

F. Contractor agrees to execute a "[Business Associate Addendum](#)" with County to supplement this agreement, which is attached as [Exhibit F](#), and incorporated herein by reference.

G. Contractor represents that it has in place policies and procedures that will adequately safeguard any PHI it receives or creates, and Contractor specifically agrees, on behalf of itself, its 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. Policies must address the confidentiality, integrity, and availability of all PHI and electronic Protected Health Information (ePHI) that is created, received, maintained or transmitted; identify and protect against reasonably anticipated threats to the security or integrity of PHI and ePHI; protect against reasonably anticipated, impermissible uses and disclosures; and ensure compliance by workforce members.

I. Where applicable, Contractor agrees to implement appropriate safeguards and maintain individually identifiable patient health information ("Protected Health Information or "PHI," including electronic PHI) as required by HIPAA.

J. Contractor agrees to submit to County a current copy of their HIPAA Security Rule Annual Risk Assessment upon request.

K. Contractor shall use and disclose only the minimum necessary PHI.

L. Contractor may use and disclose PHI only as permitted under HIPAA for legal, management, and administrative purposes in connection with treatment, payment, and healthcare operations or as required by law.

M. Contractor shall require third parties to whom it may disclose PHI to agree in writing to similar restrictions and to comply with HIPAA.

N. Contractor shall track disclosures of PHI as required under HIPAA, to include the nature of the information disclosed, the date of the disclosure, to whom the information was disclosed, address of

the recipient, if known, and the purpose of the disclosure and provide County with an accounting of such disclosures promptly upon request.

O. Contractor shall notify County of disclosures of PHI in violation of HIPAA and this agreement and take steps to mitigate, to the extent practicable, deleterious effects of improper use of PHI within twenty - four (24) hours.

P. Contractor shall promptly make PHI available to County and clients upon request.

Q. Contractor shall permit clients to request amendment to or correction of PHI, amend and/or correct PHI as appropriate when so requested, notify County of requests for correction and amendments to PHI by clients, and incorporate into PHI amendments and/or corrections made to PHI by County as directed by County.

R. Contractor acknowledges that PHI received from County shall remain County's property and that within ten (10) business days of County's request or upon termination of this agreement, said PHI shall be returned to County or be destroyed, if County so directs.

S. If such return or destruction is infeasible, Contractor shall use such PHI only for purposes that make such return or destruction infeasible, and the provisions of this agreement shall survive termination of the agreement with respect to such PHI. Contractor has established internal policies and procedures regarding HIPAA compliance, privacy, and security and agrees to make such policies and procedures available to County upon request.

T. Contractor will share/exchange PHI with the Department for treatment and referral purposes, even if the "patient" has not signed an authorization to release or exchange information. Federal and state privacy laws allow doctors, nurses, hospitals, laboratory technicians, and other health care providers to disclose PHI for treatment/referral purposes without the patient's authorization. This includes sharing the information to consult with other providers and in situations in which the patient is receiving involuntary services.

U. Contractor agrees to comply with the terms set forth in [Exhibit G "Privacy and Information Security Provisions,"](#) This Exhibit contains language from the Department of Health Care Services Performance contract, which discusses controls for public, confidential, sensitive, and personal information.

V. Contractor shall agree to comply with the terms set forth in [Exhibit I, "Program Integrity Requirements,"](#) This Exhibit contains language from the Department of Health Care Services Performance contract, which addresses the Compliance conditions for receiving payment under a Medi-Cal managed care program.

42. CONFIDENTIALITY

A. Contractor, in accordance with [Title 45, CFR Regulations, Part 96, Section 96.132\(e\)](#), shall have in effect a system to protect from inappropriate disclosure of patient records maintained by Contractor, in connection with an activity funded under the program involved or by any entity, and such system shall be in compliance with all applicable state and federal laws and regulations, including [42 CFR Part 2, Substance Use Disorder and Treatment records](#). This system shall include provisions for employee education on the confidentiality requirements and the fact that disciplinary action may occur upon inappropriate disclosures.

B. Contractor shall not, without the written consent of the Department, 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 it protects its own confidential information, unless such disclosure is required in response to a validly issued subpoena or other process of law. The provisions of this paragraph shall survive the termination of this agreement.

C. Contractor, in accordance with [California Welfare and Institutions Code section 5328](#), shall have in effect a system to protect from inappropriate access to, or disclosure of PHI. If a provision of state law relating to the privacy of individually identifiable health information is more stringent than a HIPAA standard, the state law preempts HIPAA federal regulations ([45 CFR § 160.203\(b\)](#)).

43. INDEMNIFICATION

Contractor agrees to indemnify, defend, and hold harmless County and County'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, cost, and expense (including, but not limited to, reasonable attorneys' fees of County Counsel and counsel retained by county, expert fees, costs of staff time, and investigation costs) of whatever kind or nature, that arise out of or are in any way connected with any act or omission of Contractor or Contractor's officers, agents, employees, independent contractors, subcontractors of any tier, or authorized representatives. Without limiting the generality of the foregoing, the same shall include bodily and personal injury or death to any person or persons; damage to any property, regardless of where located, including the property of County; and any workers' compensation claim, or suit arising from or connected with any services performed pursuant to this agreement on behalf of Contractor by any person or entity.

44. IMMIGRATION REFORM AND CONTROL ACT

Contractor, and all subcontractors hired by Contractor to perform services under this agreement, are aware of and understand [the Immigration Reform and Control Act \("IRCA"\) of 1986, Public Law 99-603](#). Contractor is and shall remain in compliance with IRCA and shall ensure that any subcontractors hired by Contractor to perform services under this agreement are in compliance with IRCA. In addition, Contractor agrees to indemnify, defend, and hold harmless County, its agents, officers, and employees, from any liability, damages, or causes of action arising out of or relating to any claims that Contractor's employees, or the employees of any subcontractor hired by Contractor, are not authorized to work in the United States for Contractor or its subcontractor and/or any other claims based upon alleged IRCA violations committed by Contractor or Contractor's subcontractor(s).

45. 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 Department's Contracts Division. 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.

Contractor shall promptly deliver to the Department's Contracts Division certificates 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 Department's Contracts Division 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 Requirements:

In the event Contractor has employees or volunteers 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 subcontractors to provide workers' compensation for all of the subcontractors' employees, unless the subcontractors' 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 subcontractor 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:

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**.

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 DOLLARS (\$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 DOLLARS (\$1,000,000) per occurrence and THREE MILLION DOLLARS (\$3,000,000)** aggregate.

The Commercial General Liability insurance required in this sub-paragraph B shall include an endorsement naming 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 Insurance Services Office (ISO) form Commercial General (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.

C. Any self-insured retentions in excess of **ONE HUNDRED THOUSAND DOLLARS (\$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.

D. 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 (3) 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 (3) years following the termination of this agreement; or (iii) acquire a full prior acts provision on any renewal or replacement policy.

E. 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 must be endorsed to provide that the coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after ten (10) days written notice in the case of non-payment of premiums, or thirty (30) days written notice in all other cases. Such notice shall be by certified mail, return receipt requested. 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.

F. All insurance shall be issued by a company or companies admitted to do business in the State of 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's Risk Manager.

G. 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. County will not accept such coverage unless 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.

H. All insurance afforded by Contractor pursuant to this agreement shall be primary to and not contributing to all insurance or self-insurance maintained by 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.

I. 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 County from taking such other actions as are available to it under any other provision of this agreement or otherwise in law.

J. 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 is 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.

46. SUBROGATION

In the event a beneficiary is injured by the act or omission of a third party, or has a potential or existing claim for a workers' compensation award, or a claim/recovery through uninsured motorist coverage, the right to pursue subrogation and the receipt of payments shall be as follows:

A. Contractor may submit to the Department claims for Medi-Cal covered services rendered, but Contractor shall not make claims to or attempt to recoup the value of these services from the above-referenced entities.

B. Contractor shall notify the Department within ten (10) days of discovery of all cases that could reasonably result in recovery by the beneficiary of funds from a third-party, third-party insurance carrier, workers' compensation award, and/or uninsured motorist coverage.

47. REPRESENTATIONS

Contractor makes the following representations, which are agreed to be material to and form a part of the inducement of this agreement:

A. Contractor has the expertise, training, and experience necessary to provide the services described in this agreement; and

B. Contractor does not have any actual or potential interest adverse to County nor does Contractor represent a person or firm with an interest adverse to County with reference to the subject of this agreement; and

C. Contractor is willing and able to diligently provide all required services in a timely and professional manner in accordance with the terms and conditions stated in this agreement; and

D. Contractor shall provide a beneficiary's choice of the person providing services to the extent feasible in accordance with [California Code of Regulations, Title 9, Section 1830.225](#) and [42 CFR Part 438.3\(l\)](#).

48. POLITICAL-RELIGIOUS ACTIVITY

A. No person performing any service or providing any goods designated under this Contract 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.

B. Notwithstanding the foregoing, nothing in this Contract 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 Contract.

49. NON-ASSIGNMENT AND SUBCONTRACTING

A. Contractor shall not assign, sublet, or transfer this agreement, or any part hereof, nor assign any monies due or that become due to Contractor under this agreement, without the prior written or electronic and express approval of County.

B. Functions undertaken by Contractor may be carried out under subcontracts only upon obtaining the prior written approval of County. All such subcontracts shall be in writing and shall abide by such federal, state, and local laws and regulations that pertain to this agreement. No subcontract shall terminate or lessen the legal responsibility of Contractor to County to ensure that all activities under this agreement will be carried out.

C. This section is applicable to only those subcontracts entered into by Contractor, the purpose of which is to provide services required under this agreement, and not to any other contracted services obtained by Contractor.

D. Individuals subcontracted to work within contracted programs, who are working under programmatic supervision of Contractor, may be subject to the pre-approval requirement, as determined by County.

E. Subcontracting requirements contained in the agreement between the California Department of Health Care Services (DHCS) and County of Kern specify the following:

1. No subcontract terminates the legal responsibility of County to the state to ensure all activities under this contract are carried out.

2. All inpatient subcontracts shall require that subcontractors maintain necessary licensing and certification.

3. No person performing any service or providing any goods designated under this Contract 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 Contract 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 Contract

4. Each subcontract shall contain:

a. Full disclosure of the method and amount of compensation or other consideration to be received by the subcontractor from County.

- b. Specification of the services to be provided.
- c. Specification that the subcontract shall be governed by County and construed in accordance with all laws and regulations and all contractual obligations of County to the state DHCS.
- d. Specification of the term of the subcontract including the beginning and ending dates, as well as methods for amendment, termination and, if applicable, extension of the subcontract. The subcontract must be subject to full or partial termination if Contractor's performance is inadequate.
- e. Contractor's agreement to make all of its books and records, contracts, computer or other electronic systems of the subcontractor, or of the subcontractor's Contractor pertaining to the goods and services furnished or determination of amounts payable under the terms of the subcontract available for inspection, examination, evaluation, or copying by the Department, DHCS, United States Department of Health and Human Services (HHS), the Comptroller General of the United States, and other authorized federal and state agencies, or their duly authorized representatives.
- f. The subcontract shall also state that inspection shall occur at all reasonable times, at Contractor's place of business, or at such other mutually agreeable location in California, in a form maintained in accordance with the general standards applicable to such book or record keeping, for a term of at least ten (10) years from the close of the state fiscal year in which the subcontract was in effect or from the date of completion or any audit, whichever is later. If the Department, DHCS, HHS, or the Comptroller General of the United States determines that there is a reasonable possibility of fraud or similar risk, they may inspect, evaluate, and audit the subcontractor at any time.
- g. Contractor's agreement that assignment or delegation of the subcontract shall be void unless prior written approval is obtained from County.
- h. Contractor's agreement to hold harmless both the state and beneficiaries in the event the County cannot or does not pay for services performed by the subcontractor pursuant to the subcontract.
- i. Contractor's agreement to comply with County's policies and procedures on advance directives and County's obligations for Physician Incentive Plans, if applicable based on the services provided under the subcontract.
- j. A requirement that County monitors Contractor and Contractor's obligation to provide a corrective action plan if deficiencies are identified.

50. 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 Contractor. Nothing contained in this agreement shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of County and Contractor that any such person or entity, other than County or Contractor, receiving services or benefits under this agreement shall be deemed an incidental beneficiary only.

51. AUTHORITY TO BIND COUNTY

It is understood that Contractor, in Contractor's performance of any and all duties under this agreement, except as otherwise provided in this agreement, has no authority to bind County to any agreements or undertakings.

52. DISPUTE AND ISSUE RESOLUTION

A. Should a dispute occur concerning Contractor's performance or Contractor's interpretation of specific terms of this agreement, including, but not limited to, the validity of overpayment demands and proposed budget modifications, Contractor shall notify the KernBHRS Administrator of this issue within sixty (60) days of its occurrence. Such notification shall include specific identification of the issue(s) under dispute, Contractor's factual basis for the issue, Contractor's proposed solutions, and the documentary support for the solutions.

B. The KernBHRS Administrator shall have fifteen (15) workdays from receipt of the notification to render a decision on the dispute. The KernBHRS Administrator may convene a conference between County and Contractor as part of the decision-making process. The KernBHRS Administrator and Contractor may agree to extend the time period for a decision by the execution of a written memorandum, signed by the parties, specifying the new time period. The decision made by the KernBHRS Administrator shall be in writing and shall contain sufficient factual data and documentary evidence to reasonably explain the decision.

C. If Contractor disputes the decision made by the KernBHRS Administrator, Contractor may request that the Director of KernBHRS, or the Director's designee, review the decision. Such request shall be in writing and received by the Director, or the Director's designee, within five (5) workdays of the date of the KernBHRS Administrator's decision. Such request shall include identification of the items under dispute, Contractor's proposed solutions in summary form, the date of the KernBHRS Administrator's decision and any additional information Contractor deems necessary in support of its position. The Director, or the Director's designee, shall have fifteen (15) workdays from the date of receipt of Contractor's request to render a final administrative decision. The Director, or the Director's designee, may convene a conference between County and Contractor as a part of the decision-making process. The decision of the Director, or the Director's designee, shall be the final administrative decision. Nothing in this agreement prevents Contractor from seeking judicial review of such a final administrative decision.

D. Pending conclusion of any dispute, the interpretation placed upon the agreement by County will govern operation hereunder, and Contractor shall proceed diligently with the performance of the agreement, except that Contractor may terminate this agreement in the manner set forth herein.

E. Contractor Appeal Process

Contractor may appeal a denied or modified request for County payment authorization or a dispute with County concerning the processing or payment of a provider's claim to county.

1. The written appeal shall be submitted to County within ninety (90) calendar days of the date of receipt of the non-approval of payment or within ninety (90) calendar days of County's failure to act on the request in accordance with time frames required by the [California Code of Regulations, Title 9, "Provider Appeal Process."](#)

2. County has sixty (60) calendar days from its receipt of the appeal to inform Contractor in writing of the decision, including a statement of the reasons for the decision that addresses each issue raised by Contractor, and any action required by Contractor to implement the decision.

3. If the appeal is not granted in full, Contractor shall be notified of any right to submit an appeal to the state as required by the [California Code of Regulations, Title 9](#).
4. If applicable, Contractor shall submit a revised request for County payment authorization within thirty (30) calendar days from receipt of County's decision.
5. If applicable, County shall have fourteen (14) calendar days from the date of receipt of Contractor's revised request for County payment authorization to submit the documentation to the Medi-Cal fiscal intermediary that is required to process County's payment authorization.
6. If County does not respond within sixty (60) calendar days to the appeal, the appeal shall be considered denied in full by the Mental Health Plan (MHP) and DMC ODS.

53. CHOICE OF LAW AND VENUE

The parties hereto agree that the provisions of this agreement will be construed pursuant to the laws of the state of California. This agreement has been entered into and is to be performed in the County of Kern. Accordingly, the parties agree that the venue of any action relating to this agreement shall be in the County of Kern.

54. NON-WAIVER

No covenant or condition of this agreement can be waived except by the written consent of County. Forbearance or indulgence by County in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by Contractor. County shall be entitled to invoke any remedy available to County under this agreement or by law or in equity despite said forbearance or indulgence.

55. ENFORCEMENT OF REMEDIES

No right or remedy herein conferred upon or reserved to County is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder, now or hereafter existing by law or in equity or by statute or otherwise and may be enforced concurrently or from time to time.

56. CAPTIONS AND INTERPRETATION

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

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

57. TIME OF ESSENCE

Time is hereby expressly declared to be of the essence of this agreement 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 agreement.

58. COUNTERPARTS

This agreement 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 instruments.

59. NON-COLLUSION COVENANT

Contractor 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 agreement with County. Contractor has not received from County any incentive or special payments, or considerations not related to the provision of services under this agreement.

60. ENTIRE 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 agreement. No oral promise, modification, change, or inducement shall be effective or given any force or effect.

61. NEGATION OF PARTNERSHIP

In the performance of all services under this agreement, Contractor shall be, and acknowledges that Contractor is, in fact and law, an independent contractor and not an agent or employee of County. Contractor has and retains the right to exercise full supervision and control of the manner and methods of providing services to County under this agreement. Contractor retains full supervision and control over the employment, direction, compensation, and discharge of all persons assisting Contractor in the provision of services under this agreement. With respect to Contractor's employees, if any, Contractor 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 employee taxes, whether federal, state, or local, and compliance with any and all other laws regulating employment.

62. SEVERABILITY

Should any part, term, portion, or provision of this agreement be decided finally to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement that the parties intended to enter into in the first instance.

63. TERMINATION

Either party may terminate this agreement in whole, with or without cause, upon thirty (30) days' prior written notice to the other party. In the event of termination of this agreement for any reason, County shall have no further obligation to pay for any services rendered or expenses incurred by Contractor after the effective date of the termination, and Contractor shall be entitled to receive compensation for services satisfactorily rendered, calculated on a prorated basis up to the effective date of termination. Should DHCS or any other oversight agency or KernBHRS determine that the delivery of service is unsatisfactory, KernBHRS may terminate the agreement in part or in whole.

64. IMMEDIATE TERMINATION

Notwithstanding the foregoing, County shall have the right to terminate this agreement effective immediately after giving written notice to Contractor in the event County determines that Contractor does not have the proper credentials, experience, or skill to perform the required services under this agreement; or in the event that continuation by Contractor in the providing of services may result **(i)** in civil, criminal, or monetary penalties against County, **(ii)** in the breach of any federal or state or regulatory rule or regulation or condition of accreditation or certification, or **(iii)** in the loss or threatened loss of County's ability to participate in any federal or state health care program, including Medicare or Medi-Cal.

65. REQUIRED DOCUMENTS

A. Agreements That Are Renewed Annually: Contractor shall submit all required documents to the Contract Monitoring Unit before KernBHRS sends the contract to the Board of Supervisors or County Purchasing Manager to be executed. Required documents include but are not limited to: Pre-Award Risk Assessment, and Disclosure of Ownership Form.

B. Multi-Year Agreements: Contractor shall submit all required documents to the Contract Monitoring Team on or before or before March 1 annually. Failure to submit the required documents in a timely manner shall be deemed a material breach of this agreement and may result in termination of the agreement.

66. SIGNATURE AUTHORITY

Each party has full power and authority to enter into and perform this agreement, and the person signing this agreement on behalf of each party has been properly authorized and empowered to enter into this agreement.

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IN WITNESS TO WHICH, each party to this agreement has signed this agreement upon the date indicated, and agrees for itself, its employees, officers, partners, and successors, to be fully bound by all terms and conditions of this agreement.

APPROVED AS TO CONTENT:
Behavioral Health and Recovery Services

COUNTY OF KERN
Board of Supervisors

By: _____
Alison Burrowes, LCSW Director

By: _____
Chairman

APPROVED AS TO FORM:
Office of the County Counsel

CONTRACTOR

By: _____
_____, Deputy

By: _____
Signature Person, Title
“Contractor”

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**EXHIBIT A – DESCRIPTION AND STANDARDS OF SERVICES
CONSUMER FAMILY LEARNING CENTER SERVICES**

NOTE: PLEASE REFER TO PAGES 24 - 29

CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT B – ADDITIONAL ADMINISTRATIVE AND ETHICAL REQUIREMENTS

PROVIDERS WHO ARE A FOR-PROFIT CORPORATION:

Contractor shall provide to County:

1. Mission: The organization's mission statement and related policies indicating Contractor's dedication to the same or similar mission as Kern Behavioral Health and Recovery Services. The statement or policies shall include a requirement that employees will be trained in and expected to uphold a code of ethical conduct.

2. Insurance: Certificates of adequate and appropriate insurance as required in the paragraph of this agreement entitled "**INSURANCE.**" A written description of the advisory body's or management's accountability process assuring Contractor maintains proper and adequate insurance.

3. Statutory Responsibilities: Documentation delineating Contractor's plan to monitor the following statutory responsibilities:

- A. Ensuring that all labor laws relating to individuals and employers are obeyed.
- B. Adherence to labor standards, human rights, and occupational health and safety regulations.
- C. Commitment to an anti-drug work environment.
- D. Enforcement of non-smoking regulations.
- E. Ensuring that all computer software copyright laws are enforced.

4. Fiscal: Written documentation in the form of plans, policies, and/or statements outlining and demonstrating their strategies for providing management of funds received from Kern Behavioral Health and Recovery Services. The statement shall demonstrate the following:

- A. Contractor's internal accounting control processes;
- B. The oversight responsibility of an advisory body or management's accountability process for financial matters. The strategy described may be unique to Contractor as long as it can clearly demonstrate oversight and accountability.
- C. An organizational chart showing the relationship and major duties for financial management as distributed among an advisory body and/or chief executive officer and chief financial officer or other comparable positions.

5. Standards of Care: A current copy of their standards of care and related policies, that outline measures taken to ensure that standards are followed, and staff are trained in the concepts therein. Standards shall clearly state the following:

- A. The range of programs.

B. Services provided.

C. How quality and outcomes are measured and tracked.

6. Contracts: A statement or plan proving their awareness of organizational obligations regarding contracts, including the requirements and consequences for failure to meet funding source obligations, and a plan for monitoring the organization's compliance with contractual obligations.

7. Accreditation: In lieu of the requirements herein, Contractor shall provide to County documentation of accreditation from a County-recognized accreditation body, including but not limited, to [CARF](#) or [the Joint Commission on Accreditation of Healthcare Organizations](#). Such accreditation warrants, and County concurs, that Contractor meets the requirements set forth in this Exhibit, provided Contractor continuously maintains valid accreditation during the term of this agreement. Contractor shall notify County within twenty-four (24) hours of any change in the status of its accreditation. Contractor agrees that County may ask for, and Contractor shall provide, information with regard to the items listed here.

PROVIDERS WHO ARE A NON-PROFIT CORPORATION:

Contractor shall provide to County:

1. Mission: Contractor's mission statement and related policies indicating Contractor's dedication to the same or similar mission as Kern Behavioral Health and Recovery Services. The statement or policies shall include a requirement that employees will be trained in and expected to uphold a code of ethical conduct.

2. Oversight: Proof that the organization has a Board of Directors that conforms to the requirements set forth in the organization's Articles of Incorporation. The Board of Directors shall be responsible for the actions of the organization and able to demonstrate due diligence in the following areas.

3. Insurance: Certificates of adequate and appropriate insurance as required in the paragraph of this agreement entitled "**INSURANCE.**" A written description of the Board of Directors accountability process assuring Contractor maintains proper and adequate insurance.

4. Statutory Responsibilities: Documentation delineating Contractor's plan to monitor the following statutory responsibilities:

A. Ensuring that all labor laws relating to individuals and employers are obeyed.

B. Adherence to labor standards, human rights, and occupational health and safety regulations.

C. Commitment to an anti-drug work environment.

D. Enforcement of non-smoking regulations.

E. Ensuring that all computer software copyright laws are enforced.

F. Complying with laws related to fundraising practices and the maintenance of non-profit status, including, but not limited to, those required by Internal Revenue Service and the Franchise Tax Board.

5. Fiscal: Written documentation in the form of plans, policies and/or statements outlining and demonstrating their strategies to accomplish the following fiscal responsibilities:

A. Developing a financial budget and monitoring financial performance.

B. Avoiding a deficit and meeting the requirement of the paragraph entitled “**Financial Solvency**” of this agreement.

C. Ensuring the collection and remittance of required employee payroll deductions.

D. Ensuring that expenditures reflect the appropriate use of funds and are appropriately authorized.

E. Demonstrating compliance with all applicable CFR circulars.

F. Ensuring that no board member holds a financial interest in or receives financial benefit from the organization.

G. Maintaining accurate and appropriate financial records.

6. Standards of Care: A current copy of their standards of care and related policies, which outline measures taken to ensure that standards are followed, and staff is trained in the concepts therein. Standards shall clearly state the following:

A. The range of programs.

B. Services provided.

C. How quality and outcomes are measured and tracked.

7. Contracts: A statement or plan proving their awareness of organizational obligations regarding contracts, including the requirements and consequences for failure to meet funding source obligations, and a plan for monitoring the organization’s compliance with contractual obligations.

8. Conflict of Interest: Policies showing the requirement for all employees, including members of the Board of Directors, and corporate officers, to adhere to each of the standards related to conflict of interest as is applicable to governing boards, officers, and employees of public entities.

9. By-Laws: By-laws and policies that incorporate and set the courses of action for the following practices:

A. Financial management.

B. Human resources.

C. Personnel safety.

D. Client care.

10. Monitoring: A monitoring plan indicating that the Board of Directors is responsible for completing the following:

- A. Reviews of financial statements (monthly or quarterly).
- B. Initiation of an audit of financial transactions (annually).
- C. Review of all reports on activities (e.g. monthly executive director's report).
- D. Monitoring the implementation of key policies (e.g. part of the annual evaluation for the executive director).

11. Accreditation: In lieu of the above, Contractor shall provide to County documentation of accreditation from a County-recognized accreditation body, including but not limited, to CARF, Council on Accreditation, or the Joint Commission on Accreditation of Healthcare Organizations. Such accreditation warrants, and County concurs, that Contractor meets the requirements set forth in this Exhibit, provided that Contractor continuously maintains valid accreditation during the term of this agreement. Contractor shall notify County within twenty-four (24) hours of any change in the status of its accreditation. Contractor agrees that County may ask for, and Contractor shall provide, information with regard to the items listed above.

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(FOR SINGLE YEAR AGREEMENTS)

**CONTRACTOR NAME
CONSUMER FAMILY LEARNING CENTER SERVICES**

EXHIBIT C – FUNDING SCHEDULE

JULY 1, 20XX– JUNE 30, 20XX

BUDGET UNIT 4120	STATE / FEDERAL	TOTAL FUNDING
	ALLOWED	\$XXX,XXX
	ALLOWED	\$XXX,XXX
MAXIMUM REIMBURSEMENT		\$XXX,XXX

Service Delivery Site(s):

(MULTI-YEAR AGREEMENTS)

CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT C – FUNDING SCHEDULE

JULY 1, 20XX– JUNE 30, 20XX

BUDGET UNIT 4120	STATE / FEDERAL	TOTAL FUNDING
FY 20XX-20XX	ALLOWED	\$XXX,XXX
MAXIMUM REIMBURSEMENT		\$XXX,XXX

BUDGET UNIT 4120	STATE / FEDERAL	TOTAL FUNDING
FY 20XX-20XX	ALLOWED	\$XXX,XXX
MAXIMUM REIMBURSEMENT		\$XXX,XXX

BUDGET UNIT 4120	STATE / FEDERAL	TOTAL FUNDING
FY 20XX-20XX	ALLOWED	\$XXX,XXX
MAXIMUM REIMBURSEMENT		\$XXX,XXX

TOTAL MAXIMUM REIMBURSEMENT 20XX-20XX		\$XXX,XXX
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Service Delivery Site(s):

CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT D – STATEMENT OF PROGRAM COST

[ONLY FOR CONTRACTS WITH COST BASED PROGRAMS]

NOTE: COMPLETED COPY ON FILE WITH FINANCE

Program: _____ Unit/Subunit: _____

COST ELEMENTS	CURRENT MONTH YTD COST	PREVIOUS MONTH YTD COST	CURRENT MONTH COST
Direct Clinical Salaries & Benefits			
All Other Salaries & Benefits			
Total Salaries & Benefits			
Rent			
Depreciation			
Office Expenses			
Equipment Purchases (over \$5K)			
IT Hardware (over \$1K)			
IT Software and Other expenses			
All Other Direct Program Expenses			
Total Non-Salary Direct Program Costs			
Total Direct Cost			
General & Administrative			
Allocated Cost			
Total Indirect Costs			
Total Claim for Month			

CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT E – COST GUIDELINES

1. Unless specified otherwise in this agreement, Contractor must follow the cost principles and guidelines set forth in [2 CFR Part 200](#) and [48 CFR subpart 31.2](#) as applicable to Contractor's organization type.
2. Only those costs that are reasonable, necessary and that provide a direct or indirect benefit to the County programs under this agreement will be allowable.
3. Contractor must maintain complete, detailed, and original supporting documentation for all costs. Examples of original documentation are original invoices, timecards, written lease agreements, and bank statements. Such documentation must be made readily available to County personnel for review purposes after County provides reasonable notice to Contractor. All direct and indirect costs that are not supported by original documentation or that are not made readily available for review by County shall be disallowed.
4. All personnel information, including contracted personnel costs, such as salaries and fringe benefits, must be supported by individual detailed time records, which indicate time charged to County programs. All time records must show evidence of having been reviewed and approved by a supervisor. Time records of therapists, counselors, etc., shall also be based upon client logs or other such information, that can verify time charged to County programs. Personnel records may also be reviewed for pay rate and documentation supporting the employee's right to work in the United States.
5. In no instance shall costs be allocated to County programs based upon revenue or the funding in [Exhibit C](#) of this agreement. Such reported costs are unacceptable and will be disallowed or adjusted as necessary.
6. All allocations of indirect, administrative, or overhead costs must be based upon the following: cost; salaries and benefits; full-time equivalent employees; square footage; or some other base which is equitable and consistently applied across the organization. Contractor shall allocate costs using the most reasonable base that provides the highest-level relationship of cost versus benefit. Costs allocated using revenue or contract funding amounts as an allocation basis will be disallowed. If the agreement has cost reimbursement services and services paid at a rate, the cost shall be equitably distributed between the programs.
7. No indirect, administrative, or overhead costs allocated to County programs under this agreement will be allowed if such costs provide no benefit to those programs. An example of such a disallowed cost would be the travel costs of Contractor's employees in relation to a non-County program. Such a cost would be a direct cost to the non-County program and should not be included in any allocation of indirect or administrative costs. Another example of unallowable costs would be personal expenses, benefits, gifts or other forms of compensation, which are not documented as being part of an employee's total compensation. Such costs shall not be allocated or directly charged to County programs.

8. Costs passed through from parent or affiliated organizations and charged to County programs will be allowed only to the extent that Contractor can provide documentation that such costs are reasonable and benefited County programs. Documentation may include original invoices, timecards, etc.

9. Duplicate costs charged to County programs will be disallowed.

10. Costs for meals, travel, and meetings must be consistent with those normally allowed by the organization in its regular operations and shall not exceed the established federal per diem levels. In the absence of an established organizational policy instituting meal per diem values, original receipts/invoices shall be required. Written descriptions as to purpose and in the cases of meals/meetings, names of participating individuals shall be provided in all instances.

11. The Department will be conducting specific monitoring activities to obtain information about the indirect cost Contractor is assigning to County programs. These reviews will be conducted throughout the agreement term and may include on-site visits to review documentation supporting indirect cost allocations and may include requests for reports detailing the specifics used to allocate indirect costs. It is expected the approach used by Contractor to allocate indirect costs will meet appropriate federal CFR guidelines. Any indirect cost deemed to not meet applicable CFR or this Attachment's Cost Guidelines will be disallowed.

12. County shall reimburse Contractor for the Chief Executive Officer's (or other such title) salary, benefits, and perquisites no more than the amount stated in the GuideStar Nonprofit Compensation Report for California Organizations, median range, based on budget size or actual total compensation costs, whichever is lower. Costs shall include both direct and indirect and total compensation costs and must be based on the lower of actual total compensation or the compensation limit set forth in GuideStar. (This should only be for cost reimbursement agreements).

13. For purposes of determining the GuideStar limitation, Contractor's budget shall be its adopted operating budget, which must closely correlate with actual operating expenses. Capital acquisitions are not considered to be part of Contractor's operating budget. The version of GuideStar applicable is the latest version published on the execution date of this agreement. (This should only be for cost reimbursement agreements).

14. County shall not provide reimbursement for any portion of the Chief Executive Officer's (or other such title) compensation costs charged to a program in excess of that which is determined reimbursable in accordance with subparagraph 12, or any other limitation set forth by applicable state and federal agencies. (This should be only for cost reimbursement agreements.)

15. Contractor shall provide County with the total compensation expected to be paid to the Chief Executive Officer (or other such title) over the term of agreement. If the term of agreement covers more than one (1) operating cycle for Contractor, the report on total compensation shall identify the expected total compensation for that portion of each operating cycle that will be allocated against county programs. Contractor shall provide the above information: (1) Within sixty (60) days of execution of agreement; and (2) during the last month of the term of agreement. It is County's expectation that each report will include actual data to the extent possible.

16. Contractor shall provide County with its adopted operating budget for this agreement within sixty (60) days of execution of the agreement. If the term of agreement covers more than one (1)

operating cycle for Contractor, Contractor shall provide County with its adopted operating budget for each separate operating cycle within thirty (30) days of execution of the agreement or within thirty (30) days of adoption of each separate operating budget, whichever is later.

17. The form and content of the adopted operating budget provided to County shall be that which is normally provided to Contractor's Board of Directors, Chief Executive Officer, Chief Financial Officer, Owner, Partner, or other such governing authority.

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CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT F - BUSINESS ASSOCIATE ADDENDUM

THIS BUSINESS ASSOCIATE ADDENDUM (“Addendum”) supplements and is made a part of the agreement (“agreement”) by and between the County of Kern (“Covered Entity” or “CE”) and _____ (“Business Associate” or “BA”). This Addendum is effective as of date first written above (the “Addendum Effective Date”).

RECITALS:

A. CE wishes to disclose certain information to BA pursuant to the terms of the agreement, some of which may constitute Protected Health Information (“PHI”), Personal Information (“PI”), or Personally Identifiable Information (“PII”) (defined below). For the purpose of this Exhibit, PHI, PI, and PII all refer to confidential information that must be protected.

B. CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the agreement 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 (“CFR”) and contained in this Addendum.

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

1. DEFINITIONS

A. 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.

B. Specific Definitions:

1. 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 **[Insert Name of Business Associate]**.

2. Covered Entity. “Covered Entity” 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 County of Kern.

3. Electronic Health Record shall have the meaning given to such term in the HITECH Act, including, but not limited to, [42 USC Section 17921](#).

4. HIPAA Rules. “HIPAA Rules” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at [45 CFR Part 160](#) and [Part 164](#).

5. Personal Information (PI) shall mean information that identifies or describes an individual, including, but not limited to, name, social security number, physical description, address, telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual.

6. Personally Identifiable Information (PII) means any information about an individual which can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, and biometric records. This information can be in paper or electronic files and includes, but is not limited to, education records, financial transactions, employment history, criminal records, and medical files.

7. Privacy Rule shall mean the HIPAA Regulation that is codified at [45 CFR Parts 160](#) and [164](#), Subparts A and E.

8. Protected Health Information (PHI) means individually identifiable health information that is transmitted or maintained in any form or medium, created or received by a health care provider or health plan, that relates to past, present, and future physical or mental health condition of an individual; provisions of healthcare to an individual; or past, present, and future payment for the provision of healthcare to an individual. Health information that is considered subject to the regulations contained in the Privacy Rule of the [Health Insurance Portability and Accountability Act of 1996 \(HIPAA\)](#) includes: name, date of birth, telephone number, names of relatives, names of employers, photographic images, facsimile number, medical record number, finger or voice prints, certificate/license number, social security number, internet (IP) address, web URL, e-mail address, and any device or serial number. “Protected Health Information” includes electronic protected health information.

2. PERMITTED USES AND DISCLOSURES

A. BA may only use or disclose PHI, PI, or PII as necessary to perform the services set forth in the attached agreement.

B. BA may use or disclose PHI, PI, or PII as required by law.

C. BA agrees to make uses and disclosures and requests for PHI, PI, or PII consistent with CE’s minimum necessary policies and procedures.

D. BA may not use or disclose PHI in a manner that would violate [Subpart E of 45 CFR Part 164](#) if done by CE except for the specific uses and disclosures set forth below.

E. BA may use PHI, PI, or PII for the proper management and administration of BA or to carry out the legal responsibilities of BA.

F. BA may disclose PHI, PI, or PII for the proper management and administration of BA or to carry out the legal responsibilities of BA, provided the disclosures are required by law, or BA 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 BA of any instances of which it is aware in which the confidentiality of the information has been breached.

G. BA may provide data aggregation services relating to the health care operations of CE.

3. OBLIGATIONS AND ACTIVITIES OF BA

BA agrees to:

A. Use appropriate safeguards and comply with [Subpart C of 45 CFR Part 164](#) with respect to electronic PHI to prevent use or disclosure of PHI other than as provided for by the agreement;

B. 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 PHI on behalf of BA agree to the same restrictions, conditions, and requirements that apply to BA with respect to such information;

C. Make available PHI in a designated record set to CE as necessary to satisfy CE's obligations under [45 CFR 164.524](#);

D. Make any amendment(s) to PHI in a designated record set as directed or agreed to by CE pursuant to [45 CFR 164.526](#), or take other measures as necessary to satisfy CE's obligations under [45 CFR 164.526](#);

E. Maintain and make available the information required to provide an accounting of disclosures to CE as necessary to satisfy CE's obligations under [45 CFR 164.528](#);

F. Provide beneficiaries with the Notice of Privacy Practices, in accordance with [45 CFR 164.520](#) and KernBHRS Policy 10.1.21;

G. To the extent BA is to carry out one or more of CE's obligations under [Subpart E of 45 CFR Part 164](#), comply with the requirements of Subpart E that apply to CE in the performance of such obligation(s);

H. Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

I. Report to CE any use or disclosure of PHI, PI, or PII not provided for by the agreement of which it becomes aware, including breaches of unsecured PHI as required at [45 CFR 164.410](#), and any security incident of which it becomes aware, without unreasonable delay, and in no case later than one (1) business day of discovery [[42 USC Section 17921](#); [45 CFR Section 164.504\(e\)\(2\)\(ii\)\(C\)](#); [45 CFR Section 164.308\(b\)](#)].

4. BA's Agents. BA shall ensure that any agents, including subcontractors, to whom it provides PHI, 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 A above with respect to Electronic PHI [[45 CFR Section 164.504\(e\)\(2\)\(ii\)\(D\)](#); [45 CFR Section 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 CFR Sections 164.530\(f\)](#) and [164.530\(e\)\(1\)](#)).

5. Amendment of PHI. If applicable, within ten (10) days of receipt of a request from CE for an amendment of PHI or a record about an individual contained in a Designated Record Set, BA or its agents or subcontractors shall make such PHI 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 CFR Section 164.526](#). If any individual requests an amendment of PHI 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 PHI maintained by BA or its agents or subcontractors shall be the responsibility of CE [[45 CFR Section 164.504\(e\)\(2\)\(ii\)\(F\)](#)].

6. Accounting Rights. Within ten (10) days of notice by CE of a request for an accounting of disclosures of PHI, 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 CFR Section 164.528](#), and the HITECH Act, including but not limited to [42 USC Section 17935\(c\)](#), as determined by CE.

A. 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, for all disclosures made without written consent. 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.

B. 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 PHI and, if known, the address of the entity or person; (iii) a brief description of PHI 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.

C. 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 PHI except as set forth in this Addendum [[45 CFR Sections 164.504\(e\)\(2\)\(ii\)\(G\)](#) and [165.528](#)]. The provisions of this subparagraph shall survive the termination of this agreement.

7. Governmental Access to Records. BA shall make its internal practices, books, and records relating to the use and disclosure of PHI 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 CFR Section 164.504\(e\)\(2\)\(ii\)\(H\)](#)]. BA shall provide to CE a copy of any PHI that BA provides to the Secretary concurrently with providing such PHI to the Secretary.

8. Data Ownership. BA acknowledges that BA has no ownership rights with respect to the PHI.

9. BA shall report to covered entity any use or disclosure of PHI not provided for by the agreement of which it becomes aware, including breaches of unsecured PHI as required at [45 CFR 164.410](#), [45 CFR Section 164.504\(e\)\(2\)\(ii\)\(C\)](#) and [45 CFR Section 164.308\(b\)](#).

10. Notification of Breach. During the term of the agreement, 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, PI, or PII 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 (including conducting a “risk of compromise” assessment and/or appropriate patient notification under applicable state and/or federal law). For specific instruction on breach notification, see [Exhibit G, “Privacy and Information Security Provisions.”](#)

11. Breach Pattern or Practice by CE. Pursuant to [42 USC Section 17934\(b\)](#), if BA knows of a pattern of activity or practice of CE that constitutes a material breach or violation of the CE’s obligations under the agreement or Addendum or other arrangement, BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, BA must terminate the agreement 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 CE that BA believes constitutes a material breach or violation of CE’s obligations under the agreement or Addendum or other arrangement within five (5) days of discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

12. 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, information systems, policies, and procedures relating to the use or disclosure of PHI, PI, or PII 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. A. 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 CE’s enforcement rights under the agreement 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 of Civil Rights.

13. PROVISIONS FOR CE TO INFORM BA OF PRIVACY PRACTICES AND RESTRICTIONS

A. CE shall notify BA of any limitation(s) in the Notice of Privacy Practices of CE under [45 CFR 164.520](#), to the extent that such limitation(s) may affect BA’s use or disclosure of PHI.

B. CE shall notify BA of any changes in, or revocation of, the permission by an individual to use or disclose his or her PHI, to the extent that such changes may affect BA’s use or disclosure of PHI.

C. CE shall notify BA of any restriction on the use or disclosure of PHI that CE has agreed to or is required to abide by under [45 CFR 164.522](#), to the extent that such restriction may affect BA’s use or disclosure of PHI.

14. 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 agreement and shall provide grounds for immediate termination of the agreement, any provision in the agreement to the contrary notwithstanding. [[45 CFR Section 164.504\(e\)\(2\)\(iii\)](#)].

B. Judicial or Administrative Proceedings. CE may terminate the agreement, 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 BA has been joined.

C. Obligations of BA Upon Termination. Upon termination of this agreement for any reason, BA, with respect to PHI, PI, or PII received from CE, or created, maintained, or received by BA on behalf of CE, shall:

1. Retain only that PHI, PI, or PII which is necessary for BA to continue its proper management and administration or to carry out its legal responsibilities;
2. Return to CE the remaining PHI, PI, or PII that the BA 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 PHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as BA retains the PHI;
4. Not use or disclose the PHI, PI, or PII retained by BA other than for the purposes for which such PHI, PI, or PII was retained and subject to the same conditions set out in this agreement above which applied prior to termination; and
5. Return to CE or, if agreed to by CE, destroy the PHI, PI, and PII retained by BA when it is no longer needed by BA for its proper management and administration or to carry out its legal responsibilities.

15. 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, subcontractor 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.

16. 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.

17. 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.

18. AMENDMENT: The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the agreement 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 PHI. 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 agreement upon thirty (30) days' written notice in the event (i) BA does not promptly enter into negotiations to amend the agreement or Addendum when requested by CE pursuant to this Section or (ii) BA does not enter into an amendment to the agreement 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.

19. 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 agreement or Addendum, available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, 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.

20. NO THIRD-PARTY BENEFICIARIES: Nothing expressed or implied in the agreement or Addendum is intended to confer, nor shall anything herein confer, upon any person other than CE, BA, and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

21. EFFECT ON AGREEMENT: Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the agreement shall remain in force and effect.

22. INTERPRETATION: The provisions of this Addendum shall prevail over any provisions in the agreement that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the agreement 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.

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CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT G - PRIVACY AND INFORMATION SECURITY PROVISIONS

This Exhibit is intended to protect the privacy and security of specified Kern Behavioral Health and Recovery Services (County) information that Contractor may access, receive, or transmit under this agreement. County information covered under this Exhibit consists of: (1) Protected Health Information (PHI) as defined under the [Health Insurance Portability and Accountability Act of 1996 \(HIPAA\), Public Law 104-191](#); (2) Personal Information (PI) as defined under the California Information Practices Act (CIPA), at [California Civil Code Section 1798.3](#); Personal Information may include data provided to the Department by the Social Security Administration; and (3) Personally Identifiable Information (PII); however, to the extent that data is PHI or ePHI and PI or PII, this Exhibit shall apply.

1. RECITALS.

A. In addition to the Privacy and Security Rules under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), which defines Protected Health Information (PHI), County is subject to various other legal and contractual requirements with respect to the personal information (PI) and personally identifiable information (PII) it maintains. These include:

1. The [California Information Practices Act of 1977 \(California Civil Code §§ 1798 et seq.\)](#).
2. The Agreement between the Social Security Administration (SSA) and the Department of Health Care Services (DHCS), known as the Information Exchange Agreement (IEA), which incorporates the Computer Matching and Privacy Protection Act Agreement (CMPPS) between the SSA and the California Health and Human Services Agency.
3. [Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2](#).
4. [California Welfare and Institutions Code § 5328 et seq.](#)

B. The terms used in this Exhibit but not otherwise defined, shall have the same meanings as those terms have in the above referenced statute and agreement. Any reference to statutory, regulatory, or contractual language shall be to such language as in effect or as amended.

C. For the purpose of this Exhibit, PHI, PI, and PII all refer to confidential information that must be protected.

2. DEFINITIONS.

A. Breach shall have the meaning given to such term under the IEA, CMPPA and under HIPAA, the HITECH Act, and the HIPAA regulations at [45 C.F.R §164.402](#). It shall include a security incident, intrusion, or unauthorized access, use or disclosure of County PHI, ePHI, PI or PII.

B. Breach of the security of the system shall have the meaning given to such term under the [California Information Practices Act, Civil Code section 1798.29\(f\)](#).

C. CMPPA agreement means the [Computer Matching and Privacy Protection Act](#) agreement

between the [Social Security Administration](#) and the [California Health and Human Services Agency \(CHHS\)](#).

D. Confidential Information: Information that is exempt from disclosure under the provisions of the [California Public Records Act \(Government Code sections 6250-6265\)](#) or other applicable state or federal laws.

E. Department PI shall mean Personal Information, accessed in a database maintained by County, received by Contractor from County or acquired or created by Contractor in connection with performing the functions, activities and services specified in this agreement on behalf of County.

F. Notice-triggering Personal Information shall mean the personal information identified in [Civil Code section 1798.29](#) whose unauthorized access may trigger notification requirements under [Civil Code section 1798.29](#). For purposes of this provision, identity shall include, but not be limited to, name, address, email address, identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print, a photograph, or a biometric identifier. Notice-triggering Personal Information includes PI in electronic, paper, or any other medium.

G. Personally Identifiable Information (PII): Any information about an individual which can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, and biometric records. This information can be in paper or electronic files and includes, but is not limited to, education records, financial transactions, employment history, criminal records, and medical files.

H. Personal Information (PI): Information that identifies or describes an individual, including, but not limited to, name, social security number, physical description, address, telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual.

I. Protected Health Information (PHI): Individually identifiable health information that is transmitted or maintained in any form or medium, created or received by a health care provider or health plan, that relates to past, present, and future physical or mental health condition of an individual; provisions of healthcare to an individual; or past, present and future payment for the provision of healthcare to an individual. Health information which is considered subject to the regulations contained in the Privacy Rule of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) including: name, date of birth, telephone number, names of relatives, names of employers, photographic images, facsimile number, medical record number, finger or voice prints, certificate/license number, social security number, internet (IP) address, web URL, e-mail address, and any device or serial number. "Protected Health Information" includes electronic protected health information.

J. Public Information: Information that is not exempt from disclosure under the provisions of the [California Public Records Act \(Government Code sections 6250-6265\)](#) or other applicable state or federal laws.

K. Required by law means a mandate contained in law that compels an entity to make a use or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and

statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.

L. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI, PI, PII or confidential data utilized in complying with this Agreement; or interference with system operations in an information system that processes, maintains or stores P H I , PI, or PII.

M. Sensitive Information: Information that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information may be either public information or confidential information. It is information that requires a higher than normal assurance of accuracy and completeness. Thus, the key factor for sensitive information is that of integrity. Typically, sensitive information includes records of agency financial transactions and regulatory actions.

1. Contractor and its employees, agents, or subcontractors shall promptly transmit to the County Contract Manager all requests for disclosure of any PHI, PI, or PII not emanating from the person who is the subject of PHI, PI, or PII without a signed Consent for Release of Information.

2. Contractor shall not disclose, except as otherwise specifically permitted by this agreement or authorized by the person who is the subject of PHI, PI, or PII, any PHI, PI, or PII to anyone other than DHCS without prior written authorization from the County Contract Manager, except if disclosure is required by state or federal law.

3. TERMS OF AGREEMENT

A. Permitted Uses and Disclosures of KernBHRS PHI, PI, and PII by Contractor:

1. Except as otherwise indicated in this Exhibit, Contractor may use or disclose Department PHI, PI, and/or PII only to perform functions, activities, or services for or on behalf of KernBHRS pursuant to the terms of this agreement provided that such use or disclosure would not violate the [California Information Practices Act \(CIPA\)](#) if done by KernBHRS.

2. Contractor shall not directly or indirectly receive remuneration in exchange for County PHI.

B. Responsibilities of Contractor

Contractor agrees:

1. Nondisclosure. To protect from unauthorized disclosure any Sensitive or Confidentiality information. Not to use or disclose KernBHRS PHI, PI, or PII other than in carrying out the Contractor's obligations under this agreement or as permitted or required by applicable state and federal law.

2. Safeguards. To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality, and integrity of KernBHRS PHI, PI, and PII, to protect against anticipated threats or hazards to the security or integrity of KernBHRS PHI, PI, and PII, and to prevent use or disclosure of KernBHRS PHI, PI, or PII other than as provided for by this agreement. Contractor shall develop and maintain a written privacy and information security program that include administrative, technical, and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities. Contractor will provide KernBHRS with its current policies upon request.

3. Security. Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI, PI, and/or PII, and to protect paper documents containing PHI, PI, and/or PII. These steps shall include, at a minimum:

A. Complying with all of the data system security precautions listed in Business Associate Agreement Data Security Requirements.

B. Providing a level and scope of security that is at least comparable to the level and scope of security established by the [Office of Management and Budget in OMB Circular No. A- 130, Appendix III- Security of Federal Automated Information Systems](#), which sets forth guidelines for automated information systems in federal agencies.

4. Mitigation of Harmful Effects. To mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of KernBHRS PHI, PI, or PII by Contractor or its subcontractors in violation of this Exhibit.

5. Contractor's Agents and Subcontractors. To impose the same restrictions and conditions set forth in this Exhibit on any subcontractors or other agents with whom Contractor subcontracts any activities under this agreement that involve the disclosure of Department PHI, PI, or PII to the subcontractor.

6. Availability of Information to County. To make County PHI, PI, and PII available to County for purposes of oversight, inspection, amendment, and response to requests for records, injunctions, judgments, and orders for production of County PHI, PI, and PII. If Contractor receives County PHI, PI, and/or PII, upon request by County, Contractor shall provide County with a list of all employees, contractors, and agents who have access to County PHI, PI and/or PII, including employees, contractors, and agents of its subcontractors and agents.

7. Cooperation with County. With respect to County PHI, PI, and/or PII, to cooperate with and assist County to the extent necessary to ensure County's compliance with the applicable terms of the California Information Practice Act including, but not limited to, accounting of disclosures of County PHI, PI, and/or PII, correction of errors in County PHI, PI, and/or PII, production of County PHI, PI, and/or PII, disclosure of a security breach involving County PHI, PI, and/or PII, and notice of such breach to the affected individual(s).

8. Confidentiality of Substance Use Disorder and Treatment Records. Contractor agrees to comply with all confidentiality requirements set forth in [Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2](#). Contractor is aware that criminal penalties may be imposed for a violation of these confidentiality requirements.

4. SAFEGUARDS.

Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI, PI, and/or PII, including electronic PHI, PI, and/or PII that it creates, receives, maintains, uses, or transmits on behalf of County. Contractor shall develop and maintain a written information privacy and security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities, including at a minimum the following safeguards:

1. Personnel Controls

a. **Employee Training.** All workforce members must complete privacy and information security training through the Relias training system, upon hire and annually thereafter. If Contractor does not have access to Relias, Contractor will need to document their staff's training attendance, including maintaining a sign-in sheet, e-sign or certificate, indicating the staff member's name and the date on which the training was completed. These certifications must be retained for a period of ten (10) years following contract termination. Contractor will need to develop an internal tracking mechanism to monitor their staff's attendance. This tracking system shall be available for the County to review at any time, to ensure that this required training is completed. Contractor's Privacy and Information Security training must consist of the following:

1. HIPAA Privacy and Security regulations ([45 CFR Part 160](#) and [164](#))
2. [California Welfare and Institutions Code § 5328 et seq](#) (required if Contractor provides mental health services)
3. [Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2](#) (required if Contractors provides any substance use services, even if Contractor is a primary mental health provider).
4. Contractor's internal policies and procedures related to sections 1-3 above.

a. Employee Discipline. Appropriate sanctions must be applied against workforce members who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.

b. Confidentiality Statement. All persons that will be working with County PHI, PI, and/or PII must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to being provided access to Department PHI, PI, or PII. The statement must be renewed annually. Contractor shall retain each person's written confidentiality statement for County inspection for a period of six (6) years following contract termination.

c. Background Check. Before a member of the workforce may access County PHI, PI, and/or PII, a thorough background check of that worker must be conducted, with evaluation of the results to assure that there is no indication that the worker may present a risk to the security or integrity of confidential data or a risk for theft or misuse of confidential data. Contractor shall retain each workforce member's background check documentation for a period of three (3) years following contract termination.

2. Technical Security Controls

a. Workstation/Laptop encryption. All workstations and laptops that process and/or store County PHI, PI, and/or PII must be encrypted using a FIPS 140-2 certified algorithm which is 128-bit or higher, such as [Advanced Encryption Standard \(AES\)](#). The encryption solution must be full disk unless approved by the County Information Security Officer.

b. Server Security. Servers containing unencrypted County PHI, PI, and/or PII must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.

c. Minimum Necessary. Only the minimum necessary amount of County PHI, PI, and/or PII required to perform necessary business functions may be copied, downloaded, or exported.

d. Removable media devices. All electronic files that contain County PHI, PI, and/or PII data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, Smart Phone, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128-bit or higher, such as AES.

e. Antivirus software. All workstations, laptops and other systems that process and/or store County PHI, PI, and/or PII must install and actively use comprehensive anti-virus software solution with automatic updates scheduled at least daily.

f. Patch Management. All workstations, laptops and other systems that process and/or store County PHI, PI, and/or PII must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within thirty (30) days of vendor release.

g. User IDs and Password Controls. All users must be issued a unique username for accessing County PHI, PI, and/or PII. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within twenty four (24) hours. Passwords are not to be shared. Passwords must be at least ten (10) characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every ninety (90) days, preferably every sixty (60) days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three (3) of the following four groups from the standard keyboard:

- Upper case letters (A-Z)
- Lower case letters (a-z)
- Arabic numerals (0-9)
- Non-alphanumeric characters (punctuation symbols)

h. Data Destruction. When no longer needed, all County PHI, PI, and/or PII must be wiped using the Gutmann or [U.S. Department of Defense \(DoD\) 5220.22-M](#) (7 Pass) standard, or by degaussing. Media may also be physically destroyed in accordance with [NIST Special Publication 800-88](#). Other methods require prior written permission of the County Information Security Officer.

i. System Timeout. The system providing access to County PHI, PI, and/or PII must provide an automatic timeout, requiring re-authentication of the user session after no more than fifteen (15) minutes of inactivity.

j. Warning Banners. All systems providing access to County PHI, PI, and/or PII must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.

l. System Logging. The system must maintain an automated audit trail which can identify the user or system process which initiates a request for County PHI, PI, and/or PII, or which alters County PHI, PI, and/or PII. The audit trail must be date and time stamped, must log both successful and failed accesses,

must be read only, and must be restricted to authorized users. If County PHI, PI, and/or PII is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least three (3) years after occurrence. Audit Trail logs must be reviewed for potential violations and/or breaches on a regular basis.

m. Access Controls. The system providing access to County PHI, PI, and/or PII must use role-based access controls for all user authentications, enforcing the principle of least privilege.

n. Transmission Encryption. All data transmissions of County PHI, PI, and/or PII outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128-bit or higher, such as AES. Encryption can be end-to-end at the network level, or the data files containing PHI, PI, or PII can be encrypted. This requirement pertains to any type of PHI, PI, or PII in motion such as website access, file transfer, and E-Mail. Any transmission of unencrypted PHI, PI and/or PII outside of Contractor's secure network, must be reported to the KernBHRS Privacy and Corporate Compliance office. (Contacts are listed at the end of this Exhibit).

o. Intrusion Detection. All systems involved in accessing, holding, transporting, and protecting County PHI, PI, and/or PII that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

3. Business Continuity / Disaster Recovery Controls

a. Emergency Mode Operation Plan. Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic County PHI, PI, and/or PII in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this agreement for more than twenty-four (24) hours.

b. Data Backup Plan. Contractor must have established documented procedures to back up County PHI, PI, and/or PII to maintain retrievable exact copies of County PHI, PI, and/or PII. The plan must include a regular schedule for making backups, storing back-ups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore County PHI, PI, and/or PII should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of County data.

4. Paper Document Controls

a. Supervision of Data. County PHI, PI, and/or PII in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk, or office. Unattended means that information is not being observed by an employee authorized to access the information. County PHI, PI, and/or PII in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.

b. Escorting Visitors. Visitors to areas where County PHI, PI, and/or PII is contained shall be escorted and County PHI, PI, and/or PII shall be kept out of sight while visitors are in the area.

c. Confidential Destruction. County PHI, PI, and/or PII must be disposed of through confidential means, such as cross-cut shredding and pulverizing.

d. Removal of Data. County PHI, PI, and/or PII must not be removed from the premises of

Contractor except with express written permission of County.

e. Faxing. Faxes containing County PHI, PI, and/or PII shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.

f. Mailing. Mailings of County PHI, PI, and/or PII shall be sealed and secured from damage or inappropriate viewing of PHI, PI, or PII to the extent possible. Mailings which include five hundred (500) or more individually identifiable records of County PHI, PI, and/or PII in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of County to use another method is obtained.

5. Audit Controls

A. System Security Review. All systems processing and/or storing County PHI, PI and/or PII must have at least an annual system risk assessment/security review that provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.

1. Log Reviews. All systems processing and/or storing County PHI, PI, and/or PII must have a routine procedure in place to review system logs for unauthorized access.

2. Change Control. All systems processing and/or storing County PHI, PI, and/or PII must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity, and availability of data.

3. Receiving and Investigating Privacy Issues. Contractor shall have a process for staff or individuals to make complaints or report privacy issues. Contractors must document all complaints received and privacy issues investigated, including their disposition. Contractor shall provide to County, documentation of privacy issues investigated, upon request. Additionally, Contractor must submit a quarterly report, utilizing **Exhibit H, "Privacy and Compliance Investigation Summary,"** to the KernBHRS Privacy and Corporate Compliance office within thirty (30) calendar days of the end of each fiscal quarter.

B. Security Officer. Contractor shall designate an Information Security Officer to oversee its data security program who will be responsible for carrying out its privacy and security programs and for communicating on security matters with County, under [45 CFR 164.308](#).

C. Privacy Officer. Contractor shall designate a Privacy official who is responsible for the development and implementation of HIPAA policies and procedures per [45 CFR § 164.530\(a\)\(1\)\(i\)](#). Contractor must designate a contact person or office who is responsible for receiving complaints under [45 CFR § 164.530\(a\)\(1\)\(ii\)](#).

D. Discovery and Notification of Breach. Contractor shall notify County **immediately by telephone call and email** upon the discovery of a breach (or suspected breach) of privacy or security of PHI, PI, and/or PII in electronic, paper, spoken or in any other media, if the PHI, PI, and/or PII was not securely transmitted, or is reasonably believed to have been, accessed, acquired by an unauthorized person, or upon the discovery of a suspected privacy or security incident that involves data provided to County by the Social Security Administration or involving County PHI, PI,

and/or PII; **or by email within twenty-four (24) hours** of the discovery of any suspected security incident, intrusion, or unauthorized use or disclosure of PHI, PI, and/or PII in violation of this agreement or the Business Associate Agreement, or potential loss of confidential data affecting this agreement. A breach shall be treated as discovered by Contractor as of the first day on which the breach is known, or by exercising reasonable diligence, would have been known, to any person (other than the person committing the breach) who is an employee, officer, or other agent of Contractor.

Notification shall be provided to the KernBHRS Contract Manager, the KernBHRS Privacy & Corporate Office, and the KernBHRS Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves electronic PHI, PI, and/or PII, notification shall be provided by calling the KernBHRS Information Security Officer at (661) 203-5397. Alternately, contact the KernBHRS Information Technology Services Division (ITSD) Help Desk at 661-868-6740. Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use, or disclosure of PHI, PI, and/or PII, Contractor shall take:

1. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the Contractor's operating environment and information confidentiality and security requirements.
2. Any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.

E. Investigation of Breach. In the event Contractor's actions or inactions cause a security incident, breach or unauthorized use or disclosure of PHI, PI, and/or PII, Contractor shall immediately investigate such security incident, breach, or unauthorized use or disclosure of PHI, PI, and/or PII and within **forty eight (48) hours** of the discovery, Contractor shall submit an initial Department of Health Care Services (DHCS) "Privacy Incident Report," containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time. Contractor shall use the most current version of this form, which is posted on the DHCS Information website <https://www.dhcs.ca.gov/formsandpubs/laws/priv/Documents/Privacy-Incident-Report-PIR.pdf>. Submit this report to the KernBHRS Privacy and Corporate Compliance Office via email at BHRSPrivacy@KernBHRS.org.

F. Written Report. Contractor shall provide a final written report of the investigation to the KernBHRS Privacy Office within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the DHCS "Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "Privacy Incident Report" form. KernBHRS Privacy Office will submit this information to DHCS, who will review and approve the determination of whether a breach occurred and whether individual notification is required. Contractor shall also submit, to the KernBHRS Privacy Office, an internal incident or investigation report, completed by Contractor.

G. Notification of Individuals. In the event Contractor's actions or inactions cause a breach or unauthorized use or disclosure of PHI, PI, and/or PII, Contractor shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law, and shall pay any costs of such notifications, as well as any costs associated with the breach.

1. Once DHCS has made a breach determination, Contractor shall draft a (de-identified) proposed breach notification letter, using guidelines provided in the [SIMM 5340-C](#) (State of California, California Information Security Office: Requirements to Respond to Incidents Involving a Breach of Personal Information), as instructed, and submit to the KernBHRS Privacy Office, who will submit the letter to DHCS for approval.

2. When the proposed breach notification letter is approved by DHCS, KernBHRS Privacy Office or designee will notify Contractor, who shall then proceed with mailing the notification letter(s) to the affected beneficiary/beneficiaries without reasonable delay, and in no event later than sixty (60) calendar days following the date of discovery.

3. Contractor shall notify the Department of Health and Human Services (HHS), Office for Civil Rights (OCR) no later than sixty (60) days after the end of the calendar year in which the breach is discovered, for a breach affecting less than five hundred (500) individuals, by visiting the HHS website (https://ocrportal.hhs.gov/ocr/breach/wizard_breach.jsf?faces-redirect=true) and filling out and electronically submitting a breach report form. If the breach affects five hundred (500) or more individuals, the KernBHRS Privacy Office will coordinate next steps with Contractor, including HHS notification.

H. Effect on lower tier transactions. The terms of this Exhibit shall apply to all contracts, subcontracts, and subawards, regardless of whether they are for the acquisition of services, goods, or commodities. Contractor shall incorporate the contents of this Exhibit into each subcontract or subaward to its agents, subcontractors, or independent consultants.

I. Contact Information. To direct communications to the below referenced KernBHRS staff, Contractor shall initiate contact as indicated herein. KernBHRS reserves the right to make changes to the contact information below by giving written notice to Contractor. Said changes shall not require an amendment to this Exhibit or the agreement into which it is incorporated.

Behavioral Health and Recovery Services Contract Manager	Behavioral Health and Recovery Services Privacy Officer	Behavioral Health and Recovery Services Information Security Officer
Name: E-Mail: Phone: Kern Behavioral Health and Recovery Services P.O. Box 1000 Bakersfield, CA 93302	Privacy & Corporate Compliance Officer Elizabeth Brown Email: EBrown@KernBHRS.org Direct Line: 661-868-6821 Kern Behavioral Health and Recovery Services P.O. Box 1000 Bakersfield, CA 93302 Privacy and Corporate Compliance Office Telephone: (661) 868-6868 Email: BHRSPrivacy@KernBHRS.org	Information Security Officer Rachelle Hunt Email: RHunt@KernBHRS.org Kern Behavioral Health and Recovery Services P.O. Box 1000 Bakersfield, CA 93302 Help Desk Telephone: (661) 868-6740 Email: BHRSHelpDesk@KernBHRS.org

J. Audits and Inspections. From time to time, KernBHRS may inspect the facilities, systems, books and records of Contractor to monitor compliance with the safeguards required in this Exhibit. Contractor shall promptly remedy any violation of any provision of this Privacy and Information Security Exhibit. The fact that KernBHRS inspects, or fails to inspect, or has the right to inspect Contractor’s facilities, systems, and procedures does not relieve Contractor of its responsibility to comply with this Exhibit.

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CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT H - PRIVACY AND COMPLIANCE INVESTIGATION SUMMARY

NOTE: COMPLETED COPY ON FILE WITH PRIVACY AND CORPORATE COMPLIANCE

Contractor must provide this summary to the KernBHRS Privacy and Corporate Compliance office by email @ BHRSPrivacy@KernBHRS.org, within thirty (30) calendar days of the end of each fiscal quarter. Please keep in mind that privacy and compliance investigations do not have a negative impact. Investigating privacy and compliance issues and following up on issues/risks identified are a way to show that a Privacy or Compliance Program is effective.

Report for: FY _____ Qtr. 1 (July-Sept) Qtr. 2 (Oct-Dec) Qtr. 3 (Jan-Mar) Qtr. 4 (Apr-Jun)

Contractor Name: _____

Contractor Address: _____

Name of Privacy Officer: _____

Phone: _____ Email: _____

Name of Compliance Officer: _____

Phone: _____ Email: _____

Name of Information Security Officer: _____

Phone: _____ Email: _____

PRIVACY INVESTIGATIONS:

Total Privacy investigations this quarter: _____

Total investigations this quarter resulting in a breach: _____

Breach(es) reported to KernBHRS Yes No

Please list the types of Privacy investigations conducted below (e.g. inappropriate access, inappropriate disclosure, PHI lost/stolen, misdirected mail/fax, unencrypted PHI in email, etc.). Enter total number of each type of investigation.

Type of Investigation	Total	Type of Investigation	Total

COMPLIANCE INVESTIGATIONS:

Total Compliance investigations this quarter: _____

Total investigations this quarter resulting in fraud, waste or abuse: _____

Fraud, waste or abuse reported to KernBHRS Yes No

Please list the types of Compliance investigations conducted (e.g. policy violation, code of ethics violation, questionable billing practice, allegation of fraud, waste or abuse, etc.). Enter total number of each type of investigation.

Type of Investigation	Total	Type of Investigation	Total

Signature Title

Name (please print) _____ Date _____

CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT I - PROGRAM INTEGRITY REQUIREMENTS

1. GENERAL REQUIREMENTS

As a condition for receiving payment under a Medi-Cal managed care program, Contractor shall comply with the provisions of [42 CFR §§ 438.602, 438.608, 438.610, 455.1\(a\)1, 455.104-455.106, 455.434](#); [Social Security Act §§ 1128, 1156](#), and [1842\(j\)\(2\)](#).

2.COMPLIANCE PROGRAM

Contractor shall have administrative or management arrangements or procedures designed to guard against fraud and abuse. Contractor shall comply with the provisions of [42 CFR 438.608](#).

A. Option 1: Utilize the KernBHRS Corporate Compliance Program

1. Contractor must designate a Compliance Officer (CO), who reports directly to the CEO and the Board of Directors (BoD) and is charged with overseeing the organization's compliance with requirements under the contract.

2. Contractor must abide by all tenets of the KernBHRS Corporate Compliance Program.

3. Contractor must adopt all policies and procedures contained within the KernBHRS Corporate Compliance Program.

4. All Contractor's workforce members must complete KernBHRS Corporate Compliance and Ethics training, through the Relias training system, upon hire and annually thereafter. Additionally, Contractor must ensure all workforce members are familiarized with the KernBHRS Compliance Program and know where to locate it, as well as providing all workforce members with contact information for the Contractor's Compliance Officer (CO) and training on how to report a compliance issue or concern. Contractor shall track employee trainings, to ensure training is completed at required intervals.

5. Contractor must establish effective lines of communication between the CO and the organization's employees, including routine communication with workforce members regarding pertinent compliance issues.

6. Contractor must provide enforcement of standards through well-publicized disciplinary guidelines.

7. Contractor must establish and implement procedures and a system for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential of recurrence, and ongoing compliance with the requirements under the contract. Contractor must submit a quarterly report, utilizing [Exhibit H, "Privacy and Compliance Investigation Summary"](#), to the Privacy and Corporate Compliance office within thirty (30) calendar days of the end of each fiscal quarter.

8. Contractor's Compliance Officer must report any violation of the KernBHRS Corporate Compliance program, including policies and procedures contained therein, to the KernBHRS Privacy and Corporate Compliance Office. Any allegation of fraud, waste or abuse must be reported promptly.

9. Contractors utilizing Option 1 must notify the KernBHRS Privacy and Corporate Compliance Office of their decision to utilize the KernBHRS Compliance Program, within thirty (30) days of the executed agreement. Additionally, within sixty (60) days of the executed agreement, Contractor must submit supplemental training materials/plans for ensuring all workforce members are familiarized with the KernBHRS Compliance Program and where to locate it, as well as contact information for the Contractor's Compliance Officer and how to report a compliance issue or concern. This information must be submitting utilizing the contact information listed below.

B. Option 2: Contractor shall implement and maintain a Compliance Program that must include, at a minimum, the seven (7) essential elements outlined in items 1-7 below

1. Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the contract, and all applicable federal and state requirements.

2. Designation of A Compliance Officer (CO) who is responsible for developing and implementing policies, procedures, and practices designated to ensure compliance with the requirements of the contract, and who reports directly to the CEO and the Board of Directors (BoD).

3. A Regulatory Compliance Committee (RCC) on the BoD and the senior management level, charged with overseeing the organization's compliance program and its compliance with the requirements under the contract.

4. A system for training and education for the CO, the organization's senior management, and the organization's employees for the federal and state standards and requirements under the contract, including specialized training on Contractor's Compliance Program, including training on the False Claims Act.

a. Contractor's workforce members must complete Corporate Compliance and Ethics training, through the Relias training system upon hire and annually thereafter. Contractor shall track employee trainings to ensure training is completed at required intervals. In addition to the Relias training, Contractor shall ensure staff receive training on their specific Compliance Program, including contact information for the Contractor's Compliance Officer and training on how to report a compliance issue or concern.

b. If Contractor does not have access to Relias, Contractor must provide training to all staff that includes specifics on Contractor's Compliance Program, which includes detection and prevention of fraud, waste and abuse, False Claims Act – including rights of employees to be protected as whistleblowers, Contractor's standards of conduct, code of ethics, how to report compliance issues, as well as contact information for Contractor's Compliance Officer.

c. Contractor will need to document their staff's attendance, including maintaining a sign-in sheet, e-sign or certificate, indicating the staff member's name and the date on which the training was completed. These certifications must be retained for a period of ten (10) years following contract termination. Contractor will need to develop an internal tracking mechanism to monitor their staff's attendance. This tracking system shall be available for the County to review at any time, to ensure that this required training is completed.

5. Effective lines of communication between the CO and the organization’s employees.
6. Enforcement of standards through well-publicized disciplinary guidelines.
7. The establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under the agreement. Contractor shall provide to County, documentation of monitoring and auditing of compliance risk and response, upon request. Contractor must submit a quarterly report, utilizing **Exhibit H, “Privacy and Compliance Investigation Summary,”** to the Privacy and Corporate Compliance office within thirty (30) calendar days of the end of each fiscal quarter. Additionally, Contractor must report any allegation of fraud, waste or abuse promptly.
8. Contractors utilizing Option 2 must provide to the KernBHRS Privacy and Corporate Compliance Office a copy of Contractor’s Compliance Program and training materials utilized to train workforce members within sixty (60) days of the executed agreement. The KernBHRS Privacy and Corporate Compliance Office will review the submitted Compliance Program. If it doesn’t meet regulatory requirements, as outlined in [42 CFR 438.608 \(or doesn’t include contact information for Contractor’s Compliance and Privacy Officer\(s\)\)](#), it will be returned to the Contractor for corrections. Contractor will have a maximum of thirty (30) calendar days to resubmit the Compliance Program, with corrections completed. Should Contractor not submit the required Compliance Program and training materials within the above timeframes, KernBHRS will not process submitted claim for payment. Any delayed payments will be processed upon receipt of the approved Compliance Program and training materials from Contractor. This information must be submitted utilizing the contact information provided below.

Kern County Behavioral Health and Recovery Services Compliance Officer
Compliance Officer: Elizabeth Brown Telephone: 661-868-6821 Email: EBrown@kernbhrs.org
Privacy and Corporate Compliance Office Telephone: (661) 868-6868 Email: BHRSPrivacy@KernBHRS.org
Kern County Behavioral Health and Recovery Services PO Box 1000 Bakersfield, CA 93302

3. EXCLUDED PROVIDERS

- a. Contractor shall not knowingly have a relationship with any individual or entity that is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in any of such programs by any federal agency or by any department, agency or political subdivision of the state.
- b. For purposes of this paragraph, “principal” means an officer, director, owner of any portion of the entity, partner, key employee, subcontractor, or other person with primary management or supervisory

sections, or a person who has a critical influence or substantive control over Contractor's operations. Contractor shall be required to submit a Disclosure of Ownership and Control Interest Statement during the initial contracting, re-contracting and/or recredentialing process or upon request by County.

c. Consistent with the requirements of [42 CFR § 438.602\(d\)](#), Contractor must confirm the identity and determine the exclusion status of all employees and any subcontractor, as well as any person with an ownership or control interest, or who is an agent or managing employee through routine checks of federal and state databases.

1. [List of Excluded Individuals/Entities \(LEIE\)](#), which is maintained by the [United States Department of Health and Human Services \(HHS\)](#), [Officer of the Inspector General \(OIG\)](#), upon hire and monthly thereafter.

2. Contractor shall submit Exclusion report with claim for payment.

3. This list includes entities and individuals who have been suspended from receiving payments for services provided under any provider number to Medi-Cal beneficiaries. If Contractor or subcontractor is listed, this agreement shall terminate consistent with the paragraph entitled, "**IMMEDIATE TERMINATION.**" Contractor shall ensure that any excluded individual is immediately prevented from performing services resulting in claims for payment for services, directly or indirectly to a Medicare or Medi-Cal recipient.

a. The excluded individual should also be removed from active duty in any position in which the person's salary or the services rendered or prescribed are paid in whole or in part, by federal health care programs or federal funds until such time the person is removed from the Exclusions lists. Contractor shall maintain records confirming verification of initial and monthly monitoring for a minimum of ten (10) years after the employee's separation from employment.

b. Contractor shall provide affirmation of review to the SOC Administrator monthly, the Quality Improvement Division designee during annual audits and upon request, and shall, as prescribed by Department, report any provider individual, employee or subcontractor provider, appearing on any of these exclusions lists, databases or indices.

4. The parties mutually represent and warrant to one another that they and their respective representatives are not: (i) currently excluded, debarred, or otherwise ineligible to participate in the federal health care program as defined in [42 U.S.C. section 1320a-7b \(f\)](#) (the federal health care programs) and/or present on the exclusion database of the Office of the Inspector General ("OIG"); (ii) convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the federal health care programs; or (iii) debarred, suspended, excluded, or disqualified by any federal governmental agency or department or otherwise declared ineligible from receiving federal contracts or federally approved sub-contracts or from receiving federal financial and nonfinancial assistance and benefits.

5. This shall be an on-going representation and warranty during the term of this agreement and a party shall immediately notify the other party of any change in the status of any of the representations and/or warranties set forth in this section. At a minimum, the parties shall verify all current staff against the sources at the frequency identified in the **IMMEDIATE TERMINATION**. Any breach of this section shall give the non-breaching party the right to terminate this agreement immediately.

6. If Contractor or subcontractor is identified as an excluded provider, this agreement shall terminate consistent with the guidelines in the paragraph entitled, “**IMMEDIATE TERMINATION.**”

A. Contractor must conduct an initial check, prior to hire new staff, of the following databases:

1. Social Security Administration’s Death Master File, which is maintained by the United States Social Security Administration.
2. [National Plan and Provider Enumeration System \(NPPES\)](#), which is maintained by the Centers for Medicaid and Medicare.
3. [List of Excluded Individuals/Entities \(LEIE\)](#).
4. [System for Award Management Excluded Parties List System \(SAM-EPLS\)](#).
5. [Department of Health Care Services \(DHCS\) Medi-Cal Suspended and Ineligible Provider List \(S&I List\)](#)

A1. Contractor must conduct monthly checks of the following databases:

1. [List of Excluded Individuals/Entities \(LEIE\)](#).
2. [System for Award Management Excluded Parties List System \(SAM-EPLS\)](#).
3. Department of Health Care Services (DHCS) Medi-Cal Suspended and Ineligible Provider List (S&I List)
 - a. Contractor understands that it must comply with the [National Provider Identification \(NPI\) system](#), and will provide the County NPI numbers for all staff providing direct health care or clinical services. Contractor further agrees to verify the NPI number(s) upon hiring staff, and to apply for NPI numbers on new employees within five (5) business days of the hiring date, immediately providing confirmation of NPI application to the Department.
 - b. Contractor further understands that all services entered in the **KernBHRS electronic health record** will suspend and agrees that electronic billings for services will not be accepted without the inclusion of the NPI number(s). If the NPI number is not received within ninety (90) days after the service, the service will no longer be billable and reimbursable to Contractor. Contractor shall notify the department within twenty-four (24) hours of any change to staff NPI numbers or related information, including the termination of employment of any Contractor staff. NPI numbers are also required for each physical delivery site.

A2. Contractor shall submit reports in accordance with KernBHRS Policy 3.1.15 (Screening for Ineligible and Suspended Employees and Entities), providing verification that each database referenced in KernBHRS policy 3.1.15, and this section of this contract, are monitored at the required intervals (upon hire/monthly, depending on the database). Contractor shall not knowingly have a relationship with an individual or entities that are excluded from participating in any [Federal health care program per §1128 of the Social Security Act](#), including:

1. Any individual or entity that has been convicted of a criminal offense related to the delivery of an item or service under [Title XVIII](#) or under any state health care program.

2. Any individual or entity that has been convicted, under federal or state law, of a criminal offense relating to neglect or abuse of patient in connection with the delivery of a health care item or service.

3. Any individual or entity that has been convicted for a criminal offense consisting of a felony relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct after the enactment of the [Health Insurance Portability and Accountability Act of 1996](#).

4. Any individual or entity that has been convicted for an offense consisting of a felony relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance which occurred after the date of the enactment of the Health Insurance Portability and Accountability Act of 1996.

A3. Federal Financial Participation is not available for any amount furnished to an excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the Department failed to suspend payments during an investigation of a credible allegation of fraud. ([42 U.S.C. section 1396b\(i\)\(2\).](#))

B. In accordance with [Section 1903\(i\) of the Social Security Act](#), the Contractor is prohibited from making payment:

1. With respect to any amount expended for an item or service that is furnished at the medical direction or on the prescription of a physician, during the period when such physician is excluded from participation under [title V, XVIII, or XX or under this title pursuant to sections 1128, 1128A, 1156, or 1842\(j\)\(2\) of the Social Security Act](#) and when the person furnishing such item or service knew, or had reason to know, of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).

2. With respect to any amount expended for an item or service that is furnished by an individual or entity to whom the state has failed to suspend payments during any period when there is a pending investigation of a credible allegation of fraud against the individual or entity, unless the state determines there is good cause not to suspend such payments.

3. With respect to any amount expended for which funds may not be used under the [Assisted Suicide Funding Restriction Act \(ASFRA\) of 1997](#).

C. These lists include entities and individuals who have been suspended from receiving payments for services provided under any provider number to Medi-Cal beneficiaries. If Contractor or subcontractor is listed, this agreement shall terminate consistent with paragraph entitled, **“IMMEDIATE TERMINATION.”**

D. Contractor shall ensure that any excluded individual is immediately prevented from performing services resulting in claims for payment for services, directly or indirectly to a Medicare or Medi-Cal recipient. The excluded individual should also be removed from active duty in any position in which the person’s salary or the services rendered or prescribed are paid in whole or in part, by federal health care programs or federal funds until such time the person is removed from the Exclusions lists. Contractor shall maintain records confirming verification of initial and monthly monitoring for a minimum of ten (10) years after the employee’s separation from employment. Contractor shall provide affirmation of review to the SOC Administrator monthly, the Quality Improvement Division designee during annual

audits and upon request, and shall, as prescribed by Department, report any provider individual, employee or subcontractor provider, appearing on any of these exclusions lists, databases or indices.

E. The parties mutually represent and warrant to one another that they and their respective representatives are not: (i) currently excluded, debarred, or otherwise ineligible to participate in the federal health care program as defined in [42 U.S.C. section 1320a-7b\(f\)](#) (the federal health care programs) and/or present on the exclusion database of the Office of the Inspector General (“OIG”), the [General Services Administration \(“GSA”\)](#) or the [Medi-Cal ineligible list](#); (ii) convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the federal health care programs; or (iii) debarred, suspended, excluded, or disqualified by any federal governmental agency or department or otherwise declared ineligible from receiving federal contracts or federally approved sub-contracts or from receiving federal financial and nonfinancial assistance and benefits.

1. This shall be an ongoing representation and warranty during the term of this agreement, and a party shall immediately notify the other party of any change in the status of any of the representations and/or warranties set forth in this section. At a minimum, the parties shall verify all current staff against the sources at the frequency identified in this Exhibit. Any breach of this section shall give the non-breaching party the right to terminate this agreement immediately.

2. If Contractor or subcontractor is identified as an excluded provider, this agreement shall terminate consistent with the guidelines in the paragraph entitled, “**IMMEDIATE TERMINATION.**”

4. DEFICIT REDUCTION ACT (FOR MEDI-CAL AGREEMENTS ONLY)

A. The parties to this agreement are aware of the provisions of [Federal Deficit Reduction Act of 2005: Employee Education on False Claims Recovery](#) and certify that they comply with [Section 1902\(a\) of the Social Security Act](#).

B. [Section 6032 of the Deficit Reduction Act](#) requires any entities that receive or make annual payments under the state plan (Medi-Cal in California) of at least five million dollars (\$5,000,000) as a condition of receiving such payments to comply with the following requirements:

1. Establish written policies for all employees of the entity, including management and any contractor(s) or agent(s) of the entity. These written policies shall provide detailed information about the following:

a. The Federal False Claims Act, including administrative remedies for false claims and statements established under [title 31, USC, Chapter 38](#).

b. State laws pertaining to civil or criminal penalties for false claims and statements; whistleblower protections under such laws; and the role of these laws in preventing and detecting fraud, waste and abuse in federal health care programs.

c. Contractor’s procedures for detecting and preventing fraud, waste and abuse.

2. Contractor must provide employee training on the False Claims Act, including the rights of employees to be protected as whistleblowers. Documented evidence of this training is to be provided to County upon request.

5. FRAUD REPORTING REQUIREMENTS

A. Contractor shall implement and maintain arrangements or procedures designed to detect and prevent fraud, waste and abuse that include prompt reporting to County about the following:

1. Any potential fraud, waste or abuse. ([42 CFR §438.608\(a\), \(a\)\(7\).](#))
2. All overpayments identified or recovered, specifying the overpayments due to potential fraud. ([42 C.F.R. §438.608\(a\), \(a\)\(2\).](#))
3. Information about changes in a beneficiary's circumstances that may affect the beneficiary's eligibility including changes in the beneficiary's residence or the death of the beneficiary. ([42 C.F.R. §438.608\(a\), \(a\)\(3\).](#))

B. If Contractor identifies an issue or receives notification of a complaint concerning an incident of potential fraud, waste or abuse, in addition to notifying the County within **twenty-four (24) hours**, the Contractor shall conduct an internal investigation to determine the validity of the issue/complaint, and develop and implement corrective action, if needed, notifying the County of the outcome of the investigation.

C. Contractor shall implement and maintain written policies for all employees that provided detailed information about the False Claims Act and other federal and state laws, including information about rights of employees to be protected as whistleblowers. ([42 CFR §438.608\(a\), \(a\)\(6\).](#))

D. County shall suspend payments to Contractor if there is a credible allegation of fraud. ([42 CFR §438.608\(a\), \(a\)\(5\).](#))

6. DISCLOSURES OWNERSHIP CONTROL INTEREST STATEMENT

A. A. Contractor agrees to furnish County with the names of its officers, owners, stockholders owning more than five percent (5%) of its stock, and major creditors holding more than five percent (5%) of the debt of Contractor. This information shall become public record on file with the U.S. Department of Health and Human Services.

B. B. Contractor agrees to comply with the requirements set forth in the federal regulations [42 CFR 455.104-455.106](#) in reference to the Medicare, Medicaid, or [Title XX service programs](#).

C. Contractor agrees to submit to County the completed form attached herein as **Exhibit J, "Disclosure of Ownership and Control Interest Statement"** upon submitting the provider application, during the re-validation of enrollment, and upon request. Any person with a five percent (5%) or more direct or indirect interest in Contractor must include results of fingerprints/criminal background check.

D. Contractor agrees to notify County and update **"Disclosure of Ownership and Control Interest Statement"** within thirty-five (35) days if a change in ownership occurs.

E. County may terminate the Agreement if any person with a five percent (5%) or greater direct or indirect ownership interest in Contractor does not submit timely and accurate information and cooperate with any screening methods required in [42 CFR 455.416](#).

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CONTRACTOR NAME

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT J - DISCLOSURE OF OWNERSHIP AND CONTROL INTEREST STATEMENT

NOTE: COMPLETED COPY ON FILE WITH CONTRACT MONITORING TEAM

The federal regulations set forth in [42 CFR 455.101](#), [455.104](#), [455.105](#), [455.106](#), and [455.434](#) require providers who are entering into or renewing a provider agreement to disclose to the U.S. Department of Health and Human Services, the state Medicaid agency, and to Managed Care Organizations that contract with the state Medicaid Agency: 1) the identity of all owners with a control interest of five percent (**5% or greater**), 2) certain business transactions as described in [42 CFR 455.105](#) and 3) the identity of any excluded individual or entity with an ownership or control interest in the provider, the provider group, or disclosing entity or who is an agent or managing employee of the provider group or entity or who is an agent or managing employee of the provider entity and 4) arrange for fingerprint clearance for criminal background checks and submit proof of clearance along with Disclosure of Ownership and Control Interest Statement documentation. Any changes in ownership during the contract year will require all documentation to be updated. **Please attach a separate sheet if necessary.**

Provider Entity Information
Circle the Type of disclosing entity:
<input type="checkbox"/> Individual Member of a Group or Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability
<input type="checkbox"/> Other (Specify) _____
Legal Name of individual or entity (" Provider Entity "):
DBA Name:
Group Name:
Primary/Main Office Address:
Mailing Address (if different from above)
Practice Address 1:
Practice Address 2:
Federal Tax Identification #:
Medicaid ID#:
National Provider ID (NPI) #:
Provider CAQH #:

***If applicable, add the group, provider or health care professional name and EIN when the Provider Entity is part of a group practice, attach a separate sheet if necessary.**

Section I					
Are there any individuals or organizations with an Ownership or Control Interest of 5% or more in the Provider Entity? <input type="checkbox"/> Yes <input type="checkbox"/> No					
List the name, title, address, date of birth (DOB) and Social Security Number (SSN) for all individuals having an ownership or control interest in the Provider Entity of 5% or greater . This Should match those listed in the organizational chart. For Owners list the percentage of ownership. Attach additional pages if needed to identify all parties with ownership or control interest. List the name, Tax Identification Number (TIN), business address of each organization, corporation, or entity having an ownership of corporation, or entity having an Ownership or Control Interest of 5% or greater . (42 CFR 455.104 (b) (1) (ii))					
Name/Title	DOB	Address	Address	SSN (if listing an individual) TIN (if listing an	% Interest

Section II

Are any of the individuals listed in Section I above related to each other? ___ **Yes** ___ **No**

If yes, list the individuals identified and the relationship to each other (spouse, sibling, parent, child).

Are any individuals listed in Section I above related to any individuals with an ownership or control interest in any of the subcontractors listed in Section III below? ___ **Yes** ___ **No**

If yes, list their name and relationship. (42 CFR.455.104 (b) (2))

Name of Individual	Relationship

Section III

Does the Provider Entity have a Direct or Indirect Ownership Interest in any Subcontractor 5% or more that another individual or organization also has an Ownership or Controlling Interest? ___ **Yes** ___ **No**

If yes, list the following information for each person with an Ownership or controlling Interest in any Subcontractor in which the Provider Entity has Direct or Indirect Ownership of 5% or more. (42 CFR 455.104)

Name/Title	Address	DOB	SSN or TIN	% Interest

Section IV

Has any person who has an ownership or control interest in the provider entity, or is an agent or managing employee of the Provider Entity ever been convicted of a crime related to that person's involvement in any program under Medicaid, Medicare or Title XX program? ___ **Yes** ___ **No** (verify through HHS-OIG List of Excluded individuals/Entities (LEIE), General Services Administration (GSA) Excluded Parties List (EPLS), the Medicare Exclusion Database (the MED) databases and any State specific database.) **Any person who has a 5% or more direct or indirect interest must also submit fingerprints and a background check.**

If yes, please list those persons below. (42 CFR 455.106)

Name/Title	DOB	Address	SSN (if listing an individual) TIN (if listing an entity)

Section V

Business Transactions: Has the provider Entity had any business transactions with Subcontractors or Wholly Owned Supplier totaling more than \$25,000 or 5% or operating expenses in the previous twelve (12) month period?

Yes ___

If yes, list the ownership of Subcontractor with whom the Provider Entity **has had a business transactions total more than \$25,000** during the previous twelve 12-month period; **and any Significant Business Transaction between this provider and any wholly owned supplier** exceeding the lesser of \$25,000 or 5% operating expense, during the past 5-year period.

This information must be provided within 35 days of request. Attach a separate sheet if necessary.

(42 CFR 455.104 and 42 CFR 455.105)

Name of supplier/ Subcontractor	Address	Owner	SSN (if listing an individual) TIN (if listing an entity)	Transaction Amount

Section VI

Managing Employees: Does the Provider Entity have any Managing Employees?

Yes No

If yes, for Disclosing Entities, list each member of the Board of Directors, Governing Board, and Managing Employees (general manager, business manager, administrator or director), including the name, date of birth (DOB), Address, Social Security Number (SSN), and percent of interest.

Name/Title	DOB	Address	SSN (if listing an individual)	% Interest

I certify that the information provided herein, is true, accurate and complete.

Any person who has a 5% or more direct or indirect interest must also submit fingerprints and a background check results with the Disclosure of Ownership form.

Additions or revisions to the information above will be submitted immediately upon revision. Additionally, I understand that misleading, inaccurate, or incomplete data may result in a denial of participation. Individuals and Sole Proprietors must sign their own form. An authorized representative may sign for Partnership, Corporation, LLC or Other disclosing entities.

Signature _____
Title (indicate if authorized Agent)

Name (please print) _____
Date

CONTRACTOR

CONSUMER FAMILY LEARNING CENTER SERVICES

EXHIBIT K - CREDENTIALING AND RE-CREDENTIALING REQUIREMENTS

INTRODUCTION:

I. KernBHRS will establish and conduct a provider Credentialing Program for credentialing and re-credentialing Contractor's network treatment providers. Contractor shall agree to comply with the terms set forth herein.

II. Contractor shall adhere to the California Department of Health Care Services' (DHCS) statewide uniform provider credentialing and re-credentialing requirements, established pursuant to [Title 42 of the Code of Federal Regulations, Part 438.214](#).

III. KernBHRS will ensure that Contractor and its employees, agents, or subcontractors are qualified in accordance with current legal, professional, and technical standards, and are appropriately licensed, registered, waived, and/or certified.

IV. Contractor and its employees, agents, or subcontractors must be in good standing with the Medicaid/Medi-Cal programs. Any provider of Contractor, including contracted organizational providers, provider groups, and individual practitioners, who are excluded from participation in federal health care programs, including Medicare or Medicaid/Medi-Cal, may not participate in any KernBHRS provider network.

V. The uniform credentialing and re-credentialing requirements apply to all licensed, waived, or registered mental health providers and licensed, registered, or certified Alcohol or Other Drug Counselors, employed by or contracting with KernBHRS to deliver Medi-Cal covered services.

VI. Contractor shall observe the following requirements:

A. For all licensed, waived, registered and/or certified providers, KernBHRS will verify and document the information listed below. The listed requirements are not applicable to all provider types. When applicable to the provider type, the information must be verified by KernBHRS through an auditing process of Contractor's primary source verification efforts or by Contractor's submitting these documents directly to the KernBHRS Credentialing Unit or designee. This will be required unless Contractor can demonstrate the required information has been previously verified by the applicable licensing, certification, and/or registration board.

B. Contractor shall submit the following information for their employees, agents, or subcontractors at the time of hire and at the various timelines listed below to the KernBHRS Credentialing Unit or designee. KernBHRS reserves the right to audit the primary source verification that Contractor reports it is doing for their employees on a quarterly basis. Regardless of whether Contractor submits all information to KernBHRS to credential or Contractor's credentialing process is audited, Contractor must submit all credentialing requirements to KernBHRS Credentialing team or designee at the time of hire of any new employee. Contractor will also notify KernBHRS Credentialing team when an employee separates from their organization to ensure that credentialing/re-credentialing efforts are not continued for separated employees.

1. Primary Source Verification shall be required in the following areas at the time of hire and every three (3) years thereafter unless Contractor can demonstrate the required information has been previously verified by the applicable licensing, certification and/or registration board:

a. The appropriate license and/or board certification or registration, as required for the particular provider type;

b. Evidence of graduation or completion of any required education, as required for the particular provider type;

c. Proof of completion of any relevant medical residency and/or specialty training, as required for the particular provider type; and

d. Satisfaction of any applicable continuing education requirements, as required for the particular provider type.

2. Additional information shall be required in the following areas from Contractor and its employees, agents, or subcontractors, as applicable, at the time of hire and every three (3) years thereafter

a. Work history;

b. Hospital and clinic privileges in good standing;

c. History of any suspension or curtailment of hospital and clinic privileges;

d. Current Drug Enforcement Administration identification number;

e. National Provider Identifier number;

f. Current malpractice insurance in an adequate amount, as required for the particular provider type;

g. History of liability claims against the provider;

h. Provider information, if any, entered in the National Practitioner Data Bank, when applicable. See <https://www.npdb.hrsa.gov/> ;

i. History of sanctions from participating in Medicare and/or Medicaid/Medi-Cal: providers terminated from either Medicare or Medi-Cal, or on the Suspended and Ineligible Provider List, may not participate in the Plan's provider network. This list is available at: <http://files.medi-cal.ca.gov/pubsdoco/SandILanding.asp>

j. History of sanctions or limitations on the provider's license issued by any state's agencies or licensing boards;

k. Employee Attestation consisting of five (5) required elements:

i. Any limitations or disabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation.

ii. A history of loss of license or felony conviction.

- iii. A history of loss or limitation of privileges or disciplinary activity.
- iv. A lack of present illegal drug use; and
- v. The application's accuracy and completeness
- l. Enrollment in the Provider Application and Validation of Enrollment (PAVE), as applicable to provider type
- m. Other sources pertinent to the credentialing or recredentialing process as identified by KernBHRS.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

[END OF THE AGREEMENT]