

**MADERA COUNTY MASTER CONTRACT NO. 005**

(Behavioral Health Services - Facilities: Inpatient, Day Service, Board & Care, Alcohol/Other Drug Residential, and Institutions for Mentally Disordered)

**AGREEMENT**

1. **DESCRIPTION OF SERVICES.** COUNTY hereby engages CONTRACTOR to provide services to COUNTY's Medi-Cal beneficiaries and indigent residents who are not covered by other third-party payors ("CLIENTS") as provided in the Contract Cover Sheet, and more specifically as follows:

1.01 **Facility.** CONTRACTOR shall maintain a safe facility which will provide an environment conducive to the treatment of COUNTY CLIENTS. This facility shall include, but not be limited to, adequate space and patient access to the patients' rights advocate, family members and visitors.

1.02 **Safe and Accessible Facility.** (Alcohol/Other Drug residential facilities only) CONTRACTOR shall maintain, at its own expense, a safe facility in which services are provided to CLIENTS. All services shall be rendered in a facility which complies with facility access for disabled persons as required by section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and related California statutes.

1.03 **Services to be Provided.** CONTRACTOR shall provide services to CLIENTS who are referred to the facility by designated COUNTY staff, on a space available basis. All services provided to COUNTY CLIENTS must be pre-authorized by COUNTY. COUNTY shall use its best efforts to provide CONTRACTOR with such CLIENT information as is reasonably necessary to aid CONTRACTOR in providing treatment to COUNTY CLIENTS. COUNTY shall notify CONTRACTOR, prior to admission, of the need for additional non-standard equipment. CONTRACTOR shall provide any non-standard equipment for COUNTY CLIENTS which was not anticipated prior to admission. CONTRACTOR will not be responsible for CLIENT'S admission or discharge transportation.

1.03.1 (Inpatient facility contracts only.) CONTRACTOR shall provide psychiatric hospital services pursuant to section 5775 et seq. of the Welfare and Institutions Code, other applicable federal and state

regulations, Behavioral Health Services (BHS) policies MHP 27:00 (Psychiatric Hospitalizations), MHP 17:00 (Medical Necessity for Specialty Mental Health Services), and other BHS policies, which are available on COUNTY's website, [www.madera-county.com](http://www.madera-county.com), under "Behavioral Health Services." CONTRACTOR will abide by the authorization procedures as designated by COUNTY in rendering services to CLIENT. CONTRACTOR shall follow State Guidelines. COUNTY shall not deny payment for services that meet Medi-Cal guidelines once services have been provided in good faith.

1.03.2 (Day Service contracts only.) CONTRACTOR shall provide specialty mental health services (including day services) to Medi-Cal beneficiaries only, as described in California Department of Mental Health (DMH) and Department of Health Care Services (DHCS) Policy Letters, which are available at the DHCS website, [http://www.dhcs.ca.gov/services/MH/Pages/MH-Letters-](http://www.dhcs.ca.gov/services/MH/Pages/MH-Letters-Notices.aspx)

Notices.aspx and/or BHS policy MHP 33:00 (Intensive and Rehabilitative Day Treatment for Youth in Out-of-County Placement), which is available on COUNTY's website, [www.madera-county.com](http://www.madera-county.com), under "Behavioral Health Services."

1.03.3 (Institution for Mentally Disordered (IMD) facility contracts only.)

The levels of care provided by CONTRACTOR include the following: Institution for the Mentally Disordered, Mental Health Rehabilitation, Transitional Residential Treatment, and/or Skilled Nursing Facility.

1.03.4 (Board and Care facility contract only). CONTRACTOR provides residential services complying with the community care licensing requirements for mentally disordered adults.

1.03.5 (Alcohol/Other Drug residential facility contracts only.)

CONTRACTOR provides detoxification, residential recovery, and outpatient services that include, but are not limited to, room and board, assessment, individual recovery planning, group and

individual counseling, and outpatient aftercare services as described in California Department of Alcohol and Drug Programs (ADP) County Boilerplate located at <http://www.dhcs.ca.gov/provgovpart/Pages/SUD-ProvPartners.aspx>  
No more than thirty (30) days of service shall be provided to a CLIENT for residential/detoxification recovery services unless COUNTY approves additional days of service.

1.04 **Protection of Rights.** CONTRACTOR agrees to protect the rights of COUNTY CLIENTS admitted for services in compliance with state and federal law.

1.04.1 (Inpatient, Day Service, Board and Care, and IMD facilities only.)  
CONTRACTOR agrees to notify COUNTY CLIENTS of their right to file a grievance regarding services as provided in BHS policy MHP 07:00 (Behavioral Health Services Consumer Problem Resolution Policies and Procedures) which is located on COUNTY's website, [www.madera-county.com](http://www.madera-county.com), under "Behavioral Health Services."

1.05 **Admission for Services.** The COUNTY contracts with an outside provider for Crisis Psychiatric Response Services (CPRS). Contracted crisis psychiatric response services staff ("CPRS STAFF") are defined as individuals employed by the CPRS provider to provide CPRS to COUNTY residents. The decision to admit COUNTY CLIENTS referred for treatment by designated COUNTY staff and/or CPRS STAFF is at the sole discretion of CONTRACTOR. Prior to transporting any CLIENT designated COUNTY staff /CPRS STAFF shall contact CONTRACTOR to determine whether space is available.

1.06 **Designated COUNTY/CPRS Staff.** Designated professional persons who are authorized to write and / or evaluate for detainment of persons under California W&I Code 5150 are currently employed by BHS or contracted to BHS for CPRS, hold Clinical Licensure, Prelicensed Waiver or the BHS job classification of Senior Mental Health Caseworker and have been specifically trained by the department to complete 5150 evaluations.

- 1.07 **Non-Psychiatric Related Medical Services.** (Inpatient, Day Services, Board and Care, and IMD facility contracts only.) CONTRACTOR shall provide COUNTY CLIENTS with access to non-psychiatric related medical services as are clinically indicated including, but not limited to, non-emergency, surgical, laboratory, pharmacy, emergency medical services, transportation to needed off-site services and bilingual/bicultural programming. COUNTY is not responsible for any non-psychiatric services.
- 1.08 **Clinical Records.** CONTRACTOR shall maintain adequate records which comply with all appropriate state and federal requirements. Individual records shall contain intake information, interviews and progress notes. Clinical records shall contain details adequate for the evaluation of the service.
- 1.09 **Participation in Planning and Discharge Decisions.** (Inpatient, Day Service, Board and Care, and IMD facility contracts only.) Designated COUNTY staff shall participate in the planning of the services CONTRACTOR shall provide to COUNTY CLIENTS. Designated COUNTY staff shall participate with CONTRACTOR's staff in making discharge plans for COUNTY CLIENTS.

2. **LICENSES.** CONTRACTOR shall, at all times during the term of this Agreement, maintain all necessary valid licenses to practice in the State of California, display those licenses in a reasonably conspicuous location, and shall conform to accepted professional standards in the delivery of services pursuant to this Agreement.

2.01 (Day Services, Board & Care, and IMD facility contracts only.) CONTRACTOR shall abide by the Bronzan-McCorquodale Act (Welfare and Institutions Code, Division 5, Part II, section 5600 et seq.), Title 9 and Title 22 of the California Code of Regulations, the State Cost Reporting/Data Collection Manual (CR/DC), and DMH/DHCS Policy Letters.

2.02 (Day Services contracts only.) CONTRACTOR shall furnish COUNTY, within thirty (30) days of execution of this Agreement, a copy of Medi-Cal Certification letter for the Host County; a complete Program Description; a

Program Schedule; and the Treatment Staff Roster, including license number, National Provider Identifier (NPI) and/or evidence of credentialing. CONTRACTOR shall also abide by the DHCS/MHP contract provisions regarding Day Services.

- 2.03 (Alcohol/Other Drug residential facility contracts only.) Where applicable, COUNTY shall require, as a condition of this Agreement, that CONTRACTOR comply with Title 21, Parts 291 and 1300, et seq. of the Code of Federal Regulations; Title 9, section 1000 et seq. of the California Code of Regulations; Title 9, chapter 11 of the California Code of Regulations; Title XIX of the Social Security Act; Drug/Medi-Cal Certification Standards for Substance Abuse Clinics; ADP Standards for Drug Treatment Programs and the ADP Appeal Process. CONTRACTOR must conform to all applicable State and Federal statutes and regulations which are incorporated herein by this reference. CONTRACTOR shall furnish COUNTY with a copy of its Site Certification/License letter within thirty (30) days of execution of this Agreement.

3. **PAYMENTS TO CONTRACTOR.**

- 3.01 **Payment of Invoices.** Payments by COUNTY shall be monthly, in arrears, for services provided during the preceding month, within sixty (60) days after receipt, verification and approval of CONTRACTOR's invoices by COUNTY. If CONTRACTOR fails to comply with any provision of this Agreement, COUNTY shall be relieved of its obligation for further compensation.

- 3.02 **CONTRACTOR Invoices.** CONTRACTOR shall submit invoices to COUNTY monthly addressed to COUNTY Behavioral Health Services, Accounts Payable, P. O. Box 1288, Madera CA 93639.

3.02.1 **Invoice Submission** (Inpatient Facilities.) Invoices must be submitted within sixty (60) days from discharge date for which the invoiced services were provided.

3.02.2 **Invoice Submission** (Day Service, Board & Care, Alcohol/Other Drug Residential, and Institutions for Mentally Disordered.) Invoices must be submitted within 60 days from service month end.

3.02.3 **Basis for Claims.** (Inpatient, Day Services, IMD and AOD Residential.) Claims for payment shall be based on complete and timely documentation in the CLIENT'S's chart, an appropriate and medically necessary diagnosis, accurate activity code(s), and all other required documentation. Claimed services shall be provided and documented upon timely assessment and a CLIENT plan for treatment that is completed and updated in accordance with applicable federal and state regulations and with applicable COUNTY Behavioral Health Services policies.

3.02.4 **Basis for Claims.** (Board and Care facility contracts.) Claims for payment shall be based on complete and timely documentation. Claimed services shall be provided and documented in accordance with applicable Federal and State regulations and with applicable COUNTY Behavioral Health Services policies.

3.02.5 **Rate Structure; Contingent Liability of COUNTY/State.** Upon the submission of a claim, COUNTY agrees to pay CONTRACTOR and CONTRACTOR agrees to accept from COUNTY as payment in full, subject to any fees and patient share of costs, for authorized services provided to COUNTY CLIENTS those rates as listed in the Contract Cover Sheet.

3.02.6 **Rate Changes.** (Inpatient, Day Service, Board and Care, and IMD facility contracts.) Both parties understand that the approved basic rate may change during the term of this Contract, and the new basic rate will be determined and modified as needed by mutual agreement. If the approved basic rate is changed during the term of this Contract, the new rate shall be used to determine the amount which COUNTY shall pay to CONTRACTOR for services provided under this Contract. The provisions of this section are self-executing upon change in the Basic Rate.

3.02.7 **Adjustments to Rate.** (Board and Care and IMD facility contracts only.) CONTRACTOR and COUNTY may negotiate adjustments to

the daily rate when a CLIENT requires increased services for medical conditions, behavioral problems, or psychiatric acuity. The provisions of this section are self-executing upon mutual agreement between COUNTY and CONTRACTOR.

3.02.8 **Settling to Cost.** (Day Service contracts only.) Federal financial participation determined from cost report settlement for each fiscal year will be determined based on the lower of cost or published charges (unless a nominal-charge provider). (DMH Information Notice 09-13.)

3.03 **Certification for Services Provided.** CONTRACTOR shall certify that all services reported to COUNTY meet reimbursement criteria as defined by the California Department of Health Care Services (DHCS) / California Department of State Hospitals (DSH). CONTRACTOR shall not claim payment for any service which does not meet such standards and requirements. In the event that CONTRACTOR discovers that a claim has been improperly submitted, he shall immediately notify COUNTY.

3.04 **Audit of Invoices/Disallowances.** Each invoice is subject to audit, and COUNTY may be making payments on invoices in advance of such audits. In the event that an invoice is disapproved for payment, COUNTY may, at its sole discretion, withhold compensation or set off from other payments due to CONTRACTOR in the amount of said disapproved invoices. COUNTY shall have the right to demand of CONTRACTOR the repayment to COUNTY of any funds disbursed to CONTRACTOR under this Agreement which, in the judgment of COUNTY, were not expended in accordance with the terms of this Agreement. CONTRACTOR shall promptly refund any such funds upon demand.

4. **COMPLIANCE WITH QUALITY ASSURANCE/IMPROVEMENT AND UTILIZATION REVIEW.** CONTRACTOR shall cooperate and participate with COUNTY in Quality Assurance/Improvement and Utilization Review Programs and grievance procedures, and comply with all final determinations rendered by COUNTY Quality Assurance/Improvement and Utilization Review Programs, unless decision is reversed upon appeal, as set forth in the Medi-Cal Mental Health Plan Manual. COUNTY's

adverse decisions regarding CONTRACTOR services to CLIENT(S) may result in the disallowance of payment for service(s) rendered; may result in additional controls to the delivery of service(s); or may result in the termination of this Agreement. COUNTY shall have sole discretion in the determination of Quality Assurance/Improvement and Utilization Review outcomes, decisions, and actions.

5. **CONTRACTOR GRIEVANCE PROCEDURE**. CONTRACTOR may appeal to COUNTY a denied or reduced request for COUNTY authorization for payment for services rendered. The written appeal shall be submitted to COUNTY within thirty (30) calendar days of the postmark date of the notification of the denial of payment. Final determination of all appeals shall be made by designated staff of COUNTY Behavioral Health Services. All appeals of adverse decisions shall be submitted to:

Madera County Behavioral Health Services  
P. O. Box 1288  
Madera, CA 93639

6. **RECORDS, REPORTING, AUDITS**. CONTRACTOR agrees to complete and submit all forms and reports as required by COUNTY. CONTRACTOR agrees to maintain records in accordance with state and federal regulations and as required by COUNTY until completion of State Audit. Any cost apportionments shall be made using generally accepted accounting principles and shall have proper "audit trails" reflecting the true cost of the services. CONTRACTOR shall provide COUNTY with records as may be required for billing and collection. CONTRACTOR agrees that COUNTY shall withhold payment for lack of appropriate records and/or contents. CONTRACTOR may be asked to provide a tax statement or audited end-of-year financial statement sufficient to establish for State audit purposes that the rates for services as provided in this Agreement are reasonable based on CONTRACTOR's operating costs.

6.01 **Facilities shall submit the following to County:**

6.01.1 Acute 24-hour facilities: the DHCS Cost Report or CMS 2552-96  
Hospital Cost Report

6.01.2 Day Services contractors receiving \$60,000 annually and Medi-Cal  
reimbursed contractors: audited end-of-year financial statement



6.01.3 Alcohol & Drug Detox/Residential facilities receiving \$25,000 annually: audited end-of-year financial statement

6.02 **Closure of Facility.** If CONTRACTOR's facilities are closed, CONTRACTOR shall notify COUNTY within forty-eight (48) hours in writing of all arrangements made by CONTRACTOR for preservation of all financial, service, and other records prepared pursuant to this Agreement.

6.03 **Audits and Inspections.** CONTRACTOR shall, at any time during normal business hours and as often as deemed necessary, make available to COUNTY and authorized agencies, including but not limited to: DHCS, DSH, the Department of Health and Human Services (CHHS) the Comptroller General of the United States, and other authorized federal and state agencies, or their duly authorized representatives, facilities, staff, records and data pertaining to the matters covered by this Agreement. Authorized agencies shall maintain the confidentiality of such records in accordance with applicable laws and regulations.

6.03.1 **Exceptions and Disallowances.** With regard to any audit exceptions or disallowances, as determined by COUNTY or authorized agencies, COUNTY shall have the right to demand repayment from CONTRACTOR of any audit exception or disallowance, with repayment to begin sixty (60) days after demand resulting from an exception or disallowance. COUNTY may, in its sole discretion, withhold compensation or set off from other payments due to CONTRACTOR in the amount of the exception or disallowance.

(a) **Medical Necessity.** (Inpatient facility contracts only) If COUNTY plans a CLIENT's admission to a facility, and the State later determines an audit exception exists on the basis of a lack of medical necessity, then COUNTY shall be financially responsible for the CLIENT's admission.

6.03.2 **Appeal Recoupment.** CONTRACTOR may appeal the recoupment in accordance with state and federal laws and as provided below. However, recoupment shall begin sixty (60) days

after demand resulting from an audit or review and shall not be deferred by the filing of a request for an appeal.

- (a) (Day Service, Board and Care, and IMD facility contracts only) CONTRACTOR's appeal shall be in accordance with the policies and procedures of BHS policy MHP 34:00 (Provider Complaint and Appeal Process) which is located on COUNTY's website, [www.madera-county.com](http://www.madera-county.com), under "Behavioral Health Services."
- (b) (Inpatient facility contracts only) CONTRACTOR's appeal shall be in accordance with the policies and procedures of BHS policies MHP 27:00 (Psychiatric Hospitalizations) and MHP 34:00 (Provider Complaint and Appeal Process) which are located on COUNTY's website, [www.madera-county.com](http://www.madera-county.com), under "Behavioral Health Services."
- (c) (Alcohol/Other Drug residential facility contracts only) A written appeal shall be submitted to COUNTY within thirty (30) calendar days of the postmark date of the notification of the denial of payment. Final determination of all appeals shall be made by COUNTY Director of Behavioral Health Services/ Alcohol and Drug Program Administrator. All appeals of adverse decisions shall be submitted to:

Behavioral Health Services Director/  
Alcohol and Drug Program Administrator  
Madera County Behavioral Health Services  
P. O. Box 1288  
Madera, CA 93639

6.03.3 **Liability for Recovery.** CONTRACTOR's liability to COUNTY for any amount recovered under this section shall be according to applicable procedural requirements.

7. **COUNTY'S RIGHTS NOT WAIVED BY PAYMENTS.** In no event shall the making by COUNTY of any payment to CONTRACTOR constitute, or be construed as, a waiver by COUNTY of any breach of covenant, or of any default which may then exist, on the part of CONTRACTOR. The making of any such payment by COUNTY,

while any such breach or default shall exist, shall not be construed as acceptance of substandard or careless work or as relieving CONTRACTOR from its full responsibility under this Agreement.

8. **INDEMNITY.** Insurance and Indemnification: Each of the parties of this Agreement is self-insured or carries liability insurance. Each party will provide liability insurance coverage for the performance of its duties under this Agreement. The parties hereto shall indemnify, defend and hold harmless, the other party, and that party's officers, agents and employees harmless from and against any and all claims, losses, liabilities, damages, demands and actions (all collectivity referred to herein as "liability") arising out of each parties' respective performance of this Agreement.

9. **INSURANCE.**

9.01 **Maintenance of Insurance Coverage.** Without limiting COUNTY's right to obtain indemnification from CONTRACTOR or any third parties, CONTRACTOR, at his sole expense, shall obtain and maintain in full force and effect the insurance coverage specified on the Contract Cover Sheet throughout the term of this Agreement. In the event CONTRACTOR fails to keep in effect at all times insurance coverage as herein required, COUNTY may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.

9.02 **Proof of Insurance.** At the time of entering into this Agreement, CONTRACTOR shall provide certification or other sufficient proof of the required insurance to COUNTY. These policies of insurance or sufficient proof of required insurance shall not be canceled or changed without a minimum of thirty (30) days advance written notice to COUNTY. Upon expiration of the certification or other proof of insurance for any of the foregoing policies, CONTRACTOR shall provide to COUNTY a new certification or other proof of insurance which contains the new expiration date for the insurance policy. All insurance policies shall be furnished by an insurer approved by COUNTY Risk Manager.

10. **TERMINATION.**

10.01 **Non-Allocation of Funds.** The terms of this Agreement and the services to be provided hereunder are contingent upon the approval of funds by the appropriating government agency. Should sufficient funds not be allocated, the services to be provided may be modified or this Agreement may be terminated by COUNTY giving CONTRACTOR thirty (30) days advance written notice. In the event of termination for non-allocation of funds, CONTRACTOR shall ensure an orderly transition of care for CLIENTS receiving services including, but not limited to, the transfer of CLIENTS' records.

10.02 **Breach of Contract.**

10.02.1 **Suspension/Termination.** COUNTY may immediately suspend or terminate this Agreement, in whole or in part, where, in the determination of COUNTY, there is a failure to comply with the terms of this agreement, including but not limited to:

- (a) an illegal or improper use of funds;
- (b) failure by CONTRACTOR to maintain all necessary licenses in the State of California in good standing;
- (c) failure by CONTRACTOR to obtain and maintain all necessary insurance policies and endorsements;
- (d) a substantially incorrect or incomplete report submitted to COUNTY;
- (e) improperly performed service;
- (f) exclusion of CONTRACTOR from participation in federal health care programs under the Social Security Act; or
- (g) failure by CONTRACTOR, its employees or subcontractors to abide by CONTRACTOR's code of ethical conduct or COUNTY's Code of Ethics as listed in COUNTY's Compliance Handbook, located on COUNTY's website [www.madera-county.com](http://www.madera-county.com) under "Behavioral Health Services."

10.02.2 **Waiver of Breach.** In no event shall any payment by COUNTY constitute a waiver by COUNTY of any breach of this

Agreement or any default which may then exist on the part of CONTRACTOR. Neither shall such payment impair or prejudice any remedy available to COUNTY with respect to the breach or default.

10.03 **Without Cause.** Under circumstances other than those set forth above, this Agreement may be terminated by either party upon the giving of sixty (60) days advance written notice of an intention to terminate.

10.04 **Continuity of Care.** (Day Services and AOD Residential.) Upon termination of this Agreement for any reason, CONTRACTOR shall ensure an orderly transition of care for CLIENT(S) receiving treatment, including, but not limited to, the transfer of CLIENT(S)' medical records.

11. **NOTICES.**

11.01 **Delivery of Notice.** Notices between COUNTY and CONTRACTOR provided for or permitted under this Agreement or by law shall be in writing and shall be deemed to be duly served when personally delivered to the other parties or, in lieu of such personal delivery, when deposited in the United States mail, postage prepaid, addressed to such party.

11.02 **Change of Address/Telephone Number.** Written notice of any change of address and/or telephone number shall be given to the other party within five (5) business days of the change.

11.03 **Authorized Persons.** The persons and their addresses having authority to give and receive notices under this Agreement include the following:

**COUNTY**

County Behavioral Health Services  
P. O. Box 1288  
Madera, CA 93639  
(559) 673-3508

**CONTRACTOR**

(See cover sheet)

**With copy to**

Tanna G. Boyd, Chief Clerk  
Madera County Board of Supervisors  
200 West Fourth Street  
Madera, CA 93637  
(559) 675-7700

12. **INDEPENDENT CONTRACTOR.**

12.01 **Independent Capacity.** In the performance of the work, duties and obligations assumed by CONTRACTOR under this Agreement, CONTRACTOR will, at all times, be acting and performing as an independent contractor and shall act in an independent capacity and not as an officer, servant, employee, joint venturer, partner, or associate of COUNTY. COUNTY shall have no right to control, supervise or direct the manner by which CONTRACTOR shall perform his work or function. However, COUNTY shall retain the right to administer this Agreement so as to verify that CONTRACTOR is performing his obligations in accordance with the terms and conditions thereof. CONTRACTOR and COUNTY shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters covered by this Agreement.

12.02 **No Rights to COUNTY Benefits.** Because of the status as an independent contractor, CONTRACTOR shall have absolutely no right to employment rights and benefits available to COUNTY employees. In addition, CONTRACTOR shall be solely responsible for and hold COUNTY harmless from all matters relating to compliance with Social Security regulations, withholding of taxes, Workers' Compensation coverage, and all other regulations governing such matters.

13. **DISCRIMINATION PROHIBITED.** CONTRACTOR shall not differentiate nor discriminate against COUNTY CLIENTS in the rendering of covered services, nor shall CONTRACTOR discriminate on the basis of race, color, national origin, ancestry, religion, sex, marital status, medical condition, mental or physical disability, sexual orientation or age or any other basis protection by federal and state law. COUNTY CLIENTS will receive the same level of care as provided to all other clients served by CONTRACTOR. CONTRACTOR shall render mental health services to CLIENTS in the same manner, in accordance with the same standards and within the same time availability as offered other clients, except as limited by existing COUNTY Mental Health Plan restrictions. CONTRACTOR shall comply with all applicable federal, state, and local statutes, regulations and ordinances with regard to non-discrimination in the

provision of services and CONTRACTOR shall not unlawfully discriminate in the appointment and employment of staff and subcontractors, including compliance with facility access for disabled persons as required by section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 and related state laws. CONTRACTOR shall give written notice of its obligations under the foregoing provisions to labor organizations with which it has a collective bargaining agreement or other labor agreements.

13.01 (Alcohol/Other Drug residential facility contracts only.) CONTRACTOR shall comply with Welfare and Institutions Code sections 5325 through 5331 and with Title 9, section 860 et seq. of the California Code of Regulations, regarding the rights of CLIENTS.

14. **PATIENTS' RIGHTS**. The parties to this Agreement shall comply with applicable laws, regulations and State policies relating to patients' rights.

15. **COMPLIANCE WITH STATE AND FEDERAL PRIVACY AND SECURITY LAWS**. CONTRACTOR shall comply with all applicable federal and state laws regulating the privacy and security of protected health information. CONTRACTOR will employ appropriate safeguards in the use, disclosure, and transmission of all information (oral, paper and electronic) protected by privacy regulations and follow all breach reporting laws. COUNTY must be notified of any breach of privacy or security within five (5) business days of discovery.

16. **CONFIDENTIALITY OF INFORMATION**.

16.01 **Protection of Confidential Information**. Notwithstanding any other provision of this Agreement, names, identifying numbers, symbols, or other identifying particulars of persons receiving public social services, mental health services, and substance abuse treatment services are confidential and are to be protected from unauthorized disclosure in accordance with Code of Federal Regulations Title 42, section 431.300 et seq.; Welfare and Institutions Code sections 5328 et seq. and 14100.2; Health Insurance Portability Accountability Act ("HIPAA") 45 CFR Parts 160 & 164; Health Information Technology for Economic and Clinical Health ("HITECH") Act Title XIII of Division A of the American Recovery

and Reinvestment Act of 2009 ("ARRA") and regulations adopted thereunder. For the purpose of this Agreement, all information, records, data and data elements collected and maintained for the operation of this Agreement and pertaining to recipients of behavioral health services shall be protected by CONTRACTOR from unauthorized disclosure.

16.02 **Use of Confidential Information.** With respect to any identifiable recipient information obtained by CONTRACTOR under this Agreement, CONTRACTOR shall:

16.02.1 not use any such information for any purpose other than carrying out the express terms of this Agreement;

16.02.2 promptly transmit to COUNTY all requests for disclosure of such information;

16.02.3 not disclose, except as otherwise specifically permitted by this Agreement, any such information to any party without prior written authorization by COUNTY specifying that the information may be released under Code of Federal Regulations Title 42, section 431.300 et seq. and Welfare and Institutions Code section 14100.2, and regulations adopted thereunder; and

16.02.4 at the discretion of COUNTY, return all such information to COUNTY or maintain such information according to written procedures of DMH, ADP and DHCS for this purpose, at the expiration or termination of this Agreement.

17. **REPORTING OF PATIENT/CLIENT ABUSE, UNUSUAL OCCURRENCES/ DEATH/ SUICIDE.**

17.01 **Elders and Dependent Adults Abuse.** CONTRACTOR shall comply with Welfare and Institutions Code section 15630 et seq. and shall report all known or suspected instances of physical abuse of elders and dependent adults under the care of CONTRACTOR either to an appropriate COUNTY adult protective services agency or to a local law enforcement agency, as mandated by Welfare and Institutions Code sections 15630, 15631 and 15632. CONTRACTOR shall make this report



on such abuse and shall submit all required information in accordance with Welfare and Institutions Code sections 15630, 15633 and 15633.5.

17.02 **Minor Children Abuse.** CONTRACTOR shall comply with California Penal Code section 11164 et seq. and shall report all known or suspected instances of child abuse to an appropriate child protective services agency, as mandated by Penal Code sections 11164, 11165.8 and 11166. CONTRACTOR shall make the report on such abuse and shall submit all required information in accordance with Penal Code sections 11166 and 11167.

17.03 **Notification.** CONTRACTOR shall notify COUNTY of all allegations and actual incidents (i.e., abuse, injuries and deaths) affecting COUNTY CLIENTS within twenty-four (24) hours of occurrence and provide COUNTY with a copy of all investigation reports concerning incidents and the disposition of, or corrective action taken to resolve, the complaint. CONTRACTOR shall notify COUNTY of reports to the appropriate reporting agency according to state laws and regulations.

18. **CODE OF CONDUCT.** CONTRACTOR agrees to abide by the provisions of its own code of ethical conduct, or if does not have such a code of conduct, to abide by the Code of Ethics as listed in COUNTY's Compliance Handbook, located on COUNTY's website [www.madera-county.com](http://www.madera-county.com) under "Behavioral Health Services."

19. **CULTURAL COMPETENCE.** CONTRACTOR shall use a set of professional skills, behaviors, attitudes and policies that enable the system, or those participating in the system, to work effectively in meeting the cross-cultural needs of COUNTY's CLIENTS.

20. **PROVIDE DRUG-FREE WORKPLACE.** CONTRACTOR will comply with the requirements of the Drug-Free Work Place Act of 1990, Government Code section 8350 et seq., and will provide a drug-free work place by taking the following actions:

20.01 **Publish Statement.** Publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's work place and specifying the actions that will be taken against employees for

violations of the prohibitions as required by Government Code section 8355(a).

20.02 **Establish Drug-Free Awareness Program.** Establish a drug-free awareness program as required by Government Code section 8355(b) to inform employees about all of the following:

20.02.1 The dangers of drug abuse in the work place;

20.02.2 The person's or organization's policy of maintaining a drug-free work place;

20.02.3 Available drug counseling, rehabilitation, and employee assistance programs; and

20.02.4 The penalties that may be imposed upon employees for drug abuse violations.

20.03 **Employee Notification/Agreement.** Require, as provided by Government Code section 8355(c), that every employee engaged in the performance of this Agreement:

20.03.1 Be given a copy of CONTRACTOR's drug-free policy statement;

20.03.2 As a condition of providing services pursuant to this Agreement, agree to abide by the terms of the statement.

21. **EXCLUSION FROM PARTICIPATION IN FEDERAL HEALTH CARE PROGRAMS.** CONTRACTOR assures that, at the time of entering into this Agreement, it is not excluded from participation in federal health care programs under either section 1128 or 1128A of the Social Security Act. CONTRACTOR shall notify COUNTY immediately if such exclusion occurs during the term of this Agreement. Exclusion of CONTRACTOR from participation in federal health care programs shall be cause for immediate termination of this Agreement.

22. **COMPLIANCE WITH LAWS/POLICIES.** CONTRACTOR shall at all times perform the duties to be provided under this Agreement to the best of its ability and in accordance with the highest scientific, professional and ethical standards of its profession, and at all times will comply with all applicable federal and state statutes, regulations and published case law.

23. **COMPLIANCE WITH STATE REQUIREMENTS.** CONTRACTOR recognizes that COUNTY operates its behavioral health system under agreements with DHCS and DSH, and that under said agreements the State imposes certain requirements on COUNTY and its subcontractors. CONTRACTOR agrees to abide by the State requirements.

24. **COMPLIANCE WITH PASS-THROUGH GRANTS.** CONTRACTOR may be receiving Federal ward funds as payment for services rendered. Therefore, CONTRACTOR will be required to comply with OMB Circular A-133 requirements.

25. **MODIFICATION.** Any provisions of this Agreement may be amended or modified from time to time by the written consent of both parties without, in any way, affecting the remainder of the Agreement. Both parties agree that if the applicable requirements of state and federal law regarding the programs administered by COUNTY or the services provided by CONTRACTOR change during the term of this Agreement, the parties shall meet and confer to renegotiate the terms of this Agreement affected by such changes.

26. **NON-ASSIGNMENT.** Neither party shall assign, transfer, or subcontract this Agreement nor their rights or duties under this Agreement without the prior written consent of the other party. Any assignment, transfer or delegation of duties made by CONTRACTOR in violation of this provision shall be void and of no force or effect and shall result in automatic and immediate termination of this Agreement.

27. **REMEDY FOR BREACH AND RIGHT TO CURE.** Notwithstanding anything else in this Agreement to the contrary, if CONTRACTOR fails to perform any obligation of this Agreement, COUNTY may itself perform, or cause the performance of such agreement or obligation. In that event, CONTRACTOR will, on demand, fully reimburse COUNTY for all such expenditures. Alternatively, COUNTY, at its option, may deduct from any funds owed to CONTRACTOR the amount necessary to cover any expenditures under this provision. This is in addition to any other remedies available to COUNTY by law or as otherwise stated in this Agreement.

28. **GOVERNING LAW AND VENUE.** This Agreement shall be governed by and interpreted under the laws of the State of California. Further, this Agreement shall be governed by, and construed in accordance with, all laws, regulations and obligations

of COUNTY under its agreement with the State. Venue for all disputes shall be in the Madera County Superior Court.

29. **ATTORNEY'S FEES AND COSTS.** Both parties agree that in the event of litigation brought to enforce performance of this Agreement or to seek damages for breach thereof, the losing party will pay the winning party's reasonable attorney's fees and costs, to be awarded and fixed by the court and to be taxed as costs and included in the judgment rendered.

30. **SEVERABILITY.** Unless material to this Agreement, any provision, clause, or part herein found to be illegal or unenforceable shall not affect the legality of any other provision, clause, or part, nor the Agreement itself.

31. **SECTION HEADINGS.** Both parties agree that section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions of this Agreement.

32. **ADMINISTRATION OF AGREEMENT.** This Agreement shall be administered for COUNTY by COUNTY Director of Behavioral Health Services.

33. **ENTIRE AGREEMENT.** These Standard Contractual Clauses and Contract Cover Sheet, and any exhibits specified in these Standard Contractual Clauses and Contract Cover Sheet and attached thereto and incorporated by reference, shall constitute the entire agreement between CONTRACTOR and COUNTY with respect to the subject matter hereof and supersedes in its entirety all previous negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly included in this Agreement. No other agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto.

34. **TIME OF THE ESSENCE.** Time shall be of the essence in the performance of this Agreement.

36. **MANDATORY USE.** This Contract is adopted for mandatory use effective July 1, 2014, until superseded.

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IN WITNESS WHEREOF, the foregoing Agreement is executed this 17<sup>th</sup> day of JUNE, 2014.

COUNTY OF MADERA



Max R. [Signature]  
Chairman, Board of Supervisors

ATTEST:

Janna A. Boyd  
Clerk, Board of Supervisors

Approved as to Legal Form:  
COUNTY COUNSEL

By: [Signature]

ACCOUNT NUMBER(S)

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