COUNTY OF LOS ANGELES

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DEPARTMENT OF MENTAL HEALTH

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Reply To: (213) 738-4601
Fax: (213) 386-1297

February 24, 2005

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

25 MAR 15 2005

Violet Varona-Lukens
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL OF NEW OUT-OF-STATE CHILD PLACEMENT MENTAL HEALTH SERVICES AGREEMENT WITH DEVEREUX GLENHOLME FOR FISCAL YEARS 2004-2005, 2005-2006, AND 2006-2007
AND
APPROVAL OF THE STANDARD OUT-OF-STATE CHILD PLACEMENT MENTAL HEALTH SERVICES AGREEMENT FORMAT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute a new Out-of-State Child Placement Mental Health Services Agreement with Devereux Glenholme for Fiscal Years (FY) 2004-2005, 2005-2006, and 2006-2007. Contractor will provide specialized mental health treatment to severely emotionally disturbed (SED) children, adolescents, and their families who reside throughout the County of Los Angeles and are placed in out-of-state education and mental health treatment facilities based on a referral from the local school district. There is no Maximum Contract Amount (MCA) for this Agreement as services are provided and reimbursed on an as needed basis. The budgeted amount for Out-of-State Child Placement Mental Health Services providers is $7.6 million. The term of the Agreement will be effective upon Board approval with two automatic one-year renewal periods.

2. Approve the standard Department of Mental Health (DMH) Out-Of-State Child Placement Mental Health Services Agreement format substantially similar to the Attachment.

3. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute future amendments to the Out-of-State Child Placement Mental Health Services Agreement with Devereux Glenholme provided that: 1) the County's total Payments to contractor under each Agreement for each fiscal year shall not exceed an increase of 20 percent from applicable revised daily rate; 2) any such increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Administrative Officer (CAO) or their designee is obtained prior to any such Amendment; and 5) the Director of Mental Health shall notify the Board of Supervisors of Agreement changes in writing within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Board approval is requested to enter into the Out-of-State Child Placement Mental Health Services Agreement with Devereux Glenholme. DMH previously contracted with this agency for services, but due to many years of non-use of services, the Agreement was not renewed. Several months after the DMH FY 2004-2005 renewal process had been completed, a request was submitted to DMH to have a child placed in this facility for mental health services. At present, the child's mental health services are being paid by a Service Purchase Order.

This new Agreement for specialized mental health treatment will allow for the provision of mental health services to SED children, adolescents, and their families who are residents of the County of Los Angeles and are placed in out-of state education and mental health treatment facilities. Placements are based on a referral from the local school district because these SED children and adolescents have either failed in multiple local residential programs or have been refused admission by a multitude of mental health programs in California.

In order to maximize and coordinate the provision of mental health services to disabled pupils by State and local government agencies, the California Legislature enacted Assembly Bill (AB) 3632 in 1984. This legislation amended Government Code Section 7576 and added Government Code Sections 7586.6 and 7587 that define interagency responsibilities for serving disabled pupils who are eligible under Federal law. Regulations in effect in 1986 stated that school districts were responsible for the costs of mental health treatment services provided to disabled pupils in out-of-state residential facilities. The enactment of AB 2726 in 1996 shifted the fiscal and programmatic

responsibilities of out-of-state placements from local school districts to County mental health agencies.

Effective July 1, 1997, County mental health agencies became responsible for the mental health treatment costs associated with out-of-state residential placements of children.

The Agreement meets with DMH's responsibilities as set forth in AB 2726, and therefore, ensures DMH is in compliance with providing mandated services under California Law.

Implementation of Strategic Plan Goals

The recommended Board action is consistent with the principles of the Countywide Strategic Plan Organizational Goal No. 3, "Organizational Effectiveness," and Programmatic Goal No. 5, "Children and Families' Well-Being." The collaborative efforts of DMH and Out-of-State Child Placement Mental Health Services providers will allow for an expansion of mental health services to SED children, adolescents, and their families.

FISCAL IMPACT/FINANCING

There is no net County cost impact.

The budgeted amount for Out-of-State Child Placement Mental Health Services providers is $7.6 million and is funded with Senate Bill (SB) 90 appropriation funds in the amount of $2.7 million and Federal Individuals with Disabilities Education Act funds in the amount of $4.9 million. The amount for FY 2004-2005 is included in the Adopted Budget. For FYs 2005-2006 and 2006-2007, funding will be requested during each of the respective budget processes. The County will pursue the State reimbursement through the SB 90 claiming process.

This Board letter deals only with the funding of Out-of-State Child Placement Mental Health Services Agreements. This is due to the fact that there are no contractual terms and conditions in the out-of-state contracts pertaining to SB 90 and payment restrictions, and County's current Out-of-State Child Placement Mental Health Services Agreements require payment without consideration of whether the State has paid or not. These payments are claimable by the County through the State's SB 90 mandated claim process.

Due to the uncertainty of SB 90 payments from the State, your Board previously authorized the CAO to establish a County General Fund reserve to temporarily backfill the State SB 90 funds.

For mental health services provided to clients of DMH, Devereux Glenholme negotiated a daily rate of $29.25. Contractor shall invoice County monthly for services rendered in the prior month. Rates are well below comparable California rates for similar services that are established by the State in which the facilities are located.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with a Special Education Due Process Agreement, DMH agreed to fund Devereux Glenholme, which is licensed as a non-profit treatment center. The State of California Department of Education has certified the school components as a Non-Public School educational provider.

Devereux Glenholme offers a continuum of treatment programs such as a program for mildly delayed young adolescents, to structured-secured treatment milieus for youths with serious psychological attention-deficit and behavioral-control impairments. The agency's out-of-state address is 81 Sabbaday Lane, Washington, Connecticut 06793-1318.

The Agreement provides for additional mental health services to SED children, adolescents, and their families and will allow access to this agency to similar children and adolescents, which require out-of-state placement.

DMH at present has a SED child receiving mental health services at the Devereux Glenholme facility; client was placed at this facility since September 2004. DMH has paid for services through a "Service Purchase Order." Payments to the provider will continue through the purchase order mechanism until the new Agreement is approved.

Clinical and Administrative staff of DMH are assigned to supervise and administer this Agreement, evaluate the program to ensure that quality services are being provided to clients, and to ensure that the Agreement provisions and DMH policies are being followed.

Child Support Compliance Program and Compliance With Jury Service Program clauses have been omitted because this Agreement is with an agency outside of the County of Los Angeles and the State of California.

The Agreement has been reviewed and approved as to form by County Counsel. Further, the CAO, the CAO's Risk Manager, and DMH's Fiscal and Program Administrations have reviewed and approved this proposed action.

CONTRACTING PROCESS

Devereux Glenholme is part of the Devereux Treatment Network. DMH has contracts with Devereux agencies in Arizona, Colorado, and Texa, and these contracts were part of the 2004 renewal. DMH formerly contracted with this agency, but the contract was allowed to lapse because of the lack of placements. Because of the new out-of-state placement at this agency, DMH recommends and County Counsel agrees, that DMH renew its formal contracting relationship.

The development of a contractual relationship with Devereux Glenholme as a placement resource will expand the options of treatment programming that DMH must have in order to secure clinically relevant residential placement in a timely manner.

DMH staff consulted with representatives of this agency to determine the appropriate rate for the mental health services components of this program. The rate is well below comparable California rates for similar services. The agency meets California requirements for a not-for-profit organizational structure, meets Medicaid certification standards in its respective state, and has its educational program certified and approved by the California Department of Education.

IMPACT ON CURRENT SERVICES

This Agreement will enhance mental health services to children needing specialized treatment and will expand DMH's referral list for the placement of SED children.

CONCLUSION

The Department of Mental Health will need one (1) copy of the Board's action. It is requested that the Executive Officer of the Board notifies the Department of Mental Health's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:MY:RK:vma

Attachment

c: Chief Administrative Officer
County Counsel
Chairperson, Mental Health Commission

VA: Devereux Texas Treatment Network BrdLtr. 2004-2007 (2-23-05)

CONTRACTOR:_____

_____

_____

Business Address:

_____

_____

_____
Contract Number

_____
Reference Number

OUT-OF-STATE CHILD PLACEMENT
MENTAL HEALTH SERVICES AGREEMENT

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K: S_____ U_____ PO: A_____ C_____

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FISCAL YEARS

2004-2005, 2005-2006 and 2006-2007

SERVICE EXHIBIT

- Exhibit A — GENERAL MENTAL HEALTH SERVICES EXHIBIT (IN OUT-OF-STATE RESIDENTIAL FACILITIES)
- Exhibit B — CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT OF EMPLOYER
- Exhibit C — SUBCONTRACTOR EMPLOYEE ACKNOWLEDGMENT OF EMPLOYER
- Exhibit D — ATTESTATION REGARDING FEDERALLY FUNDED PROGRAMS

OUT-OF-STATE CHILD PLACEMENT
MENTAL HEALTH SERVICES AGREEMENT

This Agreement is made and entered into by and between COUNTY OF LOS ANGELES (hereafter referred to as "County"), and _____ (hereafter referred to as "Contractor").

WHEREAS, this Agreement is entered pursuant to Government Code 7576, Chapter 654, Statute of 1996, and Welfare and Institutions Code 300, Sections A through J.

WHEREAS, the purpose of this Agreement is to compensate Contractor for mental health services to the County of Los Angeles, Department of Mental Health (DMH). These services are provided to children who are emotionally disturbed and have been assessed by DMH and have been determined to require residential placement and mental health services.

WHEREAS, the following term, as used in this Agreement shall have the following meaning: 'Director" means County's Director of Mental Health or the authorized designee.

NOW, THEREFORE; the parties agree as follows:

PREAMBLE

For nearly a decade, the County has collaborated with its community partners to enhance the capacity of the health and human services system to improve the lives of children and families. These efforts require, as a fundamental expectation, that the County's contracting partners share the County and community's commitment to provide health and human services that support achievement of the County's vision, goals, values, and adopted outcomes. Key to these efforts is the integration of service delivery systems and the adoption of the Customer Service and Satisfaction Standards.

The County of Los Angeles' Vision is to improve the quality of life in the County by providing responsive, efficient, and high quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, business and communities. This philosophy of teamwork and collaboration is anchored in the shared values of:

- Responsiveness
- Integrity

- Professionalism
- Accountability
- Compassion
- Commitment
- A Can-Do Attitude
- Respect for Diversity

These shared values are encompassed in the County Strategic Plan's eight goals: 1) Service Excellence; 2) Workforce Excellence; 3) Organizational Effectiveness; 4) Fiscal Responsibility; 5) Children and Families' Well-Being; 6) Community Services; 7) Health and Mental Health; and 8) Public Safety. Improving the well-being of children and families requires coordination, collaboration, and integration of services across functional and jurisdictional boundaries, by and between County departments/agencies, and community and contracting partners.

The basic conditions that represent the well-being we seek for all children and families in Los Angeles County are delineated in the following five outcomes, adopted by the Board of Supervisors in January 1993.

- Good Health;
- Economic Well-Being;
- Safety and Survival;
- Emotional and Social Well-Being; and
- Education and Workforce Readiness.

Recognizing no single strategy - in isolation - can achieve the County's outcomes of well-being for children and families, consensus has emerged among County and community leaders that making substantial improvements in integrating the County's health and human services system is necessary to significantly move toward achieving these outcomes. The County has also established the following values and goals for guiding this effort to integrate the health and human services delivery system:

- ✔ Families are treated with respect in every encounter they have with the health, educational, and social services systems.
- ✔ Families can easily access a broad range of services to address their needs, build on their strengths, and achieve their goals.
- ✔ There is no "wrong door": wherever a family enters the system is the right place.
- ✔ Families receive services tailored to their unique situations and needs.

- ✔ Service providers and advocates involve families in the process of determining service plans, and proactively provide families with coordinated and comprehensive information, services, and resources.
- ✔ The County service system is flexible, able to respond to service demands for both the Countywide population and specific population groups.
- ✔ The County service system acts to strengthen communities, recognizing that just as individuals live in families, families live in communities.
- ✔ In supporting families and communities, County agencies work seamlessly with public and private service providers, community-based organizations, and other community partners.
- ✔ County agencies and their partners work together seamlessly to demonstrate substantial progress towards making the system more strength-based, family-focused, culturally-competent, accessible, user-friendly, responsive, cohesive, efficient, professional, and accountable.
- ✔ County agencies and their partners focus on administrative and operational enhancements to optimize the sharing of information, resources, and best practices while also protecting the privacy rights of families.
- ✔ County agencies and their partners pursue multi-disciplinary service delivery, a single service plan, staff development opportunities, infrastructure enhancements, customer service and satisfaction evaluation, and revenue maximization.
- ✔ County agencies and their partners create incentives to reinforce the direction toward service integration and a seamless service delivery system.
- ✔ The County human service system embraces a commitment to the disciplined pursuit of results accountability across systems. Specifically, any strategy designed to improve the County human services system for children and families should ultimately be judged by whether it helps achieve the County's five outcomes for children and families: good health,

safety and survival, economic well-being, social and emotional well-being, and education and workforce readiness.

The County, its clients, contracting partners, and the community are working together to develop practical ways to make County services more accessible, customer friendly, better integrated, and outcome-focused. Several departments have identified shared themes in their strategic plans for achieving these goals including: making an effort to become more consumer/client-focused; valuing community partnerships and collaborations; emphasizing values and integrity; and using a strengths-based and multi-disciplinary team approach. County departments are also working to provide the Board of Supervisors and the community with a better understanding of how resources are being utilized, how well services are being provided, and what are the results of the services: is anyone better off?

The County of Los Angeles health and human service departments and their partners are working together to achieve the following ***Customer Service And Satisfaction Standards*** in support of improving outcomes for children and families.

Personal Service Delivery

The service delivery team – staff and volunteers – will treat customers and each other with courtesy, dignity, and respect.

- Introduce themselves by name
- Listen carefully and patiently to customers
- Be responsive to cultural and linguistic needs
- Explain procedures clearly
- Build on the strengths of families and communities

Service Access

Service providers will work proactively to facilitate customer access to services.

- Provide services as promptly as possible
- Provide clear directions and service information
- Outreach to the community and promote available services
- Involve families in service plan development
- Follow-up to ensure appropriate delivery of services

Service Environment

Service providers will deliver services in a clean, safe, and welcoming environment, which supports the effective delivery of services.

- Ensure a safe environment
- Ensure a professional atmosphere
- Display vision, mission, and values statements
- Provide a clean and comfortable waiting area
- Ensure privacy
- Post complaint and appeals procedures

The basis for all County health and human services contracts is the provision of the highest level of quality services that support improved outcomes for children and families. The County and its contracting partners must work together and share a commitment to achieve a common vision, goals, outcomes, and standards for providing services.

1.0 CONTRACTOR'S RESPONSIBILITIES:

1.1 Contractor shall provide mental health services for children/adolescents who are referred to Contractor by County. Contractor shall provide the following: Mental health services for children and adolescents between ages 0 to 22 years of age, as more fully described in Exhibit A (General Mental Health Services Exhibit), attached hereto and incorporated herein by reference. These services shall be available on a twenty-four (24) hour, seven (7) days per week basis during the term of this Agreement.

Address of facility:

Street Address _____

City and State _____

Phone Number(s_____

Fax Number(s) _____

1.2 Contractor shall immediately notify the County of any and all changes in regards to previously agreed policies of mental health services.

1.3 Contractor shall have and maintain a valid license to provide mental health services from the State of California.

1.4 Contractor shall immediately report to County any and all behavioral and physical changes affecting the concerned child that has been placed by County.

2.0 COUNTY'S RESPONSIBILITIES:

2.1 County shall determine eligibility of children for mental health services.

2.2 Notwithstanding any other provision of this Agreement, the parties recognize that County reserves the right in its discretion to remove any or all children from Contractor's home at any time. County shall provide advance notice of such removals.

3.0 TERM AND TERMINATION: The term of this Agreement is from June 29, 2004 through June 30, 2005. County and Contractor may cancel or terminate this Agreement in whole or in part by giving the County or Contractor thirty (30) days written notice without any liability other than payment for work already performed up to the date of agreement termination. Contractor shall be paid the reasonable value of those services rendered.

3.1 Six Months Notification of Agreement Expiration: Contractor shall notify County when this Agreement is within six (6) months of expiration. Contractor shall send such notice to those persons and addresses which are set forth in Paragraph 48 (NOTICES).

4.0 WORK: Pursuant to the provisions of this Agreement, Contractor shall fully provide, complete and deliver on time all tasks, deliverables, goods, services, and other work as set forth in this Agreement.

5.0 COMPENSATION:

5.1 Payment For Mental Health Services:

As compensation for mental health services herein, **County shall pay Contractor the sum of $45.00 per day for a child (0-22 years of age)** in accordance with the terms of this Agreement.

5.2 Contractor shall invoice County monthly in arrears for services rendered that month. At the beginning of each agreement period, the County shall send a supply of invoices to the

Contractor. Immediately following the month services were rendered, the Contractor shall complete and sign the invoice and mail to the DMH.

5.3 In compliance with Internal Revenue Service (IRS) requirements, Contractor will provide Contractor's Tax Identification Number or Social Security Number on each invoice submitted.

5.4 Invoices shall be submitted to:

County of Los Angeles
Department of Mental Health
AB 3632 Residential Placement Unit, CSOC
550 S. Vermont Avenue, 3rd floor
Los Angeles, CA 90020
ATTN.: Mr. Paul McIver, LCSW
Out-Of-State Child Placement Coordinator

5.5 No Payment For Services Provided Following Expiration/Termination Of Contract: Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

6.0 SERVICES AND FINANCIAL RECORDS: Contractor shall file and retain in the agency or facility copies of this Agreement, and such other intake forms, medical records or financial records as may be required by County. In addition, ledgers, accounting books and file card systems shall be legible, complete and shall be kept current.

7.0 UNAVAILABILITY OF FACILITY: Should Contractor's facility become unavailable for any reason including, but not limited to, foreclosure, fire, disaster, or loss of State License, this Agreement shall terminate as of the date that the last child is removed from the facility, and payment shall be made on a prorate basis.

/

8.0 SUBCONTRACTING:

A. No performance of this Agreement, or any portion thereof, shall be subcontracted by Contractor without the prior written consent of County as provided in this Paragraph 8. Any attempt by Contractor to subcontract any performance, obligation, or responsibility under this Agreement, without the prior written consent of County, shall be null and void and shall constitute a material breach of this Agreement. Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.

B. If Contractor desires to subcontract any portion of its performance, obligations, or responsibilities under this Agreement, Contractor shall make a written request to County for written approval to enter into the particular subcontract. Contractor's request to County shall include:

(1) The reasons for the particular subcontract.

(2) A detailed description of the services to be provided by the subcontract.

(3) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the degree of competition involved.

(4) A description of the proposed subcontract amount and manner of compensation, together with Contractor's cost or price analysis thereof.

(5) A copy of the proposed subcontract which shall contain the following provision:

> "This contract is a subcontract under the terms of the prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract."

(6) Any other information and/or certifications requested by County.

C. County shall review Contractor's request to subcontract and shall determine, in its sole discretion, whether or not to consent to such request on a case-by-case basis.

D. Contractor shall indemnify and hold harmless County, its officers, employees, and agents, from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and legal fees, arising from or related to Contractor's use of any subcontractor, including any

officers, employees, or agents of any subcontractor, in the same manner as required for Contractor, its officers, employees, and agents, under this Agreement.

E. Notwithstanding any County consent to any subcontracting, Contractor shall remain fully liable and responsible for any and all performance required of it under this Agreement, and no subcontract shall bind or purport to bind County. Further, County approval of any subcontract shall not be construed to limit in any way any of County's rights or remedies contained in this Agreement. Additionally, County approval of any subcontract shall not be construed in any way to constitute the determination of the allow ability or appropriateness of any cost or payment under this Agreement.

F. In the event that County consents to any subcontracting, such consent shall be subject to County's right to give prior and continuing approval of any and all subcontractor personnel providing services under such subcontract. Contractor shall assure that any subcontractor personnel not approved by County shall be immediately removed from the provision of any services under the particular subcontract or that other action is taken as requested by County. County shall not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any liability, damages, costs or expenses arising from or related to County's exercise of such right.

G. In the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any liability, damages, costs, or expenses arising from or related to County's exercise of such right.

H. In the event that County consents to any subcontracting, each and all of the provisions of this Agreement and any amendment thereto shall extend to, be binding upon, and inure to the benefit of, the successors or administrators of the respective parties.

I. In the event that County consents to any subcontracting, such consent shall apply to each particular subcontract only and shall not be, or be construed to be, a waiver of this Paragraph 8 or a blanket consent to any further subcontracting.

J. In the event that County consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or other compensation to all subcontractors and their officers, employees, and agents.

K. Contractor shall deliver to the Chief of DMH's Contracts Development and Administration Division a fully executed copy of each subcontract entered into by Contractor pursuant to this Paragraph 8, on or immediately after the effective date of the subcontract but in no event later than the date any services are performed under the subcontract.

L. In the event that County consents to any subcontracting, Contractor shall obtain and maintain on file an executed Subcontractor Employee Acknowledgment of Employer (Exhibit C attached hereto and incorporated herein by reference) form for each of the subcontractor's employees performing services under the subcontract. Such Acknowledgments shall be executed by each such employee on or immediately after the commencement date of the particular subcontract but in no event later than the date such employee first performs any services under the subcontract.

M. County shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractor or its officers, employees, and agents.

N. Director is hereby authorized to act for and on behalf of County pursuant to this Paragraph 8, including, but not limited to, consenting to any subcontracting.

9.0 INDEMNIFICATION AND INSURANCE:

9.1 Indemnification: Contractor agrees to indemnify, defend, and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents (County) from and against any and all liability and expense, including defense costs and legal fees, arising from or connected with claims and lawsuits for damages or workers' compensation benefits relating to Contractor's operations or its services, which result from bodily injury, death, personal injury, or

property damage (including damage to Contractor's property). Contractor shall not be obligated to indemnify for liability and expense arising from the active negligence of the County.

9.2 Insurance: Without limiting Contractor's indemnification of County and during the term of this Agreement, Contractor shall provide and maintain at its own expense the following programs of insurance. Such programs and evidence of insurance shall be satisfactory to the County and primary to and not contributing with any other insurance maintained by the County. Certificate(s) or other evidence of coverage shall be delivered to **Chief, Contracts Development and Administration Division, Department of Mental Health, 550 S. Vermont Avenue, Fifth Floor, Los Angeles, CA 90020** prior to commencing services under this Agreement, shall specifically identify this Agreement, and shall contain the express condition that County is to be given written notice by registered mail at least thirty (30) days in advance of any modification or termination of insurance.

9.3 Failure by Contractor to procure and maintain the required insurance shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement.

A. Liability: Such insurance shall be endorsed naming the County of Los Angeles as an additional insured and shall include:

1. General Liability insurance written on a commercial general liability form or on a comprehensive general liability form covering the hazards of premises/operations, contractual, independent contractors, advertising, products/completed operations, broad form property damage, and personal injury with a combined single limit of not less than $1,000,000 per occurrence.

a. If written with an annual aggregate limit, the policy limit should be three times the above required occurrence limit.

b. If written on a claims made form, the Contractor shall be required to provide an extended two year reporting period commencing upon termination or cancellation of this agreement.

2. Comprehensive Auto Liability endorsed for all owned, non-owned, and hired vehicles with a combined single limit of not less than $1,000,000 per occurrence.

B. Workers' Compensation: Worker's Compensation Insurance in an amount and form to meet all requirements of the applicable Worker's Compensation and/or Labor Code of the State in which the Contractor is located, including Employer's Liability with a $1,000,000 limit, covering all employees and persons the Contractor is legally required to cover.

C. Professional Liability: Insurance covering liability arising from any error, omission, or negligent act of the Contractor, its officers or employees with a limit of liability of not less than $2,000,000 per claim.

D. Property Coverage: Such insurance shall be endorsed naming the County of Los Angeles as an additional insured and shall include:

1. Real Property - All-risk coverage, excluding earthquake and flood, for the replacement value and with a deductible no greater than 5% of the replacement value.

2. Personal Property - Insurance covering the hazards of fire, theft, burglary, vandalism and malicious mischief for the actual cash value of the property.

10.0 NON-DISCRIMINATION IN EMPLOYMENT:

10.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally by it without regard to, or because of, race, religion, national origin, ancestry, sex, age, marital status, physical handicap, or political affiliation, and in compliance with all applicable Federal and State anti-discrimination laws and regulations.

10.2 Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to race, religion, national origin, ancestry, sex, age, marital status, physical handicap, or political affiliation. Such action shall include, but is not limited to, the following: employment, upgrading, demotion, transfer,

recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

10.3 Contractor shall deal with its subcontractors, bidders, or vendors without regard to or because of race, religion, ancestry, national origin, sex, age, marital status, physical handicap, or political affiliation.

10.4 Contractor shall allow County representatives access to its employment records during regular business hours to verify compliance with the provisions of this Paragraph 10 when so requested by Director.

10.5 If County finds that any of the above provisions has been violated, the same shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission, or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

10.6 In the event that Contractor violates any of the anti-discrimination provisions of this Paragraph 10, County shall be entitled, at its option, to the sum of FIVE HUNDRED DOLLARS ($500) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

11.0 CONFIDENTIALITY:

11.1 Contractor agrees to maintain the confidentiality of all records, including but not limited to claims, County records, patient/client records and information, in accordance with all applicable Federal, State and local laws, regulations, ordinances, and directives relating to confidentiality. Contractor should ensure that names, addresses and all other information concerning

the circumstances of children referred to by County are kept confidential. Contractor shall not divulge such information to any unauthorized person.

11.2 Contractor shall maintain the confidentiality of all records and information, including, but not limited to, claims, County records, patient/client records and information, and MIS records, in accordance with WIC Sections 5328 through 5330, inclusive, and all other applicable County, State, and Federal laws, ordinances, rules, regulations, manuals, guidelines, and directives, relating to confidentiality. Contractor shall require all its officers, employees, and agents providing services hereunder to acknowledge, in writing, understanding of, and agreement to fully comply with, all such confidentiality provisions. Contractor shall indemnify and hold harmless County, its officers, employees, and agents, from and against any and all loss, damage, liability, and expense arising from any disclosure of such records and information by Contractor, its officers, employees, or agents.

12.0 RIGHT TO MONITOR AND AUDIT:

12.1 County, State, or Federal personnel shall have the right to monitor and audit all work performed under this Agreement. Authorized representatives of County shall have the right to inspect the facility and review records without prior notice to Contractor, on any day of the week between the hours of 8:00 a.m. and 10:00 p.m.

12.2 For a period of five (5) years from the termination of this Agreement, Contractor shall at any reasonable time, make all records retained by Contractor under this Agreement available to County, State of California, or Federal personnel for inspection and copying. County, State of California, or Federal personnel may publish data contained in any statistical records retained by Contractor or derived from records retained by Contractor.

13.0 CHANGES AND MODIFICATIONS: This Agreement contains all the terms and conditions agreed upon by the parties. No addition to, or alteration of, the terms of this Agreement, whether by written or verbal understanding of the parties, their officers, agents, or employees, shall be valid unless made in the form of a written amendment to this Agreement and formally approved and executed by the parties.

14.0 ASSIGNMENT AND DELEGATION: Contractor shall not delegate its duties or assign its rights under this Agreement, or both, either in whole or in part, without the prior written consent of County, and any prohibited delegation or assignment shall be null and void. Any payments by County to any delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall be subject to set off, recoupment, or other reduction for any claim which Contractor may have against County.

15.0 RIGHT OF TERMINATION:

15.1 Upon thirty (30) days written notice to the other party, either party may terminate this Agreement. However, County may **immediately** terminate this contract by written notification if County, in its sole discretion finds any or all of the following to exist:

15.1.1 Contractor fails to perform the covenants herein contained at the time and in the manner herein provided;

15.1.2 Contractor's mental health license is revoked or is allowed to lapse;

15.1.3 Contractor's facility is found to be in such condition as to constitute a danger to the health and safety of the children in such facility;

15.1.4 County has cause to believe that allegations of child abuse and/or endangerment against Contractor are true, or;

15.1.5 County, State, or Federal funding becomes unavailable.

16.0 GOVERNING LAW, JURISDICTION AND VENUE: This Agreement shall be governed by and construed in accordance with the laws of the **State of California.** Any reference to a specific statute, regulation, or any other document not prepared by County is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted and the parties' duties and obligations under this Agreement shall be consistent with any amendment to any applicable statute, regulation or other document not prepared by County which occurs after the effective date of this Agreement.

Contractor agrees and consents to the exclusive jurisdiction of the Courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

17.0 **COMPLIANCE WITH REGULATIONS:** This Agreement shall be performed in accordance with all pertinent regulations of the U.S. Department of Health and Human Services (HHS), the California Department of Mental Health (CDMH), and County's Department of Mental Health (DMH).

18.0 **COUNTY'S OBLIGATION FOR CURRENT AND FUTURE FISCAL YEARS:** Notwithstanding any other provision of this Agreement, this Agreement shall not be effective and binding upon the parties unless and until County's Board of Supervisors appropriates funds for purposes hereof in County's Budget for County's current Fiscal Year. Further, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future Fiscal Years unless and until County's Board of Supervisors appropriates funds for purposes hereof in County's Budget for each such future Fiscal Year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last Fiscal Year for which funds were appropriated.

19.0 **STAFFING:** Contractor shall operate throughout the term of this Agreement with staff, including, but not limited to, professional staff, that approximates the type and number as approved in writing by Director, including any addenda thereto as approved in writing by Director, and as required by WIC and CCR. Such staff shall be qualified and shall possess all appropriate licenses in accordance with WIC Section 5603 and all other applicable requirements of the California Business and Professions Code, WIC, CCR, CR/DC Manual, RO/TCM Manual, and SDMH Policy Letters.

19.1 If vacancies occur in any of Contractor's staff that would reduce Contractor's ability to perform any services under the Agreement, Contractor shall promptly notify Director of such vacancies.

19.2 During the term of this Agreement, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of all persons by name, title, professional degree, and experience, who are providing any services under this Agreement.

20.0 STAFF TRAINING AND SUPERVISION: Contractor shall institute and maintain an in-service training program of treatment review and case conferences in which all its professional, para-professional, intern, student and clinical volunteer personnel shall participate. Contractor shall institute and maintain appropriate supervision of all persons providing services under this Agreement with particular emphasis on the supervision of para-professionals, interns, students, and clinical volunteers, if applicable.

21.0 PROGRAM SUPERVISION, MONITORING AND REVIEW: All services hereunder shall be provided by Contractor under the general supervision of Director. Director shall have the right to monitor and specify the kind, quality, appropriateness, timeliness, amount of services, and the criteria for determining the persons to be served.

21.1 Upon receipt of a DMH Contract Monitoring Report, Contractor shall respond in writing to the particular DMH Contract Monitor within the time specified in the Report either acknowledging the reported deficiencies or presenting contrary evidence, and, in addition, submitting a plan for immediate correction of all deficiencies.

21.2 In the event of a State audit of this Agreement, if State auditors disagree with County's written instructions to Contractor in its performance of this Agreement, and if such disagreement results in a State disallowance of any of Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as determined by State.

21.3 Authorized County and/or State representatives shall have the right to review and monitor Contractor's facilities, programs, and procedures at any reasonable time.

22.0 PATIENTS'/CLIENTS' RIGHTS: Contractor shall comply with all applicable patients'/clients' rights provisions, including, but not limited to, WIC Section 5325 et seq., CCR Title 9, Section 850 et seq., and CCR Title 22. Further, Contractor shall comply with all patients'/clients' rights policies

provided by County. County Patients' Rights Advocates shall be given access by Contractor to all patients/clients, patients'/clients' records, and Contractor's personnel in order to monitor Contractor's compliance with all applicable statutes, regulations, manuals and policies.

23.0 REPORTING OF PATIENT/CLIENT ABUSE AND RELATED PERSONNEL REQUIREMENTS:

23.1 Minor Children Abuse: Contractor, and all persons employed or subcontracted by Contractor, shall comply with California Penal Code (hereafter "PC") Section 11164 et seq.and shall report all known or suspected instances of child abuse to an appropriate child protective agency, as mandated by California Penal Code 11164, 11165.8 and 11166. Contractor, and all persons employed or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required information, in accordance with PC Sections 11166 and 11167.

23.2 Contractor Staff:

23.2.1 Contractor shall assure that any person who enters into employment as a care custodian of minor children, or who enters into employment as a health or other practitioner, prior to commencing employment, and as a prerequisite to that employment, shall sign a statement on a form provided by Contractor in accordance with the above laws to the effect that such person has knowledge of, and will comply with, these code sections.

23.2.2 Although clerical and other non-treatment staff may not be required to report suspected cases of abuse, they should consult with mandated reporters upon suspecting any abuse.

23.2.3 For the safety and welfare of minor children, Contractor shall, to the maximum extent permitted by law, ascertain arrest and conviction records for all current and prospective employees and shall not employ or continue to employ any person convicted of any crime involving any harm to minor children.

23.2.4 Contractor shall not employ or continue to employ, or shall take other appropriate action to fully protect all persons receiving services under this Agreement concerning, any person whom Contractor knows, or reasonably suspects, has committed any acts which are inimical

to the health, morals, welfare, or safety of minor children, or which otherwise make it inappropriate for such person to be employed by Contractor.

24.0 NON-DISCRIMINATION IN SERVICES: Contractor shall not discriminate in the provision of services hereunder because of race, religion, national origin, ancestry, sex, age, marital status, or physical or mental handicap, in accordance with requirements of Federal and State law. For the purpose of this Paragraph 24.0, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service or benefit to any person which is different, or is provided in a different manner or at a different time, from that provided to others; subjecting any person to segregation or separate treatment in any matter related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirement or condition which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, religion, national origin, ancestry, sex, age, marital status, or physical or mental handicap.

24.1 Contractor shall establish and maintain written complaint procedures under which any person applying for or receiving any services under this Agreement may seek resolution from Contractor of a complaint with respect to any alleged discrimination in the rendering of services by Contractor's personnel. Such procedures shall also include a provision whereby any such person, who is dissatisfied with Contractor's resolution of the matter, shall be referred by Contractor to Director for the purpose of presenting his complaint of the alleged discrimination. Such complaint procedures shall also indicate that if such person is not satisfied with County's resolution or decision with respect to the complaint of alleged discrimination, such person may appeal the matter to the State, if appropriate.

24.2 Contractor shall have admission policies specifying non-discrimination in writing and available to the public. Contractor shall not employ discriminatory practices in the admission of any person, assignment of accommodations, or otherwise. Any time any person applies for services under this Agreement, such person shall be advised by Contractor of the complaint procedures described in the above paragraph. A copy of such complaint procedures shall be posted by Contractor in a conspicuous place, available and open to the public, in each of Contractor's facilities where services are provided under this Agreement.

25.0 FAIR LABOR STANDARDS: Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for services performed by Contractor's employees for which County may be found jointly or solely liable.

26.0 CONFLICT OF INTEREST:

26.1 No County employee whose position in County enables such employee to influence the award or administration of this Agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any direct or indirect financial interest in this Agreement. No officer or employee of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in County's approval, or ongoing evaluation, of such services, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

26.2 Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall

include, without limitation, identification of all persons implicated and complete description of all relevant circumstances.

27.0 INDEPENDENT STATUS OF CONTRACTOR:

27.1 This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

27.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

27.3 Contractor understands and agrees that all persons performing services pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all workers' compensation benefits to any person as a result of any injuries arising from or connected with any services performed by or on behalf of Contractor pursuant to this Agreement.

27.4 Contractor shall obtain and maintain on file an executed Contractor Employee Acknowledgment of Employer form (Exhibit C attached hereto and incorporated herein by reference) for each of its employees performing services under this Agreement. Such Acknowledgments shall be executed by each such employee on or immediately after the commencement date of this Agreement but in no event later than the date such employee first performs services under this Agreement.

28.0 COMPLIANCE WITH APPLICABLE LAW:

28.1 Contractor shall comply with all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, Americans with Disabilities Act (ADA) standards, and directives applicable to its performance hereunder. Further, all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

28.2 Contractor shall indemnify and hold harmless County from and against any and all liability, damages, costs or expenses, including, but not limited, defense costs and attorneys' fees, arising from or related to any violation on the part of Contractor, its officers, employees, or agents, of any such Federal, State or local laws, ordinances, rules, regulations, manuals, guidelines, ADA standards, or directives.

29.0 THIRD PARTY BENEFICIARIES: Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.

30.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES: Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates, as required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility (ies) and services under this Agreement. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation, and certificate as required by all applicable Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines and directives shall be provided, in duplicate, to DMH's Contracts Development and Administration Division.

31.0 TERMINATION FOR INSOLVENCY:

31.1 County may terminate this Agreement immediately in the event of the occurrence of any of the following:

31.1.1 Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code.

31.1.2 The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code.

31.1.3 The appointment of a Receiver or Trustee for Contractor.

31.1.4 The execution by Contractor of a general assignment for the benefit of creditors.

31.2 The rights and remedies of County provided in this Paragraph 32 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

32.0 TERMINATION FOR IMPROPER CONSIDERATION: County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitle to pursue the same remedies against Contractor as it could pursue in the event of default by the Contractor.

Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

33.0 **SEVERABILITY:** If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

34.0 **CAPTIONS AND PARAGRAPH HEADINGS:** Captions and paragraph headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

35.0 **ENTIRE AGREEMENT:** The body of this Agreement; Exhibit A - General Mental Health Services Exhibit, Exhibit B - Contractor Employee Acknowledgement of Employer form, and Exhibit C - Subcontractor Employee Acknowledgement of Employer form, attached hereto and incorporated herein by reference; shall constitute the complete and exclusive statement of understanding between the parties which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, or schedule, or the contents or description of any service or other work, or otherwise, between the body of this Agreement and the other referenced documents, or between such other documents, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Agreement and then to such other documents according to the following priority:

Exhibit A - General Mental Health Services Exhibit.

Exhibit B - Contractor Employee Acknowledgement of Employer.

Exhibit C - Subcontractor Employee Acknowledgement of Employer.

36.0 **WAIVER:** No waiver by County of any breach of any provision of this Agreement shall constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 36 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

37.0 EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully complies with all Federal statutes and regulations regarding employment of aliens and others and that all its employees performing services hereunder meet the citizenship or alien status requirements set forth in Federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for the period prescribed by law. Contractor shall indemnify, defend, and hold harmless County, its officers and employees from and against any employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of any Federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

38.0 AUTHORIZATION WARRANTY: Contractor represents and warrants that the person executing this Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of this Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority.

39.0 CERTIFICATION OF DRUG-FREE WORK PLACE: Contractor certifies and agrees that Contractor and its employees shall comply with DMH's policy of maintaining a drug-free work place. Contractor and its employees shall not manufacture, distribute, dispense, possess, or use any controlled substances as defined in 21 United States Code Section 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any of Contractor's facilities or work sites or County's facilities or work sites. If Contractor or any of its employees is convicted of or pleads nolo contendere to any criminal drug statute violation occurring at any such facility or work site, then Contractor, within five days thereafter, shall notify Director in writing.

40.0 COUNTY LOBBYISTS: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of

Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

41.0 RESTRICTIONS ON LOBBYING: If any Federal funds are to be used to pay for any of Contractor's services under this Agreement, Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public Law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds under this Agreement also fully complies with all such certification and disclosure requirements.

42.0 COUNTY'S QUALITY ASSURANCE PLAN: The County or its agent will evaluate Contractor's performance under this agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of the agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this agreement or impose other penalties as specified in this agreement.

43.0 MAINTENANCE STANDARDS FOR SERVICE DELIVERY SITES: Contractor shall assure that all locations where services are provided under this Agreement are operated at all times in accordance with all County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies) shall include a review of compliance with this Paragraph 47.

44.0 NOTICE TO EMPLOYEES REGRADING THE FEDERAL EARNED INCOME CREDIT: Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may

be eligible for the federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

45.0. CONTRACTOR RESPONSIBILITY AND DEBARMENT: The following requirements set forth in the County's Non-Responsibility and Debarment Ordinance (Title 2, Chapter 2.202 of the County Code) are effective for this Agreement, except to the extent applicable State and/or Federal laws are inconsistent with the terms of the Ordinance.

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other Agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County Agreements for a specified period of time not to exceed 3 years, and terminate any or all existing Agreements the Contractor may have with the County.

C. The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of an Agreement with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment

and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. These terms shall also apply to subcontractors of County Contractors.

46.0 CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing services under any health care program funded by the Federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within thirty (30) calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a Federally funded health care program; and (2) any exclusionary action taken by any agency of the Federal government against Contractor or one or more staff members barring it or the staff members from participation in a Federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

There are a variety of different reasons why an individual or entity may be excluded from participating in a Federally funded health care program. Sometimes, the exclusion is mandatory and in other cases the Office of Inspector General (OIG) has the discretion not to exclude.

The mandatory bases for exclusion include: (1) felony convictions for program related crimes, including fraud or false claims, or for offenses related to the dispensing or use of controlled substances, or (2) convictions related to patient abuse.

Permissive exclusions may be based on: (1) conviction of a misdemeanor related to fraud or financial misconduct involving a government program; (2) obstructing an investigation; (3) failing to provide access to documents or premises as required by federal health care program officials; (4) conviction of a misdemeanor related to controlled substances; (5) failing to disclose information about the entity itself, its subcontractors or its significant business transactions; (6) loss of a state license to practice a health care profession; (7) default on a student loan given in connection with education in a health profession; (8) charging excessive amounts to a Federally funded health care program or furnishing services of poor quality or which are substantially in excess of the needs of the patients; (9) paying a kickback or submitting a false or fraudulent claim. Persons controlling or managing excluded entities who knew of the conduct leading to the exclusion can themselves be excluded, and entities which are owned and controlled by excluded individuals can also be excluded.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any Federal exclusion of Contractor or its staff members from such participation in a Federally funded health care program. Contractor shall provide the certification set forth in Exhibit D as part of its obligation under this Paragraph 46.

Failure by Contractor to meet the requirements of this Paragraph 46 shall constitute a material breach of Agreement upon which County may immediately terminate or suspend this Agreement.

47.0 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT: The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ('HIPAA'). Contractor understands and agrees that it is a *'Covered Entity'* under HIPAA and, as such, has obligations with respect to the confidentiality, privacy and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper

procedures for the release of such information, and the use of appropriate consents and authorizations specified under HIPAA.

The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to *Transactions and Code Sets, Privacy, and Security*. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf.

Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

Contractor and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA Law and implementing regulations related to Transactions and Code Sets, Privacy, and Security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees, and agents), for its failure to comply with HIPAA."

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procedures for the release of such information, and the use of appropriate consents and authorizations specified under HIPAA.

The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to *Transactions and Code Sets, Privacy, and Security*. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf.

Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

Contractor and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA Law and implementing regulations related to Transactions and Code Sets, Privacy, and Security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees, and agents), for its failure to comply with HIPAA."

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48.0 NOTICES: All notices or demands required or permitted to be given under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first class, registered or certified mail, postage pre-paid, addressed to the parties at the following addresses and to the attention of the persons named. Director shall have the authority to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and persons to be notified may be changed by either party by giving ten days prior written notice thereof to the other party.

To Contractor: _____

_____

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_____

Attention: _____

To County: Department of Mental Health
Contracts Development and
Administration Division
550 South Vermont Ave., 5th Floor
Los Angeles, CA 90020

Attention: Chief of Contracts Development and
Administration Division

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By _____
Marvin J. Southard, D.S.W.
Director of Mental Health

_____
CONTRACTOR

By _____

Name _____

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
OFFICE OF COUNTY COUNSEL:

APPROVED AS TO CONTRACT
ADMINISTRATION:
DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

VA: OSCP_Boilerplate_ 04-05